

Minutes of the Regular Commission Meeting of Public Utility District No. 1 of Chelan County, Washington April 1, 2019

The regular meeting of the Commission, of Public Utility District No. 1 of Chelan County, Washington, was held in the office of the District, 327 N. Wenatchee Avenue, Wenatchee, Washington, on April 1, 2019, at the hour of 10:00 am, pursuant to proper notice thereof.

Commissioners present: Garry Arseneault, President
Steve McKenna
Dennis Bolz
Ann Congdon (by phone)

Staff present: Mike Coleman, Managing Director – Fiber and Telecom
Erik Wahlquist, General Counsel
Lisa Sanders, Acting Clerk of the Board
Various staff

Others in attendance: Dave Williams, President, Music Theater of Wenatchee (MTW)
John Mausser, MTW Sue Lawson, MTW Arlene Jones, MTW
Dorry Foster, MTW Cynthia Brown, MTW TJ Farrell, MTW

Call To Order

- President Arseneault called the meeting to order at 10:00am

Pledge of Allegiance and Safety Minute

- Lance Keller, Fisheries Biologist Senior, led the pledge and provided a safety minute on distracted driving

Agenda

- Resolution 9 was moved to the consent agenda; the agenda was approved as amended

Legislative Update

(see Chelan PUD website for presentation)

- Tracy Yount, Director of External Affairs, and Shaun Seaman, Government and External Affairs Program Manager, reviewed current legislative items

Quarterly Electrical Load Growth Update

(see Chelan PUD website for presentation)

- Chad Rissman, Director - District Asset Management, and Andrew Wendell, Director - Customer Service/Stakeholder Outreach, provided the quarterly electrical load growth update
 - The annual growth rate has not change from the December 2018 report
 - The Base case and High case are both lower primarily associated with anticipating less crypto/HDL over the ten-year forecast
 - The cryptocurrency moratorium lifted April 1 and staff is using a new application process

- Discussed the need to purchase two new mobile units for maintenance and contingency
 - The forecast currently has \$3.5M for one mobile unit
 - Will request approval for \$1.7M additional funds in the 2020 budget for a total of \$5.2M

Service Center Outreach Update

(see Chelan PUD website for presentation)

- Dan Frazier, Director - Shared Services Division, and David Lodge, Project Manager II, provided an update on the Service Center outreach.
 - Outreach in February and March consisted of presentations, community open house events, and employee open house events
 - We received 791 customer surveys and conducted 86 lobby interviews
 - Concerns from customers include:
 - Traffic Concerns
 - Impact to Riverside Playhouse
 - Increase Travel Time
 - Cost-Rate Impact
 - Impact to Downtown Businesses
 - Staff is responding to concerns and are still accepting feedback

Public Comment

- Riverside Playhouse members attended and shared their concerns about losing valuable parking spaces if the District moves and the property next to their building is purchased or used in a way that wouldn't allow them use of parking spaces. Dave Williams, Cynthia Brown and Sue Lawson spoke on behalf of the group.
- Mike Coleman read the following message into the record:

First, I want to apologize for not making all the meetings of the Service Center Advisory Committee. Since I will be out of town when this project comes back to the Commission this coming Monday, your suggested I communicate directly to you with my feedback.

I did have the opportunity to spend a good deal of time at the Service Center open house in Cashmere and had extensive conversations with Randy Smith, your staff and the lead architect.

I remain very supportive of the project and was particularly struck by the ratio of investment in the power-producing plants compared to this project. Considering the number of years the new Service Center will support the core PUD missions, one could argue this is a modest investment in a facility that will directly and positively impact the efficiency of the much more costly operating plants.

I was also very impressed with the ability of the basic design to be expanded many years into the future. The architect took me through step by step in how future growth can be accommodated. It is an excellent plan in my view.

I also appreciate the 'soft' and non-industrial look of the headquarters area on the West side. I believe this was discussed at the very first meeting with the Committee and the response by your design team and leadership is very impressive and will be a wonderful addition to the Olds Station area.

Thanks for the opportunity to participate, Tom Green

Manager Items

- Justin Erickson, Managing Director of District Services, gave a general Strategic Planning update.
 - Early themes include similar project evaluation criteria, recognition of planning work since the last planning effort and partnerships
 - Customer/owner survey results will be reviewed this week

- Rock Island and Early Action Topic Team – staff will review customer/owner survey process then meet again in June to view outreach results and finalize topic team summary report
- Growth and Economic Development and Wholesale Retail Sale Topic Team
 - Utilized an existing working group and added community members. Will meet this week and ask team members to take the same survey as the customer/owners
- Felicity Saberhagen, Business Manager, provided an update on the Public Power Benefit Topic Team
 - Discussed themes from earlier meetings
 - Access to the water
 - Enhancing multi-cultural aspects of our community
 - Considering partnerships
 - Environmental stewardship
 - Consolidating information and will finalize report
- Kelly Boyd, Chief Financial/Risk Officer, provided an update on the Long Term Rate Planning topic team
 - Focused on electric long term rate planning, changing customer base, industry trends
 - Low income customer impact discussions, low usage doesn't translate to low income
- Susan Gillin, Energy Efficiency Marketing Strategist, and Suzanne Hartman, Communication Consultant, reported on the Puget Sound Chapter of the Public Relations Society of America Awards
 - Two Awards for Susan related to the Conservation Campaign - Save your energy – Smart Thermostat, and Save Your Energy II – Lighting Advice
 - Three Awards for Suzanne related to the Cryptocurrency Campaign, video and social media, Western Energy Institute magazine article, and the campaign as a whole
- Teka Sellers, Customer Outreach Specialist II, provided an update on property signage
 - New signs are more modern and generic for easier use at multiple locations
- Justin Erickson, Managing Director of District Services, gave an update on the Sage Hills Trail
 - Opening delayed due to conditions; expected to open by April 5 for recreational access
- Jennifer Pickel, Business Advisor, and Michelle Dennis, Administrative Assistant - Fiber, shared the PUD Fiber ad campaign that will run from April 1 through August
 - Life at the Speed of Fiber will be promoted by print ads, digital ads, billboards, radio ads and video (see Chelan PUD website for presentation)

Recessed at 11:55am and Reconvened at 1:00pm

Consent Agenda

(see Chelan PUD website for resolutions)

President Arseneault presented the consent agenda which included the following items:

- Minutes of the March 18, 2019 Regular Meeting
- Vouchers: Accounts Payable Summary Report dated March 27, 2019:
 - Vouchers totaling \$15,382,147.77;
 - Approval of Warrant Nos. 25454 through 25489 totaling \$9,864.97 for claim payments from the workers' compensation self-insurance fund for the period ending March 25, 2019;
 - Approval of the net Payroll, Warrant Nos. 236435 through 236452 and Advice Nos. 670414 through 671195 for the pay period ending 03/17/2019 in the amount of \$1,981,960.33;
 - Charge-Offs to Uncollectible Accounts over \$1,000.00 for March 2019 - \$18,128.68.
- Resolution 9. A RESOLUTION REJECTING THE BID OF GENERAL PACIFIC, INC. OF FAIRVIEW, OREGON AND ACCEPTING THE BID OF CARLSON SALES METERING SOLUTIONS, LLC OF BATTLE GROUND, WA (BID 19-21) FOR THE SUPPLY OF ROCK ISLAND POWERHOUSE 2 VOLTAGE TRANSFORMERS

MOTION

Moved by: Commissioner McKenna
Seconded by: Commissioner Bolz
To accept the consent agenda as revised to include Resolution 9
Approved: Unanimously

Resolution 8

(see Chelan PUD website for resolution)

- Andrew Grassell, Energy Development/Conservation Manager, presented Resolution 8
- Add \$100,000 to contract for a not to exceed amount of \$595,000 to continue supporting commercial energy efficiency services for District customers.
- Resolution 8. A RESOLUTION AUTHORIZING AMENDMENT NO. 5 TO SERVICES AGREEMENT (SA-TA NO. 16-010) WITH CLEARRESULT CONSULTING, INC. TO PROVIDE COMMERCIAL ENERGY EFFICIENCY SERVICES

MOTION

Moved by: Commissioner Bolz
Seconded by: Commissioner McKenna
To approve Resolution 8 as presented
Approved: Unanimously

Commission Items

- None

Commission Travel

- Lisa Sanders, Finance Administrative Assistant, reviewed upcoming Commissioner travel

Follow up on Action Item from 3/18/19 Meeting

- Mike Coleman will share Public Power Benefit topic team presentation information – provided by email 3/25/19


Follow up on Action Item from Previous Meeting

- Justin Erickson will provide additional information on Early Action Credit – provided by email 3/22/19
 - What constitutes a nexus with the Rock Island project
 - What a past list of projects included

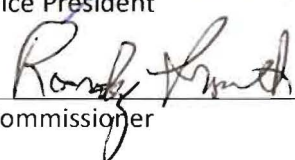
Delegation of Action Items

- No action items

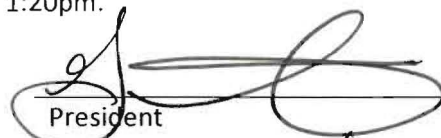
There being no other business, the meeting adjourned at 1:20pm.



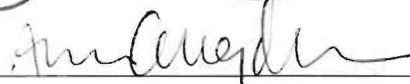
Vice President




Commissioner



President



Secretary



Commissioner