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

Attendees:
Commissioners Hall, Sanders, and Bush
General Manager Dunn
Legal Counsel Hultgrenn
Director of Finance & Business Services Meyer
Director of Information Technology & Broadband Services Folta
Senior Manager of Human Resources Conover
Manager of Communications and Governmental Relations Henderson
Manager of Contracts & Purchasing Ochweri
Director of Power Management White
Manager of Conservation & Renewable Energy Programs Johnson
Manager of Accounting Zirker
Manager of Customer Service McAloon
Supervisor of System Engineering Edwards
Supervisor of Executive Administration Cole
Supervisor of Distribution Design Irving
Superintendent of Transmission & Distribution Inman
Senior Engineer Scherer
Human Resources Generalist Dunlap
Human Resources Generalist Sidwell
Executive Assistant – General Manager Marshall
Executive Assistant – Assistant General Manager Schlekevey
Communications Specialist Stringer
Administrative Assistant – Engineering Webb

The Pledge of Allegiance was given.

Public Comment
A public comment was received from a customer who noticed an open vault in his neighborhood while out on a walk and thanked the crews for being out within the hour to close it.

Scout Clean Energy Horse Heaven Wind Project Presentation and Transmission Line Co-Location Request
Prior to the Commission meeting, Scout Clean Energy asked to reschedule their presentation for a future meeting.

General Manager updated the Commission regarding a 115-kV transmission line co-location request received by the District from Scout Clean Energy (Scout). A map was displayed showing the location of the District’s existing transmission line located on the Kennewick Irrigation District’s (KID) property near the Bonneville Power Administration’s Red Mountain Substation as well as the proposed routing for new double-circuit line structures that would support relocation of the District’s existing line along with construction of Scout’s new line. Scout has indicated their desire to enter into a co-location agreement with the District whereby they would cover the cost to build the new double-circuit line and to re-locate the District’s existing line.

General Manager discussed the possibility of Scout constructing an underground line along the west edge of the KID’s property which would require very minimal coordination with the District. General Manager indicated that if it were not for the KID’s request for Scout to co-locate their line with the District’s, the District would have very little involvement with Scout’s project other than to coordinate line crossings and to possibly share right-of-way where Scout’s newly acquired transmission line easements are adjacent to the District’s existing distribution line easements.

General Manager distributed and reviewed highlighted portions of District Resolution No. 2523, In Support of Actions to Ensure Electric Sector Resource Adequacy in the Pacific Northwest. A brief discussion was held on possible proposed edits to the current resolution regarding expressed concerns with wind and solar development; the possible development of a new resolution more explicitly expressing the District’s position on wind and solar development; or the possibility of producing a “white paper” to establish the District’s position regarding the development of wind and solar projects. Commission directed Staff to develop a white paper to support efforts consistent with Resolution No. 2523 which directs Commission and Staff to undertake an effort to heighten the awareness of customers and policy makers as to environmental and land use impacts associated with high wind and solar project development scenarios in our region.

Safety Minute
Communications Specialist Dawn Stringer provided a safety minute on “household battery safety.”

Treasurer’s Report
Director of Finance reviewed the February 2020 treasurer’s report. The Commission accepted the February 2020 Treasurer’s Report. The Counterparty and Sector reports were distributed and discussed. Going forward the Counterparty and Sector Reports will be included in the commission packets and only reviewed in the meeting if needed.
Consent Agenda

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

c) 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 78747-78814 78973-79030 in the total amount of $1,827,028.40, Checks & Customer Refund payments (CHK) 78559-78705 in the total amount of $1,013,238.84, Electronic Fund Transfer (WIRE) payments 5230-5266 in the total amount of $12,408,808.62; Residential Conservation Rebates: Credits on Customer Accounts in the total amount of $4,990.00; Purchase Card Detail for January 2019; Payroll: Direct Deposit – 02/06/20 78591-78746 in the total amount of $344,030.23, Checks (climbing allowance) – 02/06/20 600081-600108 in the total amount of $37,637.35, Direct Deposit – 02/20/20 78815-78972 in the total amount of $347,957.36, for a grand total of $15,983,690.80. Voided checks in the total amount of $428.47 were included on the report.
d) Adopting Resolution No. 2537, Amending the Merit-Based Salary Administration Plan.
e) Adopting Resolution No. 2538, 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.
f) Approving work order #578652 to replace existing underground direct buried primary distribution cables on the Kiona Vineyards property off of N Sunset Rd in Benton City with new underground distribution cables installed in a new conduit system.
g) Approving work order 590899 to under build a new overhead primary feeder from Reata Road south along the existing overhead primary feeder to Sagebrush Road.
h) Authorizing the General Manager on behalf of the District to sign Contract Completion and Acceptance for Stucco Building & Installation of Boilers/Chiller for the District by Industrial Constructors Contract #19-07, (CPO #52597), in the amount of $361,995.90 including Washington St. Sales Tax.
i) Authorizing the General Manager on behalf of the District to sign Contract Completion and Acceptance for Electric Utility Tree Pruning Vegetation Management for the District (3rd year) by Boyd’s Tree Service, LLC, Contract #16-21, (CPA #50315), in the amount of $776,852.86.
MOTION CARRIED UNANIMOUSLY.

Report from Management

Senior Manager of Human Resources/General Manager:

1. General Manager provided an update on the Coronavirus and the actions utilities and other agencies are taking to protect their employees and customers. Staff has been reviewing the District’s pandemic policy and is developing plans that will trigger as conditions change.
Senior Manager informed the Commission on what actions the District is taking to keep the buildings clean, maintaining supplies, and providing regular communications to employees. Employees who are sick are encouraged to stay home and supervisors/managers have been directed to use telecommuting to ensure recently ill employees can be transitioned back to work without coming back too early.

Discussion was held on emergency personnel and pay practices. Staff will continue to keep the Commission updated.

General Manager:
1. General Manager reviewed and discussed highlighted portions of a one-page Columbia River System Operations Draft Environmental Impact Statement (CRSO DEIS) issued from Northwest River Partners, as well as a handout included in the recent PPC packet which provides a broad summary of impacts of the options considered in the CRSO DEIS. A discussion was held on the review and comment period for the CRSO DEIS. Written and verbal comments will be accepted and equally weighed. There will be an opportunity for public comment at the Kennewick Red Lion on March 18, 2020 at 4:00 p.m. Comments are due by April 13, 2020.
2. General Manager provided an update on recent Public Power Council (PPC) meetings he attended in Portland, Oregon where protestors in favor of dam breaching showed up and were very aggressive. General Manager discussed changes PPC staff are proposing to try and stop the release of PPC materials and meeting information to non-members. At least one PPC member utility has a commissioner who is a vocal and active dam breaching advocate.
3. An update on recent PNUCC and PGP meetings was provided.

At 10:23 a.m., Commission President Jeff Hall announced that the commission meeting would recess for 7 minutes.

At 10:30 a.m., Commission President Jeff Hall reconvened the commission meeting into regular open public session.

Director of Finance and Business Services:
1. Director of Finance distributed and discussed the January financial statements.

Business Agenda

Designation of Representatives to Various Organizations for 2020
Motion by Barry Bush, seconded by Lori Sanders that effective March 1, 2020, the Public Utility District No. 1 of Benton County shall be represented at the named organizations by the person(s) designated herein for the year 2020:

**AMERICAN PUBLIC POWER ASSOCIATION**
- Representative: Lori Sanders
- Alternate: Jeff Hall

Commission Meeting Minutes
March 10, 2020
AMERICAN PUBLIC POWER ASSOCIATION LEGISLATIVE & RESOLUTIONS COMMITTEE
Representative: Lori Kays-Sanders
Alternates: Jeff Hall/Jodi Henderson

BENTON CITY ECONOMIC DEVELOPMENT ASSOCIATION
Representative: Jenny Sparks
Alternate: Lori Sanders

BENTON FRANKLIN COUNCIL OF GOVERNMENTS
Representative: Lori Sanders
Alternate: Barry Bush

BONNEVILLE POWER ADMINISTRATION SLICE IMPLEMENTATION GROUP
Representative: Kevin White
Alternate: Ed Mount (The Energy Authority)

CENTRAL WASHINGTON PUBLIC UTILITIES (CWPU)
Representative: Rick Dunn
Alternate: Steve Hunter

ENERGY NORTHWEST FULL BOARD
Representative: Lori Sanders
Alternate: Barry Bush

ENERGY NORTHWEST NINE CANYON WIND PROJECT PURCHASER'S COMMITTEE
Representative: Chris Johnson
Alternate: Kevin White

ENERGY NORTHWEST PACKWOOD PURCHASER'S COMMITTEE
Representative: Chris Johnson
Alternate: Kevin White

NORTHWEST OPEN ACCESS NETWORK
Representative: Jeff Hall
Alternate: Rick Dunn

NORTHWEST PUBLIC POWER ASSOCIATION, INC.
Representative: Barry Bush
Alternates: Lori Sanders

PACIFIC NORTHWEST UTILITIES CONFERENCE COMMITTEE (PNUCC)
Representative: Rick Dunn
Alternate: Jeff Hall
PARTICIPANTS REVIEW BOARD 2020 (casting of votes¹)
  Representative: Barry Bush
  Alternates: Jeff Hall
¹ for the purpose of casting votes for the 2020 Participants Review Board Elections

PROSSER CHAMBER OF COMMERCE
  Representative: Jenny Sparks
  Alternate: Jeff Hall/Christie McAloon

PROSSER ECONOMIC DEVELOPMENT ASSOCIATION
  Representative: Jenny Sparks
  Alternate: Jeff Hall

PUBLIC GENERATING POOL
  Representative: Rick Dunn
  Alternate: Kevin White

PUBLIC POWER COUNCIL (PPC)
  Representative: Rick Dunn

PUBLIC UTILITY RISK MANAGEMENT SERVICES
  Representative: Lori Sanders
  Alternate: Keith Mercer

TRI-CITY REGIONAL CHAMBER OF COMMERCE
  Representative: Jodi Henderson
  Alternate: Lori Sanders

TRIDEC
  Representative: Rick Dunn
  (for the purpose of casting votes)

VISIT TRI-CITIES
  Representative: Jodi Henderson

WASHINGTON PUBLIC UTILITY DISTRICTS ASSOCIATION
  Representative: Jeff Hall
  Alternate: Barry Bush

WESTERN ELECTRICITY COORDINATING COUNCIL
  Representative: Steve Hunter
  Alternate: Blake Scherer
Motion by Barry Bush, seconded by Lori Sanders that effective March 1, 2020, the following named representative(s) of Benton PUD are authorized to act in the following capacity to the organizations listed for the year 2020:

AMERICAN PUBLIC POWER ASSOCIATION POLICY MAKERS COUNCIL
  Board Member:    Jeff Hall

BENTON COUNTY EMERGENCY SERVICES EXECUTIVE BOARD
  Board Member:    Steve Hunter
  Alternate:       John Schafer

CENTRAL WASHINGTON PUBLIC UTILITIES – UNIFIED INSURANCE PROGRAM
  Chair:           Melina Conover
  Trustee:         Melina Conover
  Alternate Trustee: Jody George

COLUMBIA BASIN COLLEGE, Computer Science/Cyber Security Advisory Committee
  Board Member:    Chris Folta

NORTHWEST OPEN ACCESS NETWORK BOARD
  Board Member:    Chris Folta

PROSSER CHAMBER OF COMMERCE
  Board Member:    Jenny Sparks

PROSSER ECONOMIC DEVELOPMENT ASSOCIATION
  Board Member:    Jenny Sparks

PUBLIC GENERATING POOL
  Executive Committee Member: Rick Dunn

PUBLIC POWER COUNCIL EXECUTIVE COMMITTEE
  Board Member:    Rick Dunn

TRI-CITY REGIONAL CHAMBER OF COMMERCE
  Board Member:    Jodi Henderson
City of Kennewick Memorandum of Understanding (MOU), Contract No. 15-46-05, change order No. 1
Supervisor of Distribution Design provided the Commission some background on the memorandum of understanding with the City of Kennewick that was signed in May of 2015 to share incremental costs of underground versus overhead construction of the District's feeders on a 50-50 basis with the City.

The City of Kennewick has requested a onetime, non-precedent setting, use of the funds identified in the MOU to share the costs of relocating the District owned facilities that are impairing the display area of the new fire station. As part of the new fire station the City has included a display window to feature a historic fire truck.

General Manager updated the Commission on a future meeting with the City of Kennewick to explore edits to the current franchise agreement that would include some of these items. The District has a great working relationship with the City of Kennewick and want to continue that relationship.

Motion by Lori Sanders, seconded by Barry Bush authorizing the General Manager on behalf of the District to sign Change Order #1 to Contract #15-46-05 for a onetime use of funds set aside to be a 50/50 cost share not-to-exceed $70,000 involved with relocating District owned facilities in coordination with the construction of City of Kennewick's Fire Station #3 at Vista Field. 
MOTION PASSED UNANIMOUSLY.

Annual Energy Programs Update

Future planning
Commission Vice-President Sanders updated the Commission on her recent guest opinion letter to the editor, along with Commission Secretary Bush's Op-Ed, both published in the Tri-City Herald. General Manager and Director of Finance reviewed what steps staff is taking to educate the public more on demand response and resource adequacy.

At 11:25 a.m., Commission President Jeff Hall announced that the Commission would go into executive session with legal counsel for 10 minutes to discuss collective bargaining.
At 11:35 a.m., Commission President Jeff Hall announced that the Commission would continue in executive session with legal counsel for 5 minutes to continue discussions on collective bargaining.

At 11:40 a.m., Commission President Jeff Hall reconvened the commission meeting into regular open public session.

Director of Finance reviewed proposed red-lined changes to the District’s Resolution on Pandemic Events.

General Manager informed the Commission that Governor Inslee has declared a State of Emergency for Washington State regarding the Coronavirus Outbreak. A brief discussion was held on the Paid Family Leave Act that is currently available for non-bargaining employees and will be available to bargaining employees effective April 1, 2020.

Motion by Barry Bush, seconded by Lori Sanders approving Resolution No. 2539, authorizing the General Manager to declare a pandemic event and establishing certain authorities for the General Manager during a pandemic emergency event.

MOTION PASSED UNANIMOUSLY.

General Manager notified the Commission that he is officially declaring a Pandemic Emergency Event and will be exercising the authorities granted by Resolution No 2539.

Hearing no objection, Commission President Jeff Hall adjourned the Commission Meeting at 11:43 a.m.

Jeffrey D. Hall, President

ATTEST:

Barry A. Bush, Secretary