

Minutes of the Regular Commission Meeting of Public Utility District No. 1 of Chelan County, Washington October 16, 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 16, 2023, at the hour of 10:00 am, pursuant to proper notice.

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

Staff present: Kirk Hudson, General Manager
Katie Yount, Acting General Counsel
Rebekah Neumann, Clerk of the Board
Various staff

Guests present: Dorry Foster

Call to Order

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

Pledge of Allegiance and Safety/HPI Minute

- Sarah Valdez, Training Coordinator, led the pledge and provided information on slipping hazards

Agenda

- Resolutions 14, 15, 16, and 17 were moved to the consent agenda; the agenda was approved as revised

Cycle of Personal Ownership (CPO) Winner Recognition

- Kirk Hudson, General Manager, recognized September winner Michael West, Platform and Data Engineer III

Quarterly Board Balanced Scorecard Update

- Rebekah Neumann, Clerk of the Board, reviewed Q3 report metric exceptions
- Commissioner Smith noted that Commissioners have had a lot of commitments this year and may not meet all targets

Draft 5-Year Business Plans

- Managing Directors presented draft 5-year business plans
- Business Plans support 2020-2024 Strategic Plan:
 - The Best, For the Most, For the Longest provides clear direction
 - Emphasis on strategic shifts and organizational principles
 - Focus on hydro capability, distribution reliability, wildfire mitigation, human & organizational performance, safety, and broadband build-out
 - Sustained financial resiliency to adapt to changing circumstances

- Extensive workload and resource constraints continue

2024 Budget Targets and Major Assumptions

- Dave Nelson, Manager Strategic Financial Planning, reviewed the budget timeline, strategic focus, guidelines and assumptions, and next steps

Treasury Topics / 2024 Plan of Finance

- Heather Irelan, Treasurer, updated Commissioners on Treasury topics and the 2024 plan of finance
- Provided an update on investment and banking policy review, board designated funds, annual plan of finance, and upcoming board requests
- Identified a potential process improvement for next year related to investment and cash portfolio performance standard

Conservation Potential Assessment and 2-Year Targets

- Andrew Grassell, Energy Development and Conservation Manager, reviewed 2024-2025 conservation potential assessment, prior achievements, and the two-year target of 2.67 aMW
- The conservation potential assessment was developed consistent with RCW 19.285
- Next steps include a public meeting on November 6 for public comment

Draft Integrated Resource Plan Results

- Becky Keating, Senior Analyst, reviewed the District's 2023 Integrated Resource Plan including preliminary load forecast and preliminary scenario results
- The IRP website can be found at:
 - www.chelanpud.org/environment/operating-responsibly/integrated-resource-plan

Recess @ 11:58am, Reconvene @ 1:00pm

Consent Agenda

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

- Minutes of the October 2, 2023 Regular Meeting and October 4, 2023 Special Meeting
- Vouchers: Accounts Payable Summary Report dated October 10, 2023:
 - Vouchers totaling \$10,716,026.72;
 - Approval of Customer Deposit Returns and Conservation Incentive payments for the period September 26, 2023 through October 9, 2023 in the amount of \$114,733.11.
 - Approval of the net Payroll, Warrant Nos. 238278 through 238288 and Advice Nos. 764149 through 764984 for the pay period ending September 24, 2023 in the amount of \$2,690,475.13.
 - Approval of Warrant Nos. 30127 through 30183 totaling \$6,284.89 for claim payments from the workers' compensation self-insurance fund for the period ending October 9, 2023.
 - Approval of Parks Reservation System customer refunds for the period September 12, 2023 through October 9, 2023 in the amount of \$945.00.
- Resolution 14. A RESOLUTION RATIFYING FIELD WORK ORDER/CHANGE ORDER NOS. 1 AND 2, AND APPROVING FIELD WORK ORDER/CHANGE ORDER NO. 3 FOR CONTRACT NO. 20-41 WITH MOE ASPHALT PATCHING & SEALCOATING, INC. OF WENATCHEE, WASHINGTON FOR DISTRICT WIDE UNIT PRICE ASPHALT/CONCRETE MAINTENANCE
- Resolution 15. A RESOLUTION RATIFYING FIELD WORK ORDER/CHANGE ORDER NO. 3, AND APPROVING FIELD WORK ORDER/CHANGE ORDER NO. 4 TO CONTRACT NO. 22-12101 WITH PALOUSE POWER, LLC FOR UNIT PRICE ELECTRICAL DOCK CREW
- Resolution 16. A RESOLUTION AUTHORIZING AMENDMENT NO. 3 TO SERVICES AGREEMENT (SA NO. 20-10743) WITH ANCHOR QEA, LLC TO PROVIDE SHORELINE EROSION CONTROL CONSULTING

- Resolution 17. A RESOLUTION AUTHORIZING AMENDMENT NO. 2 TO SERVICES AGREEMENT (SA NO. 20-11011) WITH SCHWEITZER ENGINEERING LABORATORIES, INC. OF PULLMAN, WA TO PROVIDE PROTECTION AND AUTOMATION EQUIPMENT FOR USE AT THE DISTRICT'S HYDROELECTRIC FACILITIES AND TRANSMISSION AND DISTRIBUTION SYSTEMS

MOTION

Moved by: Commissioner Arseneault

Seconded by: Commissioner Allen

To approve the consent agenda as modified to include Resolutions 14, 15, 16, and 17

Approved: Unanimously

Resolution 13

- Ryan Baker, Parks Manager, presented Resolution 13
- Resolution 13. A RESOLUTION RATIFYING THE SECOND AMENDMENT TO AMENDED AND RESTATED LEASE AND OPERATING AGREEMENT (SA 17-076) WITH THE CITY OF ENTIAT TO PROVIDE MAINTENANCE AND OPERATIONS OF ENTIAT PARK AND ENTIATQUA TRAIL

Resolution 18

- Bill Towey, Fisheries Scientist, and Lance Keller, Fisheries Biologist Senior, presented Resolution 18
- Resolution 18. A RESOLUTION AUTHORIZING THE GENERAL MANAGER TO ENTER INTO AN INTERLOCAL AGREEMENT (NO. 23-13005) WITH THE CONFEDERATED TRIBES OF THE COLVILLE RESERVATION (CTCR) FOR COST SHARING OF THE DESIGN OF A WHITE STURGEON HATCHERY FACILITY

MOTION

Moved by: Commissioner Allen

Seconded by: Commissioner Arseneault

To approve Resolutions 13 and 18 as presented

Approved: Unanimously

Surplus Property

- Dan Frazier, Director Shared Services, noted that staff expects to finalize the purchase and sale agreement with the YMCA by November 6; YMCA will give an update on their design process at the November 6 meeting

MOTION

Moved by: Commissioner Allen

Seconded by: Commissioner Arseneault

To set a public hearing on November 6, 2023 at the Service Center, 203 Olds Station Road, Wenatchee for the purpose of taking comment on the proposed sale of a portion of the Chelan County PUD headquarters property located at 327 North Wenatchee Avenue determined to be surplus to the District needs and directing staff to publish notice as required by RCW 39.33.020

Approved: Unanimously

Manager Items

- Rachel Hansen, Senior Communications Strategist, shared information and a video from the Service Center grand opening held on October 7
 - Commissioners expressed their appreciation for the event organization

Commissioner Items

- Commissioner Arseneault will attend a Washington PUD Association budget committee meeting this week

Follow up on Delegation of Action Items from 10/2/23 Board meeting

- Chad Rissman will provide information of how many miles of direct-buried cables the District has – provided via email 10/11/23
- Rachel Hansen will provide more information on the items that were recognized by NWPPA awards – provided via email 10/2/23

Delegation of Action Items from 10/4/23 Board workshop

- Kirk Hudson will follow up with Rich Hyatt on posting a security officer in the board room during public meetings – implemented today
- Erik Wahlquist will provide legal review of the BPA Preference contracts
- Kirk Hudson will provide information on how utilization of appointments with staff in Chelan and Leavenworth offices
- Kirk Hudson will determine if current customer satisfaction survey data includes information specific to Leavenworth and Chelan
- Kirk Hudson will ask staff to consider a question for the next customer satisfaction survey seeking feedback on satisfaction with services by Leavenworth and Chelan customers
- Kirk Hudson will provide information on what services are available in Chelan

Delegation of Action Items

- None

Executive Session

President Smith convened an executive session at approximately 1:35pm 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 3:03pm

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

There being no other business, the meeting adjourned at 3:03pm.



Vice President


Commissioner



President


Secretary


Commissioner