

Public Utility District No. 1 of Klickitat County
Board of Commissioners' Meeting
Tuesday, February 26, 2019

AGENDA

Time: **KPUD Commission Meeting Start Time – 2:00pm as Advertised**

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

➤ **PLEDGE OF ALLEGIANCE**

- Approval of Minutes – 02/12/2019 Meeting
- Approval of Claims / Vouchers for period ending 02/26/2019 (*Eileen*)
- Approval of Payroll for periods ending 02/17/2019 (*Eileen*)

➤ **PUBLIC COMMENT PERIOD**

REPORTS – 10 min. each:

- Water/Wastewater January Report (*Sharon*)
- Operations January Report (*Mark*)
- Engineering January Report (*Ron*)
- Commissioners' Reports
- Manager's Bi-Monthly Report (*Jim Smith*)
-(*see attached report*)

GUESTS:

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

- A. Policy 43-Electrical Interconnection Requirements- (*Ron*)-
- B. Open Public Meeting Act Training- (*Gwyn*)

ADJOURNMENT

FOR THE GOOD OF THE ORDER:

KCPEDA Meeting February 26th 6:00 p.m.
Timesheet Process Training-
WPUA Association Meeting- March 13-15



Public Utility District No. 1 of Klickitat County

80 Years of Service * 1938-2018

GENERAL MANAGER'S REPORT TO THE BOARD

For the **February 26, 2019 Meeting**

AGENDA ITEMS:

- A. Policy 43- Electrical Interconnection Requirements Approval –After the last changes were approved outlining the procedure for Large Load Interconnect Requests, we recognized that possible changes should be made, allowing staff the authority to remove interconnect customers from the queue should they not meet load service deadlines per policy.
- B. Open Public Meeting Act Training- RCW 42.30.205 requires that governing bodies take open public meeting training every four years. The last training was in 2015. This training can be completed on line, but would like to provide some time during the meeting to complete the training.

NON-AGENDA ITEMS:

1. **Public Power Outreach in support of H.R. 530** – This was forwarded to us through NWPPA.

The American Public Power Association (APPA) is asking its members to support legislation that would repeal recent actions taken by the Federal Communications Commission (FCC or Commission) regulating public power pole attachments in violation of the public power exemption in section 224 of the Communications Act. Specifically, we are asking members to: 1) reach out to their Members of Congress to ask them to co-sponsor H.R. 530, the Accelerating Wireless Broadband Development by Empowering Local Communities Act of 2019, and 2) sign onto a letter to Rep. Anna Eshoo (D-CA) expressing support for her legislation (H.R. 530) to repeal two FCC orders on facilitating broadband deployment by removing “barriers” to infrastructure development.

Attached is the letter from public power that will be sent to Rep. Eshoo expressing our support for H.R. 530, which would overturn the unlawful FCC orders that limit the ability of public power utilities to responsibly and equitably manage their electric utility poles. **Signatories to the letter will not be utility officials, but the utilities themselves.** APPA will amass all signatures to be sent in one final letter, so please just let me know if your utility would like to cosign.

As you know we are not APPA members, but this is a bill with significant positive benefits and we should consider supporting their efforts. WPUA is in Washington DC this week and they are encouraging our delegation to sign onto the letter.

I am not sure we need to take any steps here, but wanted to have the discussion. When we receive annual payments for pole contacts from Charter Communications, it usually includes a letter stating they disagree with the fees, and are reserving rights. APPA’s request is for a response to the

delegation by March 1st.

2. **Ruralite March Issue Back Page Article On Debt** – I drafted a back page article for March that talks about our strategic plan and our goals around debt. As you know, this is a big discussion point out there and I thought time to start talking about it. That article is attached for your reference.
3. **2019 Legislative Session** – I am attaching the latest WPUDA Bill summary. As it is a long session and carbon is such a large focus, it's a long list. There are many carbon bills, but we continue to limit our focus on 100% Clean (which is the Governor's bill), the DNR bills and RNG tax bills.

We are planning to hold a workshop to discuss the implications of the 100% Clean bill. It appears there is a very good chance it will pass this session, so Commissioner Knowles has asked that we hold a workshop to walk through the bill and discuss its potential impacts on the utility and our strategies.

Our RNG House Bill has moved out of the House and Finance and is now in Rules. Senator King has elected to let the House Bill work its way through the process and is holding the Senate Bill. Both DNR Bills are out of Committee and are in Rules as well. Dave Warren is working to get them pulled onto the floor for a vote.

As a side note, Douglas PUD is running a Senate Bill to provide authorization for PUDs to produce Renewable Hydrogen. It was approved unanimously this week and is off to the House. Renewable Hydrogen is hydrogen produced from a renewable feedstock using renewable energy. In Douglas' case, this is water as the feedstock and Hydropower as the energy source.

4. **NISC Customer Billing and Accounting System Conversion** – our computer systems conversion process is continuing. Brandy and Nichole will report on the status as leaders in their respective areas, but my overall perspective is that it is going well. There are definitely challenges and when they crop up, they need addressing immediately as we are live with both systems. Staff did a very good job preparing for the conversion dates, but we expected issues and we got them.

As the conversion is a major focus, we are moving our schedules for other things around as needed. One of those is our 2018 year-end financials. At this time, they are still in progress, but I asked that we delay them to make sure we had time on some key system issues and still ensure we are comfortable with the year-end financial numbers. From what I have seen, I believe that Debt Service Coverage and cash positions will be very close to the year-end forecast numbers you have been seeing, namely about 1.6 and 175 days respectively.

5. **Goldendale Energy Project** – Brian is working with Scott Tillman on potentially transferring or "resolving" all of our outstanding contracts and the original water rights and water facilities MOU and Term sheet with NCS.
6. **Central Klickitat Conservation District Irrigators Meeting** – Brandy Meyers, Anita Clever and Commissioner Miller attended the first meeting in Goldendale. The Bickleton meeting is scheduled for February 26th.
7. **March WPUDA Meetings** – next meetings are March 13 – 15 in Olympia. March 13th is right around the date where bills need to be out of their original house. I was not planning on attending unless something comes up.