

**Minutes of the Regular Commission Meeting of
Public Utility District No. 1 of Chelan County, Washington
September 6, 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 September 6, 2022, at the hour of 10:00 am, pursuant to proper notice thereof.

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

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

Guests present: Kelly Allen, Malachi Salcido, Carnan Bergren, Emily Thornton
Liz Anderson and Nicolas Garcia, WPUA

Call to Order

- President McKenna called the meeting to order at 10:01am

Pledge of Allegiance and Safety/HPI Minute

- Kassie Bertilson, HPI & Strategy Program Manager, led the pledge and provided information on psychological safety; encouraging us to think again and be aware of knowledge gaps

Agenda

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

Power Risk Management Committee (PRMC) Update

(see Chelan PUD website for presentation)

- Jayme Mitchell, Senior Risk Analyst, reviewed proposed changes to the PRMC committee membership and charter in advance of an update to the PRMC resolution

Quarterly Fish and Wildlife Update

(see Chelan PUD website for presentation)

- Alene Underwood, Fish & Wildlife Manager, and Catherine Willard, Senior Fisheries Biologist, gave an update current fish topics
- Reviewed habitat conservation plans hatchery recalculation, ocean conditions, and 2022 Columbia River sockeye returns

Climate Commitment Act Cost Burden Analysis

(see Chelan PUD website for presentation)

- Mike Bradshaw, Director Energy Structure Trading, and Tuuli Hakala, Energy Policy Advisor, provided additional information on anticipated costs related to compliance with the Climate Commitment Act (CCA)
- Reviewed draft supply and demand forecast that reflect the District's need for no-cost allowances under the CCA and next steps
- Recommendation is to set the District target at 80% renewable and non-emitting resources

Confluence Parkway Due Diligence

(see Chelan PUD website for presentation)

- Michelle Smith, Director Hydro Licensing and Compliance, gave an update on Confluence Parkway activities
- Reviewed justifications for Horan Natural Area Category A designation request to the Federal Highway Administration along with the City's schedule updates

Manager Items

- Shawn Smith, Managing Director Energy Resources, reported on recent outreach to Stehekin
 - Reviewed potential options for efficiency with residents; residents expressed concern around code enforcement and growth
 - Next steps include relaying information gathered in the next newsletter and developing a roadmap for Stehekin
- John Goodwill, Senior Project Manager, noted improvements to Technology Center Way that will mitigate traffic congestion related to the Service Center
 - The improvement will extend Technology Center Way to Easy Street
 - Suzanne Hartmann, Consultant, reviewed outreach efforts
- Kyle Endelman, Parks Superintendent, provided information on the upcoming Chelan River whitewater boating event
 - Takes place in the Chelan River gorge on September 17 and 18 and is open to expert boaters only
- Justin Erickson, Managing Director District Services, noted that Riverfront Park Planning open houses will be held at Pybus and along the trail Sept. 13 from 4:00pm-7:00pm and Sept. 14 from 7:00am-10:00am
 - Reviewed draft splash pad images that will be used to gather feedback

Recess at 12:05pm, Reconvene at 1:01pm

Consent Agenda

(see Chelan PUD website for resolutions)

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

- Minutes of the August 11, 2022 Special Meeting and August 15, 2022 Regular Meeting
- Vouchers: Accounts Payable Summary Report dated August 31, 2022:
 - Vouchers totaling \$27,008,350.85;
 - Approval of Customer Deposit Returns and Conservation Incentive payments for the period August 10, 2022 through August 30, 2022 in the amount of \$23,163.39.
 - Approval of the net Payroll, Warrant Nos. 237916 through 237928 and Advice Nos. 740601 through 741430 for the pay period ending August 14, 2022 in the amount of \$ 2,413,988.67.
 - Approval of Warrant Nos. 28738 through 28798 totaling \$9,406.65 for claim payments from the workers' compensation self-insurance fund for the period ending August 29, 2022.'Approval of Parks Reservation System customer refunds for the period August 10, 2022 through August 30, 2022 in the amount of \$1,540.00.
- Resolution 10. A RESOLUTION APPROVING FIELD WORK ORDER/CHANGE ORDER NO. 1 TO CONTRACT 19-34 FOR THE UNLEADED AND DIESEL FUEL SUPPLY

- Resolution 11. A RESOLUTION AUTHORIZING AMENDMENT NO. 4 TO SERVICES AGREEMENT (SA NO. 20-11026) WITH ABM INDUSTRIES, INC TO PROVIDE DISTRICT JANITORIAL SERVICES

MOTION

Moved by: Commissioner Smith

Seconded by: Commissioner Arseneault

To approve the consent agenda as revised to include Resolutions 10 and 11

Approved: Unanimously

Commissioner Congdon joined the afternoon session at this time

Washington PUD Association (WPUDA)

(see Chelan PUD website for presentation)

- Commissioner Arseneault, along with WPUDA staff Liz Anderson, Deputy Executive Director, and Nicolas Garcia, Policy Director, reviewed WPUDA organizational information and sought feedback on working together
- Commissioners expressed appreciation for WPUDA support and advocacy
- Kirk Hudson, General Manager, noted a unique opportunity - with workforce challenges there is an opportunity to provide specialized skillsets where it may be more effective for the Association to employ those individuals

Manager Items, continued

- Erik Wahlquist, General Counsel, gave an update on transformer procurement
 - Placed an order for transformers under the emergency resolution; lead time has since tripled and cost has about doubled
 - Plan to place another order under that same emergency resolution for receipt and use next year due to long lead times

Commissioner Travel

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

Commissioner Items

- Special meetings

MOTION

Moved by: Commissioner Smith

Seconded by: Commissioner Arseneault

To set the following special meetings:

- On Tuesday, September 27, 2022 @ 1:00 pm at Confluence Technology Center, 285 Technology Center Way, Wenatchee for the purpose of holding a Tri-Commission meeting, and
- Wednesday, October 12, 2022 @ 1:00 pm at Confluence Technology Center, 285 Technology Center Way, Wenatchee for the purpose of holding a Board workshop

Approved: Unanimously

- Commissioner Arseneault noted that California is experiencing high temperatures right now, which is an additional burden to the electrical grid
 - There is a large and growing electric vehicle (EV) implementation in California; Governor Newsom has requested that EV owners refrain from charging during peak load hours
 - Want to watch for implications to the District and our county

Follow up on Delegation of Action Items from 8/15/22 Board meeting

- None

Follow up on Delegation of Action Items from Previous Board meetings

- Rebekah Neumann will coordinate tours for Commissioners Congdon and Arseneault – action item removed as we implement a more regular visit schedule

Delegation of Action Items

- None

Executive Session

President McKenna convened an executive session at approximately 2:18pm 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 90 minutes.

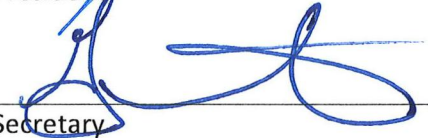
Regular Session Reconvened at 3:14pm

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


There being no other business, the meeting adjourned at 3:14pm



 President



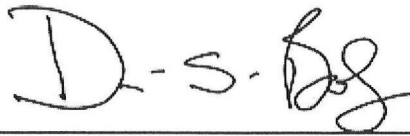
 Secretary



 Commissioner

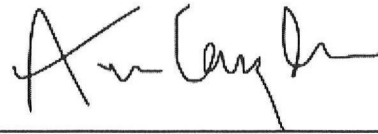
 Vice President

 Commissioner



D-S-Bolz

Dennis Bolz - Board Member
Approved on 9/20/2022 2:20PM PDT



Ann Congdon

Ann Congdon - Board Member
Approved on 9/20/2022 4:48PM PDT