

# Minutes of the Regular Commission Meeting of Public Utility District No. 1 of Chelan County, Washington April 4, 2022

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 4, 2022, at the hour of 10:00 am, pursuant to proper notice thereof.

## **Commissioners present:**

Ann Congdon, Vice President (by phone)  
Garry Arseneault (by phone)  
Dennis Bolz (by phone)  
Randy Smith (by phone)

## **Staff present:**

Shawn Smith, Acting General Manager  
Erik Wahlquist, General Counsel  
Rebekah Neumann, Clerk of the Board  
Various staff

## **Call to Order**

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

## **Pledge of Allegiance and Safety/HPI Minute**

- Cathy Melton, Customer Service Program Analyst, led the pledge and provided information on safely burning yard waste and alternatives to burning

## **Agenda**

- The agenda was approved as presented

## **North Shore Substation Update**

(see Chelan PUD website for presentation)

- Jenna Rahm, Customer Outreach Specialist I, and Gary Rice, Project Manager Principal, updated Commissioners on outreach to date and next steps on the Northshore substation
- Reviewed the February 16 public meeting, final design concept, next steps for conditional use permit and the overall project, and upcoming summer activity

## **Confluence Parkway Due Diligence**

(see Chelan PUD website for presentation)

- Michelle Smith, Director Hydro Licensing and Compliance, summarized the March 30 open houses
  - Most common feedback was related to noise, pedestrian bridge, change in aesthetic, changes to Horan natural area, traffic congestion and what alternatives were considered
  - The City's video showing the new trail alignment is available on the PUD website
- Decisions are related to ultimate property transfer and approving mitigations for affected areas of the Horan natural area and Confluence state park
- Reviews by other agencies and the Tribes are expected to continue through the end of the year
- The online survey ends today; results will be shared at the April 18 Commission meeting

## **Consent Agenda**

(see Chelan PUD website for resolutions)

Vice President Congdon presented the consent agenda, which included the following items:

- Minutes of the March 21, 2022 Regular Meeting
- Vouchers: Accounts Payable Summary Report dated March 30, 2022:
  - Vouchers totaling \$12,132,411.91;
  - Approval of Customer Deposit Returns and Conservation Incentive payments for the period March 16, 2022 through March 29, 2022 in the amount of \$31,649.13.
  - Approval of the net Payroll, Warrant Nos. 237785 through 237798 and Advice Nos. 731592 through 732374 for the pay period ending March 13, 2022 in the amount of \$ 2,163,204.99.
  - Approval of Warrant Nos. 28424 through 28450 totaling \$4,939.04 for claim payments from the workers' compensation self-insurance fund for the period ending March 28, 2022.
  - Approval of Parks Reservation System customer refunds for the period March 16, 2022 through March 29, 2022 in the amount of \$735.00.

**MOTION**

Moved by: Commissioner Smith

Seconded by: Commissioner Bolz

To approve the consent agenda as presented

Approved: Unanimously

**Resolution 8**

(see Chelan PUD website for resolutions)

- Sarah Hale, Senior Treasury Analyst, presented Resolution 8
- Resolution 8. A RESOLUTION REPLACING AND RESCINDING RESOLUTION NO. 16-14094, 20-14463 AND 21-14538 TO UPDATE THE DISTRICT'S INVESTMENT AND BANKING POLICY

**Resolution 9**

(see Chelan PUD website for resolutions)

- Lindsey Mohns, Business Services and Customer Utilities Manager, presented Resolution 9
- Resolution 9. A RESOLUTION DEFERRING TO JUNE 1, 2022 THE ANNUAL ENERGY CHARGE RATE ADJUSTMENT AS INCLUDED IN THE DISTRICT'S ELECTRIC RATE SCHEDULE 36 CRYPTOCURRENCY PROCESSING; BLOCKCHAIN PROCESSING; AND SIMILAR LOADS AS ADOPTED VIA RESOLUTION NO. 18-14287

**Resolution 10**

(see Chelan PUD website for resolutions)

- Devin Myers, Senior Project Manager, presented Resolution 10
- Resolution 10. A RESOLUTION AUTHORIZING THE ISSUANCE OF A GUARANTEED MAXIMUM PRICE (GMP) AMENDMENT NO. 3 TO NORTHBANK CIVIL AND MARINE, INC. OF VANCOUVER, WA UNDER CONTRACT NO. 20-14 TO PROVIDE THE PROCUREMENT OF THE RAW MATERIAL FOR UNITS U3 THROUGH U8 LONG LEAD COMPONENTS FOR THE ROCK ISLAND POWERHOUSE NO. 2 DRAFT TUBE GATE CYLINDER AND HYDRAULIC POWER UNIT UPGRADE

**Resolution 11**

(see Chelan PUD website for resolutions)

- Steve Wickel, Transmission Engineering Manager, presented Resolution 11
- Resolution 11. A RESOLUTION REJECTING ALL BIDS AND DECLARING THAT NO BIDS WERE RECEIVED FOR THE SUPPLY OF ROCKY REACH SWITCHYARD STATION POST INSULATOR (BID NO. 22-12198) AND AUTHORIZING THE SUPPLY OF ROCKY REACH SWITCHYARD STATION POST INSULATOR BE OBTAINED BY NEGOTIATION

**MOTION**

Moved by: Commissioner Arseneault  
Seconded by: Commissioner Bolz  
To accept Resolutions 8, 9, 10, and 11 as presented  
Approved: Unanimously

**Capital Budget Revision**

- Brett Bickford, Managing Director Generation and Transmission, reviewed a capital budget request for Rock Island Powerhouse 1 B7 Modernization
- The 2022 budget was finalized in December with the assumption that liquidated damages and claims of approximately \$1.1 million would be recovered from Andritz for late delivery of materials and equipment and credited back to the project budget
- Several outstanding claims by both the District and Andritz on units B5, B7, B9, and B10 were settled by Field Work Order in January including the liquidated damages, which did not result in an exchange of funds

**MOTION**

Moved by: Commissioner Smith  
Seconded by: Commissioner Bolz  
To increase the total project budget for capital project RI 160016, Rock Island Powerhouse 1 B7 Modernization, in the amount of \$1,348,782. The current total project budget is \$33,651,218. The revised total project budget would be \$35,000,000.  
Approved: Unanimously

**Commissioner Travel**

- Rebekah Neumann, Executive Assistant/Clerk of the Board, reviewed upcoming Commissioner travel

**Follow up on Delegation of Action Items from 3/21/22 Board meeting**

- Rebekah Neumann will schedule Rocky Reach facilities tours for interested Commissioners

**Delegation of Action Items**

- Gary Rice will provide additional information on security cameras for Northshore substation
- Michelle Smith will update Confluence Parkway questions to include the source of the answers

**Executive Session**

Vice President Congdon convened an executive session at approximately 11:20am to discuss with legal counsel agency enforcement actions, litigation, potential litigation to which the District or its board is, or is likely to become, a party, and/or legal risks, as authorized by RCW 42.30.110(1)(i) for approximately 40 minutes.

**Regular Session Reconvened at 11:45am**

Vice President Congdon stated no votes were taken and no decisions were made during Executive Session

There being no other business, the meeting adjourned at 11:45am

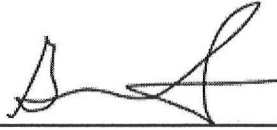
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President

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Vice President

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Secretary

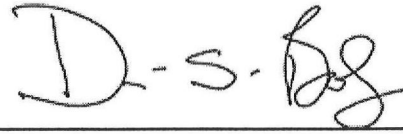
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Commissioner

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Commissioner



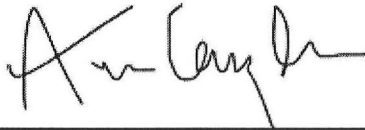
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Garry Arseneault - Board Member  
Approved on 4/20/2022 9:12AM PDT



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Dennis Bolz - Board Member  
Approved on 4/21/2022 11:01AM PDT



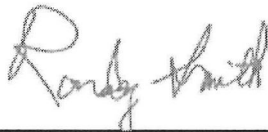
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Ann Congdon - Board Member  
Approved on 4/22/2022 3:24PM PDT



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Steve McKenna - Board Member  
Approved on 4/25/2022 7:11AM PDT



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Randy Smith - Board Member  
Approved on 4/20/2022 6:47AM PDT