

**PUBLIC UTILITY DISTRICT NO. 1
OF
BENTON COUNTY**

Date: January 11, 2022

Time: 9:00 a.m.

Place: Via MS Teams, per Proclamation No. 20-28

Attendees:

Commissioners Bush and Hall

General Counsel Hultgrenn

General Manager Dunn

Senior Director of Finance and Customer Services Meyer

Director of Executive Administration Conover

Director of IT and Broadband Services Folta

Director of Power Management White

Manager of Communications and Governmental Relations Henderson

Manager of Risk Management and Treasury Operations Mercer

Manager of Accounting Zirker

Manager of Human Resources Dunlap

Manager of Contracts & Purchasing Ochweri

Manager of Customer Service McAloon

Manager of Enterprise Optimization & Project Management Holbrook

Manager of IT Infrastructure Crum

Manager of Customer Engagement Sparks

Manager of Conservation & Renewable Energy Programs Johnson

Manager of System Engineering Edwards

Supervisor of Distribution Design Lang

Senior Engineer Scherer

Supervisor of Executive Administration/Clerk of the Board Manager Marshall

Public:

Robin Rego

The Pledge of Allegiance was given.

Commissioner Jeff Hall excused Commissioner Lori Sanders from today's commission meeting.

Member of the public, Mr. Robin Rego informed the staff he was interested in hearing about power supply related to the recent cold weather, as well as any recent outages.

Treasurer's Report

Manager of Risk Management & Treasury reviewed the December 2021 treasurer's report. The Commission accepted the December Treasurer's Report. The Counterparty and Sector reports were included in the commission packet.

Consent Agenda

Motion by Barry Bush, seconded by Jeff Hall to approve the Consent Agenda as follows:

- a) Approving Commission Meeting Minutes of December 14, 2021.
- b) 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 88818-88867 89024-89091 in the total amount of \$1,828,926.75, Checks & Customer Refund payments (CHK) 83063-83224 in the total amount of \$879,917.60, Electronic Fund Transfer (WIRE) payments 6012-6043 in the total amount of \$7,959,943.15; Residential Conservation Rebates: Credits on Customer Accounts in the total amount of \$540.00; Payroll, Direct Deposit 12/9/2021 88662-88817 in the total amount of \$419,002.81 and 12/23/2021 88868-89023 for a total amount of 393,348.01 for a grand total of \$11,481,678.32. Voided Direct Deposit in the total amount of \$2,128.56 and Voided Checks in the total amount of \$758.83 were also included in the report.
- c) Approving Travel Report dated January 11, 2022.
- d) Approving Work Order 618016 for the installation of underground primary electric facilities to serve Crimson Hills Subdivision consisting of 138 Lots on 10th Ave. east of Clearwater Ave.
- e) Declaring MVA Power, Inc and Sabre Industries non-responsive and award the contract for Spaw-Phillips 115kV Transmission Line and Substation Steel Structures to Rohn Products, LLC, Bid Package #21-21-143, for a total amount of \$406,950.00 plus Washington State sales tax in accordance with RCW 54.05.080.
- f) Awarding the Contract for Padmount Reclosers, Bid Package #21-21-145A, to G&W Electric Co. for the total amount of \$139,515.00 plus Washington State sales tax in accordance with RCW 54.04.080.
- g) Authorizing the General Manager on behalf of the District to sign Change Order #9 of Contract #10-46-12 with NoaNet, to extend the term of the contract to December 31, 2022 and increase the not-to-exceed amount by \$17,520.00; bringing the new not-to-exceed amount to \$217,400.00
- h) Authorizing the General Manager on behalf of the District to sign Change Order #6 of Contract #17-12-06 with Falcon-Software Co., Inc., effective January 1, 2022, extend the term of the contract to December 31, 2022 and increase the not-to-exceed amount by \$36,223.70; bringing the new not-to-exceed amount to \$223,116.40.
- i) Amending the contract award on November 9, 2021 for Compliance Consulting Services Contract #22-21-01 to GDS Associates, Inc. for the corrected signing of a three-year contract, and to correct the minutes to reflect this amendment.

j) Approving work order 634075 for the replacement of approximately 22,000' of underground direct buried cable with multiple faults and the installation of a three-phase junction box.

k) Reviewing Quarterly Broadband Service Orders Report to Commission.

l) Reviewing Quarterly Contract Activity Report to Commission.

MOTION PASSED UNANIMOUSLY.

Report from Management

General Manager:

1. General Manager recognized Commissioner Jeff Hall for his 20 years of service with the District.

2. General Manager announced the District's legal counsel, Dan Hultgren, has officially announced plans to retire effective March 31, 2022. Allyson Dahlhauser, who is a part of the same law firm, has been working with the District as Mr. Hultgren's backup for several years and has expressed interest in continuing to represent the District.

3. General Manager provided a COVID-19 update and indicated there will be no changes to operating policies or procedures until the U.S. Supreme Court has ruled on the Biden administration's OSHA enforced vaccine mandate for large employers.

4. General Manager reviewed two bills being introduced during the 2022 Washington State legislative session. House Bill 1623, addressing the extent to which Washington residents are at risk of rolling blackouts and power supply inadequacy events is being heard today in the House Committee on Environment and Energy. House Bill 1767, concerning the authority of publicly owned electric utilities to engage in targeted electrification of customers' fossil fueled end-use equipment will have its first hearing on Friday, January 14th. The Washington PUD Association, the District's lobbyist Isaac Kastama and Manager of Communications & Governmental Relations are monitoring many bills and will continue to keep staff and Commissioners updated throughout the legislative session.

5. The District has scheduled a large irrigator customer meeting for February 9, 2022. Commissioner Jeff Hall expressed interest in attending this meeting and staff will send the meeting information to him.

6. General Manager responded to member of the public, Mr. Robin Rego's questions received during the public comment period of today's commission meeting. General Manager indicated the District experienced very few problems during the recent cold weather and provided a brief update on the District's expected winter power supply and the currently very favorable hydro conditions.

Mr. Rego thanked General Manager for his response and inquired about House Bill 1814 which proposes to expand equitable access to the benefits of renewable energy through community solar projects. A brief discussion was held.

Director of Executive Administration:

1. Director informed the Commission that the District was selected as Tri-City Regional Chamber of Commerce's member of the month in December. The Chamber thanked the District

for work in the community and customer assistance provided throughout the COVID-19 pandemic.

2. Manager of Communications and Governmental Relations is currently serving on the Board for the Tri-City Regional Chamber of Commerce and was recently selected to serve as an executive member for 2022.

Senior Director of Finance and Customer Services:

1. Senior Director reviewed the District's history with Electricity Intensive Load (EIL) customers and past customer service policy updates. Currently there are 6 District customers who fall into the EIL classification. EIL customers do not currently have separate rate schedules but are subject to specific credit policies. Senior Director reviewed rates and policies related to similar types of loads at other utilities. Senior Director briefly reviewed staff's thoughts on creating a new rate class specifically for larger EIL customers, of which the District doesn't currently have.

Staff proposed returning to a future commission meeting to review edits and red-lined drafts of rate schedules and the District's customer service policies with commissioners. After considering and commenting on staff's edits, if the Commission provides direction to proceed a public hearing would then be scheduled to receive input from customers. Commissioners concurred with staff's recommendations to return to a future commission meeting for further discussions and review of the District's customer service policies and rate classifications. Mr. Rego asked a question related to deposits on EIL customer accounts. Senior Director replied and informed Mr. Rego that Manager of Customer Service monitors the accounts in accordance with existing policy and has adjusted deposits accordingly over the last few years. Staff has a good relationship with the District's EIL customers.

2. Senior Director reviewed accounts receivable reports that were included in the commission packet. Senior Director provided updates on the COVID-19 customer assistance program.

Business Agenda

Northwest RiverPartners Pro-Lower Snake River Dams Media Campaign Funding

General Manager reviewed a motion requesting commission approval for potentially up to \$600,000 to fund Northwest RiverPartners (NWRP) pro-Lower Snake River Sams (LSRD) media campaign. NWRP has requested \$300,000 of base funding and up to another \$300,000 in matching funds to help incentivize contributions from others.

General Manager reviewed portions of the agenda memo that was included in the commission packet and played a video Kurt Miller, NWRP Executive Director prepared describing how last year's anti-LSRD efforts represent a real and serious threat to the future of the LSRDs. A link to this video was included in the commission packet.

This contribution is to potentially conserve the District's power supply. General Manager reviewed other area utilities who have already signed on to this campaign. Commissioners concurred with staff's recommendations.

Motion by Barry Bush, seconded by Jeff Hall funding Northwest RiverPartners (NWRP) pro-Lower Snake River Dams (LSRD) media campaign up to \$600,000 in total funding which includes \$300,000 of base funding and up to another \$300,000 in matching funds to help incentivize contributions from others.

MOTION PASSED UNANIMOUSLY.

Recognition of Conflict of Interest Requirements – Code of Conduct Acknowledgement, Governance of the Benton PUD Commission

Director of Executive Administration briefly reviewed the Governance of the Benton PUD Commission, Code of Conduct, Policy No. 6, as well as RCW 42.23 relating to conflicts of interest and each commissioner’s duty to disclose any known conflicts as defined by law.


Commissioners Barry Bush and Jeff Hall acknowledged their awareness of both RCW 42.23 requirements and the District’s Governance Policy No. 6 requirement. No comments were received.

Staff will bring back this agenda item to a future commission meeting due to Commissioner Lori Sanders not being in attendance during today’s commission meeting.

Meeting Reports

Commissioner Jeff Hall reported on his plans to virtually attend the January WPUA association meetings.

Hearing no objection, Commission Secretary Jeff Hall adjourned the Commission Meeting at 10:15 a.m.

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Barry A. Bush, Vice-President

ATTEST:

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Jeffrey D. Hall, Secretary