

**THE BOARD OF COMMISSIONERS
OF
PUBLIC UTILITY DISTRICT NO. 1 OF FRANKLIN COUNTY, WASHINGTON**

MINUTES OF THE APRIL 26, 2022
REGULAR COMMISSION MEETING

The Board of Commissioners of Public Utility District No. 1 of Franklin County held a regular meeting at 1411 West Clark St., Pasco, WA, on April 26, 2022, at 1:00 p.m. This meeting was conducted in accordance with the current *Proclamation by the Governor, Amending and Extending 20-05, and 20-28 Open Public Meetings Act and Public Records Act* in effect; remote technology options were provided for the public to participate.

Those who participated from the District via remote technology or in person for all or part of the meeting were Commissioner Roger Wright, President; Commissioner Bill Gordon, Vice President; Commissioner Stu Nelson, Secretary; Scott Rhees, General Manager; Holly Dohrman, Assistant General Manager; Steve Ferraro, Operations Director; Victor Fuentes, Engineering Director; Brian Iller, outside General Counsel; and Rosario Viera, Supervisor of Executive Administration.

Additional staff that participated in person or via remote technology for all or part of the meeting was Greg Linden, Engineering Manager and Nastassja Ransom, Human Resources Generalist.

There was no public participating in person or via remote technology for any part of the meeting.

OPENING

Commissioner Wright called the meeting to order at 1:00 p.m. and called on Mr. Linden to lead the Pledge of Allegiance.

PUBLIC COMMENT

There was no public participating via the remote technology option or present to provide public comment. There was no written public comment provided prior to the meeting.

EMPLOYEE MINUTE

Commissioner Wright welcomed Mr. Linden and noted that it was the intent of the Commission to hear from employees and check how they are doing. Commissioner Wright asked Mr. Linden general wellbeing questions that included what he was most proud of, favorite parts of his job, biggest challenge during the pandemic, and what change he would make at the District.

Mr. Linden shared that he enjoyed coming up with solutions to problems and streamlining processes. He noted that the engineering work group was able to provide the same level of service to all customers, noting that customers requesting small service and large commercial customers were all provided the same level of service. Mr. Linden reported that one of his challenges was communication, especially with not having the in-person component available. He noted that being able to socialize at work helps improve communication and build a team. Mr. Linden noted that things to consider in the future included the impact of electric vehicle charging

stations, solar installations and high density loads to the District and its rates.

The Commission thanked Mr. Linden for attending and sharing his thoughts.

COMMISSIONER REPORTS:

Commissioner Nelson reported that:

- He attended the WPUDA monthly meeting that was held in person.
- He attended the Energy Northwest (ENW) March meeting. He noted that information was shared on the number of ENW employees that had contracted the virus. He shared that an ENW employee would be receiving a CEO Lifesaving Award for assisting him during a choking incident last year.

Commissioner Gordon reported that:

- He also attended the Energy Northwest meeting. He noted that a new outside director position was to be elected at the April meeting.

Commissioner Wright reported that:

- He also attended the WPUDA monthly meeting and noted he appreciated being back in person. He reported that Mr. Garry Arseneault was elected as the President of the association and noted the Mr. Arseneault has committed to visiting each utility as part of his presidency.
- He attended the NoaNet monthly meeting and noted there was discussion on the NoaNet pension plans. He reported that NoaNet continues to perform well financially.
- He met with Mr. Tim Nies from Energy Northwest on a potential new solar project and shared information on the tentative project.

CONSENT AGENDA:

The Commission reviewed the Consent Agenda. There were various questions on the Write Off report and Ms. Dohrman provided the information. Commissioner Nelson moved and Commissioner Gordon seconded to approve the Consent Agenda as noted below. The motion passed unanimously.

- 1) To approve the minutes of the March 22, 2022, Special Commission Meeting and March 22, 2022, Regular Commission Meeting.
- 2) To approve payment of expenditures for March 2022 amounting to \$8,746,707.42 as audited and certified by the auditing officer as required by RCW 42.24.080, and as reviewed/certified by the General Manager as required by RCW 54.16.100, and expense reimbursement claims certified as required by RCW 42.24.090 and as listed in the attached registers and made available to the Commission for inspection prior to this action as follows:

Expenditure Type:	Amounts:
Direct Deposit Payroll Umpqua Bank	\$ 486,357.03
Wire Transfers (Wires)	6,064,450.47
Automated and Refund Vouchers (Checks)	1,522,541.20

Direct Deposits (EFTs)	683,439.77
Voids	(10,081.05)
Total:	\$ 8,746,707.42

- 3) To approve the Write Offs as listed on the April 2022, Write Off Report in the amount of \$9,452.42.
- 4) To declare a final acceptance of the work completed and as inspected by the District; to authorize release of available retainage; and to approve final payment in the amount of \$2,636.81 for work completed by Heritage Professional Landscaping, Inc. under Contract 9665, Landscape Maintenance.

AGENDA ITEM 7, AUTHORIZING THE GENERAL MANAGER OR HIS DESIGNEE TO EXECUTE A CONTRACT FOR THE PURCHASE OF A BUCKET TRUCK.

Mr. Ferraro introduced the agenda item and reviewed the background information as reported on the Agenda Item Summary included in the meeting packet. He provided an updated agenda item with the following information:

Staff received and evaluated one (1) bid:

<u>Bidder:</u>	<u>Total Bid:</u>	<u>Exceptions:</u>
Altec Industries, Inc	\$ 346,052	Yes

He reported that the bid submitted by Altec Industries, Inc., had exceptions which included no pre-paint inspections which are acceptable to the District. Staff determined that the bid submitted by Altec Industries, Inc., was a responsive bid and within the District's estimate. He reviewed staff's recommendation. The Commission asked questions on the estimated delivery time, and if funds would be carried over to the next year's budget and Mr. Ferraro provided the information.

Commissioner Nelson moved and Commissioner Gordon seconded to find Altec Industries, Inc., the lowest responsive bidder and to authorize the General Manager or his designee to execute a contract with Altec Industries, Inc., for the purchase of a bucket truck in an amount not to exceed \$346,052. The motion passed unanimously.

AGENDA ITEM 8, AUTHORIZING THE GENERAL MANAGER OR HIS DESIGNEE TO EXECUTE A CONTRACT FOR THE PURCHASE OF 15.5KV VACUUM CIRCUIT BREAKERS.

Mr. Fuentes introduced the agenda item and reviewed the background information as reported on the Agenda Item Summary included in the meeting packet. He noted that staff received and evaluated two (2) bids:

- General Pacific/Siemens \$114,685 Non-responsive
- Anixter Inc./ABB Inc. \$137,300

He noted that the bid submitted by General Pacific/Siemens had major exceptions to the technical

specifications that includes a spring stored energy alternative instead of magnetic actuator, auxiliary power of 48 volts of direct current (VDC), and no shelf capacitors. He reported that these exceptions cause significant changes to the existing design and staff was recommending that the Commission find the bid submitted by General Pacific/Siemens non-responsive and to authorize the General Manager or his designee to execute a contract with Anixter Inc./ABB Inc., the lowest responsive bidder, for the purchase of 15.5KV vacuum circuit breakers in an amount not to exceed \$137,300.

Commissioner Nelson moved and Commissioner Gordon seconded to find the General Pacific/Siemens bid non-responsive and to find Anixter Inc./ABB the lowest responsive bidder, and to authorize the General Manager or his designee to execute a contract with Anixter Inc./ABB Inc., for the purchase of 15.5KV vacuum circuit breakers in an amount not to exceed \$137,300. The motion passed unanimously.

AGENDA ITEM 9, ADOPTING A RESOLUTION AUTHORIZING THE GENERAL MANAGER OR HIS DESIGNEE TO EXECUTE A CONSTRUCTION WORKSPACE AGREEMENT WITH NORTHWEST PIPELINE LLC.

Mr. Fuentes introduced the agenda item and reviewed the background information as reported on the Agenda Item Summary included in the meeting packet. Staff reviewed their recommendation.

Commissioner Gordon moved and Commissioner Nelson seconded to authorize the General Manager or his designee to execute a Construction Workspace Agreement with the Northwest Pipeline LLC, for the purpose of conducting maintenance work for the 2022 Pipeline Replacement Project. The motion passed unanimously.

AGENDA ITEM 10, ADOPTING A RESOLUTION AUTHORIZING THE GENERAL MANAGER OR HIS DESIGNEE TO EXECUTE A LICENSE AGREEMENT WITH FRANKLIN COUNTY IRRIGATION DISTRICT.

Mr. Fuentes introduced the agenda item and reviewed the background information as reported on the Agenda Item Summary included in the meeting packet. Staff reviewed their recommendation.

Commissioner Gordon moved and Commissioner Nelson seconded to adopt Resolution 1371 as presented. The motion passed unanimously.

AGENDA ITEM 11, ADOPTING A RESOLUTION AUTHORIZING THE USE AND ACCEPTANCE OF ELECTRONIC SIGNATURES.

Mr. Rhees introduced the agenda item and reviewed the background information as reported on the Agenda Item Summary included in the meeting packet. Staff reviewed their recommendation.

Commissioner Gordon moved and Commissioner Nelson seconded to adopt Resolution 1372 as presented. The motion passed unanimously.

AGENDA ITEM 12, PROVIDING AN UPDATE ON THE PANDEMIC EMERGENCY EVENT.

Mr. Rhees introduced the agenda item and reviewed the background information as reported on the Agenda Item Summary included in the meeting packet. He noted that since March 2020 monthly updates have been provided to the Commission regarding all actions taken to mitigate the impacts of the pandemic and ensure business continuity. He reported that at the WPUDA monthly meeting various utilities had shared that they were preparing to open to customers. Mr. Rhees reported that the District had not stopped providing services to customers at any time. He reported that 4x10 schedules were also discussed.

Mr. Rhees provided a brief review of several charts include in Attachment A of the Agenda Item. He noted that no action was needed, and he was reporting only.

CLAIMS

Mr. Fuentes reported there were no new claims to report on.

GENERAL MANAGER REPORT:

Mr. Rhees reported that:

- The meeting packet included a March 2022 report that showed various metrics for the District. He noted that staff had included the report with the intent to provide the Commission pertinent information on the overall performance of the District. He asked for feedback on the report. The Commission reported that the report format and metrics were good.
- The disposition of the Pasco CT is coming to an end. He noted that final payment is expected soon.
- He will bring a revised Salary Administration Plan (SAP) to the May meeting. He noted that staff will meet with a compensation consultant in preparation for the in-depth analysis however, a revision needs to be done sooner. He noted that the proposed changes to the SAP will help ensure the District remains competitive and retain quality employees. He noted that once the analysis is complete the SAP will be brought back to the Commission, likely at the end of the year.
- The District will work on conducting a customer satisfaction survey. He noted that having a baseline of what District customers think of the services the District provides is important.
- For his audit, he reported that in a recent discussion with Port of Pasco staff it was mentioned that the Oregon Street substation land was not recorded under the District. He noted that staff researched the matter and the County had misfiled a quick claim deed for the property. The matter has been corrected and the property now reflects the District as the owner. He noted that staff is researching all other properties.

ASSISTANT GENERAL MANAGER REPORT:

Ms. Dohrman report that:

- The February 2022 monthly financial report was included in the meeting packet. She noted that due to, delayed billings staff has not been able to finalize the March monthly reports. She reported that staff will bring those monthly reports to the May meeting. She reviewed the February 2022 monthly financial reports.

- To ensure material is available for future capital projects, staff was requesting the Commission meet on the June 14, 2022 regular meeting day. She noted this would allow staff to bring bids for authorization to award and get the materials sooner. The Commission agreed to meet on the June 14, 2022 regular meeting day. Commissioner Gordon noted he may not be able to participate.
- For her audit, she reviewed the cell phone services invoice. She noted that the quantity of cell phones, data plans and other services were reviewed and noted that staff was able to identify cost savings.

OPERATIONS DIRECTOR REPORT:

Mr. Ferraro reported that:

- Progress continues with the smart meter deployment. He noted that the next shipment of smart meters should be received soon.
- There were a few outages last month and he provided more details on the larger outages.
- The Broadband department continues to be busy and he provided an update on new service quotes received. He noted that Zayo has taken additional space in the colocation facility.
- A line was damaged at the Rattlesnake Mountain and it is running on a generator. He noted that options are being researched on how to best restore service.
- For his audit, he reviewed the diesel exhaust fuel purchases and found some tax discrepancies. He noted that he reached out to the vendor and this is being resolved.

ENGINEERING DIRECTOR REPORT:

Mr. Fuentes reported that:

- The Franklin Substation rebuild project phase 1 is complete and has been energized. He noted that staff is working on purchasing the necessary materials for phase 2.
- Staff continues to refine the net metering process and noted that customers have been very appreciative of the District's willingness to provide them information.
- The engineering department continues to be busy with new service requests.
- For his audit he reviewed the work order for a large commercial customer. He reported that staff strives to be within 5 – 10% of the actual cost and that the final amount is trued up after completion.

SUPERVISOR OF EXECUTIVE ADMINISTRATION REPORT:

Ms. Viera reported that:

- The June 14 regular meeting will be added to the future agenda list.
- Staff is participating in the Energy Summit today and tomorrow. She noted that the event is for local 5th graders to learn about renewable energy.
- Mr. Fuentes and Ms. Azure provided a safety presentation for students at Longfellow Elementary. She noted that it was a bilingual classroom and Mr. Fuentes had done the presentation in English and Spanish.
- The Watt's Up Employee Newsletter is now being distributed to the Commission via email.
- The District placed an ad in the Franklin County Graphic Ag Edition highlighting the importance of the Columbia and Snake River Dams and how they support our local

agriculture industry and economy. She noted that the ad was translated in Spanish and will be published in La Voz newspaper.

- The District will be running Spanish radio ads to promote the kiosk and extended drive thru hours. She noted the radio ads will run in the months of May and June.
- For her audit she reported that the House Bill 1329 amended the Open Public Meetings Act and she reviewed the changes. She noted that staff will review the Public Participation at Commission Meetings Policy and the District's Organizational Statement and ensure any revisions needed are brought to the Commission for approval.

OUTSIDE GENERAL COUNSEL REPORT:

Mr. Iller reported that:

- He received new information on the case he is representing on behalf of the District. He noted he will review the information and contact staff as needed for any necessary action

At this time, Commissioner Wright called for a five-minute break to begin at 2:53 p.m. and end at 2:58 p.m. All staff was dismissed except for Mr. Rhees, Ms. Viera, and Ms. Ransom.

At 2:58 p.m., Commissioner Wright ended the break and reconvened the regular meeting.

Commissioner Wright brought up the matter of creating 2022 goals for Mr. Rhees.

Mr. Rhees reported that he had provided a list of goals for Commission consideration prior to the meeting via email to each Commissioner.

Commissioner Wright noted he had provided input on the goals and submitted the information to Ms. Ransom.

Ms. Ransom provided a copy of the goals that included Commissioner Wright's comments. Commissioner Wright reviewed the goals and emphasized those of importance in his opinion. The goals were centered around the District's mission to provide safe, reliable, cost-based power that benefits our customers. There was discussion on the goals and input from Commissioners Gordon and Nelson.

Commissioner Gordon requested Mr. Rhees add a goal regarding continuing education on the value of hydroelectricity to our customers.

Commissioner Wright requested that any additional changes be sent to Ms. Ransom and final approval of the General Manager's goals be done at the May meeting. The Commission concurred.


Commissioner Wright brought for the matter of the District's broadband article featured in the Northwest Public Power Bulletin magazine. He noted it was a good article and he had received positive comments.

MEETING ADJOURNMENT


With no further business to come before the Commission, Commissioner Wright adjourned the

regular meeting at 3:15 p.m. The next meeting will be a special meeting on May 10, 2022 at 10 a.m., for the purpose of hearing a presentation and having discussion on the District's broadband. The next regular meeting will be May 10, 2022, at 1:00 p.m.

Both meetings will be at the District's Auditorium located at 1411 W Clark St. Pasco, WA and will be held in accordance with the current Governor's proclamation in affect. Remote technology options are also provided for members of the public to participate.



Roger Wright, President



William Gordon, Vice President



Stuart Nelson, Secretary