



Public Utility District No. 1 of Klickitat County

80 Years of Service * 1938-2018

GENERAL MANAGER'S REPORT TO THE BOARD

For the **September 10, 2019** Meeting

AGENDA ITEMS:

- A. Bond Refunding Options Discussion- (*Allen Dashen/Scott Bauer*) - Mike DeMott, Nicole Lantau, myself and our bond team comprised of our financial advisor NW Municipal Advisors, underwriters Barclays Bank and bond counsel Pacifica Law Group have worked through many options, including those discussed at the last Board meeting. Alan and Scott will review the final two options to ensure you are familiar with the details and obtain your direction so we can finalize the package. The base case from last meeting and two options are attached for your review.

Our refinancing process is slightly ahead of our 2020 budgeting process. As a result, we are working with revisions to the forecast from our 2019 budget. We have revised revenues, expenses and capital expectations. These forecasts are the basis for our analysis to determine our refinancing structure and new money needs. I am attaching this draft of the five year forecast, based on these updates and input from last Board meeting.

We will be able to modify new money portions as our budgeting process proceeds and our numbers are more refined.

- B. Professional Services Approval- (*Kevin*)
- C. Vehicle Purchase Discussion – (*Jeff*)
- D. Prequalification of Contractors- (*Jeff*)

NON-AGENDA ITEMS:

1. Bond Refinancing Schedules – attached is the latest bond rating and surety company presentation schedule. The bond sale is still scheduled for October 30th.
2. RNG Dedication and Tours – at the request of the Governor's staff, the Dedication date has changed to September 18th. The program is still scheduled from 10:00 a.m. until 1:00 p.m. We managed to change the dates on the invitations before they were printed, but the Ruralite was already

issued and was being mailed. We are issuing the required updates through social media and the press. We were already faced with a short time frame given scheduling conflicts and this made it tighter. I made the decision to not push the date back into October as there was no guarantee the Governor would be available.

3. Republic Services Property Lease – Republic requested that we release back to them an area of property just west of the lower HW Hill site for some leachate ponds they wish to install. Staff is recommending that we grant that release. Given this is a real estate transaction, I am requesting your approval to do so based on staff's recommendation.
4. DNR Wildfire Utility Task Force – the first task force meeting was held this week. Commissioner Franz was present to start the meeting. I am encouraged with the tone and approach being taken by DNR. This first session was finalizing the charter, areas for discussion and protocols for the meeting. The next meeting is being planned for October. I am attaching the Charter and task force members for your information.
5. Republic Tours – It is a busy month for tours at the landfill and RNG, with tours for the Greater Vancouver Regional District, the Idaho Solid Waste Advisory Committee, various folks from the Governor's office, the UTC Commissioners and several other Republic clients. RNG is certainly on folks' minds.
6. 2020 Operating Budget – a major focus for the next couple of months is the 2020 budget. The first draft will be submitted to you on October 22nd.