Date: January 28, 2020
Time: 9:00 a.m.
Place: 2721 West 10th Avenue, Kennewick, Washington

Attendees:
Commissioners Bush and Sanders
Commissioner Jeff Hall via conference call (partial attendance)
General Manager Bartram
Assistant General Manager Hunter
General Counsel Hultgrenn
Senior Director of Engineering and Power Management Dunn
Director of Finance and Business Services Meyer
Manager of Communications and Governmental Relations Henderson
Manager of Power Contracts & Analytics White
Senior Manager of Human Resources Conover
Manager of Risk Management & Treasury Operations Mercer
Manager of Enterprise Optimization & Project Management Holbrook
Manager of Customer Service McAlloon
Manager of System Engineering Edwards
Manager of Contracts & Purchasing Ochweri
Supervisor of Executive Administration Cole
Human Resources Generalist Sidwell
System Administrator Darling

Commissioner Lori Sanders welcomed Commission President Jeff Hall, acknowledging his attendance via conference call for the first item on the agenda.

The Pledge of Allegiance was given.

Introduction of Resolution No. 2533, Appointing a New General Manager for Benton PUD
General Manager reviewed the requirements for Commission appointment of a General Manager, and stated a resolution appointing Rick Dunn is being introduced at this meeting. Key points of Resolution No. 2527, previously adopted, recognizing the strengths and attributes of Rick Dunn were briefly reviewed. General Manager stated that with Commission approval the resolution would be placed on the February 11, 2020 commission agenda for consideration. General Manager acknowledged that this resolution is in anticipation of his upcoming retirement date of February 29, 2020.
Motion by Barry Bush, seconded by Lori Sanders, introducing Resolution No. 2533, appointing Rick T. Dunn as General Manager of Public Utility District No. 1 of Benton County, effective March 1, 2020, and placing Resolution No. 2533 on the February 11, 2020 commission agenda for final action.

MOTION CARRIED UNANIMOUSLY.

Commission President Jeff Hall stated he would not be in attendance for the remaining commission meeting and disconnected the telephone conference call. Commissioner Lori Sanders excused Commission President Jeff Hall from his remaining attendance at today’s commission meeting.

Safety Minute
Anthony Darling gave a safety minute presentation on carbon monoxide dangers.

Consent Agenda
Motion by Barry Bush, seconded by Lori Sanders to approve the Consent Agenda as follows:

d) Approving Vouchers audited and certified by the auditing officer as required by RCW 42.24.080, and those expense reimbursement claims certified as required by RCW 42.24.090, have been recorded on a listing made available to the Commission. As of this date, the Commission does approve the following for payment: Accounts Payable: Automated Clearing House (DD) payments 78319-78367 in the total amount of $1,333,867.93 Checks & Customer Refund payments (CHK) 78420-78475 in the total amount of $900,565.09, Electronic Fund Transfer (WIRE) payments 5194-5209 in the total amount of $1,341,528.43; Residential Conservation Rebates: Credits on Customer Accounts in the total amount of $1,045.00; Purchase Card Detail for December 2019; Payroll, Direct Deposit 01/09/2020 78163-78318 in the total amount of $338,568.92 for a grand total of $3,915,980.37. Voided checks in the total amount of $1,226.58 were included on the report.
e) Approving Work Order 574933 for the installation of underground primary electric facilities to serve Southcliffe Phase 5 Subdivision consisting of 46 lots west of South Sherman Street and north of Bob Olson Parkway, as well as extending existing 6” conduit runs for future feeder ties to the Southridge area.
f) Authorizing the General Manager, on behalf of the District, to declare GE-Prolec Transformers, Inc. non-responsive and award a contract for Southridge Power Transformers to Virginia Transformer Corporation of Roanoke, Virginia, Bid Package No. 20-01, for a total amount of $577,528.00, plus Washington State sales tax.
g) Awarding a contract for procurement of #350-15kV URD Cable to WESCO/Okonite of Portland, Oregon, Bid Package No. 20-02, for a total amount of $223,020.00, plus Washington State sales tax, in accordance with RCW 54.04.080.
h) Declaring General Pacific/CME Wire & Cable non-responsive and award the contract for #2-15kV URD Cable to WESCO/Okonite of Portland, Oregon, Bid Package No. 20-03, for a total amount of $182,160.00, plus Washington States sales tax, in accordance with RCW 54.04.080.
i) Authorizing the General Manager, on behalf of the District, to sign Change Order No. 11 of Contract No. 18-46-02 with NoaNet, to increase the not-to-exceed amount by $6,000.00; bringing the new not-to-exceed amount to $2,980,706.00.

j) Authorizing the General Manager, on behalf of the District, to sign Change Order No. 2 of Contract No. 19-08 with DJ’s Electrical, Inc. to increase the not-to-exceed amount by $130,000.00; bringing the new not-to-exceed amount of the contract to $760,605.38, plus Washington State sales tax.

k) Adopting Resolution No. 2535 declaring certain transformers surplus to District needs according to the laws of the State of Washington, Title 54, RCW 54.16.180, and authorizing the General Manager, on behalf of the District, to dispose of same.


MOTION CARRIED.

Report from Management

Senior Manager of Human Resources:

1. The Commission was briefed on an individual wearing a mask who was recently approaching District employees and customers in the administration office parking lot, banging on car windows and asking for money. Police have been contacted and have communicated with the individual. The upcoming physical security assessment should assist in providing the District will recommendations that include this type of incident. Commissioner Barry Bush discussed the possibility of including the physical security recommendations with the proposed remodel of the commission meeting room facilities.

Assistant General Manager:

1. The Commission was updated on an outage in the Finley area caused by a direct gunshot to a District conduit.

Senior Director of Engineering and Power Management:

1. Senior Director discussed his participation on a panel at the Roanoke Conference, where discussions were held on the lower Snake River dams and how they fit into the overall power grid in the northwest as well as the challenges of balancing clean electricity goals with reliability.

2. The Commission was updated on the latest concerns with capacity challenges facing the northwest and things we are learning from the California electricity market, noting the District values the information and discussions we are able to have with other utilities through our membership in the Public Generating Pool (PGP). It was noted that District interests are well represented by PGP and their involvement in the evolution of western markets and in the work being done by the Northwest Power Pool regarding resource adequacy.

3. Production tax credits (PTC) have been extended one year for wind projects eligible for the 40% PTC level.

4. A discussion was held on a bill introduced in the Washington State legislature that would require a reliability assessment in 2022 rather than the 2024 date established by the Clean Energy Transition Action (CETA)
5. An offer for the District’s purchase of property for a future substation has been agreed to by the seller and will be brought to the next commission meeting for consideration.

Manager of Communications and Governmental Relations:
1. Talking points were distributed for the upcoming Washington PUD Association (WPUDA) legislative rally in Washington, D.C.
2. An update was provided on a new bill introduced that would authorize the Department of Ecology to regulate greenhouse gas emissions. It was also noted we anticipate the introduction of a cap and invest bill this session.
3. Two updated versions of a resource adequacy op-ed were distributed for comment.

Business Agenda

Manager of Enterprise Optimization & Project Management recommended the Commission award a contract for new base stations to Sensus USA and a presentation on the history of the equipment was provided. The new base station hardware will be located at four existing locations – Umatilla, Jump Off Joe, Rattlesnake Mountain and Prosser Butte, along with a base station for a new location on Badger Mountain and one spare.

Motion by Barry Bush, seconded by Lori Sanders awarding the contract for New Base Stations to Sensus USA, Inc. of Uniontown, PA, Contract No. 20-15-01, for a total amount of $158,250.00, plus Washington State sales tax, in accordance with RCW 54.04.080. MOTION CARRIED.

Hearing no objection, Commission Vice-President Lori Sanders adjourned the Commission Meeting at 10:02 a.m.

ATTEST:

[Signature]

Lori Kays-Sanders, Vice-President

[Signature]

Barry A. Bush, Secretary