

Public Utility District No. 1 of Klickitat County
Board of Commissioners Meeting
Tuesday, October 09, 2018
2:00pm

CALL TO ORDER: President Knowles called the meeting to order at 2:00 pm as advertised.

PRESENT: Randy L. Knowles- President and Douglas B. Miller-Secretary.

STAFF PRESENT: Jim Smith- General Manager, Mike DeMott- Power Manager, Mark Pritchard-Operations Manager, Brandy Myers- Customer Service Supervisor, Cynthia Bruce-Accounting Clerk, and Luann Mata-Executive Assistant.

GUESTS: Larry Bakken

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

MINUTES: Commissioner Knowles requested that Agenda Item A-Resolution 1766 Low Income Elderly Rate include wording to reflect the change in target rate to be to be \$65,000 annually. **MOTION** was made by Commissioner Miller to approve the September 25, 2018 meeting minutes as corrected. 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 09th day of October, 2018.

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

- Accounts Payable Voucher numbers 113961 through 114080 in the total amount of \$1,409,486.54 and Wires, ACH and EFT numbers 8801037 through 8801041 in the total amount of \$237,854.49 for the period ending October 09, 2018; and
- Payroll Warrant numbers 43374 and ACH Direct Deposit Payroll transactions 9920401 through 9920481 in the total amount of \$190,499.95 for the payroll period ending September 30, 2018.

Motion carried.

PUBLIC COMMENTS: None

REPORTS:

Power Management Report– Mike DeMott presented the power management report for September. September Mid-C power pricing was reviewed as well as Sumas gas and RIN pricing. Non-BPA purchases were discussed for the next BPA period. We have an offer to continue purchases from The Energy Authority, which lines up with the pricing we have now. We have reached out to other potential providers of this service and await indicative bids.

We are researching the capacity markets and may consider starting up the Landfill Gas combustion turbines (CTs) if we can find a contract. Staff will review permitting requirements if we rebuild and restart the CTs with natural gas. The White Creek off-takers continue to evaluate moving into the Avangrid Balancing Authority. The group is meeting to reviewing contract language shortly.

Mike discussed market pricing and market resources for Germany as a comparison to the changes we are seeing on the West coast. Power costs in Germany are about 33 cents per KWH, of which half of this price is subsidized by other entities. These pricing levels were compared with other European and US based utilities. WA continues to be one of the lowest priced providers of electricity in the nation.

Generation Assets Report—Jim Smith stated that Kevin was on site overseeing the final steps in the project and Commissioning. The Morrow equipment is pressurized and the Kobelco compressors have been turned over. L&I approved our electrical equipment, although there are items for us to correct. If everything goes well, we could be injecting gas by the end of next week. However, as with most commissioning exercises, I expect that something will come. We will keep you posted.

COMMISSIONER DAN GUNKEL – Commission Gunkel was absent from the meeting.

COMMISSIONER DOUGLAS MILLER - Commissioner Miller stated that the information dispersed at the employee meeting was valuable and participation was good. After the meeting he went to RNG for a quick tour, he felt the tour went well. Commissioner Miller also suggested that we should make a concerted effort to get employees out to the site to gain knowledge so they are prepared to answer questions within the community when they arise.

COMMISSIONER RANDY KNOWLES – Commissioner Knowles stated that he is scheduled to attend the PURMS meeting on November 1st. They will be discussing fire liability impacts on the PURMS group.

GENERAL MANAGER – The complete report can be found at:

http://www.klickitatpud.com/topicalMenu/commissioners/GM_Reports.aspx

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

1. NISC- At this time we are planning to keep our mapping and work order program will stay with Futura. NISC could not schedule a conversion until 2020, so integration with Futura will be required. We have found concerns with the NISC mapping and work order program, so this will give us time for further research. However, if we move towards the mobile application, then we would need to reevaluate the mapping options.
2. Budgets- the first draft of the 2019 operating budget will be presented to the board at the October 23 board meeting.
3. Glenwood tiny home facility- Russ contacted the customer who is researching the 40-unit tiny house facility. The customer designated Dustin Conroy of Pioneer Surveying as their contact. The discussion was that if the project is classified as an RV park the water and sewer connection costs calculated to be around \$50,000, if it is deemed a Mobile home park the cost is \$320,000. Pioneer is drafting a proposal for our review that they state would benefit both the Glenwood community and allow the development as well. We will review the proposal and report back.
4. Distributed Generation conference- Jim will attend the Distributed Generation conference next week, October 15 – 17, then he will be attending the Public Generating Pool Strategic planning conference October 18 & 19.
5. Department of Ecology- Commissioner Knowles requested that we follow up with Tom Tebb regarding the Ecology pumped storage funding and report back.

AGENDA ITEMS:

- A. **SMART HUB AND E-BILL INCENTIVE:** NISC Customer Care and Billing is going live December 2nd. Our current online customer portal will transition to SmartHub- NISC's Customer Portal. All customers registered with existing online portal will be required to re-enroll. Staff is proposing to offer a one-time \$5.00 credit to customer's account for those who register for SmartHub and sign

