

Minutes of the Regular Commission Meeting of Public Utility District No. 1 of Chelan County, Washington July 1, 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 July 1, 2024, at the hour of 10:00 am, pursuant to proper notice.

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

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

Other: Steve Keene

Call to Order

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

Pledge of Allegiance and Safety/HPI Minute

- Lynn Machado, Technology Programs Manager I, led the pledge and provided information on the importance of wildfire action plans

Agenda

- Resolutions 7 and 8 were moved to the consent agenda; the agenda was approved as revised

Business Line Financial Metrics and Rate Planning

- Dave Nelson, Manager Strategic Financial Planning, provided information on business line financial policy metrics and rate planning for consideration
- Provided background information on business line financial policies, an extended view of business line financial metrics, and options for moving forward for 2025 and beyond
- Recommended continuing rate increases to keep pace with inflation at a minimum
 - One-to-five-year extension of the 2024 increases: 4% water, 4% wastewater, 3% fiber, and 3% electric
 - Commissioners support staff recommendation of extending the current rate plan for 2-3 years
- Discussed strategic planning considerations and next steps

Consent Agenda

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

- Minutes of the June 17, 2024 Regular Meeting and June 18, 2024 Special Meeting
- Vouchers: Accounts Payable Summary Report dated June 25, 2024:
 - Vouchers totaling \$44,873,803.95;

- Approval of Customer Deposit Returns and Conservation Incentive payments for the period June 11, 2024 through June 24, 2024 in the amount of \$41,154.01.
- Approval of the net Payroll, Warrant Nos. 238492 through 238505 and Advice Nos. 779855 through 780694 for the pay period ending June 16, 2024 in the amount of \$2,826,194.84.
- Approval of Warrant Nos. 31525 through 31650 totaling \$40,506.96 for claim payments from the workers' compensation self-insurance fund for the period ending June 24, 2024.
- Resolution 7. A RESOLUTION AUTHORIZING AMENDMENT NO. 10 TO TASK AUTHORIZATION SERVICES AGREEMENT (SA-TA NO. 19-070) WITH MCMILLEN, INC. TO PROVIDE ADDITIONAL FUNDING AND AN EXTENSION OF THE TIME FOR COMPLETION OF HYDRO EQUIPMENT CONSULTING SERVICES
- Resolution 8. A RESOLUTION AUTHORIZING AMENDMENT NO. 2 TO TASK AUTHORIZATION SERVICES AGREEMENT (SA NO. 22-12438) WITH STANTEC CONSULTING SERVICES, INC. TO PROVIDE HYDRO ENGINEERING SERVICES FOR THE DISTRICT

MOTION

Moved by: Commissioner Allen

Seconded by: Commissioner Smith

To approve the consent agenda as revised to include Resolutions 7 and 8

Approved: Unanimously

Manager Items

- Chris McDarment, System Operations and Coordination Manager, provided information on the recent wildfire mitigation community outreach
 - Reviewed outreach progress, key messages, key themes and next steps
 - The decision to use a fire safety outage is a rarely used measure of last resort
 - Our goal is to notify customers 48 hours in advance of a potential fire safety outage
 - Be prepared:
 - Sign up for Everbridge emergency alerts
 - Update your contact information with Chelan PUD
 - Create an outage emergency plan for your home or business
 - Join the Electrical Medical Needs Registry if you rely on electricity for medical equipment
 - Questions and comments can be sent to CustomerOutreach@chelanpud.org
 - Commissioners thanked staff for their outreach efforts
- Kirk Hudson, General Manager, provided several updates
 - Operations & Maintenance (O&M) Budget
 - With the parapet wall construction and other large projects, staff may need to request a revision to the O&M budget
 - Fourth of July community event will be held 4:00-11:00pm at Walla Walla Point Park with fireworks beginning at 10:00pm
 - Chelan County PUD Night at the Applesox on July 11 @ 6:35pm

Commissioner Travel

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

Commission Items

- Special Meetings

MOTION

Moved by: Commissioner Smith

Seconded by: Commissioner Arseneault

To set the following special meetings

- On Wednesday, August 14, 2024 @ 9:00am at the Confluence Technology Center, 285 Technology Center Way, Wenatchee, for the purpose of a Board Workshop
- On Tuesday, August 27, 2024 @ 1:00pm at the Confluence Technology Center, 285 Technology Center Way, Wenatchee, for the purpose of holding a Tri-Commission meeting

Approved: Unanimously

- Commissioner Arsenault recognized the Parks crews for keeping the parks in such amazing condition
- Commissioners McKenna, Smith, and Allen thanked staff for how they conducted wildfire mitigation outreach meetings and listened to feedback

Follow up on Delegation of Action Items from 6/17/24 Board meeting

- None

Follow up on Delegation of Action Items from Previous meetings

- Kirk Hudson will arrange a security orientation of Service Center with Board – completed 6/3/24

Delegation of Action Items


- Rachel Hansen will provide information on how customers can join the Electrical Needs Registry for medical equipment that relies on electricity to operate

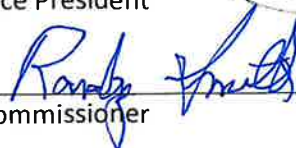
Executive Session


- President McKenna convened an executive session at approximately 11:18am 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), to consider the selection of a site or the acquisition of real estate by lease or purchase when public knowledge regarding such consideration would cause a likelihood of increased price, as authorized by RCW 42.30.110(1)(b), to consider the minimum price at which real estate will be offered for sale or lease when public knowledge regarding such consideration would cause the likelihood of decreased price, as authorized by RCW 42.30.110(1)(c), and to consider information regarding the infrastructure and security of computer and telecommunications networks, security and service recovery plans, security risk assessments and security test results to the extent that they identify specific system vulnerabilities pursuant to RCW 42.30.110(1)(a)(ii) for approximately 30 minutes.


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


There being no other business, the meeting was adjourned at 11:42am


 Vice President


 Commissioner


 President


 Secretary


 Commissioner