

**Minutes of the Special Meeting (Chelan County Tri-Commission)  
of the Commission  
of Public Utility District No. 1 of Chelan County, Washington  
November 24, 2020**

The special meeting of the Commission, of Public Utility District No. 1 of Chelan County, Washington, was held via Zoom, on November 24, 2020, at the hour of 1:00 pm, pursuant to proper notice thereof.

**Chelan PUD Commissioners and Staff present:**

Garry Arseneault, Commissioner  
Dennis Bolz, Commissioner  
Ann Congdon, Commissioner  
Randy Smith, Commissioner  
Steve Wright, General Manager  
Justin Erickson, Managing Director of District Services  
Rebekah Garfein, Clerk of the Board  
Bob Shane, Managing Director of Fiber and Telecom  
Andy Wendell, Director of Customer Service and Stakeholder Outreach  
Shaun Seaman, Government / External Affairs Program Manager

**Others present:**

Jim Fletcher, Cashmere Mayor  
Bob Goedde, Chelan Mayor  
Frank Kuntz, Wenatchee Mayor  
Laura Merrill, Wenatchee Executive Services Director  
Jerrilea Crawford, East Wenatchee Mayor  
Steve Keene, Peshastin Community Council/Water District

**Legislators present:**

Senator Brad Hawkins  
Representative Mike Steele  
Representative Keith Goehner

**Chelan County Commissioners and Staff present:**

Bob Bugert, Commissioner  
Doug England, Commissioner  
Kevin Overbay, Commissioner  
Tiffany Gering, Commissioner-Elect  
Blake Baldwin, Economic Development Director  
Mike Kaputa, Director of Natural Resources

**Chelan Douglas Regional Port Authority**

**Commissioners and Staff present:**

JC Baldwin, Commissioner  
Donn Etherington, Commissioner  
Jim Huffman, Commissioner  
Mark Spurgeon, Commissioner  
Jim Kuntz, Executive Director  
Cami Harris, Administrative Assistant

**Call To Order**

- Chelan County PUD President, Garry Arseneault, called the meeting to order at 1:06pm
- Justin Erickson led the pledge of allegiance

**Perspectives on the 2021 Legislative Season**

- Legislators and commissioners expressed their thanks and appreciation to Doug England for his service
- Senator Brad Hawkins
  - The Senate will operate virtually for the most part this session; they are able to accept remote testimony and are testing remote voting
  - Anticipating a \$3B budget shortfall over 4 years; the budget will be the focus of this session

- The transportation budget is not significantly impacted due to the Supreme Court striking down initiative 976; the capital budget is currently about \$5B
- Representative Mike Steele
  - The House will operate virtually as well; Rep. Steele has expressed concerns with not allowing live, virtual testimony
  - Policy efforts will focus on COVID and small business relief along with the capital budget
- Representative Keith Goehner
  - Will focus on core functions of government and revenue generation; there will be challenges and opportunities during this session
- Question: Will meeting zoom lines be open to the public?
  - Senate zoom will likely be made available for those who have signed up to testify; the public will be able to watch meetings on TV-WA
  - The House is considering only pre-recorded or pre-written testimony

### **2021 Tri-Commission Legislative Priorities**

- Public Works Board / Trust Fund
  - Commissioner Baldwin thanked legislators for support of the assistance account
  - Commerce has submitted the decision package; hope to be included in the Governor's budget, if not, will look to the legislature for funding
- Fiber Buildout and Funding
  - As the PUD looks at closing in on the last 10-15% of the county, it may not be practical to promise a fiber alternative
  - PUD, County and Port are looking at funding opportunities that may be available to the County or Port
  - There are areas of Chelan county that have high costs to reach with fiber based on distance and low density
  - Asking community partners to consider how they might assist if there is funding available to them
  - The FCC rule that funding only supports retailers places us at a significant disadvantage

### **Tri-Commission Updates**

- Chelan County Commission
  - Climate Resiliency Strategy
    - Commissioner Bugert discussed the Chelan County Resiliency Draft Plan
    - Want to lay the groundwork for better communication and coordination; can then identify opportunities for projects
    - Identified four categories of risk: wildfires, declining snowpack, water supply, and flooding; looked at current trends based on science available for each category
    - Having this strong strategy will allow us to pursue state or federal dollars for implementation
    - Next steps include two roundtable action planning workshops and developing an implementation team with executive committee
  - Update on COVID19 Impacts, 2021 Business Plan
    - The health board is interviewing administrator candidates and anticipates having someone in place in the next few weeks
    - COVID has impacted the County financially
    - CARES funding has focused on business aid, non-profit support, equipment to assist with food distribution, and EMS equipment and PPE
    - The first wave of vaccines is anticipated here next month and will be focused on health care providers and long-term care
- Chelan Douglas Regional Port Authority
  - Economic Development Project Update – Malaga Site

- The Port recently acquired this 72-acre parcel for development; the parcel is zoned for industrial use
    - Planning to acquire property in Douglas County as well
  - Pangborn Update
    - Wenatchee is hanging in there; traffic is down 66%
    - Reviewed boarding trends and ongoing discussions with airlines to provide additional service
  - Update on COVID19 Impacts, 2021 Business Plan
    - The Port has written 880 checks to small businesses in Chelan and Douglas counties for \$4.2M; primarily for businesses with 20 or fewer employees
    - The State has announced additional funds, which they will distribute; the Port will encourage local businesses to apply for state funding
    - The Chelan and Douglas Ports have both agreed to not raise taxes; neither will take 1% or the rate of inflation, but will take new construction tax
- Chelan County PUD
  - Fiber Acceleration / 2021 Buildout
    - Currently advancing broadband to a larger section of the community under the Public Power Benefit program; trying to reach 85% of customers by 2026
    - A portion of the expansion will be accelerated for completion by the end of 2024 at additional cost of \$2M for a total project cost of \$27M
    - The overall take rate is 52.5% with 77% of the county currently built out
    - While other counties lag in coverage, early adopters will face costs to replace aging infrastructure
    - A letter from the Tri-Commission to Congresswoman Schrier and Senator Maria Cantwell outlining broadband accomplishments and challenges was broadly supported
  - Update on COVID19 Impacts, 2021 Business Plan
    - COVID has had little financial impact; revenues are up just slightly from the start of the year as market and retail sales have remained steady
    - Our strategic plan is still being implemented; we are beginning relicensing for Rock Island Dam
    - We continue our efforts to become a leader in utility technology; the new customer information system is in place, advanced meters roll out next year, and technology roadmaps are built out to implement additional customer tools
  - Public Safety Power Shutoffs
    - Steve Wright discussed liabilities now linked with wildfire risk; not just a liability risk, but a human health and safety risk
    - The Camp Fire in California led to the largest utility (PG&E) filing for bankruptcy and claimed 85 lives; PG&E is responsible for \$25B in claims
    - The PUD will hire a consultant to review the variety of requirements that are out there and what protections we might put in place to provide water protection and for those who may be medically exposed; that information will be shared with the County and the tool will be ready, if needed
    - The highest area of wildfire risk in the State is in Chelan county, specifically around Leavenworth
    - The PUD has worked with other agencies as well including National Park Service and the State Department of Natural Resources

### **Insights from the Mayors**

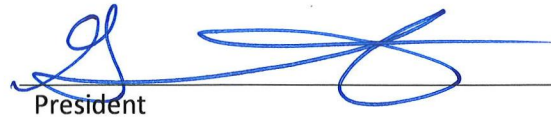
- Laura Merrill, Wenatchee Executive Services Director
  - Indicated the City's interest in participating in the climate resiliency discussions; the City has been working with County and Fire officials on the wildland urban interface
  - The budget was adopted last month; remaining council meetings this year will focus on close-out items
- Bob Goedde, Chelan Mayor
  - The City invested CARES dollars into infrastructure including HVAC scrubbers and customer areas shields
  - Housing starts have skyrocketed; currently working with the County on Howard Flats improvements

- Jim Fletcher, Cashmere Mayor
  - Utility expansion in Cashmere is a critical issue
  - With the potential for shutoffs during high-risk periods – is there a way to create a shared pool of generators for city use?

**Commissioner Comments**

- Commissioner Arseneault thanked the Tri-Commission for the broadband discussion; thanks to legislators and their willingness to work with us and each other

There being no other business, the meeting adjourned at 3:02pm.

  
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President

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Vice President

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Secretary

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Commissioner


  
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Commissioner

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Garry Arseneault - Board Member

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Dennis Bolz - Board Member



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Ann Congdon - Board Member  
Approved on 12/9/2020 8:21AM PST



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Randy Smith - Board Member  
Approved on 12/9/2020 8:00AM PST