

Public Utility District No. 1 of Klickitat County
Board of Commissioners Meeting
Tuesday, August 23, 2022
2:00pm

CALL TO ORDER: President Douglas B. Miller called the meeting to order at 2:00 p.m. as advertised.

PRESENT: Douglas B. Miller - President, Randy L. Knowles - Vice President, and Dan G. Gunkel – Secretary (via teleconference)

STAFF PRESENT: Jim Smith - General Manager, Gwyn Miller - Assistant General Manager, Mike Nixon - Operations Manager, Mark Garner - Engineering Supervisor, Brandon Johnson - Engineering Supervisor, Sharon Blodgett - Water/Wastewater Coordinator, Brandy Myers - Customer and Accounting Services Supervisor, and Luann Mata - Executive Assistant.

Via teleconference: Anita Clever - Energy Services Specialist, Mike DeMott - Director of Finance and Power Management, Russ Patton - Project Engineer, Geoffrey Lacefield - System Engineer, Jeff Thayer - Materials Manager, Cynthia Bruce - Accountant, Alex Casimiro - LFG Support Assistant, and Courtney Collins - Engineering Support Assistant.

GUESTS: Larry Hocter

PLEDGE: The Pledge of Allegiance was recited by those present.

MINUTES: **MOTION** was made by Commissioner Knowles to approve the August 9, 2022 meeting minutes as presented. Motion carried.

CLAIMS & PAYROLL: Presented by Cara Smith. Vouchers were audited and certified by the auditing officer as required by RCW 42.24.080, and all expense reimbursement claims presented were certified as required by RCW 42.24.090 and were recorded on a listing made available to the board this 23rd day of August, 2022.

MOTION was made by Commissioner Knowles to approve accounts payable vouchers and payroll in the amounts as listed:

- Accounts Payable Voucher Nos. 214037 through 214164 in the total amount of \$1,166,906.42; Wire and Automated Clearing House (ACH) transaction Nos. 8801689 through 8801694, along with Electronic Funds Transfer (EFT) transaction Nos. 373 through 379 in the total amount of \$1,506,562.16 for the period ending August 23, 2022; and
- Payroll Warrant No. 214036; and ACH Direct Deposit Payroll transactions 209954 through 210044 in the total amount of \$251,454.00 for the payroll period ending August 14, 2022.

Motion carried.

PUBLIC COMMENTS: None

REPORTS:

Operations update - Mike Nixon provided the report. The July Average Service Ability Index was 99.757% just shy of our goal of 99.971%. We have two pre-apprentice positions posted as Jess Beierle and Greg Dechand just topped out of the apprenticeship program and are now journeyman linemen. We have been starting with pre-apprentices rather than groundmen as our intent is for them to move into apprentice positions as they open up. These positions should be hired in October.

The crews in Goldendale have been focused on maintenance and fire condition equipment programming. We have scheduled 3 new customer jobs with 11 more in queue. Including the maintenance projects, we are scheduled 2 weeks out. In White Salmon there are 3 customer jobs scheduled and 21 who still have unmet requirements.

Kemp West continues to have 3 tree crews on the property. They are all trimming now. So far these crews have trimmed 46.5-miles of line since January; 31 miles of this total is from the hard bid project. We have also employed Rick Slawson to assist Dale Stelter in removal of danger trees. Last month, 105 trees were felled. Dale also completed 73 hours of mulching last month.

This month's safety training is focused on fork lift training refresher.

Engineering update - Mark Garner and Brandon Johnson presented their department updates.

There is a microchip delay impacting our 2022 Automated Metering Infrastructure (AMI) meter delivery for October. This order has been delayed until June or July 2023. Our AMI contracts are executed and our bulk order scheduled to come in around July next year, and if microchip delays continue, this installation could be delayed as well. We are not the only utility who is experiencing these delays. Installation rollouts for Snohomish, Cowlitz, Pacific and Franklin to name a few, are all delayed as well. Staff feels we are still in a good place since we purchased Northern Wasco's excess non-AMI meters when they completed their AMI project. We will deploy the new routers when they arrive, and we intend on moving existing meters so we can test our west-end connectivity. This will require reclaiming some of the currently deployed meters from other areas in the county. NISC is scheduled to complete the required billing system command center interface with the new AMI meters in the next few weeks. This interface will allow customer service the ability to conduct reconnects and disconnects from the office along with integrating meters into the NISC Outage Management System for outage response predictions.

The E.E. Clouse substation long lead time equipment purchases for the BPA project are complete, with delivery expected in 2023. Our construction engineering is nearing completion and construction bid packages should go out in December. This is expected to be a 16-20 week construction timeframe, including the necessary transmission reroutes. We will be offloading the North feed out of the Gilmer substation this winter and feeding it from the Husum substation to lower the peak demands on Gilmer. Russ Patton has completed the 69kV switch redesign in the Husum substation.

Mark Garner reviewed the staking engineers' current customer load. Goldendale has 7 customers ready for installation, 4 of these are scheduled and the other 3 will be scheduled this week. Overall customer installation requests have trended down. Customers are also experiencing material delays. One customer stated they were quoted 8-12 months for a metered main order. Contractors in the area may still have inventory available, but for the customers who want to complete the installation on their own it may be a challenge. The transmission line reroute at the James Dean rock pit was discussed. There are a few options that will be explored.

Titan Electric is completing the 4th section of the Garrison Road rebuild. They are expected to complete this project the first week of September. Once complete this crew will move to the 3 miles of transmission on Dot Road. Northwest Drilling and Boring are working in Dallesport.

COMMISSIONER DOUGLAS MILLER - Commissioner Miller stated he attended two Dallesport community meetings since last reporting. The first meeting covered general issues such as market pricing, CETA, and industry demand. The second meeting was scheduled by the Klickitat County Commissioners to discuss the Dallesport Wastewater system.

COMMISSIONER RANDY KNOWLES - Commissioner Knowles did not have a report.

COMMISSIONER DAN GUNKEL - Commissioner Gunkel did not have a report.

ASSISTANT GENERAL MANAGER –

- Glenwood Water Customer Relief - Gwyn Miller expressed appreciation for the board insight at the last meeting, which drove the staff recommendation for the Glenwood adjustment to ensure no adverse customer impact from the incident. Staff present were Sharon Blodgett and Brandy Myers. They provided history that the last water system read prior to the incident was July 27. Water department was confident that the issues were resolved and customers were provided an opportunity to complete the flushing of their piping before reads were obtained on August 10th. Staff recommended between July 27th and August 10th, KPUD bill zero dollars per thousand gallons for all water usage between July 27th and August 10th. Basic monthly fee will be billed. Staff felt this was the cleanest, most transparent method to accomplish this billing adjustment. August usage will be reflected on the September bill and only be half of the normal cycle, so October billing will have a slightly longer billing cycle. This solution has been communicated to the customers and there have been minimal customer calls related to this solution. The Klickitat PUD Commissioners supported this process for adjustments for the Glenwood Water system.
- Klickitat County Fair and Rodeo - Employees were thanked for their fair participation, the weather was a bit challenging at times and customer comments were positive.
- Annual Meeting October 10, 2022 - The meeting will be held at the Goldendale Grange Hall again this year, we have secured motivational speaker Joey Jones for this meeting.
- Employee Recognition Luncheon - This luncheon is scheduled for September 13, 2022 in our meeting room. With COVID we have not held these events for some time. We have 12 employees which were hired after our last luncheon in 2021. This event will begin at 12:30 p.m. due to the number of participants invited. We will also incorporate recognition of the Journeymen Linemen that recently completed their apprenticeship requirements.
- Information Technology (IT) Interviews - We have an open Entry Level Tech position and we have been completing interviews over the past two weeks. We are hopeful that we will extend an offer next week. Also our IT intern Isaac Colyar has agreed to continue to work with us 1-2 days per week going forward. Isaac has proven to be very personable and is providing great customer support to Chris and our employees.

GENERAL MANAGER - The complete report can be found at:
http://www.klickitatpud.com/topicalMenu/commissioners/GM_Reports.aspx

In addition to the written report, Jim Smith presented the following information:

- LFG Infrastructure Fund Application Review - We have a meeting scheduled for Friday, August 26 at 11 a.m. Klickitat PUD Commissioner Gunkel and Klickitat County Commissioner Anderson to review applications. There were

four small community applications, one from the City of Goldendale and one for Dallesport Wastewater System improvements.

- Strategic planning - Therese Hampton will be on site Thursday, September 8 to complete our annual review of our strategic plan. I expect the attendance to be around 11 or 12 employees.
- GRANT PUD - The Grant PUD Board of Commissioners have decided upon entering into a contract with Xcel Energy for the continued investigation of a Small Modular Nuclear project. They have agreed to invest \$1- \$3 million between now and February 2023 for evaluating the project viability. Our staff will begin to discuss non-disclosure agreements so we can have access and complete our own evaluation and work with Grant PUD, Energy Northwest and Xcel staff. Commissioner Gunkel asked staff to be thorough in evaluating required onsite security requirements and costs associated with it. Jim said he would ask that Kevin Ricks reach out to discuss.
- Fire Control equipment settings - Jim provided the breaker listings to the board for locations where we have instituted the fire control settings for non-reclose. During fire season, line crews will be required to patrol the entire line before attempting to reenergize in the event of an outage. Operations has a plan for areas where they believe bringing in additional staff would be beneficial for areas that might take longer than 2 hours to patrol.

AGENDA ITEMS:

- A. PREQUALIFICATION OF PROFESSIONAL SERVICES CONTRACTORS - MOTION was made by Commissioner Knowles to approve the addition as presented and agree to add the contractor to the Professional Services roster for the 2022 period. Motion carried.

Adjourned – There being no further business, the meeting adjourned at 2:58 p.m.

/S/
Douglas B. Miller, President

/S/
Randy L. Knowles, Vice President

/S/
Dan G. Gunkel, Secretary
Date Approved: September 13, 2022

/s/
Luann Mata, Executive Assistant