

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

MINUTES OF THE FEBRUARY 14, 2023  
REGULAR COMMISSION MEETING

The Board of Commissioners of Public Utility District No. 1 of Franklin County, Washington held a regular meeting at 1411 W. Clark St., Pasco, WA, on February 14, 2023, at 1:00 p.m. 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 Bill Gordon, President; Commissioner Stu Nelson, Vice President; Commissioner Roger Wright, 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 was Nathan Bodey, District Mechanic, and Natassja Ransom, Human Resources Generalist.

Public participating via remote technology for all or part of the meeting was Spencer Roundy, District customer and member of the Rate Advisory Committee (RAC).

**OPENING**

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

**PUBLIC COMMENT**

No written public comment was received prior to the meeting.

Commissioner Gordon called on Mr. Roundy for public comment.

Mr. Roundy reported that the RAC met on January 30 to review the District's revenue requirements provided by staff and the rate consultants. He noted that after review and discussion at the meeting the RAC members had agreed with staff's recommendation that no rate action was needed for 2023. The Commission agreed no rate action was needed for 2023. They thanked Mr. Roundy for his participation in the RAC and for attending the meeting. There was discussion on the attendance at the RAC meeting, customer class representation and other general items regarding the RAC.

**EMPLOYEE CHECK-IN**

Commissioner Gordon welcomed Mr. Bodey and noted that it was the intent of the Commission to hear from employees and check how they are doing. Commissioner Gordon asked general wellbeing

questions that included what Mr. Bodey was most proud of, favorite parts of his job, biggest challenge during the pandemic, and what change he would make at the District.

Mr. Bodey reported he was most proud of the collaboration within his department. He noted that his favorite part of the job was that every day he was able to do something different, giving him the opportunity to experience new things. Mr. Bodey reported that a challenge was that many parts needed to service vehicles are no longer being made or have long lead times. He noted that other utilities have implemented 4-day x 10 hours a week schedule for all employees, and he would like to see the District consider it too. The Commission thanked Mr. Bodey for attending and providing his comments. Commissioner Gordon asked staff to look more into 4-day x 10 hours a week schedule.

### **COMMISSIONER REPORTS**

Commissioner Wright reported that:

- He participated in the monthly NoaNet meeting and noted that NoaNet continues to look for the best solution to transition its employees to the Public Employee Retirement System (PERS). He provided additional information on the options to fund the transition and what the obligation of the NoaNet members would be. He reported that he would like additional discussion on the matter after staff reports were done.

Commissioner Nelson reported that:

- He attended the Energy Northwest Executive and Participant Review Board meetings and noted that Commissioner Gordon was elected as Secretary of the Executive Board. Congratulations were given to Commissioner Gordon on his election to the Energy Northwest Executive Board.
- He attended the Pasco Chamber monthly luncheon and noted the Pasco School District Superintendent was the keynote speaker.
- He attended the Connell Chamber's annual dinner event and noted it was well attended.

Commissioner Gordon reported that:

- As Commissioner Nelson had reported he attended the Energy Northwest Executive Board meeting and noted he was pleased with his new appointment on the Energy Northwest Executive Board. He thanked those in attendance for their support.
- He had found two recent articles of particular interest. He noted one was on the lack of fish passages at the Hells Canyon dams. The other was related to orcas continuing to care for their sons into adulthood, even if it affects their future chances of reproduction.

### **CONSENT AGENDA**

The Commission reviewed the Consent Agenda. Ms. Viera noted that a correction was needed to the Consent Agenda to include a wire for \$962.62. The revised Consent Agenda was provided showing the new totals that included the wire amount.

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

- 1) To approve the minutes of the January 24, 2023, Regular Commission meeting.
- 2) To approve payment of expenditures for January 2023 amounting to \$11,890,266.46 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	518,803.79
Wire Transfers	7,675,900.63
Automated and Refund Vouchers (Checks)	2,626,087.87
Direct Deposits (EFTs)	1,108,384.67
Voids	(38,910.50)
<b>Total:</b>	<b>\$11,890,266.46</b>

- 3) To declare final acceptance of the work completed as inspected by the District; to authorize release of available retainage; and to approve final payment in the amount of \$410.15, for work completed by Paramount Communication under Contract 10013, 2022 Miscellaneous Fiber Dock Crew Projects.
- 4) To declare final acceptance of the work completed as inspected by the District; to authorize release of available retainage; and to approve final payment in the amount of \$24,377.27, for work completed by Pacific Pole Inspection LLC under Contract 10048, Pole Testing and Treatment.

The motion passed unanimously.

**AGENDA ITEM 6**

**ADOPTING A RESOLUTION APPROVING ELECTRIC SERVICE RATE SCHEDULES WITH REVISED LANGUAGE FOR RATE SCHEDULE NO. 2.3, INDUSTRIAL SERVICE, AND 2.4, NEW LARGE INDUSTRIAL SERVICE, AND SUPERSEDING RESOLUTION 1363.**

Ms. Dohrman introduced the agenda item and reviewed the background information as reported on the Agenda Item Summary included in the meeting packet. She reviewed Attachment A of the Agenda Item and answered questions from the Commission regarding the process for current customers expanding their electric service needs. Staff reviewed their recommendation.

Commissioner Wright moved and Commissioner Nelson seconded to adopt Resolution 1387 as presented. The motion passed unanimously.

**AGENDA ITEM 7**

**ADOPTING A RESOLUTION AUTHORIZING THE GENERAL MANAGER OR HIS DESIGNEE TO APPROVE REVISIONS TO THE DISTRICT'S SMALL WORKS ROSTER POLICY AND SUPERSEDING RESOLUTION 1210.**

Ms. Dohrman 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 Nelson moved and Commissioner Wright seconded to adopt Resolution 1388 as presented. The motion passed unanimously.

**AGENDA ITEM 8**

**APPROVING THE 2023 COMMISSION MEETING PRESENTATIONS AND WORKSHOPS.**

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 schedule of presentations and workshops for 2023 and noted the July presentation was tentative. Staff reviewed their recommendation.

Commissioner Nelson moved and Commissioner Wright seconded to approve the 2023 Commission Meeting Presentations and Workshops in substantially the form presented. The motion passed unanimously.

**AGENDA ITEM 9**

**AUTHORIZING THE GENERAL MANAGER OR HIS DESIGNEE TO EXECUTE AN INTERLOCAL COOPERATIVE AGREEMENT BETWEEN BENTON PUD AND BENTON CONSERVATION DISTRICT, BENTON REA, ENERGY NORTHWEST, FRANKLIN CONSERVATION DISTRICT, FRANKLIN PUD, KENNEWICK SCHOOL DISTRICT, PACIFIC NORTHWEST NATIONAL LAB (PNNL), RICHLAND ENERGY SERVICES, AND EDUCATIONAL SERVICE DISTRICT (ESD) 123 TO HOLD THE TRI-CITIES FOUNDATION FOR WATER & ENERGY EDUCATION (FWEE) SCIENCE TECHNOLOGY, ENGINEERING AND MATHEMATICS (STEM) CAREER ACADEMY.**

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 staff's recommendation.

Commissioner Wright and Commissioner Nelson seconded to execute the Interlocal Agreement between Benton PUD and Benton Conservation District, Benton REA, Energy Northwest, Franklin Conservation District, Franklin PUD, Kennewick School District, PNNL, Richland Energy Services, and ESD 123 to Hold the Tri-Cities Foundation for Water & Energy Education (FWEE) STEM Career Academy. The motion passed unanimously.

## **CLAIMS**

Mr. Fuentes reported there was one new claim to report on. He noted that an individual had incurred damages to a vehicle due to another vehicle hitting a light pole. He reported that the claim was forwarded to Federated for review and was denied.

## **GENERAL MANAGER REPORT**

Mr. Rhees reported that:

- The small modular reactor feasibility project continues to make progress and noted that he will execute an Expression of Interest letter that was non-binding. The Commission expressed the importance of pursuing this and noted if successful, this would be a great base resource. Discussion ensued.
- He attended the monthly TRIDEC meeting and noted that economic development in the Tri-Cities has not slowed despite the current economy.
- Staff will bring information for Commission review and consideration of pursuing commercial retail authority at a later date. Discussion ensued.
- Staff continues to be proactive with the purchasing of materials and supplies. He reported that, as was requested by Commissioner Gordon, staff had provided information to the office of Representative Mark Klicker. He noted that Representative Klicker may introduce a bill to help with supply chain issues.
- Staff will meet with representatives of 5D Farms and Advance Renewable Washington for discussion on a digester project they will begin construction on in the next few months.
- Because the last Commission meeting was January 24, 2023, he noted that staff would only be reporting on pertinent items. He noted that normal staff reports will resume at the March regular meeting.

## **SUPERVISOR OF EXECUTIVE ADMINISTRATION REPORT**

Ms. Viera reported that:

- WPUDA President and other WPUDA staff would like to attend the March meeting to hear about the District's needs and discuss how WPUDA can best provide support. The Commission agreed to the visit.
- Franklin County has split various voter precincts and she noted that staff will review the Commissioner District boundary map and bring back any corrections that need to be approved. She reported that the population summation of the new precincts in each Commission district should still be the same with the new voter precincts.

Commissioner Wright brought back the matter of transitioning NoaNet employees to PERS. He reported that the Commission would need to act at the March meeting to facilitate the transition on the timeline needed. Commissioner Wright provided information on the breakdown of the NoaNet member contributions and general information on the parameters for a payment agreement. He noted that this will assist in improving NoaNet's financial position. Discussion ensued.

Commissioner Gordon and Commissioner Nelson agreed that as a NoaNet member, the District should assist with the transition and noted their agreement with the financial contribution that would be required of the District. Commissioner Wright reported he would forward the information to staff for review and preparation of bringing it to the March regular meeting for final action.


Commissioner Gordon brought forth the matter of the General Manager's annual performance and reported that he believed Mr. Rhees has and continues to perform exceptionally. Commissioners Wright and Nelson noted their agreement. Ms. Ransom reviewed general compensation information from other utilities that was compiled and reported on the average compensation for General Manager/CEO positions. There was discussion on the accomplishments of Mr. Rhees, the proper merit increase that was needed and the salary survey data of the General Managers from comparable public utilities. After discussion the Commission agreed that an adjustment to Mr. Rhees' annual compensation was needed. Commissioner Nelson moved and Commissioner Gordon seconded to adjust the General Manager's annual compensation by 7% to be effective April 1, 2023. The motion passed unanimously.

Commissioner Gordon directed staff to bring a resolution to the March 28, 2023, regular meeting for adoption with the specific recitals as were agreed upon at this meeting.


Mr. Rhees thanked the Commission for their continued support.

#### **CLOSING OF MEETING - ADJOURNMENT**

With no further business to come before the Commission, Commissioner Gordon adjourned the regular meeting at 2:29 p.m. The next meeting will be a special meeting on March 28, 2023, at 10:00 a.m. for the purpose of hearing a presentation and providing Ethics and Harassment training. The next regular meeting will be on March 28, 2023, at 1:00 p.m. Both meetings 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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William Gordon, President

  
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Stuart Nelson, Vice President

  
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Roger Wright, Secretary