

Minutes of the Regular Commission Meeting of Public Utility District No. 1 of Chelan County, Washington July 19, 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 July 19, 2021, at the hour of 10:00 am, pursuant to proper notice thereof.

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

Staff present: Steve Wright, General Manager
Erik Wahlquist, General Counsel
Teresa Boushay, Acting Clerk of the Board
Various staff

Call to Order

- Vice President McKenna called the meeting to order at 10:02am

Pledge of Allegiance and Safety/HPI Minute

- Anthony Holloway, Drafting Technician, led the pledge and provided information on Summer BBQ safety

Agenda

- The agenda was approved as presented

Cycle of Personal Ownership

(see Chelan PUD website for presentation)

- Ron Gibbs, Insurance & Claims Manager, and Brenda Guske, Contract Specialist II, were recognized for their expeditious work and tenacity to find a replacement insurance broker in a very short time frame
- Nate Hill will be recognized at an upcoming meeting; he was unable to attend today

Manager Item

- Ron Gibbs, Insurance & Claims Manager, provided an update on 2021-2022 insurance coverage, effective July 1, 2021
 - District's work on wildfire risk mitigation provided cost savings
 - Overall 21% increase from prior year, slightly above budget

Quarterly Load Forecast update

(see Chelan PUD website for presentation)

- Andy Wendell, Director Customer Service & Stakeholder Outreach, and Chad Rissman, Director Distribution Asset Management, gave updates on growth and impacts on the projected load forecast

- Highlighted milestone at the Hawley Street substation which switched load over last week without any issues for a major commercial customer
- Ohme substation, replacing Old's Station sub, is next to be put online to serve the industrial area and part of Sunnyslope
- Additional highlights include growth in Chelan County is #3 in the state, however the annual load growth remains on track as in prior years and no significant changes looking ahead
- Climate Change Trends will be considered by Load Forecasting group
 - District systems fared well during recent Heatwave, with minor issues in Fiber and Water.
- Planning for an upgrade to increase the capacity of Upper Skyline reservoir in the Number 2 Canyon area didn't support location there; staff will investigate further options in the area surrounding the current reservoir

Manager Item

- Andy Wendell – Shared information on an upcoming community outreach meeting in Stehekin
 - Focusing on tips to avoid peak loads, conservation tips, back-up battery storage system and coordination with local agencies
 - OPEN HOUSE tentatively planned for August 18 with follow-up meetings on August 19

Funding Utility Infrastructure for Growth

(see Chelan PUD website for presentation)

- Lindsey Mohns, Business Services & Customer Utilities Manager, provided an update to Strategic Plan implementation items, consistent with Board policy that growth pays for growth
 - Planning and growth for substations is based on reaching 20% reserved capacity
 - Discussed District's study to look at capturing costs in fees for new connections that share the cost of substation and related infrastructure vs rates that would affect all; flexible approach given load diversity, reliability reservation, economic development, etc.
 - Sustainability of Water and Wastewater
 - Study reviewed our current System Development Charges (SDC) based on Study of Total Costs per hook-up
 - Discussion based on how to proceed and at what pace given the size and logistics of our systems
 - Planning for summer outreach to building and development community

COVID 19 Customer Update: Disconnect Moratorium Expiration

(see Chelan PUD website for presentation)

- Lindsey Mohns, Business Services & Customer Utilities Manager, shared current statistics on delinquent customer accounts and services that are available to help support them
- The moratorium on disconnecting delinquent accounts will be expiring at the end of September
 - Staff will be reaching out diligently to connect with customers and provide information on resources

Manager Items

- John Stoll, Managing Director Customer Utilities, provided information on the Red Apple Road fire impact on District distribution, transmission, fiber and water systems
 - Minimal impact considering how close it was to the Andrew York Switchyard and nearby transmission structures
 - District crew's efforts on grubbing and recent pole treatments provided good protection to assets
 - Transmission #1 and #2 lines did trip off-line due to fire path, Transmission #3 line carried the load while repairs were made; #1 line was re-energized Monday morning
- Kirk Hudson, Managing Director of Generation and Transmission, provided an overview of the Fire Weather Safety Dashboard to support Fire Safety Outage Management (FSOM)
 - Engineer coordinated with IT, data and business processes to create the dashboard

- Wind gusts, flame length, red flag warning, and the composite de-energization index all provide real-time data
- Dashboards are monitored to follow threshold forecasts and indicators for determination of power shut offs

Recess at 12:03 pm, Reconvene at 1:02 pm

Consent Agenda

(see Chelan PUD website for resolutions)

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

- Minutes of the June 29, 2021 Tri-Commission Meeting and the July 6, 2021 Regular Meeting
- Vouchers: Accounts Payable Summary Report dated July 14, 2021:
 - Vouchers totaling \$94,310,127.11
 - Approval of Customer Deposit Returns and Conservation Incentive payments for the period June 30, 2021 through July 13, 2021 in the amount of \$41,844.08
 - Approval of the net Payroll, Warrant Nos. 237533 through 237544 and Advice Nos. 717477 through 718288 for the pay period ending July 04, 2021 in the amount of \$2,235,634.20
 - Approval of Warrant Nos. 27682 through 27714 totaling \$1,854.27 for claim payments from the workers' compensation self-insurance fund for the period ending July 12, 2021
 - Approval of Parks Reservation System customer refunds for the period June 23, 2021 through July 6, 2021 in the amount of \$2,889.92

MOTION

Moved by: Commissioner McKenna

Seconded by: Commissioner Bolz

To accept the consent agenda as presented

Approved: Unanimously

Resolution 9 – No action taken

(see Chelan PUD website for resolutions)

- Dan Frazier, Director Shared Services Division, presented Resolution 9
- Terms were discussed; a review and updated proposal expected

Resolution 10

(see Chelan PUD website for resolutions)

- David Lodge, Senior Project Manager, presented Resolution 10
- Resolution 10. A RESOLUTION RATIFYING FIELD WORK ORDER/CHANGE ORDER NOS. 3 THROUGH 6, FOR THE SERVICE CENTER PROJECT WITH ABSHER CONSTRUCTION COMPANY OF PUYALLUP, WA AND FURTHER AUTHORIZING PROJECT SPECIFIC DELEGATED AUTHORITY OF FUTURE FIELD WORK ORDER/CHANGE ORDERS.

MOTION

Moved by: Commissioner Arseneault

Seconded by: Commissioner Congdon

To approve Resolution 10 as presented

Approved: Unanimously

Commission Items

- Commissioner Smith reported that his absence during today's Study Session was due to his role as out-going President at the APPA Policy Makers Board meeting

Follow up on Delegation of Action Items from 7/6/21 Board meeting

- Justin Erickson will provide information on future plans for the mature Rock Island facilities, targeting late Fall

Delegation of Action Items

- John Stoll to provide Manager Item update on outreach plan regarding proposed connection fees for electric, water and wastewater hookups

Public Comment

- Tom Gregory, of Crum Canyon, addressed Commissioners regarding fiber and communications challenges in Crum Canyon

Executive Session

President Smith convened an executive session at approximately 1:25pm 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 and to review the performance of a public employee, as authorized by RCW 42.30.110(1)(g) for approximately 60 minutes.

Regular Session Reconvened at 2:17pm

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

There being no other business, the meeting adjourned at 2:17pm.

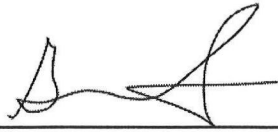
President

Vice President

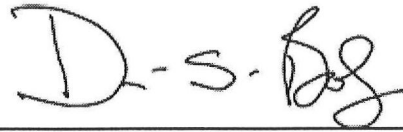
Secretary

Commissioner

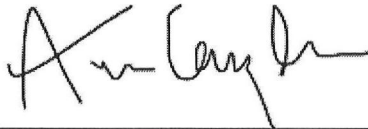
Commissioner



Garry Arseneault - Board Member
Approved on 8/2/2021 9:02PM PDT



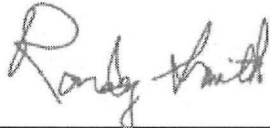
Dennis Bolz - Board Member
Approved on 8/2/2021 1:33PM PDT



Ann Congdon - Board Member
Approved on 8/11/2021 10:45AM PDT



Steve McKenna - Board Member
Approved on 8/2/2021 12:55PM PDT



Randy Smith - Board Member
Approved on 8/3/2021 5:59AM PDT