

Minutes of the Regular Commission Meeting of Public Utility District No. 1 of Chelan County, Washington October 19, 2020

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 19, 2020, at the hour of 10:00 am, pursuant to proper notice thereof.

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

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

Others present: Patrick Hagerty, Cascadia Conservation District

Call To Order

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

Pledge of Allegiance and Safety/HPI Minute

- Vicki Griffin, Real Estate and Permitting Manager, led the pledge and provided safety information on driving in the dark

Agenda

- Resolution 9 was moved to the consent agenda; the agenda was approved as revised

Cycle of Personal Ownership (CPO) Winner Recognition

(see Chelan PUD website for presentation)

- Steve Wright, General Manager, recognized the Customer Relations Team as September CPO winners; the team includes Kerri Wendell, Ana Aguirre, Megan Rose, Shaylee Childress, Jamie Torson, Amy Sims, Doug Lewis, Melissa Schwab, Frank Sanchez, Chuck Holland, Bart Miller, Cynthia Alcalá, and Pat O'Hara

Quarterly Board Balanced Scorecard Status Update

(see Chelan PUD website for presentation)

- Commissioners reviewed exceptions to the Board Balanced Scorecard report

2021 Budget Targets and Major Assumptions

(see Chelan PUD website for presentation)

- Mark Mullins, Director of Enterprise Planning and Risk Analytics, and Debra Vaughn, Strategic Financial Planning Analyst, reviewed the 2021 budget targets and major assumptions

- Reviewed the budget process and how the budget supports strategic plan goals
- The 2021 budget remains in compliance with District financial policies
- Reviewed external indicators and next steps

Wildfire Update

(see Chelan PUD website for presentation)

- Rachel Hansen, Senior Communications Strategist, Chad Bowman, Director of Transmission and Compliance, and Chad Rissman, Director of Distribution Asset Management, provided an update on a community-based approach to wildfire risk mitigation
- Partnering with Cascadia Conservation District, Firewise neighborhoods, and government agencies to identify projects with mutual benefit to infrastructure and communities
- Several studies and maps show where Chelan County faces the highest risk of wildfire, which align with a study commissioned by the District to assess transmission line wildfire risk
- May move more power lines underground where feasible in high risk areas
- Staff are researching best practices and protocols regarding public safety power shutoffs as an option during extreme fire conditions

Manager Items

- John Stoll, Managing Director of Customer Utilities, gave the following updates
 - Update on Pole Fires
 - Had 6 pole fires October 10-12 due to rain after a hot, dry summer
 - Caused by dust accumulation on porcelain components; when rain isn't heavy enough to wash the dust way, it creates a path for the current to the crossarm
 - The District's strategy is to continue to replace older equipment; about 5 years ago the standard was changed to fiberglass crossarms and rubber/polymer insulators
 - These events give us more information as we look for cost-effective reliability solutions
 - Phone Hours
 - Planning to change phone hours for Customer Relations to 12:00pm – 5:00pm from Nov. 2 to Dec. 31
 - Customers will have the option to make payments over the phone, leave a message, or get through to someone if needed
 - Allows staff to focus on key activities including training several new staff, rate implementation work, working on the C2M system, and more focused time for outbound calls
 - Allows alignment of lunches, making more staff available during phone hours
- Ron Slabaugh, Water and Wastewater Manager, gave the following updates
 - Regional Water Committee Meeting
 - Ron gave brief updates on the water rights and second source issues discussed previously
 - 2021 Regional Water Committee budget proposal includes the following increases:
 - Operations and Maintenance, 2.3% increase to \$1,025,000
 - Proposed \$69k increase for second source planning
 - 10% increase to regional wholesale cost; saving up for eventual cost of regional second source
 - Dryden Funding Application Submission
 - Dryden Wastewater project is following a similar path as Peshastin to meet Ecology requirements
 - Last year's new license included \$3.478M in improvements; this system serves about 50 customers
 - The District has applied for grant and loan funding from the Department of Ecology; working with Tracy Yount, Ecology and others to manage costs or receive additional funding

Recessed at 11:55am and Reconvened at 1:03pm

Consent Agenda

(see Chelan PUD website for resolutions)

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

- Minutes of the October 5, 2020 Regular Meeting and the October 9, 2020 Board Workshop
- Vouchers: Accounts Payable Summary Report dated October 14, 2020:
 - Vouchers totaling \$13,508,931.89;
 - Approval of Customer Deposit Returns and Conservation Incentive payments for the period September 30, 2020 through October 13, 2020 in the amount of \$51,107.70;
 - Approval of the net Payroll, Warrant Nos. 237208 through 237225 and Advice Nos. 701907 through 702685 for the pay period ending 09/27/2020 in the amount of \$2,140,069.49;
 - Approval of Warrant Nos. 26941 through 26974 totaling \$3,184.65 for claim payments from the workers' compensation self-insurance fund for the period ending October 12, 2020.
- Resolution 9. A RESOLUTION AUTHORIZING AMENDMENT 1 OF SERVICES UNDER INTERLOCAL AGREEMENT (SA NO. 19-10436) WITH THE UNITED STATES DEPARTMENT OF AGRICULTURE, ANIMAL & PLANT HEALTH INSPECTION SERVICE (USDA APHIS), WILDLIFE SERVICES OF OLYMPIA, WASHINGTON TO PERFORM PREDATOR CONTROL AND NUISANCE BIRD/ANIMAL CONTROL (FOR NORTHERN PIKEMINNOW, FURBEARERS AND PISCIVOROUS BIRDS)

Moved by: Commissioner Smith

Seconded by: Commissioner Bolz

To approve the consent agenda as revised to include Resolution 9

Approved: Unanimously

Northwest RiverPartners 5-Year Plan

(see Chelan PUD website for presentation)

- Kurt Miller, Executive Director of Northwest RiverPartners, reviewed the 5-year plan
- Reviewed history and decline of support for hydropower among younger age groups
- 5-year objective is to drive the regional and national narrative about Northwest hydropower through public engagement, government affairs, members and partners, and new support

Commission Items

- Proposed 2021 Board Meeting Schedule

MOTION

Moved by: Commissioner Smith

Seconded by: Commissioner Congdon

To approve the modified regular Board meeting schedule for calendar year 2021 as proposed to accommodate industry meetings moving the following meetings:

- June 7, 2021 to June 1, 2021
- June 21, 2021 to June 14, 2021

All meetings to be held in the headquarters board room, 327 North Wenatchee Ave., 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 the 10/5/20 Board Meeting

- None

Follow Up on Delegation of Action Items from 10/9/20 Board workshop

- Steve Wright will research the proposed PPC bylaws change – completed; vote will take place next month
- Commissioners will provide feedback to Steve Wright on the proposed PPC bylaws change - completed

- Erik Wahlquist will set a series of meetings with Commissioners Congdon and McKenna to review the Board/GM Protocol and determine any proposed clarifications
- Erik Wahlquist and Steve Wright will provide an outline of knowledge/issues for which it would be helpful for new Commissioners to come up to speed
- Erik Wahlquist will add an outline of available training to the Commissioner binders
- Rebekah Garfein will follow up with Debra Vaughn on the 2021 budget for Commissioner salaries – completed 10/9/20

Delegation of Action Items

- None

There being no other business, the meeting adjourned at 1:39pm.

President

Vice President

Secretary

Commissioner

Commissioner

Garry Arseneault - Board Member
Approved on 11/3/2020 10:06AM PST

Dennis Bolz - Board Member
Approved on 11/4/2020 11:43AM PST

Ann Congdon - Board Member
Approved on 11/9/2020 10:17AM PST

Steve McKenna - Board Member
Approved on 11/10/2020 11:38AM
PST

Randy Smith - Board Member
Approved on 11/9/2020 10:05AM PST