

# Minutes of the Regular Commission Meeting of Public Utility District No. 1 of Chelan County, Washington June 14, 2021

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 June 14, 2021, at the hour of 10:00 am, pursuant to proper notice thereof.

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

**Staff present:** Steve Wright, General Manager  
Erik Wahlquist, General Counsel  
Rebekah Garfein, Clerk of the Board  
Various staff

## **Call to Order**

- President Smith called the meeting to order at 10:04am

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

- Tiffany Davis, HR Analyst, led the pledge and provided information on river safety

## **Agenda**

- Resolution 12 was moved to the consent agenda; the agenda was approved as revised

## **Cycle of Personal Ownership (CPO) Winner Recognition**

(see Chelan PUD website for presentation)

- Steve Wright, General Manager, recognized May CPO winners Brett Bickford, Director of Engineering and Project Management, Josh Mandoli, EPM Electrical Engineer I, Loretta Coonfield, Senior Accounting Analyst, John Sagerser, Engineering and Project Management Manager, John Yale, Hydro Plant Engineering Manager, Mark Mullins, Director of Enterprise Planning and Risk Analytics, Peter Vanney, Senior Data Analyst, and Kurt Carlson, Senior Quantitative Analyst

## **Quarterly Fisheries Update**

(see Chelan PUD website for presentation)

- Alene Underwood, Fish and Wildlife Manager, Lance Keller, Senior Fisheries Biologist, and Catherine Willard, Senior Fisheries Biologist, reviewed the quarterly fisheries update
- All fieldwork related to the 2021 Rock Island survival study has been completed; reviewed next steps
- Reviewed projects funded in 2020 related to Habitat Conservation Plan (HCP) implementation
  - The HCP requires us to provide funding and capacity to meet production levels
- Discussed effects of ocean conditions on salmon and steelhead survival

### **2021-2022 Insurance Program Update**

(see Chelan PUD website for presentation)

- Ron Gibbs, Insurance and Claims Manager, gave an insurance renewal update
- Reviewed insurance program considerations; District wildfire mitigation efforts are having a positive impact on our insurance renewals
- Reviewed premium summary; anticipated increase of \$1M, 32% over last year
- Expect insurance markets to remain challenging going forward

#### **MOTION**

Moved by: Commissioner McKenna

Seconded by: Commissioner Bolz

To authorize the District to provide expenditures not to exceed \$4,275,000 plus surplus lines taxes and fees, for the purchase of District insurance for July 1, 2021-2022 policies upon terms and conditions approved by the General Manager

Approved: Unanimously

### **Fire Safety Outage Management Update**

(see Chelan PUD website for presentation)

- Rachel Hansen, Senior Communications Strategist, Jenna Rahm, Customer Outreach Specialist I, Teka Sellers, Customer Outreach Specialist II, and Chad Bowman, Director of Transmission and Compliance, updated commissioners on fire safety outage management
- Reviewed committee progress
- About 40% of customers in this area are served by water systems; those with wells would be out of water while the power is out if they don't have a backup generator
- Reviewed threshold guidelines and outreach efforts to date
- While this year's focus is in the Plain and Lake Wenatchee area, the District could deploy this action in other areas of the county, if needed based on conditions

### **Rock Island Powerhouse 2 Project Update**

(see Chelan PUD website for presentation)

- John Sagerser, Engineering and Project Management Manager, gave an update on the Powerhouse 2 project
- Reviewed project timeline and concepts for the first unit guaranteed maximum price (GMP) amendment
- Reviewed economic analysis and next steps

### **Recess at 12:08pm, Reconvene at 1:00pm**

### **Consent Agenda**

(see Chelan PUD website for resolutions)

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

- Minutes of the June 1, 2021 Regular Meeting
- Vouchers: Accounts Payable Summary Report dated June 9, 2021:
  - Vouchers totaling \$12,878,716.76;
  - Approval of Customer Deposit Returns and Conservation Incentive payments for the period May 26, 2021 through June 8, 2021 in the amount of \$20,796.14.
  - Approval of the net Payroll, Warrant Nos. 237496 through 237507 and Advice Nos. 715060 through 715860 for the pay period ending May 23, 2021 in the amount of \$2,201,835.66.
  - Approval of Warrant Nos. 27585 through 27630 totaling \$56,490.03 for claim payments from the workers' compensation self-insurance fund for the period ending June 7, 2021.
  - Approval of Parks Reservation System customer refunds for the period May 20, 2021 through June 3, 2021 in the amount of \$1,736.01.

- Resolution 10. A RESOLUTION RATIFYING FIELD WORK ORDER NO. 1 AND AUTHORIZING FINAL ACCEPTANCE OF WORK PERFORMED UNDER CONTRACT NO. 19-63 WITH CROWN TECHNICAL SYSTEMS OF CALIFORNIA
- Resolution 12. A RESOLUTION AUTHORIZING AN AMENDMENT TO SERVICES AGREEMENT (SA-TA NO. 16-104) WITH BQS - BRAZIL QUALITY SERVICES LTDA TO PROVIDE INSPECTION SERVICES

Moved by: Commissioner Bolz

Seconded by: Commissioner Arseneault

To accept the consent agenda as revised to include Resolution 12

Approved: Unanimously

### **Resolution 11**

(see Chelan PUD website for resolutions)

- Nicole Villacres, IT contractor, and Ben Field, Senior ERP Systems Analyst, presented Resolution 11
- Request approval for 3 years of contract support, which is paid annually
- Resolution 11. A RESOLUTION DECLARING TOTAL RESOURCE MANAGEMENT, INC. OF ALEXANDRIA, VA AS THE SOLE SOURCE SUPPLIER OF TOTAL RESOURCE MANAGEMENT MAXIMO PRIME SUBSCRIPTION FOR AN INTEGRATED SOLUTION OF RULESMANAGER SE, AND ANNUAL SUPPORT AND MAINTENANCE OF THE MAXIMO SOFTWARE SUITE

#### **MOTION**

Moved by: Commissioner Arseneault

Seconded by: Commissioner Congdon

To approve Resolution 11 as presented

Approved: Unanimously

### **Manager Items**

(see Chelan PUD website for presentations)

- Lindsey Mohns, Customer Utilities Manager, reviewed the COVID19 Customer Impact report
  - Noted future efforts regarding the Governor's proclamation 20.23, which paused disconnections and late fees
- Ron Slabaugh, Water/Wastewater Manager, provided updates on the Regional Water meeting, state capital budget, and Peshastin Water District
  - Regional Water Meeting and state capital budget
    - Have not been successful in finding a ground water well to serve as a second water source
    - An alternative would be a surface water treatment plant
    - The state capital budget included funding for a surface water treatment plan feasibility study; will use a consultant to conduct that work in the next 18-24 months
  - Peshastin Water District (PWD)
    - One of the primary barriers to the District's acquisition of PWD was the cost of needed improvements
    - PWD applied for and received \$1.1M to fund a large part of their capital improvement program
    - They have also applied for dollars through Chelan County and the District applied on their behalf for federal dollars to complete the capital plan
    - The largest barrier to acquisition has been removed
- Janel Ulrich, Hydro Licensing Manager, gave an update on Rock Island relicensing outreach
  - One on one outreach meetings with various stakeholders have been completed
  - Preparing to begin federal outreach along with public outreach events
  - Future efforts include an online survey for anyone interested to engage in the process and provide feedback

### **Commission Items**

- Commissioner Arseneault noted a recent visit to Grand Coulee Dam and encouraged others to visit

**Follow up on Delegation of Action Items from 6/1/21 Board meeting**

- None

**Follow up on Delegated Action Items from Previous Meetings**

- Catherine Willard will provide information on items that impact fish return and survival – reported today

**Delegation of Action Items**

- Catherine Willard will bring back follow up information to UW, NOAA, and David Welch ocean condition studies regarding salmon and steelhead survival
- Ian Fitzgerald will bring back information on the Total Resource Management contract for Maximo Prime subscription services, if and when we move forward with cloud-based service

**Executive Session**

President Smith convened an executive session at approximately 1:45pm 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 evaluate the qualifications of an applicant for public employment or to review the performance of a public employee, as authorized by RCW 42.30.110(1)(g) for approximately 90 minutes.

Executive session extended at 3:15pm for 30 minutes

**Regular Session Reconvened at 3:45pm**

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

There being no other business, the meeting adjourned at 3:45pm.

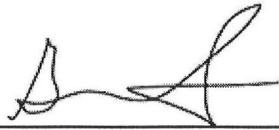
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President

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Vice President

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Secretary

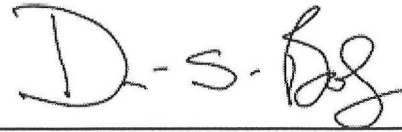
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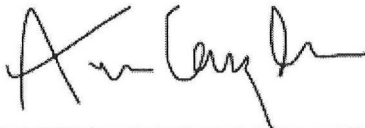
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Garry Arseneault - Board Member  
Approved on 7/13/2021 10:51AM PDT



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Dennis Bolz - Board Member  
Approved on 7/8/2021 1:29PM PDT



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Ann Congdon - Board Member  
Approved on 7/19/2021 8:18PM PDT



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Steve McKenna - Board Member  
Approved on 7/15/2021 7:03AM PDT