

Public Utility District No. 1 of Klickitat County
Board of Commissioners' Meeting
Tuesday, March 24, 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

➤ **PLEDGE OF ALLEGIANCE**

➤ Approval of Minutes – 03/10/2020 Meeting

➤ Approval of Claims / Vouchers for period ending 03/24/2020 (*Cynthia*)

➤ Approval of Payroll for periods ending 03/15/2020 (*Cynthia*)

➤ **PUBLIC COMMENT PERIOD**

REPORTS – 10 min. each:

- Water-Wastewater February Report (*Sharon*)
- Operations February Report (*Mark*)
- Engineering February Report (*Ron*)
- Generation Assets Report (*Kevin*)
- HR- Insurance update (*Gwyn*)
- 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. Resolution 1785-Surplus of Vehicles- (*Jeff*)

B. Prequalification of Contractors- (*Jeff*)

C. Resolution 1786-Emergency Declaration related to COVID-19 Customer Assistance Guidelines- (*Gwyn*)

D. Resolution 1787-Emergency Declaration related to COVID-19 Utility Response- (*Gwyn*)

E. Policy 4-A Selection and Hiring and 4-EE Personal Time Off- (*Gwyn*)

F. Executive Session-

- a. Potential Litigation-Contract discussion per *RCW 42.30.110(1)(i)* (*Jim/Mike*)
- b. Collective bargaining contract review per *RCW 42.30.140* (*Gwyn/Mark*)

ADJOURNMENT

FOR THE GOOD OF THE ORDER:

WPUDA Water Committee Meetings- March 26 (Via teleconference)

Public Disclosures: Due 4/15 annually

WPUDA Association Meeting- April 15-17



Public Utility District No. 1 of Klickitat County

80 Years of Service * 1938-2018

GENERAL MANAGER'S REPORT TO THE BOARD For the March 24, 2020 Meeting

AGENDA ITEMS:

- A. Resolution 1785 Surplus of Vehicles- The Purchasing department is requesting the surplus of eight vehicles. They are no longer usable by the PUD or compatible with its equipment due to changing technology or conditions of the material or equipment.
- B. Prequalification of Contractors- Jeff Thayer is requesting approval of Titan Electric for both the small and large works roster and Simcoe Construction for our small works roster. Both are new to our contractor listing and have provided all of the required documentation for addition to the roster.
- C. Resolution 1786 Emergency Declaration related to COVID-19 Customer Assistance Guidelines- Gwyn Miller will present Resolution 1786. This resolution will authorize the General Manager to implement processes that meet the guidelines of Governor Inslee's Proclamation 20-23.
- D. Resolution 1787 Emergency Declaration related to COVID-19 Utility Response- Gwyn Miller will present Resolution 1787. This resolution will authorize the General Manager to take any appropriate legal actions to ensure the health and safety of employees and public. It also references waiving of competitive bidding requirements for goods and services necessary to address the COVID-19 emergency in line with the Governor's proclamations. It also requests authority to provide the General Manager with the latitude to address temporary procedural adjustments in response to this emergency.
- E. Policy 4-A Selection and Hiring AND 4-EE Personal Time Off- Gwyn Miller will present updates to both Policy 4-A and 4-EE. In Policy 4-A We have removed residency requirement language, and have added response time requirements. In Policy 4-EE we have removed the "minimum PTO use" requirement.
- F. Executive Session-
 - a. Potential Litigation-Contract discussion per *RCW 42.30.110(1)(i)* (Jim/Mike/General Council)
 - b. Collective bargaining contract review per *RCW 42.30.140* (Gwyn/Mark)

NON-AGENDA ITEMS:

- 1. Maintaining Critical Services with Coronavirus-** all of our staff are continuing to work and provide service. Our crews are still working in the field, as are our engineers. We are operating under the same distancing rules as published by authorities when interacting with the public. Our offices and other facilities remain closed to public access. We are bringing you two resolutions for your consideration that would declare an emergency related to the COVID-19 pandemic as discussed in the Agenda Items above.

Klickitat County, the City of Goldendale and the City of White Salmon have also closed their offices to the public. Most utilities in the State have taken the same action.

Liz Anderson at WPUA is acting as a liaison between PUDs and the Governor's office and the emergency management teams.

At this time, we have received positive or neutral feedback from customers and vendors. We will bring you updates on billing collection issues if they arise.

- 2. Crop Water use-** a question was asked last Board meeting regarding water use requirements for almonds. Literature suggests that Almonds use approximately 3-acre feet of water per acre. 3-acre feet is 1,000,000 gallons and 3 gallons per almond = 110,000 almonds per acre.
- 3. Interest Rates and Bond Refunding Opportunities-** Taxable interest rates are now lower than tax-exempt interest rates were on the day we priced our bonds last October. Sean Keatts of Barclays Bank ran a refunding analysis of our 2015A bonds as a taxable refunding. These are the bonds due 2032 through 2034 with the 6/1/25 call date and total \$25.75 million of principal. The NPV with current rates is \$1.21 million (savings ratio 7.2%) as taxable bonds. The issue here is that it would move the option to pay them off from early in 2025 until 2030. As there is the potential for significantly more savings if we repay these bonds early and they are callable soon after the RNG debt is paid, we are electing to not do any refunding at this time unless you have a different perspective.

We also have some 2015A bonds callable 6/1/20 available for refunding and these are considered as part of Mike's debt repayment planning.

- 4. Community Meetings-** Commissioner Miller suggested that we cancel community meetings this spring and communicate via letter with the communities where we supply water and wastewater services. We will likely do as suggested, but we will wait and make the official call in a week or two.

5. **Columbia River EIS- Draft Environmental Impact Statement (EIS) for Columbia River System Operations**- The Draft EIS for Columbia River System Operations has been published. Attached is WPUA's summary of the draft for background.

Also attached is a presentation given at the March 4 PPC Member's Forum by BPA's Scott Armentrout and the Columbia River stakeholder's team. That team consists of the United States Army Corp of Engineers, the Bureau of Reclamation and Bonneville Power Administration. It outlines the six alternatives, one of which is the "Preferred Alternative" or PA. You can also access it at: <https://www.ppcpdx.org/category/federal-policy-legislation/>. Like any presentation, details are excluded, but they give some idea of the magnitudes of impacts of the alternatives in terms of dollars, BPA rate impacts and MegaWatts.