

Public Utility District No. 1 of Klickitat County
Board of Commissioners Meeting
Tuesday, June 09, 2020

AGENDA

ONE TIME USE Call in number option: 888-387-8686 (Participant Pin No. 7737637#)

Due to the office closure associated with COVID-19 precautionary standards, we will not have public present at our meeting.

Time: KPUD Commission Meeting Start Time - 2:00 p.m. as Advertised

Location: 1313 S. Columbus Ave. - Goldendale, WA

AGENDA ITEMS -

➤ **PLEDGE OF ALLEGIANCE**

➤ Approval of Minutes - 05/26/2020 Meeting

➤ Approval of Claims / Vouchers for period ending 06/09/2020 (*Cynthia Bruce*)

➤ Approval of Payroll for period ending 05/24/2020 (*Cynthia Bruce*)

➤ **PUBLIC COMMENT PERIOD**

REPORTS - 10 min. each:

- Finance and Power Management update
(*Mike DeMott*)
- Financial update (*Nichole Lantau*)
- Outage Update (*Mark Pritchard/Ron Schultz*)
- Commissioners' Reports
- Assistant General Manager Operational
Report (*Gwyn Miller*)
- Manager's Bi-Monthly Report (*Jim Smith*)
-(see attached report)

GUESTS:

AGENDA ITEMS - (*see Manager's Report for further details*)

- *There are no agenda items for this meeting.*

ADJOURNMENT

FOR THE GOOD OF THE ORDER:

Moss Adams 2019 Audit presentation June 23rd

WPUDA 2020 Water Committee Quarterly Meeting June 25th (*Via Zoom*)

WPUDA 2020 July Association meeting July 15-17 (*Via Zoom*)

Note: Agenda is subject to last-minute revisions, which may include the Board calling for an executive session.



Public Utility District No. 1 of Klickitat County

80 Years of Service * 1938-2018

GENERAL MANAGER'S REPORT TO THE BOARD

For the June 9, 2020 Meeting

AGENDA ITEMS:

A. None at this time

NON-AGENDA ITEMS:

1. **Weekend Storm Outages and Damage** - Mark Pritchard and Ron Schultz will be providing a summary of the storm outages and damage we incurred during the May 30 storm event. We had crews and staff working in excess of 17 hours and, at the peak, we had over 3,300 customers out of service. Much of this was due to BPA transmission damage and Benton PUD transmission outages feeding MA Collins. Many outages were “temporarily” repaired to get customers back in power. Crews are working on completing these repairs through this week and next.
2. **RNG Update** - The Roosevelt wellfield expansion project started on June 1. Drilling has progressed quickly, however, on June 2 a lateral header was hit by the drilling equipment. This necessitated a re-drill, plugging and rerouting of the damaged lateral well field equipment. The plant experienced two outages in May. A leak was found causing the first outage, it was determined that the vendor supplied incorrect gaskets. The second outage was caused by storm damage to the transmission system on May 30. Kevin will discuss these items at the board meeting and a full report will be available for the meeting on June 23.
3. **Wishram Tribal Housing Authority & Corps Interest** - the YNHA requested that we consider making the payments for GFCs and Connection fees refundable in certain circumstances. In their particular case, they are trying to secure property and funding, complete their permit applications and ensure they can demonstrate that they have access to services that will be required by their funding sources.

At a meeting with them this week, they requested that I discuss with you the idea that unless the funds are required for upgrades, that Connection Fees and General Facilities Charges be refundable. I support this idea, although we would need to work out the details. We are also working under the premise that if there is a second application for the same site, we apply the queue ideas from our transmission service policies.

I am also sure that we will have another request from the YNHA if this project proceeds to place any funds into escrow or that they be paid at a later date. We have run into the issue in the past and we have agreed to the use of escrow accounts. I do not really like this idea as we do not do it for others and administering escrow accounts costs money and time. Their issue

is that funding sources for tribal developments usually do not flow until after the project starts and we required the funds up front.

4. **WPUDA Support for Concerns about the Governor's Proclamations** - A special meeting of the Board of Directors has been called by President Liz Green for **Friday, June 12, at 9:00 a.m.** The Board meeting will be held virtually via Zoom. The purpose of this meeting is to discuss the extension and addition to the Governor's Proclamation 20-23.

This proclamation prohibits utilities from disconnecting any residential customers due to nonpayment (except at the request of the customer); refusing to reconnect any residential customer who has been disconnected due to nonpayment; and charging fees for late repayment or reconnection of these services. The proclamation now requires every utility providing energy, telecommunications, and water services in Washington State to develop COVID-19 Customer Support Programs. My understanding is that there are also requests from various special interest groups that these types of rules be made permanent. WPUDA is on top of that and we have Dave Warren plugged in for KPUD specifically.

I would like to confirm that Commissioner Miller will be on the call.

5. **Strategic Planning Schedule** - Gwyn and I are meeting with Therese Hampton on June 17 to flesh out the agenda and process. We are planning to have a strategic planning session with you and all of the related managers on August 27. We are thinking this will be a 5 hour meeting with lunch. We will follow that up with a staff meeting to develop the strategies and goals necessary to implement the plan. As in the past, there will be incremental changes in the structure of our plan. Here is the tentative layout for the objectives of the first session with you.

Strategic Session, August 27, 2020:

1. Review Mission, Vision, Values
 - a. They are long-term and should not change very often or very much
2. Develop Strategic Goals
 - a. They should guide our path to achieving Mission and Vision
 - b. Should be based on our Values
3. Develop Strategies
 - a. They set our guiding principles that define how we work to accomplish the strategic goals
 - b. Staff will use these to develop departmental goals to work towards our strategic plan

Staff Follow-Up Session, September 10:

1. Develop tactics/tasks that are the actions we take to implement the strategies
 - a. These become departmental goals
 - b. The sum of the department goals are our organizational goals. These are action related and are NOT our strategic goals.
2. Develop Metrics
 - a. Measure performance and provide the feedback to adjust work to work towards strategies

6. **Northwest Surplus Capacity Forecast** - I noted a very good summary that was presented

by Brad Sawatzke from Energy Northwest at the last PPC meeting. The slide shows results from various capacity studies done in the region on capacity surplus/shortfalls in the coming years. I think this shows we should have some opportunities for rebuilding the combustion turbines at the landfill to supply capacity products that hopefully will also result in KPUD having an option to utilize the generation facility in the future. Mike DeMott is currently working on this initiative.

