

Minutes of the Regular Commission Meeting of Public Utility District No. 1 of Chelan County, Washington April 7, 2025

The regular meeting of the Commission, of Public Utility District No. 1 of Chelan County, Washington, was held in the office of the District, 203 Olds Station Road, Wenatchee, Washington, on April 7, 2025, at the hour of 10:00 am, pursuant to proper notice.

Commissioners present: Steve McKenna, President
Garry Arseneault
Randy Smith
Carnan Bergren
Kelly Allen

Staff present: Kirk Hudson, General Manager
Erik Wahlquist, General Counsel
Rebekah Neumann, Clerk of the Board
Various staff

Others present: Steve Keene, Matthew Camero-Macias

Call to Order

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

Pledge of Allegiance and Safety/H&OP Minute

- Eddy Kavanaugh, Technician, led the pledge and provided information on the importance of careful review to prevent errors

Agenda

- Resolutions 13, 15, 16 and 17 were moved to the consent agenda; the agenda was approved as revised

Manson Area Substation Capacity Improvements Communication and Outreach Plan

- Edrie Risdon, Customer Outreach Specialist II, and Abra O’Leary, Project Manager, provided an overview of proposed substation capacity improvements in the Manson area
- Reviewed communication plan and near-term and long-term capacity improvements

Strategic Goals Update – Bridge Year 2025

- Senior leaders gave an overview of proposed 2025 objectives and metrics
- Reviewed actions and objectives supporting the strategic goals of:
 - Investing in assets and people
 - Sustain financial resilience, while mitigating risk of large rate increases
 - Enhance quality of life through Public Power Benefits
 - Engage in county-wide growth planning
- It was noted that the improvements to Riverfront Park have been positively received
- Discussed actions and objectives supporting enterprise alignment related to strategic visioning

Public Hearing: Hydrant Valve Rates & Charges

- Hearing started @ 11:10am
- Ron Slabaugh, Water/Wastewater Manager, reviewed information provided at the March 17th Board meeting
- No public comments have been received on this proposed change; no comments were received today
- Hearing ended @ 11:15am

Interruption of Service Regulation Amendment

- Ryan Smolinsky, Staff Attorney, presented a proposed amendment to Utility Service Regulation section 19 which governs the interruption of service
- Reviewed benefits of the proposed changes and examples of potential service interruptions
- Will provide more clarity to customers on the types of events that may disrupt service

District-Owned Charger Rate Proposal

- Felicity Saberhagen, Business Manager, provided two rate options for Commissioner consideration
- Rate options are for a rate based on the commercial rate schedule or a full-cost rate

MOTION

Moved by: Commissioner Arseneault

Seconded by: Commissioner Bergren

To approve Electric Rate Schedule 16 that establishes a new rate of \$0.06 applicable for Chelan PUD-owned, publicly available EV Charging Stations to be effective April 8, 2025

Approved: Unanimously

Public Comment

- Steve Keene, asked Commissioners about why the Peshastin Water District users received an extended rate adder, when the additional dollar amount is minimal

Consent Agenda

President McKenna presented the consent agenda, which included the following items:

- Minutes of the March 17, 2025 Regular Meeting
- Vouchers: Accounts Payable Summary Report dated April 1, 2025:
 - Vouchers totaling \$53,127,046.51;
 - Approval of Customer Deposit Returns and Conservation Incentive payments for the period March 11, 2025 through March 31, 2025 in the amount of \$51,140.34.
 - Approval of the net Payroll, Warrant Nos. 238724 through 238730 and Advice Nos. 795882 through 796739 for the pay period ending March 09, 2025 in the amount of \$2,821,963.25.
 - Approval of the net Payroll, Warrant Nos. 238731 through 238739 and Advice Nos. 796740 through 797599 for the pay period ending March 23, 2025 in the amount of \$2,828,293.31.
 - Approval of Warrant Nos. 32919 through 32992 totaling \$34,430.60 for claim payments from the workers' compensation self-insurance fund for the period ending March 31, 2025.
 - Approval of Parks Reservation System customer refunds for the period March 11, 2025 through March 27, 2025 in the amount of \$2,485.00.
- Resolution 11. A RESOLUTION RATIFYING CHANGE ORDER NOS. 1 THROUGH 5, AUTHORIZING FINAL ACCEPTANCE OF WORK PERFORMED UNDER BID NO. 22-12126 WITH KNIGHT CONSTRUCTION & SUPPLY, INC. OF DEER PARK, WASHINGTON AND AUTHORIZING RELEASE OF THE BOND IN LIEU OF RETAINAGE
- Resolution 13. A RESOLUTION AUTHORIZING AMENDMENT NO. 7 TO SERVICES AGREEMENT (SA NO. 19-086) WITH MEAD & HUNT, INC. OF MIDDLETON, WI TO PROVIDE PROFESSIONAL ENGINEERING SERVICES RELATED TO LAKE CHELAN DAM POWER TUNNEL ISOLATION SYSTEM

- Resolution 15. A RESOLUTION AUTHORIZING AMENDMENT NO. 7 TO SERVICE AGREEMENT NO. 21-11406 WITH BURNS & MCDONNELL ENGINEERING COMPANY, INC. OF KANSAS CITY, MISSOURI TO PROVIDE FIBER EXPANSION ENGINEERING SERVICES
- Resolution 16. A RESOLUTION APPROVING BID ADVERTISEMENT, AWARD AND CONTRACT EXECUTION FOR ROCK ISLAND POWERHOUSE 1 UNIT B-8 DRAFT TUBE MODIFICATIONS (BID NO. 24-13700)
- Resolution 17. A RESOLUTION APPROVING BID ADVERTISEMENT, AWARD AND CONTRACT SIGNATURE FOR THE UNIT PRICE TELECOMMUNICATIONS FIBER OPTIC DOCK CREW (BID NO. 25-14216)

MOTION

Moved by: Commissioner Smith

Seconded by: Commissioner Arseneault

To approve the consent agenda as revised to include Resolutions 13, 15, 16, and 17

Approved: Unanimously

Resolution 12

- David Lodge, Project Management Manager, presented Resolution 12
- Resolution 12. A RESOLUTION RATIFYING FIELD WORK ORDER/CHANGE ORDER NOS. 41-44 FOR THE SERVICE CENTER PROJECT WITH ABSHER CONSTRUCTION COMPANY OF PUYALLUP, WA FOR CONSTRUCTION OF THE SERVICE CENTER PROJECT PURSUANT TO GENERAL CONTRACTOR/CONSTRUCTION MANAGER (GC/CM) CONTRACT NO. 18-91

Resolution 14

- Toby Tarzwell, Senior Project Manager (Fiber), presented Resolution 14
- Resolution 14. A RESOLUTION RATIFYING CHANGE ORDER NOS. 7 THROUGH 10, AND APPROVING CHANGE ORDER NO. 11 TO CONTRACT NO. 21-17A WITH BATCHELOR EXCAVATION LLC FOR UNIT PRICE TRENCHING (NORTH)

MOTION

Moved by: Commissioner Smith

Seconded by: Commissioner Allen

To approve Resolutions 12 and 14 as presented

Approved: Unanimously

Manager Items

- Alene Underwood, Director Natural Resources, provided an update on Dryden Canal repairs
 - A team worked quickly on emergency repairs; the Dryden canal was successfully repaired
 - Two culverts were slip-lined; the collapsed pipe is being filled in
- John Stoll, Managing Director Customer Utilities, provided an update on Stehekin outreach
 - Visited Stehekin on Friday; talked with residents and heard concerns
 - Shared Advanced Metering Infrastructure (AMI) fact sheets and the importance of that system
 - Have done some preliminary surveys of the Stehekin area for the AMI system; goal is to have the system in place by summer

Commissioner Travel

- Rebekah Neumann, Executive Team & Board Administrator, reviewed upcoming event and travel details with the Commissioners

Commission Items

- Meeting Change

MOTION

Moved by: Commissioner Smith

Seconded by: Commissioner Allen

To change the date of the May 19, 2025 Regular Meeting to Friday, May 16, 2025 to be held at 10:00am at the PUD Service Center, 203 Olds Station Road, Wenatchee

Approved: Unanimously

Follow up on Delegation of Action Items from 3/17/25 Board meeting

- John Stoll will determine when the Bavarian Substation was identified as a project – sent via email 3/28/25

Follow up on Delegation of Action Items from Previous meetings

- John Stoll will provide information on outstanding items related to North Shore Substation (lights/fencing) – sent via email 3/28/25

Delegation of Action Items

- None

Recess @ 12:00pm; Reconvene @ 1:00pm

Executive Session

President McKenna convened an executive session at approximately 1:00pm 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) and to plan the strategy or position to be taken during the course of collective bargaining, as authorized by RCW 42.30.140(4)(b) for approximately 45 minutes.

Regular Session Reconvened at 1:51pm

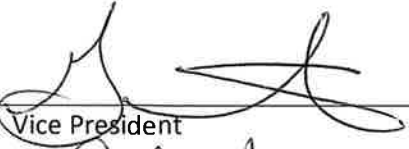

President McKenna confirmed no votes were taken and no decisions were made during Executive Session

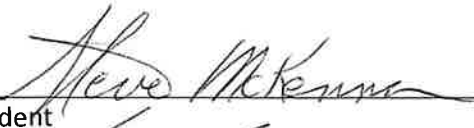


Recess @ 1:51pm; Reconvene @ 2:00pm

Board Workshop

- Commissioners discussed strategic directive policy framework

There being no other business, the meeting was adjourned at 2:48pm


Vice President

Commissioner


President

Secretary

Commissioner