

Minutes of the Regular Commission Meeting of Public Utility District No. 1 of Chelan County, Washington October 3, 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 October 3, 2022, at the hour of 10:00 am, pursuant to proper notice thereof.

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

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

Guests present: Aurora Flores, Carnan Bergren, Emily Thornton

Call to Order

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

Pledge of Allegiance and Safety/HPI Minute

- Glen Pruitt, Reliability Compliance Manager, led the pledge and provided information on the District's causal analysis process

Agenda

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

Employee Recognition

(see Chelan PUD website for presentation)

- John Stoll, Managing Director Customer Utilities, and Ron Slabaugh, Water/Wastewater Manager, recognized Larry Peterson, Treatment Plant Operator, who was named Washington PUD Association's Water/Wastewater Employee of the Year
- The award recognizes an outstanding field operator or staff person who has excelled in the successful operation and maintenance of a PUD water or wastewater system

Draft 2023-2027 Business Plans

(see Chelan PUD website for presentation)

- Managing Directors presented the combined District Business Plan for 2023-2027, which support the strategic goals
 - The Best, For the Most, For the Longest provides clear direction for decision-making creating value for customer-owners

- Emphasis on the three enablers and five focus areas during this cycle
- Re-evaluate goals for hydro capability, distribution reliability, safety, and fiber build-out as part of this business planning cycle
- Achieving District's financial goals and sustained financial resilience with flexibility to adapt to changing circumstances
- Extensive workload and resource constraints continues with plans for investing in core assets and people

Confluence Parkway Due Diligence

(see Chelan PUD website for presentation)

- Kirk Hudson, General Manager, noted that staff continues to work with City on the terms of a proposed land exchange agreement; anticipated timing is prior to the end of the year

Consent Agenda

(see Chelan PUD website for resolutions)

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

- Minutes of the September 19, 2022 Regular Meeting
- Vouchers: Accounts Payable Summary Report dated September 28, 2022:
 - Vouchers totaling \$27,784,728.65;
 - Approval of Customer Deposit Returns and Conservation Incentive payments for the period September 14, 2022 through September 27, 2022 in the amount of \$68,466.51.
 - Approval of the net Payroll, Warrant Nos. 237940 through 237953 and Advice Nos. 742254 through 743072 for the pay period ending September 11, 2022 in the amount of \$ 2,434,650.00.
 - Approval of Warrant Nos. 28819 through 28852 totaling \$23,622.94 for claim payments from the workers' compensation self-insurance fund for the period ending September 26, 2022.
 - Approval of Parks Reservation System customer refunds for the period September 14, 2022 through September 27, 2022 in the amount of \$805.00.
- Resolution 9. A RESOLUTION AUTHORIZING FINAL ACCEPTANCE OF PERFORMANCE UNDER NEGOTIATED CONTRACT NO. 18-67, SCHEDULE A, WITH WEG TRANSFORMERS USA, LLC OF WASHINGTON, MO AND AUTHORIZING PAYMENT OF RETAINAGE
- Resolution 10. A RESOLUTION AUTHORIZING AN AMENDMENT FOR ADDITIONAL FUNDS AND AN EXTENSION TO TASK AUTHORIZATION SERVICES AGREEMENT (SA-TA NO. 19-070) WITH MCMILLEN LLC, DBA MCMILLEN JACOBS ASSOCIATES TO PROVIDE HYDRO EQUIPMENT CONSULTING SERVICES

MOTION

Moved by: Commissioner Bolz

Seconded by: Commissioner Congdon

To accept the consent agenda as revised to include Resolution 10

Approved: Unanimously

Resolution 11

(see Chelan PUD website for resolutions)

- John Sagerser, Engineering and Project Management Manager, presented Resolution 11
- Resolution 11. A RESOLUTION RATIFYING FIELD WORK ORDER/CHANGE ORDER NOS. 5-GMP1, 6-GMP1, 7-GMP1, 1-GMP2 AND 2-GMP2, AUTHORIZING THE ISSUANCE OF A GUARANTEED MAXIMUM PRICE (GMP) AMENDMENT NO. 4 TO NORTHBANK CIVIL AND MARINE, INC. OF VANCOUVER, WA UNDER CONTRACT NO. 20-14 TO PROVIDE THE LONG LEAD COMPONENTS FOR THE REMAINING UNITS U3 THROUGH U8 FOR THE ROCK ISLAND POWERHOUSE NO. 2 DRAFT TUBE GATE CYLINDER AND HYDRAULIC POWER UNIT UPGRADE

Resolution 12

(see Chelan PUD website for resolutions)

- Court Hill, Project Management Manager, presented Resolution 12
- Resolution 12. A RESOLUTION AUTHORIZING AMENDMENT NO. 3 TO SERVICES AGREEMENT (SA NO. 21-11406) WITH BURNS & MCDONNELL ENGINEERING COMPANY, INC. KANSAS CITY, MISSOURI TO PROVIDE FIBER EXPANSION ENGINEERING SERVICES

Resolution 13

(see Chelan PUD website for resolutions)

- Tim Scheumann, Project Manager, presented Resolution 13
- Resolution 13. A RESOLUTION APPROVING BID ADVERTISEMENT, AWARD AND CONTRACT SIGNATURE FOR ROCKY REACH TAILRACE GANTRY CRANE AND ROCK ISLAND POWERHOUSE 1 GANTRY CRANE NO. 1 REPLACEMENT (BID NO. 22-12244)

Resolution 14

(see Chelan PUD website for resolutions)

- Dan Frazier, Director District Services, presented Resolution 14
- Resolution 14. A RESOLUTION AUTHORIZING THE GENERAL MANAGER TO PURCHASE APPROXIMATELY 19.07 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 Congdon

Seconded by: Commissioner Bolz

To approve Resolutions 11, 12, 13, and 14 as presented

Approved: Unanimously

Commissioner Arseneault left the meeting at this time

Recess at 11:59am, Reconvene at 1:01pm

Manager Items

- Kristin Lodge, Visitor Services Manager, gave an update on the Salmon Festival
 - The District was approached to host the event due to construction at the Leavenworth Fish Hatchery
 - Big team effort to pull it off, which included 45 education stations, 40 tribal partners representing 13 Pacific Northwest Tribes, and reached 1500 third and fourth-grade students
- Ryan Baker, Parks Manager, provided various parks updates
 - Walla Walla Point park bridge to accessible fishing platform
 - During normal inspections, found some settling and erosion; taking a proactive approach to shore up the abutments
 - Anticipate finishing that project next week
 - Daroga Park Playground update
 - Structure is over 26 years old; want to replace with new equipment
 - Have launched a survey for public feedback on the playground
 - Expect construction in 2023 incorporating feedback received
 - Governor's Safety Award
 - 2 Parks employees received the Governor's safety award for their life-saving efforts last summer
 - Pickleball courts
 - 6 new pickleball courts are ready for play at Walla Walla park

- Wenatchee Valley Chamber and Wenatchee Valley Pickleball Association will have a ribbon cutting on October 12 @ 4:00pm

Commissioner Travel

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

Follow up on Delegation of Action Items from 9/19/22 Board meeting

- 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 – sent via email 9/26/22

Follow up on Delegation of Action Items from Previous Board Meetings

- Kirk Hudson and Erik Wahlquist will pursue preliminary discussions with a potential Innovation Management consultant – the District has contracted with a consultant to implement a framework

Delegation of Action Items

- None

Executive Session

Acting President Smith convened an executive session at approximately 1:27pm 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), and 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) for approximately 30 minutes.

Regular Session Reconvened at 1:58pm

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

There being no other business, the meeting adjourned at 1:58pm

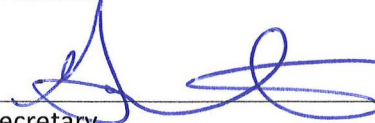
Vice President

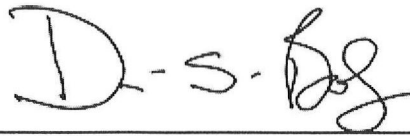
Commissioner

President

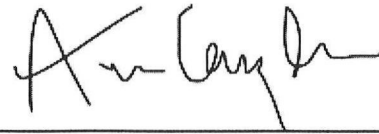
Secretary

Commissioner

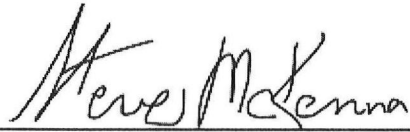




Dennis Bolz - Board Member
Approved on 10/24/2022 3:31PM
PDT



Ann Congdon - Board Member
Approved on 10/21/2022 8:27AM
PDT



Steve McKenna - Board Member
Approved on 10/18/2022 7:45PM
PDT