

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

MINUTES OF THE NOVEMBER 8, 2022  
REGULAR COMMISSION MEETING

The Board of Commissioners of Public Utility District No. 1 of Franklin County held a regular meeting at 1411 W. Clark St., Pasco, WA, on November 8, 2022, at 1:00 p.m. Remote technology options were also 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; and Rosario Viera, Supervisor of Executive Administration.

Additional staff that participated in person or via remote technology for all or part of the meeting were members of the Accounting department: Katrina Fulton, Nicole Kirby, Amy Wilburn, and Sergio Guzman; Natassja Ransom, Human Resources Generalist; and Shelly Olson, Records Coordinator.

Public participating in person or via remote technology for all or part of the meeting was William Rimmer, Bonneville Power Administration (BPA), Account Executive.

**OPENING**

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

**PUBLIC COMMENT**

There was no public participating in person, via the remote technology option or written public comment provided prior to the meeting.

**ACCOUNTING DEPARTMENT - REMOTE WORK CHECK-IN**

Commissioner Wright welcomed the Accounting department. He reported that in lieu of the normal employee check-in the Accounting department staff had been asked to join and share their thoughts on working remotely. He called on Ms. Fulton for introduction of her staff.

Commissioner Wright asked the Accounting staff for the benefits of working remotely, how they stay connected, and if the District was providing the proper tools to communicate effectively and work remote. Various members of the accounting department noted that remote work was beneficial for many reasons. Ms. Wilburn reported that being able to remote work, especially when not feeling well or a household member not feeling well was a great benefit. She noted that the District has provided the technology and tools to effectively complete her job. Ms. Kirby noted that there was also a time savings because there was little time needed to get ready and no commuting. She noted that she was able to begin work earlier and felt she was more productive.

Ms. Fulton reported that there was also a safety benefit to remote work and noted that not having

to drive during inclement weather to report to the administrative office was a safety benefit. She shared that her department utilizes the communication tools provided and are able to communicate frequently and effectively. She reported that lunches are scheduled to ensure her group does have face to face interactions and that has been helpful as well.

Ms. Kirby shared some of the other features that the communication tools provide and noted that being able to see another employee's availability at-a-glance was great.

Ms. Fulton reported that she was proud of the accomplishments of her staff and noted that all accounting functions of the District have been performed timely and accurately while remote working 100% of the time.

Commissioner Gordon asked what the challenges in managing remote workers was and Ms. Fulton reported that different metrics are in place to measure productivity and ensure deadlines are met, and tasks are accomplished. She noted that remote work is beneficial to the District as a whole and shared an example of being able to provide immediate assistance to the Operations Director during the Kahlotus fire because she was set up to remote work.

Ms. Wilburn thanked the Commission and management for trusting that employees are doing their best while remote working.

The Commission thanked the Accounting department for attending and for their work. Commissioner Wright noted they do a great job and that he appreciated their service, positive attitudes, and productivity. Commissioners Gordon and Nelson agreed with the sentiment.

Commissioner Wright expressed that Ms. Fulton's leadership was instrumental in cultivating a positive attitude within the Accounting department.

Mr. Rhees noted that management staff is continuously looking for manners to keep employees feeling connected.

#### **COMMISSIONER REPORTS:**

Commissioner Nelson reported that:

- He attended Energy Northwest's Public Power Forum (the Forum) and noted there were good speakers and good breakout sessions. He noted that the event had a good turn out as well.
- He attended the Energy Northwest Board meetings and noted that Commissioner Gordon was re-elected as the Secretary for the Board of Directors and shared his congratulations.

Commissioner Gordon reported that:

- He also attended the Forum and noted that two lobbyists from other organizations were also in attendance.

Commissioner Wright reported that:

- He also attended the Forum. He noted that he had participated in the future of electric vehicles breakout session and reported on discussions from the session. He had the opportunity to hear a local speaker share information on a hydrogen project and noted he would like to have more information on the matter. Staff noted they will try to facilitate the request.

There was general discussion on the Forum and the Commission agreed that the Forum had been well organized and beneficial.

**CONSENT AGENDA:**

The Commission reviewed the Consent Agenda. Commissioner Nelson expressed concern on the write-offs with high dollar amounts. Commissioner Gordon asked about a warrant amount and staff 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 October 25, 2022 Regular Commission meeting.
- 2) To approve a correction to the September 27, 2022 Regular Commission meeting minutes, on page 4 as follows:

Commissioner Gordon moved and Commissioner Nelson seconded to recess the 2023 Operating and Capital Budgets public hearing to the ~~November 8~~ October 25, 2022 regular Commission meeting. The motion passed unanimously.

- 3) To approve payment of expenditures for October 2022 amounting to \$11,558,609.22 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:

<b>Expenditure Type:</b>	<b>Amounts:</b>
Direct Deposit Payroll Umpqua Bank	\$ 521,491.72
Wire Transfers (Wires)	9,135,858.66
Automated and Refund Vouchers (Checks)	1,139,972.46
Direct Deposits (EFTs)	770,550.06
Voids	(9,263.68)
<b>Total:</b>	<b>\$11,558,609.22</b>

- 4) To approve the Write Offs as listed on the November 2022 Write Off Report in the amount of \$8,815.30.

***BPA Accounting Executive Update***

Commissioner Wright welcomed Mr. Rimmer and reported it was nice to have him in attendance and asked Mr. Rimmer to provide an update on matters related to BPA.

Mr. Rimmer reported that BPA, like many other agencies, is dealing with multiple power industry challenges simultaneously while trying to meet the needs of customers. He provided an update on the Post-2028 public process and noted that BPA is getting good participation from its

customers. He noted that utilities have different needs and finding the right balance for all was a challenge.

Commissioner Wright expressed his appreciation for BPA's Administrator/CEO, John Hairston and noted that Mr. Hairston is trying to provide good information to its customers.

Mr. Rimmer reported that the District and Big Bend Electric Cooperative have expressed concern with transmission capacity issues not being addressed timely and noted that BPA is aware and trying to work towards an amicable solution. He provided a summary timeline of transmission upgrades being done in the area.

Mr. Rhee noted that many transmission upgrades are being done in Benton County, however those upgrades do not directly benefit or aid Franklin County with its needs. He noted that BPA has been making more of an effort to address the concerns and expressed his appreciation to Mr. Rimmer.

The Commission thanked Mr. Rimmer for attending and providing the information. The Commission noted they would like to see a more regular attendance and Mr. Rimmer reported he would try to attend when he was available.

#### **AGENDA ITEM 6, DISCUSSING CHANGES TO THE PRELIMINARY 2023 COMMISSION OPERATING BUDGET.**

Ms. Viera introduced the agenda item and reviewed the background information as reported on the Agenda Item Summary included in the meeting packet. She reviewed the increases for legal services, miscellaneous professional services, registrations, and travel expenses needed for the 2023 Commission Operating Budget. She noted that at the October meeting there was discussion on potentially increasing the membership and dues budget to include an increase to the WPUDA 2023 dues and funding for the renewal of the Northwest RiverPartners (NWRP) 2023 membership. She reported that she had verified the dues amount for WPUDA and no increase was needed.

An updated 2023 Commission Operating Budget was provided to the Commission for their review and consideration. She noted that pending the discussion from today, staff would include a crosswalk line item in the 2023 Operating Budget for either \$35,822, which would not include renewal of NWRP or \$63,510, which would include renewal of NWRP. Ms. Viera reported that final review and adoption of the 2023 Operating and Capital Budgets would be as per the District's normal process.

Commissioner Wright reported that renewing the NWRP was important and asked Commissioner Gordon for his opinion.

Commissioner Gordon reported that the District is a member of many organizations both local and nationally and noted that through those memberships the District has the needed representation at all levels of legislation, congress, and senate. He noted that he did not find value in renewing the membership for lobbying services that were already being addressed. Commissioner Gordon reported he did not find value in joining simply for the social media campaigns that NWRP provides.

Commissioner Wright expressed his agreement and noted the many other organizations do provide the lobbying services needed to ensure the dams are protected. He noted that the value in NWRP was in the education they provide and noted that NWRP is one of the biggest advocates for hydro power and the Lower Snake River Dams. Commissioner Nelson agreed with Commissioner Wright and noted that it was important to remain members to show support for the dams.

Commissioner Wright reported that NWRP markets the value of the hydro power and provides educational materials for use to its members and that the other organizations do not provide this. Commissioner Nelson agreed.

Commissioner Wright asked for Mr. Rhees' and Ms. Dohrman's opinion on the matter.

Mr. Rhees agreed that lobbying is done more effectively by other organizations, however NWRP is very effective in the educational and marketing pieces they provide. He noted that NWRP is a great resource for information regarding hydro power and the Lower Snake River dams. He noted that he has expressed to NWRP that their membership needs to expand outside of just public agencies. Mr. Rhees reported that he would be in favor of renewing the membership, with the understanding that this should be reviewed annually.

Ms. Dohrman reported that NWRP does have access to participation in other non-power related agencies/groups and is able to promote the value of hydro power. She noted this was beneficial.

Commissioner Wright moved and Commissioner Nelson seconded to approve a crosswalk line item for the 2023 Operating Budget of \$63,510, which includes funding for the 2023 membership to Northwest RiverPartners. The motion passed unanimously.

Commissioner Gordon expressed his vote in favor was largely due to the education services NWRP provides and thanked staff and the other Commissioners for the information. He noted that he would not be in favor of supporting additional advertising campaigns.

**AGENDA ITEM 7, RE-OPENING THE 2023 BUDGETS PUBLIC HEARING, PRESENTING THE UPDATED PRELIMINARY 2023 OPERATING AND CAPITAL BUDGETS, AND RECESSING THE PUBLIC HEARING.**

Commissioner Wright re-opened the budgets public hearing and called on Ms. Dohrman who introduced the agenda item and reviewed the background information as reported on the Agenda Item Summary included in the meeting packet.

Ms. Dohrman review the crosswalk items as listed on Attachments A and B of the Agenda Item. She provided the follow up information requested at the October 25 meeting on the 2021 cost per MWh of the Frederickson CT Plant, cost breakdown on the Nine Canyon resource, and an update on the NuScale Project. Commissioner Gordon asked about the decommission plans for the Nine Canyon wind farm and Ms. Dohrman provided the known information.

A 2023 Operating Budget Comparison handout was provided, and Ms. Dohrman reviewed it. Discussion ensued.

Commissioner Wright moved and Commissioner Nelson seconded to recess the 2023 Operating and Capital Budgets public hearing to the December 13, 2022 regular Commission meeting. The

motion passed unanimously.

**AGENDA ITEM 8, NATIONAL INFORMATION SOLUTIONS COOPERATIVE UPDATE PRESENTATION.**

Ms. Dohrman introduced the agenda item and reviewed the background information as reported on the Agenda Item Summary included in the meeting packet. Through a presentation, Ms. Dohrman provided an update on the implementation and use of the National Information Solutions Cooperative (NISC) software since 2017. She reported on the various NISC applications being used and the advantages that have been realized. She noted that that staff is working towards fully implementing NISC applications that are available.

The Commission asked questions on various NISC applications and Ms. Dohrman provided the information. There was general consensus that the NISC software has been positive and beneficial for the District.

Ms. Dohrman reported no action was required and she was reporting only.

**AGENDA ITEM 9, AUTHORIZING THE GENERAL MANAGER OR HIS DESIGNEE TO APPROVE ADDITIONAL FUNDING FOR AUTOMATED MAILING SERVICES FOR 2022 PAYABLE TO THE NATIONAL INFORMATION SOLUTIONS COOPERATIVE.**

Ms. Dohrman introduced the agenda item and reviewed the information included in the Agenda Item Summary of the meeting packet. She reported that additional funding is needed to cover the costs for mailing services through the end of the year. She noted that there was an increase in postage, in addition to an increase in Final Notices being sent to past due customers. Staff has determined that increasing the 2022 mailing services NISC budget by \$50,000 will cover this expenditure. Staff reviewed their recommendation.

Commissioner Nelson moved and Commissioner Gordon seconded to authorize the General Manager or his designee to approve additional funding of \$50,000 in the 2022 Operating budget for Automated Mailing Services Payable to the National Information Solutions Cooperative for a new not to exceed amount of \$250,000. The motion passed unanimously.

**AGENDA ITEM 10, APPOINTING THE 2023 BOARD OF COMMISSION OFFICERS.**

Commissioner Wright reported that this was an annual housekeeping item. Ms. Viera reported that staff's recommendation was to appoint the 2023 Commission Officers as per the customary rotation.

Commissioner Wright moved and Commissioner Nelson seconded to appoint the District Commission Officers for 2023, effective January 1, 2023, as follows: Bill Gordon, President; Stu Nelson, Vice President; and Roger Wright, Secretary. The motion passed unanimously.

**AGENDA ITEM 11, APPROVING THE 2023 REGULAR COMMISSION MEETING SCHEDULE.**

Ms. Viera introduced the agenda item and reviewed the information included in the Agenda Item Summary of the meeting packet. She noted that staff had identified a potential conflict for the fourth Tuesday of February 2023 with the American Public Power Association Legislative Rally that will be held February 27 through March 31, 2023. She noted that Attachment A of the Agenda Item includes the consideration for February 2023 and all other regular meetings are set as per the District's Organizational Statement. Staff reviewed their recommendation.

Commissioner Gordon moved and Commissioner Nelson seconded to approve the 2023 Regular Commission meeting schedule as presented. The motion passed unanimously.

**AGENDA ITEM 12, AUTHORIZING THE GENERAL MANAGER OR HIS DESIGNEE TO EXECUTE A CONTRACT FOR THE PURCHASE OF ADVANCED METERING INFRASTRUCTURE METERS.**

Mr. Ferraro introduced the agenda item and reviewed the information included in the Agenda Item Summary of the meeting packet. There was general information provided on the implementation of the advanced meter deployment and the intended use for this order of meters. Staff reviewed their recommendation.

Commissioner Gordon moved and Commissioner Nelson seconded to authorize the General Manager or his designee to execute a contract with Carlson Sales Metering Solutions LLC, the lowest responsive bidder, for the purchase of advanced metering infrastructure meters, in an amount not to exceed \$436,860. The motion passed unanimously.

**AGENDA ITEM 13, APPROVING THE 2023 ORGANIZATION REPRESENTATION LIST.**

Mr. Rhees introduced the agenda item and reviewed the information included in the Agenda Item Summary of the meeting packet. Staff recommended the Commission approve the 2023 Organization Representation List as shown on Attachment A.

Commissioner Gordon moved and Commissioner Nelson seconded to approve the 2023 Organization Representation List as presented. The motion passed unanimously.

**AGENDA ITEM 14, ADOPTING A RESOLUTION APPROVING THE SALARY ADMINISTRATION PLAN FOR REGULAR NON-BARGAINING EMPLOYEES AND SUPERSEDING RESOLUTION 1373.**

Mr. Rhees introduced the agenda item and reviewed the information included in the Agenda Item Summary of the meeting packet. He reported that the information was reviewed with the Commission at the October 25 regular meeting and asked if there were any additional questions.

Commissioner Wright noted he had reviewed the information more in-depth and was good with the proposed changes. Staff reviewed their recommendation.

Commissioner Gordon moved and Commissioner Nelson seconded to adopt Resolution 1381 as presented. The motion passed unanimously.

**CLAIMS**

Mr. Fuentes reported there was one new claim. He noted that during a service call, damage was caused to a customer's lawn sprinklers and grass by the service truck. He reported that the damage was field verified by the District's Superintendent and the claim was accepted.

**GENERAL MANAGER REPORT:**

Mr. Rhees reported that:

- The District's bond rating was re-affirmed by the S&P rating agency. He congratulated staff for a job well done.
- He attended the monthly PPC meeting and had found a particular presentation very informative. He provided a copy of the presentation to the Commission and reviewed several slides. The Commission noted the information was very good and inquired on the

possibility of sharing the information on the District's website. Staff noted they will research the feasibility of doing so.

- He and Mr. John Francisco, Assistant General Manager of Big Bend Electric Cooperative will meet with Mr. Richard Shaheen of BPA to continue discussions on the transmission capacity needs for Franklin County.
- Because the October 25 meeting was two weeks ago, his staff would only be reporting on pertinent matters and asked Ms. Viera to report.

**SUPERVISOR OF EXECUTIVE ADMINISTRATION REPORT:**

Ms. Viera reported that an educational video in support of hydropower was in the works. She noted that the video featured District employees and customers and played the video for the Commission. The Commission provided some minor recommendations for the video.

Commissioner Wright asked for a five-minute break to begin at 2:40 p.m. and end at 2:45 p.m.

At 2:45 p.m., the regular meeting was reconvened, and Commissioner Wright called for a 15-minute executive session as allowed per RCW 42.30.110 (g) "to evaluate the qualifications of an applicant for public employment or to review the performance of a public employee" to begin immediately.


At 3:00 pm, the executive session ended, and Commissioner Wright reconvened the regular meeting.

**CLOSING OF MEETING - ADJOURNMENT**

With no further business to come before the Commission, Commissioner Wright adjourned the regular meeting at 3:05 p.m. The next meeting will be a regular meeting on December 13, 2022, at 1:00 p.m. and will be held at the District's Auditorium located at 1411 W. Clark St. Pasco, WA. Remote technology options will be provided for members of the public to participate.

  
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Roger Wright, President

  
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William Gordon, Vice President

  
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Stuart Nelson, Secretary