

# Minutes of the Regular Commission Meeting of Public Utility District No. 1 of Chelan County, Washington January 6, 2025

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 January 6, 2025, 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  
Teresa Boushay, Acting Clerk of the Board  
Various staff

## **Call to Order**

- President McKenna called the meeting to order at 10:01am

## **Pledge of Allegiance**

- Tim Jacobs, Safety & Health Coordinator, led the pledge

## **Commissioner Swearing In**

- Skip Moore, Chelan County Auditor, conducted the swearing in of re-elected Commissioners
  - Randy Smith, representing District 2
  - Steve McKenna, representing at-large District A

## **Safety/H&OP Minute**

- Tim Jacobs, Safety & Health Coordinator, provided information on electrical safety

## **Agenda**

- Resolution 6 was moved to the regular agenda; the agenda was approved as revised

## **Consent Agenda**

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

- Minutes of the December 16, 2024 Regular Meeting and December 19, 2024 Special Meeting
- Vouchers: Accounts Payable Summary Report dated December 31, 2024:
  - Vouchers totaling \$42,448,665.93;
  - Approval of Customer Deposit Returns and Conservation Incentive payments for the period December 10, 2024 through December 30, 2024 in the amount of \$109,375.23.
  - Approval of the net Payroll, Warrant Nos. 238666 through 238676 and Advice Nos. 790910 through 791746 for the pay period ending December 15, 2024 in the amount of \$3,037,875.22.

- Approval of Warrant Nos. 32507 through 32597 totaling \$90,125.10 for claim payments from the workers' compensation self-insurance fund for the period ending December 30, 2024.
- Resolution 7. A RESOLUTION RATIFYING CHANGE ORDER NOS. 1 THROUGH 9, AUTHORIZING FINAL ACCEPTANCE OF WORK PERFORMED UNDER BID NO. 19-11 WITH HANCOCK SANDBLAST & PAINT LLC OF PASCO, WASHINGTON AND AUTHORIZING RELEASE OF THE BOND IN LIEU OF RETAINAGE
- Resolution 8. A RESOLUTION RATIFYING CHANGE ORDER NOS. 1 THROUGH 5, AUTHORIZING FINAL ACCEPTANCE OF WORK PERFORMED UNDER BID NO. 19-58 WITH CFM VR-TESCO OF ELGIN, IL AND AUTHORIZING PAYMENT OF RETAINAGE
- Resolution 9. A RESOLUTION RATIFYING CHANGE ORDER NOS. 1 THROUGH 3, AUTHORIZING FINAL ACCEPTANCE OF WORK PERFORMED UNDER BID NO. 22-12408 WITH KRCI LLC OF EAST WENATCHEE, WASHINGTON AND AUTHORIZING RELEASE OF THE BOND IN LIEU OF RETAINAGE

**MOTION**

Moved by: Commissioner Smith

Seconded by: Commissioner Allen

To approve the consent agenda as amended to remove Resolution 6

Approved: Unanimously

**Resolution 6**

- George Velazquez, Manager Project Delivery, and Brett Bickford, Managing Director Generation and Transmission, presented Resolution 6
- Provided additional information on the project to refurbish units C8-C11
- Resolution 6. A RESOLUTION RATIFYING CHANGE ORDER NOS. 1-15, AUTHORIZING FINAL ACCEPTANCE OF WORK PERFORMED UNDER CONTRACT NO. 16-53 FOR THE SUPPLY OF ROCKY REACH UNITS C8 THROUGH C11 HEAD COVERS WITH ANDRITZ HYDRO CORP. OF CHARLOTTE, NC AND AUTHORIZING PAYMENT OF RETAINAGE

**Resolution 10**

- Bill Sanborn, Utility Vegetation Manager, presented Resolution 10
- Resolution 10. A RESOLUTION ACCEPTING THE BID OF XYLEM I, LLC OF NORFOLK, VIRGINIA AND ASPLUNDH TREE EXPERT, LLC OF WOODINVILLE, WASHINGTON TO PROVIDE DISTRICT TREE TRIMMING UNDER SOLICITATION 24-13855

**Resolution 11**

- Chris Blayne, Managing Director Fiber and Telecom, presented Resolution 11
- Resolution 11. A RESOLUTION RESCINDING AND REPLACING RESOLUTION NO. 22-14640 AND ADOPTING NEW TELECOMMUNICATION RATES FOR WHOLESALE TELECOMMUNICATIONS SERVICES BY SERVICE PROVIDERS ON THE DISTRICT'S BROADBAND SYSTEM

**MOTION**

Moved by: Commissioner Allen

Seconded by: Commissioner Arseneault

To approve Resolutions 6, 10, and 11 as presented

Approved: Unanimously

**Manager Item**

- Ian Hunter, Chief Dam Safety Engineer and Engineering Manager, provided an update on the Owners Dam Safety Program
  - Reviewed staff and organizational changes including promotion of Ian Hunter into current role
  - Reviewed improvements made in 2024 and areas identified for improvement in 2025

- Mark Mullins, Director Financial Enterprise Planning and Risk Analytics, gave an overview of proposed changes to the 2025 District Performance Plan reporting
  - Reviewed typical process and interim proposal
  - Propose developing new reporting process for strategic directives by the end of Q2
  - Commissioners are excited to see new reporting structure and commend staff for recognizing the need to make changes to meet the challenges of the future
- Heather Irelan, Director Treasury / Treasurer, provided an update on the recent S&P rating review
  - S&P Ratings has affirmed our consolidated debt rating of AA+ and our outlook continues to be Stable
  - Chelan PUD continues to be one of the handful of AA+ rated utilities in the nation
- Justin Erickson, Chief Strategy and Stakeholder Officer, reviewed a draft memorandum of understanding with the City of Leavenworth
  - The MOU provides a framework to continue exploration of future uses of PUD property in Leavenworth considering needs of the City, Chelan County Sheriff, and Upper Valley Mend
  - Leavenworth City Council will review the MOU at their meeting Tuesday, Jan. 14 at 7:00pm

**Commissioner Travel**

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

**Commission Items**

- Commissioner Allen reported that the ad hoc committee has been meeting to develop Board-Staff Linkage policies
- Commissioner Bergren met with the City of Entiat on their interest in seeing the PUD property in Entiat developed into a play field

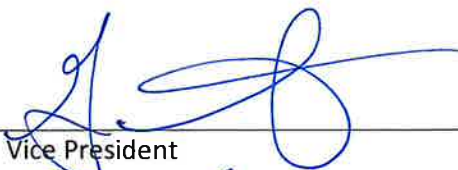
**Follow up on Delegation of Action Items from 12/16/24 Board meeting**


- Kelli Scott will provide information on the Colorado transmission authority legislation that Washington has used as a template – sent via email 12/17/24


**Delegation of Action Items**


- None


There being no other business, the meeting was adjourned at 11:51am

  
 Vice President

  
 Commissioner

  
 President

  
 Secretary

  
 Commissioner