

# Minutes of the Regular Commission Meeting of Public Utility District No. 1 of Chelan County, Washington October 2, 2023

The regular meeting of the Commission, of Public Utility District No. 1 of Chelan County, Washington, was held in the office of the District, 203 Olds Station Road, Wenatchee, Washington, on October 2, 2023, at the hour of 10:00 am, pursuant to proper notice via email from President Smith on September 21, 2023.

**Commissioners present:** Randy Smith, President  
Garry Arseneault  
Carnan Bergren  
Steve McKenna  
Kelly Allen

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

**Guests present:** Chris Hansen, Emily Thornton

## Call to Order

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

## Pledge of Allegiance and Safety/HPI Minute

- Kellin Spade, Cybersecurity Engineer, led the pledge and highlighted Cybersecurity Awareness Month

Commissioner Smith welcomed everyone to the new Board Room

## Agenda

- Resolution 10 was moved to the consent agenda; the agenda was approved as revised

## Cycle of Personal Ownership (CPO) Winner Recognition

- Kirk Hudson, General Manager, recognized August winner Michael Wilson, Senior Physical Security Analyst

## Electric Reliability Targets

- Chad Rissman, Director Distribution Asset Management, and Madison Schoening, Administrative Assistant II, presented information on planned updates to the electric reliability targets
- Kirk Hudson noted the importance of making sure our target achieves the outcome we are striving for and balances cost, risk and performance
- Reviewed current targets and challenges along with considerations when developing the new target
- Reviewed similarly situated utilities and top reliability strategies
- Recommendation is to set an initial goal of 70 System Average Interruption Duration Index (SAIDI) minutes per year; over 5 years, the goal is to reduce the SAIDI minutes by 22-45 minutes

## Consent Agenda

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

- Minutes of the September 18, 2023 Regular Meeting
- Vouchers: Accounts Payable Summary Report dated September 26, 2023:
  - Vouchers totaling \$39,285,001.01;
  - Approval of Customer Deposit Returns and Conservation Incentive payments for the period September 12, 2023 through September 25, 2023 in the amount of \$44,807.80.
  - Approval of the net Payroll, Warrant Nos. 238267 through 238277 and Advice Nos. 763306 through 764148 for the pay period ending September 10, 2023 in the amount of \$2,598,456.99.
  - Approval of Warrant Nos. 30112 through 30126 totaling \$768.66 for claim payments from the workers' compensation self-insurance fund for the period ending September 18, 2023.
- Resolution 10. A RESOLUTION RATIFYING FIELD WORK ORDER/CHANGE ORDER NOS. 1 AND 2, AND APPROVING FIELD WORK ORDER/CHANGE ORDER NO. 3 TO CONTRACT NO. 21-23 WITH OLSSON INDUSTRIAL ELECTRIC, INC. FOR UNIT PRICE ELECTRICAL SERVICES DOCK CREW

### MOTION

Moved by: Commissioner Allen

Seconded by: Commissioner Arseneault

To approve the consent agenda as revised to include Resolution 10

Approved: Unanimously

## Resolution 8

- Andrew Grassell, Energy Development and Conservation Manager, presented Resolution 8
- Resolution 8. A RESOLUTION AFFIRMING DETERMINATION REGARDING STANDARDS OF THE PUBLIC UTILITY REGULATORY POLICIES ACT (PURPA) AS AMENDED BY THE INFRASTRUCTURE INVESTMENT AND JOB ACT OF 2021 (IIJA)

## Resolution 9

- Felicity Saberhagen, Business Manager, presented Resolution 9
- Resolution 9. A RESOLUTION MAKING A ONE TIME INCREASE TO THE AUTHORIZED FUNDING LEVEL OF THE PUBLIC POWER BENEFIT PROGRAM FOR 2024 AND TO AUTHORIZE FUNDING NOT ALLOCATED IN 2024 BE MADE AVAILABLE FOR ALLOCATION IN 2025

## Resolution 11

- Tim McMaster, Engineering and Project Management Manager, presented Resolution 11
- Resolution 11. A RESOLUTION DECLARING DELSTAR ENERGIE, INC OF MONTREAL, CANADA AS THE SOLE SOURCE SUPPLIER OF ROTOR POLE REFURBISHMENT, MODIFICATION AND INSTALLATION FOR ROCK ISLAND POWERHOUSE 1 (CONTRACT NO. 23-13169)

## Resolution 12

- Lisa Graves, Real Estate Specialist III, presented Resolution 12
- Resolution 12. A RESOLUTION AUTHORIZING THE GENERAL MANAGER TO PURCHASE APPROXIMATELY 0.64 ACRES OF LAND IN DOUGLAS COUNTY, WASHINGTON IN THE VICINITY OF ROCKY REACH DAM FROM THE WASHINGTON STATE DEPARTMENT OF TRANSPORTATION

### MOTION

Moved by: Commissioner Allen

Seconded by: Commissioner McKenna

To approve Resolutions 8, 9, 11, and 12 as presented

Approved: Unanimously

### **Manager Items**

- Rachel Hansen, Senior Communications Strategist, provided updates on:
  - Invited the public to the Service Center Grand Opening on Saturday, October 7 @ 10:00am – 2:00 pm at the PUD Service Center, 203 Olds Station Road, Wenatchee
  - Chelan PUD recently received three 1<sup>st</sup> Place and one 2<sup>nd</sup> Place Northwest Public Power Association (NWPPA) Excellence in Communications awards

### **Commissioner Travel**

- Lisa Sanders, Legal Office Administrator, reviewed upcoming Commissioner travel

### **Commissioner Items**

- Commissioner McKenna recently attended the quarterly audit committee meeting
  - Provided highlights from the meeting including the financial audit report; congratulations to the team for the audit work and excellent results
  - Commissioner McKenna was impressed with the examples of managers throughout the District seeking out assessments from internal audit staff on ways they can improve
  - Reinforced the Commissioner role of audit oversight
- Commissioners Arseneault and Bergren commemorated today's historic meeting – the first in the new Service Center
  - Noted that bold action along with strong community ownership and support was what set up the PUD originally in Chelan County
  - The Service Center demonstrates we carry on that legacy of bold action
  - Thanks to all the staff involved in the Service Center project
- Commissioners Allen and Bergren recently participated in a joint visit to Stehekin with Chelan County Natural Resources and Sheriff's office
  - Residents are appreciative of this collaborative approach
- Commissioner Smith attended the Washington PUD Association (WPUDA) water conference last week
  - Recognized Ron Slabaugh, Water/Wastewater Manager, is vice-chair of that committee and gave a presentation, which was well-done
  - The biggest takeaway was that water rights will be the next big issue the PUDs will face
- Board Meeting Location

#### **MOTION**

Moved by: Commissioner Arseneault

Seconded by: Commissioner McKenna

To change the location of the regular board meetings for the remainder of 2023 to the service center board room, 203 Olds Station Road, Wenatchee, WA and all to commence at 10:00 am unless further modified by future Board action.

Approved: Unanimously

### **Follow up on Delegation of Action Items from 9/18/23 Board meeting**

- Felicity Saberhagen will provide a list of PPB projects funded by other methods

### **Delegation of Action Items**

- Chad Rissman will provide information of how many miles of direct-buried cables the District has
- Rachel Hansen will provide more information on the items that were recognized by NWPPA awards

### **Recess @ 12:00pm, Reconvene @ 1:00pm**

**Executive Session**

President Smith convened an executive session at approximately 1:00pm 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 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) for approximately 90 minutes.

**Regular Session Reconvened at 2:32pm**

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

There being no other business, the meeting adjourned at 2:32pm.

Vice President

Commissioner

President

Secretary

Commissioner