

**The Board of Commissioners
of
Public Utility District No. 1 of Franklin County**

MINUTES OF THE NOVEMBER 10, 2020
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 November 10, 2020 at 1:00 p.m. This meeting was ran in accordance with the *Proclamation by the Governor, Amending and Extending 20-05, 20-28 Open Public Meetings Act and Public Records Act 20-28-.9*; a conference call option was provided for the public to participate.

Those who participated via remote technology from the District for all or part of the meeting were Commissioner Bill Gordon, President; Commissioner Stu Nelson, Vice President; Commissioner Roger Wright, Secretary; Scott Rhees, General Manager; Holly Dohrman, Assistant General Manager; Travis Scott, Operations Director; Steve Ferraro, Safety & Labor Relations Director; Mike Gonzalez, Public Relations Director, Brian Iller, outside General Counsel, and Rosario Viera, Supervisor of Executive Administration.

There was no additional staff participating via remote technology for all or part of the meeting.

There was no public participating via remote technology for all or part of the meeting.

OPENING

Commissioner Gordon called the meeting to order at 1:00 p.m. and called on Ms. Viera to lead the Pledge of Allegiance.

PUBLIC COMMENT

There was no public present for public comment.

COMMISSIONER REPORTS

Commissioner Nelson reported that:

- He participated in the PPC monthly meeting and noted that the decision to cast the vote in favor of changing the PPC bylaws to not allow elected officials to serve on the Executive Committee was largely supported by many other utilities. He noted that the vote was 53 in favor of changing the bylaws versus 10 who opposed. He reported he was pleased with the decision.

Commissioner Wright reported that:

- He had also participated in the PPC monthly meeting and had found it very informative. He noted that the new BPA administrator had provided new information on BPA which was very appreciated. He reported that he will likely be participating in the PPC meetings more frequently in the future.
- He participated in the annual PNUCC meeting which was held virtually.

- He will participate in the monthly NoaNet meeting this Thursday.
- He attended TRIDEC's Elected Officials Meeting with X-energy Executives and noted there was discussion on potential nuclear reactors in the local area. He noted the information was very promising.

Commissioner Gordon reported that:

- He watched the RiverFest video documentary and noted he was very pleased with the video. He reported that the documentary was very well done and encouraged staff to view it.

Commissioner Gordon proceeded to Agenda Item 6, Re-opening the 2021 Budgets Public Hearing, Presenting the Updated Preliminary 2021 Operating and Capital Budgets, and Recessing the Public Hearing.

AGENDA ITEM 6

RE-OPENING THE 2021 BUDGETS PUBLIC HEARING, PRESENTING THE UPDATED PRELIMINARY 2021 OPERATING AND CAPITAL BUDGETS, AND RECESSING THE PUBLIC HEARING.

Commissioner Gordon re-opened the public hearing and called for public comment and there was none. Ms. Dohrman introduced the agenda item and reviewed the background information as reported on the Agenda Item Summary included in the meeting packet.

She reported that no crosswalk items were needed and that Attachments A and B were the same as were presented at the October 27 meeting. Staff reviewed their recommendation.

Commissioner Wright moved and Commissioner Nelson seconded to recess the 2021 Operating and Capital Budgets public hearing until the December 8, 2020 regular Commission meeting. The motion passed unanimously.

Commissioner Gordon proceeded to the Consent Agenda.

CONSENT AGENDA

The Commission reviewed the Consent Agenda. Commissioner Gordon asked staff for the follow up information on the "Converting Overhead to Underground City of Pasco" capital project line item. Mr. Ferraro reported that the District and City of Pasco had a long standing agreement to convert overhead lines to underground. He noted that normally the District budgets about \$100,000 per year for this purpose and that 114 miles of overhead line has been converted since the beginning of the agreement. Mr. Ferraro noted this was different work than the capital line item work for the "Underground Cable Replacements". Commissioner Gordon thanked Mr. Ferraro for the information.

Commissioner Nelson moved and Commissioner Wright seconded to approve the Consent Agenda as follows:

- 1) To approve the minutes of the October 27, 2020 Regular Commission Meeting.

- 2) To approve payment of expenditures for October 2020 amounting to \$7,810,176.87 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	\$ 458,187.10
Wire Transfers (Wires)	5,000,956.46
Automated and Refund Vouchers (Checks)	1,379,537.44
Direct Deposits (EFT)	982,896.01
Voids	(11,400.14)
Total:	\$ 7,810,176.87

- 3) To approve the write-offs as listed in the Write-Off report dated October 28, 2020 in the amount of \$9,485.98.

The motion passed unanimously.

AGENDA ITEM 7

AUTHORIZING THE GENERAL MANAGER OR HIS DESIGNEE TO EXECUTE A JOINT LEASE AND USE AGREEMENT FOR UTILITY PAYMENT KIOSKS WITH THE CITY OF PASCO AND BASIN DISPOSAL, INC.

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 the payment kiosks will provide District customers another payment option as well as the ability to manage their electric service accounts during the COVID-19 pandemic and future pandemic events.

He noted that the payment kiosks will be available 24 hours a day, seven days a week, including holidays enabling customers to pay at their convenience. Mr. Rhees reported that the District partnered with the City of Pasco and Basin Disposal Inc. and that an agreement has been drafted to share the services offered by the kiosks and the costs and expenses of maintaining and repairing them. Discussion ensued. Staff reviewed their recommendation.

Commissioner Nelson moved and Commissioner Wright seconded to authorize the General Manager or his designee to execute a Joint Lease and Use Agreement for Utility Payment Kiosks with the City of Pasco and Basin Disposal, Inc. The motion passed unanimously.

AGENDA ITEM 8

APPROVING THE 2021 ORGANIZATION REPRESENTATION LIST.

Mr. Rhees introduced the agenda item and reviewed the background information as reported on

the Agenda Item Summary included in the meeting packet. He reported that Attachment A of the Agenda Item was the current Organization Representation List as was last approved in July 2020. He noted that the only change was listing Mr. Rhees as the PPC Executive Member representative. Staff reviewed their recommendation.

Commissioner Nelson moved and Commissioner Wright seconded to approve the 2021 Organization Representation List as presented. The motion passed unanimously.

**AGENDA ITEM 9
APPOINTING THE 2021 BOARD OF COMMISSION OFFICERS.**

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 pursuant to RCW 54.12.090, at the end of each year, the Board of Commissioners appoints new officers for the coming calendar year.

Staff recommended that the Commission appoint new Commission Officers for 2021 according to the customary rotation.

Commissioner Gordon moved and Commissioner Wright seconded to appoint the District Commission Officers for 2021, effective January 1, 2021, as follows: Stu Nelson, President; Roger Wright, Vice President; and Bill Gordon, Secretary. The motion passed unanimously.

**AGENDA ITEM 10
APPROVING THE 2021 REGULAR COMMISSION MEETING SCHEDULE.**

Mr. Rhees introduced the agenda item and reviewed the background information as reported on the Agenda Item Summary included in the meeting packet. He reviewed Attachment A of the Agenda Item and noted that, due to the current pandemic, many agencies did not have their 2021 meeting schedules finalized and staff has not been able to verify if potential conflicts exists. Staff reviewed their recommendation.

Commissioner Nelson moved and Commissioner Wright seconded to approve the 2021 Regular Commission meeting schedule as presented. The motion passed unanimously.

**AGENDA ITEM 11
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 reported that since he had last provided an update at the October 27 meeting today's report would be brief.

Mr. Rhees reported he was pleased with the District's performance and noted that employees continue to follow all of the Centers for Disease Control guidelines diligently. He reported the CARES funding program that was approved at the October 27 meeting was off to a good start, and that 689 customers have applied for the funding. He reported that staff continues to monitor all spending while ensuring that the District is not being put at risk, and that vacated positions are not being filled. Discussion ensued.

Commissioner Wright noted that Benton PUD had re-opened their lobby for walk in service and asked when the District would re-open. Mr. Rhees noted that the District had not stop providing services to customers at any time and stressed that all services are offered to customers at the drive thru, online, and by telephone. Mr. Rhees noted that the District was following the Governor's Safe Start plan on re-opening and that Phase 3 is when customer facing government agencies, such as the District, are allowed to re-open. Commissioner Wright reported that Phase 3 may not happen until mid-2021 and that staff should explore ways to continue to offer services in as many ways as possible, and he noted a walk up window should be considered. Discussion ensued.

Mr. Rhees reported that no action was required and he was reporting only.

CLAIMS

Ms. Dohrman reported that there were no new claims to report.

GENERAL MANAGER'S REPORT:

Mr. Rhees report that:

- Staff has begun discussions with the Colville Tribe for the use of some of their land for a possible future substation site. He noted that the discussions have been preliminary and that staff has engaged Mr. Iller in the discussions.
- Since the last regular meeting was two weeks ago, staff reports will be minimal and audits will not be provided.

Commissioner Gordon requested staff provide updates on the bond issue, installation of the payment kiosks, and the tentative sale of the Pasco CT site.

For the bond issue, Ms. Dohrman reported that the Official Statement has been reviewed and updated and should be finalized soon. She noted that meetings have been scheduled with the Standards and Poor's, and Moody's bond rating agencies. She reported that pricing should be known by the first week of December and the bond issuance finalized by mid to late December.

For the installation of the payment kiosks, Mr. Ferraro reported that the payment kiosks are scheduled to arrive in the upcoming weeks, and that the payment kiosk at the HAPO Center is planned to be installed first. He noted that more preparation work is needed for the installation of the kiosk at the administration building and will likely not be completed until early 2021.

For the tentative sale of the Pasco CT, Mr. Rhees reported that agreeable sale terms have been reached with the buyer. He noted that Grays Harbor is also in agreement with the sale terms. He noted the sales agreement should be finalized soon and that staff will continue to work on the schedule to begin moving the turbines. Mr. Rhees reported that the buyer will provide some reclamation of the land. The Commission asked about the use of the land moving forward, and what the intent was for the parts not being sold. Discussion ensued.

ASSISTANT GENERAL MANAGER'S REPORT:

Ms. Dohrman reported that:

- Staff continues to work on the implementation of the NISC system to ensure it is being utilized to its full benefit.
- Landis and Gyr Gridstream meters continue to be installed as per schedule and progress is being made on the installation of the backbone outside of the City of Pasco.

STAFF REPORTS:

Mr. Gonzalez reported that:

- He has received very positive feedback on the RiverFest documentary.

Mr. Scott reported that:

- The tree trimmers will begin working soon.
- The substations are being sprayed for pre-emergent and foliage.

Mr. Ferraro reported that:

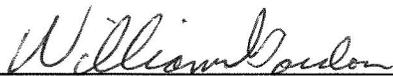
- He continues to work on building facilities to ensure that employees can safely perform their jobs
- Mr. Sams and Ms. Mitchell will do on-line transformer fundamentals training.

Mr. Iller did not report.

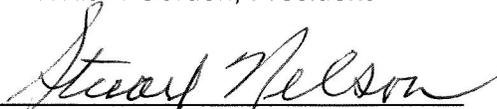
Ms. Viera did not report.

MEETING ADJOURNMENT

With no further business to come before the Commission, Commissioner Gordon adjourned the meeting at 3:01 p.m. The next regular meeting will be on December 8, 2020 and begin at 1:00 p.m. and will be run in accordance with the current Governor Proclamation in effect.



William Gordon, President



Stuart Nelson, Vice President



Roger Wright, Secretary