

Minutes of the Regular Commission Meeting of Public Utility District No. 1 of Chelan County, Washington September 19, 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 19, 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, Aurora Flores, Carnan Bergren, Emily Thornton

Call to Order

- President McKenna called the meeting to order at 10:00am

Pledge of Allegiance and Safety/HPI Minute

- Kevin Toney, Rock Island Maintenance Superintendent, led the pledge and provided information on deer season and wildlife on the roads

Agenda

- Resolution 13 was moved to consent; the agenda was approved as revised

Inflation Reduction Act Summary

(see Chelan PUD website for presentation)

- Tracy Yount, Director of External Affairs, and Suzanne Grassell, Senior Policy Advisor, reviewed relevant components of the Inflation Reduction Act of 2022
- Reviewed industry impacts along with direct impacts to the District

Peshastin Water System Acquisition Update

(see Chelan PUD website for presentation)

- Ron Slabaugh, Water/Wastewater Manager, provided an update on the Peshastin Water System acquisition
- Reviewed progress to date including capital improvement plan development, water rights, and financial analysis along with next steps

Pole Attachment Agreements Update

(see Chelan PUD website for presentation)

- Celia Slatta, Pole Attachment Program Manager, provided an overview of changes to the pole attachment program
- Reviewed program background, process for development of the new agreement, fees, and next steps

Confluence Parkway Due Diligence

(see Chelan PUD website for presentation)

- Michelle Smith, Director Hydro Licensing and Compliance, gave a status update on Confluence Parkway
- Staff is working with the City to draft terms of a land exchange agreement
- The City plans to distribute the environmental assessment and section 4F documents in mid-November for comment as well as have an open house and hearing on those documents on December 6

Consent Agenda

(see Chelan PUD website for resolutions)

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

- Minutes of the September 6, 2022 Regular Meeting
- Vouchers: Accounts Payable Summary Report dated September 14, 2022:
 - Vouchers totaling \$9,382,731.19;
 - Approval of Customer Deposit Returns and Conservation Incentive payments for the period August 31, 2022 through September 13, 2022 in the amount of \$114,266.03.
 - Approval of the net Payroll, Warrant Nos. 237929 through 237939 and Advice Nos. 741431 through 742253 for the pay period ending August 28, 2022 in the amount of \$ 2,453,370.64.
 - Approval of Warrant Nos. 28799 through 28818 totaling \$3,790.61 for claim payments from the workers' compensation self-insurance fund for the period ending September 12, 2022.
 - Approval of Parks Reservation System customer refunds for the period August 31, 2022 through September 13, 2022 in the amount of \$1,155.00.
- Resolution 13. A RESOLUTION AMENDING RESOLUTION 96-10621 TO UPDATE THE DISTRICT'S WORKERS' COMPENSATION SELF INSURANCE PROGRAM CONSISTENT WITH REVISED WASHINGTON ADMINISTRATIVE CODE (WAC) REQUIREMENTS

MOTION

Moved by: Commissioner Arseneault

Seconded by: Commissioner Smith

To approve the consent agenda as revised to include Resolution 13

Approved: Unanimously

Resolution 10

(see Chelan PUD website for resolutions)

- Justin Fletcher, Senior Civil Engineer II, presented Resolution 10
- Resolution 10. A RESOLUTION AUTHORIZING AMENDMENT NO. 6 TO SERVICES AGREEMENT (SA NO. 18-152) WITH CORNFORTH CONSULTANTS, INC TO PROVIDE ROCKY REACH EAST EMBANKMENT ANALYSIS

Resolution 11

(see Chelan PUD website for resolutions)

- Dan Frazier, Director District Services, presented Resolution 11
- Resolution 11. A RESOLUTION AUTHORIZING AMENDMENT NO. 2 TO LEASE AGREEMENT (22-12089) WITH PORT OF CHELAN COUNTY FOR THE LEASE OF PORT INDUSTRIAL BUILDING NUMBER 5 (IB5) LOCATED IN WENATCHEE, WASHINGTON

Resolution 12

(see Chelan PUD website for resolutions)

- Jayme Mitchell, Power Risk Management Program Manager, presented Resolution 12
- Resolution 12. A RESOLUTION RESCINDING RESOLUTION NOS. 11-13658 AND 07-13090 TO UPDATE AND REDEFINE THE MEMBERSHIP AND RESPONSIBILITIES OF THE POWER RISK MANAGEMENT COMMITTEE

MOTION

Moved by: Commissioner Smith

Seconded by: Commissioner Congdon

To accept Resolutions 10, 11, and 12 as presented

Approved: Unanimously

Climate Commitment Act Forecast

- Mike Bradshaw, Director of Energy Structure Trading, reviewed the 80% renewable forecast information from the prior board meeting

MOTION

Moved by: Commissioner Arseneault

Seconded by: Commissioner Smith

To adopt a Climate Commitment Act renewable energy supply forecast of 80% to serve the District's load and to direct staff to use the adopted 80% renewable energy supply forecast related to the Climate Commitment Act

Approved: Unanimously

Manager Items

- Justin Erickson, Managing Director District Services, reported on recent events
 - Chelan River whitewater rafting event
 - Six boaters completed the course on Saturday and four boaters participated on Sunday
 - Will work with the American Whitewater Association to determine if different flows are needed
 - A lesson this year was that many usual participants were likely in Canada, which had higher flows and plenty of opportunities
 - Riverfront Park outreach
 - Had to move completely inside due to smoke; about 80 people participated
 - Most discussions centered on the splashpad; Justin reviewed public feedback on the three options
 - Commissioners provided feedback on the design options
 - Next step is for architects to refine designs based on feedback

Commissioner Items

- Commissioner Smith noted that Chelan PUD had three current or past presidents at last week's Washington PUD Association past presidents' dinner; Commissioner Smith commended Commissioners for their involvement in the State association

Follow up on Delegation of Action Items from 9/6/22 Board meeting

- None

Delegation of Action Items

- Suzanne Grassell will research whether direct pay in the Inflation Reduction Act applies to substation projects.
- Justin Erickson will provide PUD costs for the annual Chelan River whitewater rafting event.

Executive Session

President McKenna convened an executive session at approximately 11:38am 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), to consider the selection of a site or the acquisition of real estate by lease or purchase when public knowledge regarding such consideration would cause a likelihood of increased price, as authorized by RCW 42.30.110(1)(b), to consider the minimum price at which real estate will be offered for sale or lease when public knowledge regarding such consideration would cause the likelihood of decreased price, as authorized by RCW 42.30.110(1)(c), and to review the performance of a public employee, as authorized by RCW 42.30.110(1)(g) for approximately 60 minutes.

Recess at 12:06pm, Reconvene at 1:00pm

Regular Session Reconvened at 1:30pm

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


There being no other business, the meeting adjourned at 1:30pm

President


Vice President

Secretary

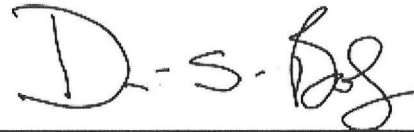
Commissioner



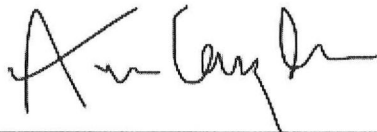
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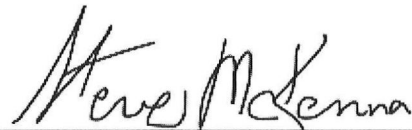
Garry Arseneault - Board Member
Approved on 10/5/2022 11:46AM PDT



Dennis Bolz - Board Member
Approved on 10/7/2022 4:50PM PDT



Ann Congdon - Board Member
Approved on 10/7/2022 4:40PM PDT



Steve McKenna - Board Member
Approved on 10/11/2022 9:24AM
PDT