

Public Utility District No. 1 of Klickitat County  
**Board of Commissioners Meeting**  
**Tuesday, March 24, 2020**  
**2:00pm**

**CALL TO ORDER:** President Dan G. Gunkel called the meeting to order at 2:00 p.m. as advertised.

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

**STAFF PRESENT:** Jim Smith - General Manager, Gwyn Miller - Assistant General Manager, Mike DeMott - Director of Finance and Power Management, Mark Pritchard - Operations Manager, Kevin Ricks - Renewable Energy Assets Manager, Ron Schultz - Engineering Manager (via teleconference), Cynthia Bruce - AP/Accounting Clerk, Jeff Thayer - Materials Manager, Beth Schroder - Accountant, and Luann Mata - Executive Assistant.

**GUESTS:** Athan Tramountanas - KPUD General Council (via teleconference), Ralph Epling - Sustainable Energy Ventures LLC (via teleconference), and Eric Redman - Thunderbolt Clean Energy (via teleconference), and no public announced themselves via teleconference.

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

**MINUTES: MOTION** was made by Commissioner Miller to approve the March 10, 2020 meeting minutes as presented. Motion carried.

**CLAIMS & PAYROLL:** Presented by Cynthia Bruce. 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 24<sup>th</sup> day of March, 2020.

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

- Accounts Payable Voucher Nos. 206861 and 206863 through 207022 in the total amount of \$853,210.09; Wire and Automated Clearing House (ACH) transaction Nos. 8801301 through 8801304, along with Electronic Funds Transfer (EFT) transaction Nos. 116 through 122 in the total amount of \$1,974,270.99 for the period ending March 24, 2020; and
- Payroll Warrant Nos. 206862 and ACH Direct Deposit Payroll transactions 204423 through 204508 in the total amount of \$205,350.21 for the payroll period ending March 15, 2020.

Motion carried.

**PUBLIC COMMENTS:** None

**REPORTS:**

**Water-Wastewater Report** - Sharon Blodgett presented the February report. We have extended the Wishram radio read meter installation into April. Brandon Walter, Russ Patton, and Sharon toured two surface water treatment facilities in the Tri-Cities this month. They appreciated the opportunity these tours provided to learn about functionality and system requirements should we need to go that direction in Klickitat.

Due to current safety precautions associated with COVID-19 response, the water crew transitioned to 4-10's Monday through Thursday. The original plan was to stagger starts, but to reduce exposure even more the W/WW staff will each keep their vehicles at home and will drive directly to their remote stations and only interact via phone, unless there is an emergency that requires additional people. In those instances, they will focus on maintaining the social distancing requirements.

**Operations Report** - Mark Pritchard presented the department report for February. He discussed our reliability efforts for the year. Asplundh was awarded the tree-trimming bid for this year and even with the current situation happening in Washington, they feel they will be well equipped to provide the crews we need to accomplish the awarded bid work. With social distancing considerations and what appears will be a dry season, staff may transition their focus to maintenance work for reliability and to assist with our fire mitigation efforts. We are also spending time replacing and mapping our oil filled equipment. We have experienced several failed regulators recently, so we are working to implement a better maintenance plan and devise a replacement plan. We are evaluating ordering a larger sized regulator so we can consolidate our inventory.

The monthly safety training focus was on slips, trips, falls, and ergonomics in February. In March, we held individual department meetings, in order to adhere to the social distancing requirements. Earlier this month, Brady Hanson was on site and held a grounding class for our personnel. The feedback of this training was very positive. We were also able to fit in a Department of Natural Resources blue card training certification for staff, before the distancing restrictions were imposed.

**Engineering Report** - Ron Schultz presented the department report for February. Bonneville Power Administration has implemented a telecommuting policy. Vancouver, Portland and Munro offices have only essential staff in the office, such as dispatchers. The Dalles District is wrapping up transmission work, and have sent crews and substation operators home, and those that must telecommute are doing that. Their operators have forms and paperwork in their trucks so that they can respond, and organize switching as needed. The Chief Operator is still in the office at The Dalles. They have cancelled their Rock Creek outage scheduled for May 11<sup>th</sup> – 24<sup>th</sup>. We have reached out to BPA about rescheduling, but it looks like that will be in the Spring of 2021. We have also contacted the projects, as we have some items that are concerning that we planned to complete during this outage and would like to address soon.

We still have the Goldendale transformer swap scheduled for April. This will place all of the Goldendale load on one transformer for a month. Since the temperatures are colder than expected and with the Governor's orders for people to stay home, we are monitoring the equipment and loading daily as loads are higher than anticipated. We have deferred the project for two weeks to monitor the loads. If necessary due to loading, we will defer until another time.

We did not complete our infrared substation evaluations this year because our IR camera failed in December and the replacement camera has been backordered due to this pandemic. Apparently, the cameras were redirected to China to assist with screening.

White Salmon engineers are working on designing the Bingen double circuit which will give us the ability to serve increased loads in Bingen and to sectionalize the area for better reliability. The Goldendale engineers are doing the design to move a section of line near Sandridge Road to gain better access. We have also licensed four more drone pilots.

**Generation Assets Report** - Kevin Ricks presented the department report for February. The plant produced 129,650 dekatherms in February. We produced an average of 4,471 dekatherms per day, which is our best daily average to date.

We will be bringing a Call for Bid to the April 14<sup>th</sup> meeting for the RNG Blower construction package. The drawings should be complete this week. We have had some

coronavirus impacts on the project engineering as two of our contract engineers are under quarantine. We are hopeful that this will not impact schedules.

We had a planned shutdown in February for leaking valve. This was an item we had been watching, which appeared to be getting worse, so chose to shutdown to repair the valve. This resulted in 10 hours of production loss.

Kevin and Jonah Humphreys have been working with Republic on contract parameters and stipulations. They have been working to understand Republic's needs along with our requirements for gas production. They attended a Waste Management Symposium last month to gain a better understanding of complications Republic faces from re-injecting leachates specifically. Kevin admittedly stated that he did not fully understand the situation they are facing. After talking with the Regional Management and the local site representatives, on their advice, we issued Republic a letter that we believe they are violating our landfill gas agreements by considering removing leachates, and hence moisture, from the landfill to protect our rights.

On March 13, in response to COVID-19 state proclamations we locked our RNG site buildings. We are not allowing Republic staff in the buildings at this time and deliveries are left outside of the building. Access to the control room is limited to RNG Operators. The Well Field Technician and Site Supervisor are working from offices in the lower control building and are not entering the control room. The Governor called out Biogas production facilities as critical infrastructure within his proclamation.

**HR Insurance Update Report** - Gwyn Miller presented the first quarter insurances status report. She felt it was important that we continue to show our rolling history since 2012. This history demonstrates that we have slowed the growth in healthcare costs by the efforts and modifications we have implemented in the healthcare plan. The 2018 costs were on the rise, but 2019 trended back down. She concluded that we are doing well overall funding the program. So far, 2020 costs have been a little high. She asked that with the current events we all be considerate of the fact that we have access to Teladoc, other facilities are offering video conferencing and phone-in health care calls for any medical concerns associated with COVID-19. Public Utility Risk Management Services (PURMS) is currently staffed as an essential service. We have asked staff to stay home, seek medical opinion, and contact supervisors if they have any signs or symptoms. Access to healthcare now is extremely important.

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

**COMMISSIONER DOUGLAS MILLER** - Commissioner Miller reported that he has completed his F1 report filing.

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

**GENERAL MANAGER** - The complete report can be found at:

[http://www.klickitatpud.com/topicalMenu/commissioners/GM\\_Reports.aspx](http://www.klickitatpud.com/topicalMenu/commissioners/GM_Reports.aspx)

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

- Community meetings - In light of recent events, we are going to cancel community meetings that have been scheduled with communities that we serve with water and wastewater. We will be sending update letters to all of the customers within each system in May.
- RNG Fixed Price Contract - We will be discussing the fixed price Renewable Natural Gas contract options during executive session today. We have made good progress on several fronts.

**AGENDA ITEMS:**

- A. RESOLUTION 1785- SURPLUS OF VEHICLES - **MOTION** was made by Commissioner Knowles to approve Resolution 1785 Surplus of Vehicles Numbers 149, 176, 191, 213, 253, 271, 710 and 914. Motion carried.
- B. PREQUALIFICATION OF CONTRACTORS - **MOTION** was made by Commissioner Miller to approve the addition of Simcoe Construction, Inc. for the small works roster and the addition of Titan Electric for both the large and small works rosters. Both companies have submitted all of the required documentation for approval. Motion carried.
- C. RESOLUTION 1786- EMERGENCY DECLARATION - **MOTION** was made by Commissioner Knowles to approve resolution 1786- Authorizing the General Manager to take Action to implement the Proclamation by the Governor Amending Proclamation 20-05, issuing 20-23 UTC, regarding customer assistance guidelines as presented. Motion carried.
- D. RESOLUTION 1787- EMERGENCY DECLARATION - **MOTION** was made by Commissioner Miller to approve Resolution 1787 Authorizing the General Manager to take Action to ensure the health and safety of employees and the public; and declaring an emergency under RCW 39.04.280 as presented. Motion carried.
- E. POLICY 4-A SELECTION and HIRING and POLICY 4-EE PERSONAL TIME OFF - after discussion, Commissioner Miller requested that this item be tabled until after the Executive Session discussion.
- F. BID REJECTION- RNG BLOWER VFD - **MOTION** was made by Commissioner Miller to REJECT all bids received for the RNG Blower VFD based upon exception taken to delivery requirements. Motion carried.
- G. EXECUTIVE SESSION:

- a. Collective Bargaining update per RCW 42.30.140 - President Gunkel called for an Executive Session at 3:00 p.m. per RCW 42.30.140 noting that the session would last for 10 minutes, for the purpose of discussing the Collective Bargaining negotiations. The session ended at 3:07 p.m.

**ACTION:** **MOTION** was made by Commissioner Miller to authorize the General Manager or his designee to sign the proposed bargaining unit agreement as presented today.

Commissioner Miller further **moved** to adopt revisions to Policies 4-A “Selection and Hiring” and 4-EE “Personal Time Off (PTO)” as presented by staff to support the approved changes in the bargaining agreement. Motions carried.

- b. Contract Discussion - President Gunkel called for an Executive Session at 3:10 p.m. per RCW 42.30.110 (1)(i) to discuss legal risks of a proposed action, noting that the session would last for 60 minutes. Klickitat PUD General Council, Athan Tramountanas, Ralph Epling- Sustainable Energy Ventures and Eric Redman- Thunderbolt Clean Energy were present via teleconference. Being discussed were potential RNG fixed price purchase contracts and the related existing British Petroleum contract. The session ended at 4:05.

**ACTION:** **MOTION** was made by Commissioner Knowles to Authorize the General Manager to execute all necessary contracts to supply Renewable Natural Gas to Puget Sound Energy (PSE), executed documents to be substantially in form as presented by staff. Motion carried.

