

# Minutes of the Regular Commission Meeting of Public Utility District No. 1 of Chelan County, Washington December 19, 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 December 19, 2022, at the hour of 10:00 am, pursuant to proper notice thereof.

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

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

**Guests present:** Kalie Worthen, Carnan Bergren, Kelly Allen, Malachi Salcido

## **Call to Order**

- President McKenna called the meeting to order at 10:03am

## **Pledge of Allegiance and Safety/HPI Minute**

- Adam Gormley, Control Systems Engineer Lead, led the pledge and talked about safe winter travel

## **Agenda**

- Resolutions 9, 12, and 16 were moved to consent; the agenda was approved as revised

## **Cycle of Personal Ownership (CPO) Winner Recognition**

(see Chelan PUD website for presentation)

- Kirk Hudson, General Manager, recognized November winners Anna Baird, Administrative Training Assistant, and Bryce Anderson, Senior HR Analyst

## **Safety Investigation Recommendations Follow Up**

(see Chelan PUD website for presentation)

- Brett Bickford, Managing Director Generation and Transmission, Dan Garrison, Director Hydro Plant Management, and Kassie Bertilson, HPI and Strategy Program Manager provided an update on safety investigation recommendation progress
- Reviewed status of all items on the recommendation list along with actions taken, progress on the safety concern and close call program, and Human Performance Improvement program progress
- Highlighted engineering controls put in place for spillway bay inspections; 4 completed with 7 remaining
  - Plan is to complete two inspections per year, with expected completion by 2025
- Commissioners appreciated the work being done and the commitment to safety

## Consent Agenda

(see Chelan PUD website for resolutions)

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

- Minutes of the December 5, 2022 Regular Meeting and December 13, 2022 Special Meeting
- Vouchers: Accounts Payable Summary Report dated December 14, 2022:
  - Vouchers totaling \$16,129,058.84;
  - Approval of Customer Deposit Returns and Conservation Incentive payments for the period November 30, 2022 through December 13, 2022 in the amount of \$131,125.25.
  - Approval of the net Payroll, Warrant Nos. 238009 through 238020 and Advice Nos. 747115 through 747898 for the pay period ending December 04, 2022 in the amount of \$ 2,408,961.56.
  - Approval of Warrant Nos. 29023 through 29066 totaling \$11,759.57 for claim payments from the workers' compensation self-insurance fund for the period ending December 12, 2022.
- Resolution 8. A RESOLUTION RATIFYING FIELD WORK ORDER NOS. 1, 2, 3, 4, 5, 6 AND 7 AND AUTHORIZING FINAL ACCEPTANCE OF WORK PERFORMED UNDER CONTRACT NO. 20-05 WITH VOITH HYDRO, INC. OF YORK, PENNSYLVANIA
- Resolution 9. A RESOLUTION AUTHORIZING AMENDMENT NO. 19 TO SERVICES AGREEMENT (SA-TA NO. 15-151) WITH TCF ARCHITECTURE PLLC. TO PROVIDE LONG TERM STRATEGIC FACILITIES PLAN
- Resolution 12. A RESOLUTION AUTHORIZING AN AMENDMENT TO SERVICES AGREEMENT (SA NO. 20-11327) WITH RH2 ENGINEERING, INC. TO PROVIDE PROFESSIONAL ENGINEERING SERVICES
- Resolution 16. A RESOLUTION APPROVING A THIRD ADDENDUM TO TEMPORARY WATER RIGHT MITIGATION AGREEMENT BETWEEN THE REGIONAL WATER SYSTEM MEMBERS AND CROWN COLUMBIA WATER RESOURCES, LLC

### MOTION

Moved by: Commissioner Bolz

Seconded by: Commissioner Congdon

To accept the consent agenda as revised to include resolutions 9, 12, and 16

Approved: Unanimously

## Resolution 10

(see Chelan PUD website for resolutions)

- Catherine Willard, Senior Fisheries Biologist, presented Resolution 10
- Resolution 10. A RESOLUTION AUTHORIZING AMENDMENT NO. 3 TO INTERAGENCY SERVICES AGREEMENT (CONTRACT NO. 19-10432) WITH WASHINGTON STATE DEPARTMENT OF FISH AND WILDLIFE TO PROVIDE HATCHERY MONITORING AND EVALUATION SERVICES

## Resolution 11

- Ian Adams, Hatchery Maintenance and Operations Coordinator, presented Resolution 11
- Resolution 11. A RESOLUTION AUTHORIZING THE GENERAL MANAGER TO ENTER INTO AN INTERAGENCY AGREEMENT (CONTRACT NO. 22-12399) WITH WASHINGTON STATE 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

- Allex Smith, Director Business Technology Solutions, presented Resolution 13
- Resolution 13. A RESOLUTION AUTHORIZING AN AMENDMENT TO SERVICES AGREEMENT (SA NO. 21-11980) WITH APFS, LLC TO PROVIDE TECHNICAL PROJECT MANAGEMENT RESOURCES

## Resolutions 14 and 15

- Lance Beyer, Project Manager, presented Resolutions 14 and 15

- Resolution 14. A RESOLUTION REJECTING ALL BIDS AND DECLARING THAT NO BIDS WERE RECEIVED FOR SUPPLY OF SUBSTATION POWER TRANSFORMERS (BID NO. 22-12422) AND AUTHORIZING THE SUPPLY OF SUBSTATION POWER TRANSFORMERS BE OBTAINED BY NEGOTIATION
- Resolution 15. A RESOLUTION REJECTING THE BID OF GENERAL PACIFIC, INC. OF FAIRVIEW, OREGON AND ACCEPTING THE BID OF WESCO OF PORTLAND, OREGON (BID NO. 22-12425) FOR THE SUPPLY OF 115 KV AND 230 KV CONDUCTOR AND SHIELD WIRE

**MOTION**

Moved by: Commissioner Smith

Seconded by: Commissioner Congdon

To approve resolutions 10, 11, 13, 14 and 15 as presented

Approved: Unanimously

**Resolution 17**

- Ron Slabaugh, Water/Wastewater Manager, presented Resolution 17
- Major provisions are that the District won't pay anything for the system other than paying off some outstanding debt, there will be a transition period, and the District will retain full rights to set rates and fees in order to operate the system
- Commissioner Smith highlighted the public process and due diligence performed by both parties
- Resolution 17. A RESOLUTION AUTHORIZING THE GENERAL MANAGER TO NEGOTIATE AND EXECUTE A WATER SYSTEM TRANSFER AGREEMENT WITH THE PESHASTIN WATER DISTRICT

**MOTION**

Moved by: Commissioner Bolz

Seconded by: Commissioner Smith

To approve resolution 17 as presented

Approved: Unanimously

**Capital Budget Revision – Distribution**

- Lindsey Mohns, Business Services/Customer Utilities Manager, and Chad Rissman, Director Distribution Asset Management, presented a proposed capital budget revision to increase the capital budget for underground transformer purchases, shifting dollars from the underground cable replacement project
- Proposed motion: To increase the Total Project Budget and 2022 current year budget amount for capital project 2XXX0100, UG transformers, in the amount of \$500,000 for a revised total project budget of \$2 million, and to decrease the 2022 underground cable replacement (DSXX0003) budget by the same amount, enabling a shift in spending between capital projects with no change to the overall 2022 Distribution capital budget.

**MOTION**

Moved by: Commissioner Congdon

Seconded by: Commissioner Arseneault

To approve the capital budget revision motion as proposed

Approved: Unanimously

**Manager Items**

- Lindsey Mohns, Business Services/Customer Utilities Manager, noted that the customer lobby will be closed on Martin Luther King Jr. Day for staff training
- Michelle Smith, Directly Hydro Licensing and Compliance, reported on the City's recent Confluence Parkway open house

- Presented the environmental assessment and 4F assessment; public comment will be accepted through January 31
- The District will provide written comments regarding protecting the Horan Natural Area and meeting FERC requirements
- Jeff Osborne will take over the lead on this project as Michelle retires
- Commissioners thanked and recognized Michelle for her service
- Janel Ulrich, Hydro Licensing Manager, reported on the recent Malaga Park open house
  - Hosted by Chelan County and was well attended
  - Landscape architect moving from 30 to 60% design
  - Concerns about railroad crossing, interest in more soccer/softball fields near the Malaga Market

**Commission Items**

- Commissioner Retirements
  - Presented retirement certificates and plaques recognized retiring Commissioners Congdon and Bolz for their service
  - Thank you to Jered Paine for the craftsmanship of the plaques
  - Commissioners Bolz and Congdon shared stories and thanked staff for their commitment to the District and Chelan County

**Follow up on Delegation of Action Items from 12/5/22 Board meeting**

- None

**Delegation of Action Items**

- None

**Executive Session**

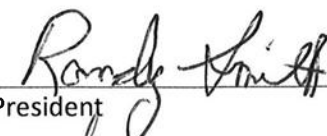
President McKenna convened an executive session at approximately 11:50am to discuss with legal counsel agency enforcement actions, litigation, potential litigation to which the District or its board is, or is likely to become, a party, and/or legal risks, as authorized by RCW 42.30.110(1)(i) and to review the performance of a public employee, as authorized by RCW 42.30.110(1)(g) for approximately 15 minutes.


**Regular Session Reconvened at 12:02pm**

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

There being no other business, the meeting adjourned at 12:02pm

  
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 Vice President

  
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 President

  
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 Secretary

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 Commissioner

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 Commissioner