Minutes of the Regular Commission Meeting of
Public Utility District No. 1 of Chelan County, Washington
September 16, 2019

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 16, 2019, at the hour of 10:00 am, pursuant to proper notice thereof.

Commissioners present: Garry Arseneault, President
Dennis Bolz
Ann Congdon
Steve McKenna
Randy Smith

Staff present: Steve Wright, General Manager
Katie Yount, Acting General Counsel
Rebekah Garfein, Clerk of the Board
Various staff

Guest present: Malachi Salcido

Call To Order
• President Arseneault called the meeting to order at 10:00am

Pledge of Allegiance and Safety Presentation
(see Chelan PUD website for presentation)
• Darrin Nelson, Contractor Safety Program Manager, led the pledge of allegiance and provided information on Human Performance Improvement and the importance of nurturing those who follow change leaders

Agenda
• The agenda was approved as presented

Cycle of Personal Ownership (CPO) Winner Recognition
(see Chelan PUD website for presentation)
• Steve Wright, General Manager, recognized the August winner Rebekah Garfein, Executive Assistant/Clerk of the Board

Summary of Public Comment on Strategic Plan
(see Chelan PUD website for presentation)
• Justin Erickson, Managing Director of District Services, reviewed public outreach and feedback received at those events along with written comments
• Overall, we received very few comments over the last month and at the open houses
• About half of the concerns were related to fiber and customer-owners desiring service
• Next steps include further discussion today and a resolution for Commissioner consideration on October 7
• Malachi Salcido expressed his thanks to Commissioners and staff and how impressed he is with the utility

Consent Agenda
(see Chelan PUD website for resolutions)
President Arsenault presented the consent agenda, which included the following items:
• Minutes of the September 3, 2019 Regular Meeting
• Vouchers: Accounts Payable Summary Report dated September 11, 2019:
  o Vouchers totaling $6,456,766.96;
  o Approval of Customer Deposit Returns and Conservation Incentive payments for the period August 28, 2019 through September 10, 2019 in the amount of $24,529.33;
  o Approval of the net Payroll, Warrant Nos. 236670 through 236690 and Advice Nos. 680057 through 680859 for the pay period ending 09/01/2019 in the amount of $2,051,863.91;
  o Approval of Warrant Nos. 25936 through 25985 totaling $5,691.16 for claim payments from the workers’ compensation self-insurance fund for the period ending September 9, 2019.

  MOTION
  Moved by: Commissioner Smith
  Seconded by: Commissioner Bolz
  To accept the consent agenda as presented
  Approved: Unanimously

Resolution 7
(see Chelan PUD website for resolution)
• Commissioner Smith reviewed Resolution 7 in support of the Snake River Dams
• Resolution 7. A RESOLUTION SUPPORTING THE MANY BENEFITS OF HYDROPOWER AND OPPOSING THE REMOVAL OF THE LOWER SNAKE RIVER DAMS

  MOTION
  Moved by: Commissioner Smith
  Seconded by: Commissioner Congdon
  To approve Resolution 7 as presented
  Approved: Unanimously

Resolution 8
(see Chelan PUD website for resolution)
• Tim Detering, Project Manager II, reviewed Resolution 8
• All bids came in more than 15% over the engineer’s estimate; we don’t anticipate a lower price if we rebid and a rebid would also delay the project until next year
• A lesson learned was reaching out to bidders early on more complex projects to confirm we are considering all the complexities involved
• Resolution 8. A RESOLUTION REJECTING ALL BIDS AND DECLARING THAT NO BIDS WERE RECEIVED FOR ROCKY REACH CAISSON UPPER CHAMBER PAINT (BID NO. 19-18) AND AUTHORIZING THE PROCUREMENT OF THE ROCKY REACH CAISSON UPPER CHAMBER PAINT TO BE OBTAINED BY NEGOTIATION

Resolution 9
(see Chelan PUD website for resolution)
• George Velazquez, Engineering and Project Management Manager, reviewed Resolution 9
• Requesting an additional Field Work Order be authorized to trim the wicket gate sleeves on units C10 and C11 due to liner strikes
Voith has the correct equipment to work on these parts; each part is custom-made for the specific turbine
A lesson learned was the value in utilizing existing contracts to address additional work
Resolution 9. A RESOLUTION RATIFYING FIELD WORK ORDER/CHANGE ORDER NOS. 2-13, 3-02, 4-02, AND
APPROVING EXECUTION OF FIELD WORK ORDER/CHANGE ORDER NO. 3-03, FOR THE THIRD AND FOURTH
UNITS UNDER CONTRACT NO. 14-22 WITH VOITH HYDRO, INC. OF YORK, PA FOR ROCKY REACH UNITS C-8
THROUGH C-11 TURBINE REPAIRS

MOTION
Moved by: Commissioner Smith
Seconded by: Commissioner Bolz
To approve Resolutions 8 and 9 as presented
Approved: Unanimously

Manager Items
- Marcie Clement, Water Resources Program Manager, reported on FERC’s approval of the Chelan River
  Biological Objectives Report
  o This marks successful completion of a 10-year effort to return chinook salmon and steelhead in healthy
    numbers to the lower Chelan River
  o Chelan PUD worked with agencies and tribes to return year-round flow to the Chelan River and create
    new fish habitat
  o FERC also accepted the finding that all reasonable efforts were taken, but a cutthroat trout population is
    not viable
  o This is a major accomplishment due to the effort of our natural resources department; environmental
    stewardship reflects our values
- Neil Neroutsos, Communications Manager, and Janet Jaspers, Energy Planning and Trading Manager, 
  reported on various river items
  o The Riverfront boat launch, near Pybus, will close on September 30 for about a month for work
  o New tools on our website will include current river levels; lake and river levels will also be included in an
    upcoming app
  o River operations tests will occur on September 25 at Rock Island and October 2 at Rocky Reach
    ▪ This is to test newly-installed hardware and software for river management
    ▪ Staff will also take this opportunity to look at the juvenile fish bypass at lower river levels
    ▪ The Rock Island reservoir will be lowered 3 feet and the Rocky Reach reservoir will be lowered 3 – 3.5
      feet during testing
- Andy Wendell, Director of Customer Service and Stakeholder Outreach gave an update on recent outreach
  to Stehekin
  o Since September, staff have met with over 25 stakeholders during one-on-one meetings and open houses
  o The community is interested in pursuing all effective conservation measures
  o The District will facilitate a conversation with the National Parks Service (NPS) with representatives from
    both the state and local offices
    ▪ NPS has significant impacts on policies around firewood available to use as a heat source
  o Stehekin Valley Ranch has expressed interest in partnering with us on a community solar installation
  o Staff are exploring battery storage options and have applied for a grant to further study that option
- Kyle Endelman, Parks Superintendent, reported on nuisance tree removal at Chelan Riverwalk Park
  o A 2011 horticulturalist report identified non-native vegetation for removal
  o Will remove trees beginning next week south of the Woodin Ave bridge along the trail and replace them
    in 2020 with native, drought-tolerant vegetation
- Kim Craig, Public Information Officer, announced that the River Ramble will be held on September 21 in
  conjunction with the Salmon Festival

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• The River Ramble is an educational opportunity presented in the Native American encampment
• For 2019 and 2020, the River Ramble will be held at the Salmon Festival while the Discovery Center undergoes renovation
• Steve Wright, General Manager, noted that public outreach meetings for fiber expansion will be held in early October

Commission Items
• Commissioner Smith drew Lexi Gieck from entries received to be Chelan PUD’s nominee to WPUDA for the WPUDA Educational Scholarship
  • The scholarship will be awarded by WPUDA at their Annual Conference held in early December

  MOTION
  Moved by: Commissioner McKenna
  Seconded by: Commissioner Congdon
  To set a special meeting on October 2, 2019 at 9:00 am at the Confluence Technology Center, 285 Technology Center Way, Wenatchee for the purpose of attending the STEM Alliance meeting
  Approved: Unanimously

• Commissioner Smith noted a shuttered nuclear plant during his recent visit to Germany; power costs about 36 cents per kWH there

Follow Up on Delegation of Action Items from the 9/3/19 Board Meeting
• Justin Erickson will notify Commissioners when the rates video is available online – emailed 9/6/19
• Lisa Sanders will clarify the September WPUDA conference return date with Commissioner Smith – resolved 9/9/19

Delegation of Action Items
• Andrew Grassell will provide information on grant for battery storage in Stehekin
• Andy Wendell will share data on diesel generation use in Stehekin
• Kyle Endelman will reach out to Chelan Rotary regarding tree removal in Riverwalk Park
• Mike Coleman will share dates for the upcoming Fiber customer meetings

There being no other business, the meeting adjourned at 11:51am.