

Public Utility District No. 1 of Klickitat County  
**Board of Commissioners' Meeting**  
**Tuesday, August 10, 2021**

**AGENDA**

*Employee Recognition Luncheon at 1:00 p.m.*

ONE TIME USE - **Regular Meeting** Call in number option: 844-621-3956 (Access Code: 146 567 0069)

**Meetings are now open to the public, attendees will adhere to the published state Covid-19 related guidelines.**

*We are continuing the use of the public teleconference line in recognition of the extension of the state of emergency's statutory waivers and suspensions pursuant to RCW 43.06.210, until terminated or rescinded, whichever occurs first.*

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

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

➤ **PLEDGE OF ALLEGIANCE**

➤ Approval of Minutes - 07/27/2021 Meeting

➤ Approval of Claims/Vouchers for period ending 08/10/2021 *(Alex Casimiro)*

➤ Approval of Payroll for period ending 08/01/2021 *(Alex Casimiro)*

➤ **PUBLIC COMMENT PERIOD**

**REPORTS – 10 min. each:**

- Renewable Energy Assets July update *(Kevin Ricks)*
- Power and Finance July update *(Mike DeMott)*
- Commissioners' Reports
- Assistant General Manager's Report *(Gwyn Miller)*
- 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 1808 - Rescinding credit card authority for Mark Pritchard *(Gwyn Miller)*

**ADJOURNMENT**

**FOR THE GOOD OF THE ORDER:**

- Klickitat County Fair - August 18-22, 2021 Booth/Demonstration trailer located on the East side of the Grandstands



# Public Utility District No. 1 of Klickitat County

80 Years of Service \* 1938-2018

## GENERAL MANAGER'S REPORT TO THE BOARD For the August 10, 2021 Meeting

### AGENDA ITEMS:

- A. Resolution 1808: To Rescind Credit Card Authority for Mark Pritchard – with Mark Pritchard's retirement, we need to rescind his business credit card authority.

### NON-AGENDA ITEMS:

1. BPA BP-22 Rate Record Of Decision - The BP-22 rate case ended with an average 2.5% power rate reduction and 6% transmission rate increase. The actual impacts on each utility will vary. Mike will address what we are seeing so far for impacts on the District with the Bonneville Power Administration (BPA) rate modeling. Attached is the BP Administrator's Preface to the Record of Decision for a summary.
2. Public Power Council (PPC) - I wanted to engage in a discussion with you regarding the positions PPC and probably more fairly, the region and public power, are taking with respect to BPA's borrowing authority, debt and rates. I am looking for your perspectives. If you can read these two documents, that would be helpful.

The first is a letter to Congresswoman Cantwell regarding the proposed increase in BPA's borrowing authority from an organization called the Resource Accountability Project. The letter itself is attached and PPC positions are inserted in **bold**. The second is a press release from PPC regarding the recent BPA BP-22 rate announcement.

3. Public Power Council Long Range Planning - Executive Director Scott Simms is leading a review of PPC's focus areas. I am a part of the Long Range Planning Committee and for the most part, I am in agreement with the priority areas and will be discussing these with you at the meeting.
4. Klickitat PUD Strategic Planning Review - 16 managers, supervisors, superintendents and support staff participated in our review last week. The goal was to review and discuss the plan, improve staff's understanding of the board's direction and why we are doing what we are doing. This was to set the stage for building departmental goals that align

with the strategic plan.

I am very pleased with the engagement and am looking forward to our 2022 budgeting and goal setting process. The red-lined plan we developed is attached for our review.

5. Lyle Fire - Department of Natural Resources (DNR) will be here August 11<sup>th</sup> to look at the failed underground cable, the conduit that was removed and other materials from the site. They will also review our site photos as part of their investigation. Dan Short will be here as well.
6. DNR Rights-of-Way Master Agreement - Attached is the draft of the model agreement being negotiated with DNR in the DNR / Electric Utilities Task Force. The key goal here was to create an agreement that allows utilities to complete our vegetation management in a more efficient manner on DNR lands. The major change agreed to by DNR is that utilities can remove trees without prior approval for the majority of the rights-of-ways. We are to inform them of our activities, but when we find hazard trees, we remove them as we would in normal vegetation management processes, and we provide information on removed trees after the fact. This allows us to ensure that we are not leaving known hazard trees to a bureaucratic process. There are still areas that are termed “sensitive” due to permit requirements that DNR must adhere to. DNR will provide utilities GIS land models that identify sensitive areas where these issues exist. Utilities can use these maps to determine where we need to consult with DNR prior to sending our crews, and we have a much smaller subset to deal with.

The key issue remaining is that we may need to mitigate for tree removals when it could affect permit requirements. The utility perspective is that a hazard tree will likely fail, so why are utilities taking on liabilities? From DNR’s perspective, if trees die and fall there is not a permit violation, while actively removing a tree can be. This draft is being routed to WPUDA for input and ideas on how to address this issue.

The group is transitioning to the ongoing Advisory Committee created by Senator Brad Hawkin’s bill that passed last session to ensure ongoing interactions with DNR and electric utilities.

7. Pumped Storage Water Supply and Infrastructure Agreements - Drafts of these agreements are getting much closer to completion. Brian and I will run this next draft by Commissioner Knowles for his input.