

Minutes of the Regular Commission Meeting of Public Utility District No. 1 of Chelan County, Washington December 7, 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 December 7, 2020, at the hour of 10:00 am, pursuant to proper notice thereof.

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

Staff present: Steve Wright, General Manager
Erik Wahlquist, General Counsel
Rebekah Garfein, Clerk of the Board
Various staff

Call to Order

- President Arseneault called the meeting to order at 10:04am

Pledge of Allegiance and Safety/HPI Minute

- Jenny Conrad, Senior Safety & Health Coordinator, led the pledge and provided safety information on how HPI can change a culture

Agenda

- Resolutions 12, 13, 14, 15, 16, 17, and 18 were 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 October CPO winner Nate Hill, Senior ERP Systems Analyst

Pre-Legislative Update

(see Chelan PUD website for presentation)

- Shaun Seaman, Government and External Affairs Program Manager, and Tracy Yount, Director of External Affairs, gave a legislative session preview
- This is a long session; focus will be on operating, capital, and transportation budgets
- Virtual session will allow for remote testimony
- Reviewed District's top legislative priorities

Hydro Technical Initiatives Update

(see Chelan PUD website for presentation)

- John Yale, Hydro Plant Engineering Manager, gave an update on Generation's digital transformation

- Digital transformation gives us the ability to utilize data to improve business processes and drive decision making; key components are data, tools, and culture
- The right data at the right time allows us to respond before an alarm is activated
- Reviewed ongoing and future efforts

Energy Efficiency Status Update

(see Chelan PUD website for presentation)

- Andrew Grassell, Energy Development and Conservation Manager, gave an annual update on energy conservation targets
- On track to achieve 2020 internal stretch goal of 2.0 aMW; staff doesn't foresee any problems in meeting 2021 goals, but the project pipeline for 2021 has been impacted by COVID19

Public Power Benefits (PPB) Program Update

(see Chelan PUD website for presentation)

- Felicity Saberhagen, District Services Business Manager, provided an update on the PPB outreach plan, 2021 funding, emergent projects, and next steps
- Reviewed outreach video and plan; the District plans to collect ideas year-round
- Reviewed new project request from the City of Wenatchee to evaluate options and develop plans for Riverfront Park between 5th Street and Pybus Market; Commissioners gave a head nod on this project
- Commissioners would like to delay public outreach by a few months to perhaps allow more participation

Identity Theft Prevention Program Update

(see Chelan PUD website for presentation)

- Erik Wahlquist, General Counsel, gave an update on the identity theft prevention program
- As of today, the District has no identity theft to report for 2020
- Customer Relations staff has placed increased focus on limiting personal information on accounts

Resolution 11

(see Chelan PUD website for resolution)

- Mark Mullins, Director of Enterprise Planning and Risk Analytics, presented Resolution 11
- There have been no changes since the 11/16/20 public hearing; no public comments have been received
- Resolution 11. A RESOLUTION APPROVING THE 2021 DISTRICT BUDGETS FOR THE FIBER NETWORK, WATER, WASTEWATER AND INTEGRATED ELECTRIC (DISTRIBUTION, TRANSMISSION, COLUMBIA RIVER-ROCK ISLAND HYDRO-ELECTRIC, LAKE CHELAN HYDRO-ELECTRIC, ROCKY REACH HYDRO-ELECTRIC SYSTEMS, TREASURY SERVICES, INTERNAL SERVICE SYSTEM AND FINANCING FACILITIES) BUSINESS LINES

Moved by: Commissioner Bolz
 Seconded by: Commissioner Smith
 To accept Resolution 11 as presented
 Approved: Unanimously

Resolution 19

(see Chelan PUD website for resolution)

- Bob Shane, Managing Director of Fiber and Telecommunications, presented Resolution 19
- This extends the temporary rate suspension put into place to support community Wi-Fi access points in response to COVID19
- Resolution 19. A RESOLUTION AUTHORIZING AN EXTENSION OF RESOLUTION 20-14447 TEMPORARILY SUSPENDING PORTIONS OF THE DISTRICT'S WHOLESALE TELECOMMUNICATIONS SERVICES RATES AND TO ALLOW THE DISTRICT AND DISTRICT SERVICE PROVIDERS TO ENABLE BROADBAND ACCESS TO TELECOMMUNICATIONS SERVICES DURING THE PERIOD OF COVID-19 RESPONSE

Moved by: Commissioner Smith
Seconded by: Commissioner Bolz
To approve Resolution 19 as presented
Approved: Unanimously

Consent Agenda

(see Chelan PUD website for resolutions)

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

- Minutes of the November 16, 2020 Regular Meeting and the November 24, 2020 Special Meeting
- Vouchers: Accounts Payable Summary Report dated December 2, 2020:
 - Vouchers totaling \$21,962,266.29;
 - Approval of Customer Deposit Returns and Conservation Incentive payments for the period November 12, 2020 through December 1, 2020 in the amount of \$48,191.42;
 - Approval of the net Payroll, Warrant Nos. 237286 through 237300 and Advice Nos. 704276 through 705055 for the pay period ending 11/08/2020 in the amount of \$2,074,049.90;
 - Approval of the net Payroll, Warrant Nos. 237301 through 237315 and Advice Nos. 705056 through 705822 for the pay period ending 11/22/2020 in the amount of \$2,057,672.45;
 - Approval of debt service paid with reserve account interest earnings of \$3,686.36 for the period 12/01/2020 through 12/31/2020;
 - Approval of Warrant Nos. 27032 through 27119 totaling \$10,076.26 for claim payments from the workers' compensation self-insurance fund for the period ending November 30, 2020.
- Resolution 12. A RESOLUTION AUTHORIZING THE GENERAL MANAGER TO EXECUTE INDIVIDUAL TASK AUTHORIZATIONS UNDER INTERAGENCY AGREEMENT SA NO. 15-123 WITH WASHINGTON DEPARTMENT OF FISH AND WILDLIFE TO OPERATE THE FISH HATCHERY PROGRAMS REQUIRED IN THE LICENSES FOR THE ROCKY REACH, ROCK ISLAND, AND LAKE CHELAN HYDROELECTRIC PROJECTS
- Resolution 13. A RESOLUTION AUTHORIZING AMENDMENT NO. 1 TO INTERAGENCY SERVICES AGREEMENT (SA NO. 19-10432) WITH WASHINGTON STATE DEPARTMENT OF FISH AND WILDLIFE TO PROVIDE HATCHERY MONITORING AND EVALUATION SERVICES
- Resolution 14. A RESOLUTION AUTHORIZING AMENDMENT TO SERVICES AGREEMENT (SA-TA NO. 15-133) WITH ASPECT CONSULTING LLC TO PROVIDE TECHNICAL ASSISTANCE REGARDING THE DISTRICT'S WATER RIGHTS AND WATER RESOURCES PROGRAM
- Resolution 15. A RESOLUTION AUTHORIZING AMENDMENT NO. 3 TO CONTRACT (SA NO. 16-106) WITH ENABLON NORTH AMERICA CORP. TO PROVIDE GOVERNANCE, RISK, AND COMPLIANCE ("GRC") SOFTWARE AS A SERVICE SYSTEM, MAINTENANCE, AND SUPPORT
- Resolution 16. A RESOLUTION RATIFYING FIELD WORK ORDER/CHANGE ORDER NOS. 1 THROUGH 3 APPROVING FIELD WORK ORDER/CHANGE ORDER NO. 4 TO CONTRACT 17-64 WITH THYSSENKRUPP ELEVATOR CORPORATION OF ATLANTA, GEORGIA FOR ELEVATOR MODERNIZATIONS
- Resolution 17. A RESOLUTION AUTHORIZING AMENDMENT NO. 8 TO SERVICES AGREEMENT (SA NO. 17-100) WITH UNIVERSAL PROTECTION SERVICE LP DBA ALLIED UNIVERSAL SECURITY SERVICES TO PROVIDE DISTRICT UNARMED SECURITY SERVICES
- Resolution 18. A RESOLUTION AUTHORIZING AMENDMENT NO. 1 TO TASK AUTHORIZATION SERVICES AGREEMENT (SA-TA NO. 19-070) WITH MCMILLEN LLC, DBA MCMILLEN JACOBS ASSOCIATES TO PROVIDE HYDRO EQUIPMENT CONSULTING SERVICES

Moved by: Commissioner Bolz
Seconded by: Commissioner Smith
To accept the consent agenda as amended
Approved: Unanimously

Manager Items

- Justin Erickson, Managing Director of District Services, provided an update on the Manson Lease Termination Agreement
 - This addresses a property lease we've had for about 38 years for a small, undeveloped area of shoreline just west of Manson Bay Park
 - Public concern has been noted about the site condition and it has been hard to restrict access
 - Our lease with the Lake Chelan Reclamation District will terminate
 - The property will be transferred to Manson Parks District at no cost; Manson Parks District will provide site maintenance and enhancements
 - The District will make a one-time contribution of \$300k to Manson Parks District for site maintenance
- John Stoll, Managing Director of Customer Utilities, gave an update on COVID customer impacts
 - Reviewed metrics, which have remained steady since October

Follow up on Delegation of Action Items from 11/16/20 Board meeting

- Andrew Grassell will work with Erik Wahlquist to provide the Clean Energy Transformation Act language regarding the 2030 target for energy-burdened customers
- Steve Wright will provide available information on how much employment we are providing for contractors in the coming year

Delegation of Action Items

- None

Commissioner Items

- Commissioner Arseneault reported on the recent Washington PUD Association (WPUDA) Annual Conference

Recessed at 12:05pm and Reconvened at 1:00pm

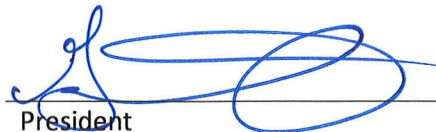
Executive Session

President Arseneault 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) for approximately 90 minutes.

Regular Session Reconvened at 2:24pm

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

There being no other business, the meeting adjourned at 2:24pm.



President

Vice President

Secretary

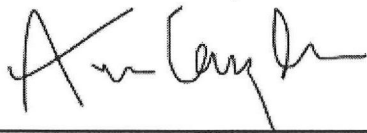


Commissioner

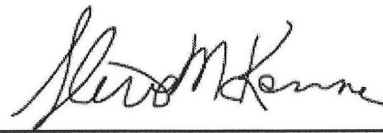
Commissioner

Garry Arseneault - Board Member


Dennis Bolz - Board Member



Ann Congdon - Board Member
Approved on 12/21/2020 5:05PM
PST



Steve McKenna - Board Member
Approved on 1/12/2021 10:16AM PST



Randy Smith - Board Member
Approved on 12/22/2020 6:31AM
PST