

**Minutes of the Regular Commission Meeting of
Public Utility District No. 1 of Chelan County, Washington
March 4, 2024**

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 March 4, 2024, at the hour of 10:00 am, pursuant to proper notice.

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

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

Others present: Alicia Meier, L. Hailey

Call to Order

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

Pledge of Allegiance and Safety/HPI Minute

- Annabelle Babst, Safety and HPI Process Administrator, led the pledge and provided information on protective eyewear and a reminder on ladder safety

Agenda

- The agenda was approved as presented

Annual Report of Safety Concerns

- Jared Watts, Director Safety, Health and H&OP, presented safety concern data for 2023
- Focus in 2023 - improve safety and health team Enablon usage
 - Enablon training
 - Data transparency for Safety Coordinators
 - Enablon access
- Focus in 2024 - Enablon improvements
 - Improve transparency for District personnel
 - Improve Enablon processes for capturing and managing safety concerns
- Planning for increased integration between systems in 2024

Consent Agenda

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

- Minutes of the February 20, 2024 Regular Meeting

- Vouchers: Accounts Payable Summary Report dated February 27, 2024:
 - Vouchers totaling \$51,022,122.02;
 - Approval of Customer Deposit Returns and Conservation Incentive payments for the period February 13, 2024 through February 26, 2024 in the amount of \$30,887.70.
 - Approval of the net Payroll, Warrant Nos. 238380 through 238389 and Advice Nos. 772314 through 773125 for the pay period ending February 11, 2024 in the amount of \$2,514,636.21.
 - Approval of Warrant Nos. 30817 through 30904 totaling \$76,985.09 for claim payments from the workers' compensation self-insurance fund for the period ending February 26, 2024.
 - Approval of Parks Reservation System customer refunds for the period February 13, 2024 through February 26, 2024 in the amount of \$3,570.00.

MOTION

Moved by: Commissioner Arseneault

Seconded by: Commissioner Smith

To approve the consent agenda as presented

Approved: Unanimously

Resolution 7

- Cody Gillin, GIS Solutions Engineer II, presented Resolution 7
- Resolution 7. A RESOLUTION DECLARING ENVIRONMENTAL SYSTEMS RESEARCH INSTITUTE, INC. OF SAN BERNARDINO, CA AS THE SOLE SOURCE SUPPLIER OF ARCGIS SOFTWARE SUITE

Resolutions 8, 9, and 10

- Devin Myers, Senior Project Manager, presented Resolutions 8, 9, and 10
- Resolution 8. A RESOLUTION RATIFYING FIELD WORK ORDER/CHANGE ORDER NOS. 2, 3, 3-GMP4, 1-GMP5, AND 1-GMP6, AUTHORIZING FINAL ACCEPTANCE OF WORK PERFORMED UNDER GUARANTEED MAXIMUM PRICE (GMP) AMENDMENT NO. 3 AND GMP AMENDMENT NO. 5, AND AUTHORIZING THE ISSUANCE OF A GMP AMENDMENT NO. 7 TO NORTHBANK CIVIL AND MARINE, INC. OF VANCOUVER, WA FOR THE UPGRADE OF UNITS U3 AND U4 UNDER CONTRACT NO. 20-14 FOR THE ROCK ISLAND POWERHOUSE NO. 2 DRAFT TUBE GATE CYLINDER AND HYDRAULIC POWER UNIT UPGRADE
- Resolution 9. A RESOLUTION RATIFYING FIELD WORK ORDER/CHANGE ORDER NOS. 2-DBA AND 2-GMP2 AND FURTHER AUTHORIZING THE ISSUANCE OF GUARANTEED MAXIMUM PRICE (GMP) AMENDMENT NO. 4 TO OLSSON INDUSTRIAL ELECTRIC, INC. OF SPRINGFIELD, OREGON FOR GENERATOR LEAD REPLACEMENT OF UNITS U-1, U-4, U-6, U-7 AND U-8 FOR THE ROCK ISLAND POWERHOUSE NO. 2 - GENERATOR LEAD REPLACEMENT PROJECT (CONTRACT NO. 20-18)
- Resolution 10. A RESOLUTION RATIFYING FIELD WORK ORDER/CHANGE ORDER NOS. 2, 1-GMP1, AND GMP2, AND INCREASING THE LIMIT OF DELEGATED AUTHORITY FOR FIELD WORK ORDER/CHANGE ORDER/GUARANTEED MAXIMUM PRICE (GMP) AMENDMENT UNDER CONTRACT NO. 20-44 WITH OLSSON INDUSTRIAL ELECTRIC, INC. OF SPRINGFIELD, OR. FOR THE ROCK ISLAND POWERHOUSE NO. 2 UNIT MOTOR CONTROL CENTERS REPLACEMENT PROJECT

MOTION

Moved by: Commissioner Allen

Seconded by: Commissioner Smith

To approve Resolutions 7, 8, 9, and 10 as presented

Approved: Unanimously

Resolution 11

- Daniel Appel, Staff Attorney, presented Resolution 11

- The resolution only contemplates agreement with grant conditions for the service life of the assets funded by the grant
- Resolution 11. A RESOLUTION CONFIRMING THE DISTRICT'S WILLINGNESS TO MAINTAIN COMPLIANCE WITH TERMS OF GRANTS AWARDED TO PESHASTIN WATER DISTRICT BY THE UNITED STATES DEPARTMENT OF AGRICULTURE, RURAL UTILITIES SERVICE

MOTION

Moved by: Commissioner Smith

Seconded by: Commissioner Allen

To approve Resolution 11 as presented

Approved: Four in favor, Commissioner Bergren abstained

Peshastin Water District Rate Adder Discussion

- Commissioners further discussed the rate adder and decision timing
- Waiting on the decision does not provide certainty to customers; Commissioners expressed a strong desire to provide the community with guidance

Manager Items

- Vicki Griffin, Real Estate and Permitting Manager, and Daniel Appel, provided an update on the Ravenwing property
 - Reviewed due diligence to date, and potential next steps
 - Plan is to move forward unless there is objection; no objections were noted
- Heather Irelan, Treasurer, noted that Fitch Rating Agency has reaffirmed the District's A++ rating with a stable outlook
 - Commissioners congratulated the Finance team and District staff on this accomplishment
- John Stoll, Managing Director Customer Utilities, and Ian Fitzgerald, Chief Technology Officer, gave an update on recent billing delays
 - Ian gave an update on recent cyber event affecting Change Healthcare
 - It was a bigger attack than seen in other areas; no estimated timeframe to restore services
 - On day 2, we began developing an in-house workaround; bills will begin going out tomorrow for printing and mailing
 - John noted that we've communicated with customers through a press release and information on our website; a letter to each customer will be going out today
 - We will likely have to batch bills as we catch up
 - Customer relations staff has been great and are working through this
 - For customers who usually get e-statements – we'll only have printed statements for now and we are working on getting auto-payments up and running by the time bills begin going out

Commission Travel

- Lisa Sanders, Legal Office Administrator, reviewed upcoming Commissioner travel

Commission Items

- Proposed special meetings
 - On Tuesday, March 19, 2024 @ 5:30pm at Olive Garden, 615 Valley Mall parkway, East Wenatchee, for the purpose of holding a Mid-C GM and Commissioners meeting
 - On Tuesday, March 26, 2024 @ 1:00pm at the Confluence Technology Center, 285 Technology Center Way, Wenatchee, for the purpose of holding a Tri-Commission Meeting
 - On Friday, May 3, 2024 @ 9:00am at the Confluence Technology Center, 285 Technology Center Way, Wenatchee, for the purpose of holding a Board Workshop

MOTION

Moved by: Commissioner Allen
Seconded by: Commissioner Arseneault
To approve the special meetings as presented
Approved: Unanimously

Follow up on Delegation of Action Items from 2/20/24 Board meeting

- Staff will add information on WRAP planning reserve margin to the Quarterly Energy Resources reports
- Dave Nelson will provide information on largest capital expenditure year – provided via email 2/22/24

Follow up on Delegation of Action Items from Previous Board meetings

- Ian Fitzgerald will bring back information on the Total Resource Management contract for Maximo Prime subscription services, if and when we move forward with cloud-based service – sent via email 2/21/24
- Kirk Hudson will determine if current customer satisfaction survey data includes information specific to Leavenworth and Chelan – sent via email 2/21/24
- 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 – sent via email 2/21/24
- Kirk Hudson will provide information on what services are available in Chelan – information provided during 1:1 meeting with John Stoll and Andy Wendell

Delegation of Action Items

- None


Executive Session

President McKenna convened an executive session at approximately 11:45am 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 45 minutes.

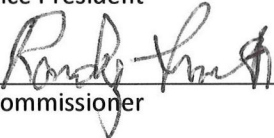
Regular Session Reconvened at 12:30pm

Rebekah Neumann, Clerk of the Board, confirmed no votes were taken and no decisions were made during Executive Session

There being no other business, the meeting was adjourned at 12:30pm

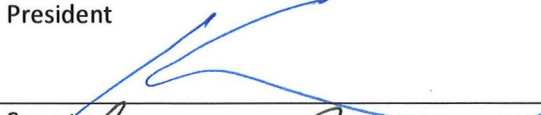


Vice President




Commissioner

President



Secretary



Commissioner