

Minutes of the Regular Commission Meeting of Public Utility District No. 1 of Chelan County, Washington July 6, 2020

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 July 6, 2020, at the hour of 10:00 am, pursuant to proper notice thereof.

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

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

Others present: Various members of the public joined by phone

Call To Order

- President Arseneault called the meeting to order at 10:04am and led the pledge of allegiance

Agenda

- Resolutions 10, 11, and 12 were moved to the consent agenda; the agenda was approved as revised

Stakeholder Survey Results

(see Chelan PUD website for presentation)

- Joel Rasmussen, Bourke Business Intelligence, reviewed results of the 2020 Stakeholder Survey
- Interviewed 59 individuals in 56 organizations; 73% indicated they were extremely satisfied
- Reviewed metric results compared to 2018 and 2016 surveys; most metrics showed performance improvement and good alignment with importance to stakeholders
- Steve Wright, General Manager, noted these outstanding results reflect work across the entire organization

Quarterly Electric Load Growth Update

(see Chelan PUD website for presentation)

- Andy Wendell, Director of Customer Service and Stakeholder Outreach, Chad Rissman, Director of Distribution Asset Management, and Lindsey Mohns, Customer Utilities Business Manager, reviewed the updated load growth forecast
- There is no change to the base case over the 10-year load forecast
- Chad reviewed Wenatchee foothills residential development planning and substation status
- Lindsey gave an overview of planning for capital infrastructure cost recovery

Powerhouse 2 Design Build Agreement

(see Chelan PUD website for presentation)

- John Sagerser, Engineering and Project Management Manager, gave an overview of the design build agreement in preparation for a resolution adopting the agreement at the next meeting
- The resolution will include approval for the design build agreement, exhibit A for preconstruction services, and exhibit S for technical specifications

Stehekin Battery Project

(see Chelan PUD website for presentation)

- Andrew Grassell, Energy Development and Conservation Manager, gave an update on power in Stehekin
- Andrew updated Commissioners on outreach efforts with the National Parks Service and an online community open house

Public Comment

- David Allender of Manson voiced concerns over the type of meter installed at his location

Manager Items

- Erik Wahlquist, General Counsel, provided a status update on the District's \$25k contribution to COVID efforts in Chelan County
 - A warrant in the amount of \$25k will be sent this week to Chelan County with a letter requesting that they spend the funds in accordance with the Board's motion
- Andrew Grassell, Energy Development and Conservation Manager, provided an update on the District's solar program and Link Transit
 - Reviewed the current solar program, new program goals, updated program concepts and next steps
 - Link Transit was awarded a grant for additional charging infrastructure at Columbia Station along with battery storage; an analysis completed by Jim White, Senior Energy Conservation Engineer, concluded that battery storage would not be financially feasible
 - Link has proposed a reallocation of those dollars to retrofit additional busses
- Dan Frazier, Director of Shared Services, reported that the District has been recognized by 100 Best Fleets, ranking 24th
 - Fleet received high marks for making sure vehicles are ready and insuring that any issues are fully addressed before the vehicle is returned to service
- Neil Neroutsos, Communications Manager, reported on the District's receipt of the Best of Show Award from the Public Relations Society of America for the Chelan PUD Strategic Plan

Recessed at 11:53am and Reconvened at 1:00pm

Public Hearing: 2020 Integrated Resource Plan

(see Chelan PUD website for resolution)

- Public hearing began at 1:01pm
- Becky Keating, Senior Analyst, noted that no comments had been received since the last presentation of the 2020 Integrated Resource Plan
- Resolution 7. A RESOLUTION APPROVING THE DISTRICT'S 2020 INTEGRATED RESOURCE PLAN
- Public hearing concluded at 1:03pm

MOTION

Moved by: Commissioner Bolz

Seconded by: Commissioner Smith

To approve Resolution 7 as presented

Approved: Unanimously

Consent Agenda

(see Chelan PUD website for resolutions)

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

- Minutes of the June 15, 2020 Regular Meeting
- Vouchers: Accounts Payable Summary Report dated July 1, 2020:
 - Vouchers totaling \$28,690,015.76;
 - Approval of Customer Deposit Returns and Conservation Incentive payments for the period June 10, 2020 through June 30, 2020 in the amount of \$32,320.21;
 - Approval of the net Payroll, Warrant Nos. 237065 through 237080 and Advice Nos. 695606 through 696402 for the pay period ending 06/07/2020 in the amount of \$2,107,561.00;
 - Approval of the net Payroll, Warrant Nos. 237081 through 237098 and Advice Nos. 696403 through 697187 for the pay period ending 06/21/2020 in the amount of \$2,208,216.39;
 - Approval of Warrant Nos. 26716 through 26755 totaling \$40,027.50 for claim payments from the workers' compensation self-insurance fund for the period ending June 29, 2020.
- Resolution 10. A RESOLUTION DECLARING TOTAL RESOURCE MANAGEMENT, INC. OF ALEXANDRIA, VA AS THE SOLE SOURCE SUPPLIER OF TRM MAXIMO PRIME SUBSCRIPTION FOR AN INTEGRATED SOLUTION OF RULESMANAGER SE, AND ANNUAL SUPPORT AND MAINTENANCE OF THE MAXIMO SOFTWARE SUITE
- Resolution 11. A RESOLUTION AUTHORIZING AMENDMENT NO. 6 TO SERVICES AGREEMENT (SA-TA NO. 10-230) WITH ERGONARE, INC. TO PROVIDE MAXIMO SOFTWARE CONSULTING AND SUPPORT
- Resolution 12. A RESOLUTION ESTABLISHING NEW RATES FOR THE DISTRICT'S TRANSMISSION SERVICES

Moved by: Commissioner Smith

Seconded by: Commissioner McKenna

To accept the consent agenda as revised to include Resolutions 10, 11 and 12

Approved: Unanimously

Resolution 13

(see Chelan PUD website for resolution)

- Ryan Roy, Short Term Trading and Operations Manager, reviewed Resolution 13
- This will provide software enhancements and training for continued support of two dam independent operations
- Resolution 13. A RESOLUTION AUTHORIZING AMENDMENT NO. 10 TO SERVICES AGREEMENT (SA NO. 18-009) WITH HATCH ASSOCIATES CONSULTANTS, INC. TO PROVIDE SOFTWARE, SUPPORT, AND PROFESSIONAL SERVICES RELATED TO SHORT-TERM INTER-PROJECT HYDRAULIC OPTIMIZATION AND EFFICIENT UNIT DISPATCH

Resolution 14

(see Chelan PUD website for resolution)

- Erik Wahlquist, General Counsel, reviewed Resolution 14
- This is intended to provide flexibility as we start to reopen operations at the District; we want to return employees to work as quickly and safely as possible
- Resolution 14. A RESOLUTION DECLARING AN EMERGENCY AND AUTHORIZING THE GENERAL MANAGER TO TAKE ALL STEPS REASONABLE AND NECESSARY TO RESPOND TO THE COVID-19 PANDEMIC TO PROTECT THE DISTRICT, DISTRICT EMPLOYEES AND DISTRICT CUSTOMER OWNERS

Cable Replacement Budget Adjustment

- Lindsey Mohns, Customer Utilities Business Manager, reviewed a staff recommendation for a budget adjustment for cable replacement projects

- Proposed motion: To increase the Total Project Budget for Distribution Underground Cable Replacement Project (DSXX0003) by \$600,000 for a revised Total Project Budget of \$1.6 million and to decrease other Distribution project budgets for 2020 by the same amount. This will enable a shift in spending between capital projects, but will not change the overall 2020 Distribution capital budget.

Moved by: Commissioner Smith

Seconded by: Commissioner Congdon

To approve agenda items 13, 14, and 15 as presented

Approved: Unanimously

Manager Items

- Mike Coleman, Managing Director of Fiber and Telecommunications, gave updates on Wi-Fi hot spots and network bandwidth
 - 13 wireless community access points are now available; this number does not include some hot spots that LocalTel established on their Sky-Fi network
 - The number of users was relatively stable until last week; not hearing additional requests from the community, which is what would drive the addition of more hot spots
 - Network bandwidth is doing exceptionally well; network usage is down to near pre-COVID levels
- Kerri Wendell, Customer Relations Manager, and Lindsey Mohns, Customer Utilities Business Manager, provided a COVID19 Customer Impacts Update
 - Customers affected by COVID remains stable; outreach to commercial customers begins this week
 - Lindsey reviewed upcoming website changes that will consolidate available resources onto one page for ease of customer access, in accordance with the Governor's proclamation
- Ron Gibbs, Insurance and Claims Manager, provided an update on 2020 insurance policy renewals
 - Insurance renewal premiums were negotiated within the authorized amount; increased 23.1% from last year's premiums, which will result in a 4.3% budget overage

Commission Items

- Tri-Commission Meeting

MOTION

Moved by: Commissioner Bolz

Seconded by: Commissioner Congdon

To set a special meeting on Tuesday, August 11 @ 1:00pm to be held virtually for the purpose of holding a Tri-Commission Meeting

Approved: Unanimously

Commission Travel

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

Follow Up on Delegation of Action Items from the 6/15/20 Board Meeting

- Kerri Wendell will provide a summary of dollar amounts of past due accounts (how large the balances are)

Delegation of Action Items from Previous meetings

- Andrew Grassell will share the outreach plan for changes to the low-income program – Board presentation on 6/15/20
- Gregg Carrington will develop a mini integrated resource plan reviewing options for Stehekin, including both supply and demand reduction options – Board presentation on 1/20/20

Delegation of Action Items

- John Stoll will follow up on David Allender's question regarding his meter

- Rebekah Garfein will work with Justin Erickson to add a Stehekin update to the Tri-Commission agenda – completed 7/6/20

Executive Session

President Arseneault convened an executive session at approximately 1:55pm 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 review the performance of a public employee, as authorized by RCW 42.30.110(1)(g) for approximately 90 minutes.

Regular Session Reconvened at 3:07pm

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

There being no other business, the meeting adjourned at 3:07pm.

President

Vice President

Secretary

Commissioner

Commissioner



HELAN COUNTY

Do you approve the minutes from the July 6, 2020 Board meeting?:

Title: Minutes 07-06-20.pdf

Filename: Minutes 07-06-20.pdf

File created: 7/30/2020 12:39PM

File Last Modified: 7/30/2020 12:39PM

Location: Resource Library / 2020

Approval Requested: 7/30/2020 12:40PM

Results: Approved: 5, Denied: 0, Abstained: 0

Approved By:

Garry Arseneault on 8/3/20 5:02PM Pacific Time (US & Canada)

Approved By:

Ann Congdon on 8/3/20 8:30AM Pacific Time (US & Canada)

Approved By:

Steve McKenna on 8/3/20 7:18PM Pacific Time (US & Canada)

Approved By:

Randy Smith on 8/11/20 4:10PM Pacific Time (US & Canada)

Approved By:

D = Bg

Dennis Bolz on 8/2/20 11:21AM Pacific Time (US & Canada)