

Public Utility District No. 1 of Klickitat County
Board of Commissioners' Meeting
Tuesday, March 26, 2019

AGENDA

12:00 Noon – Reconvene Klickitat PUD Commissioner's Workshop to discuss the 100% Clean Energy legislation implications

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 – 03/12/2019 Meeting
- Approval of Claims / Vouchers for period ending 03/26/2019 (*Eileen*)
- Approval of Payroll for periods ending 03/17/2019 (*Eileen*)

➤ **PUBLIC COMMENT PERIOD**

REPORTS – 10 min. each:

- Water-Wastewater February Report (*Sharon*)
- Operations February Report (*Mark*)
- Engineering February Report (*Ron*)
- Commissioners' Reports
- Manager's Bi-Monthly Report (*Jim Smith*)
-(*see attached report*)

GUESTS:

- Therese Hampton, Executive Director
Public Generating Pool

AGENDA ITEMS - (*see Manager's Report for further details*)

- A. Prequalification of Contractors- (*Mark*)
- B. Policy 21- Customer Service Policy Review- (*Gwyn*)
- C. Electric Rate Increase Initial proposal- (*Jim*)
- D. Set Electric Rate Hearing Date- (*Jim*)

ADJOURNMENT

FOR THE GOOD OF THE ORDER:

WPUDA Water Committee Meetings- March 29
Public Disclosures: Due 4/15 annually
WPUDA Association Meeting- April 17-19

Note: Agenda is subject to last-minute revisions which may include the Board calling for an executive session.



Public Utility District No. 1 of Klickitat County

80 Years of Service * 1938-2018

GENERAL MANAGER'S REPORT TO THE BOARD

For the **March 26, 2019 Meeting**

AGENDA ITEMS:

- A. Prequalification of Contractors- Staff is recommending approval of Trenchless Pipe Repairs, LLC as a new small works contractor.
- B. Policy 21- Customer Service Policy- Staff is recommending approval of the revisions as highlighted.
- C. Electric Rate Increase Initial proposal- The approved 2019 Budget demonstrated an increase in our revenue requirement of 1.5% of retail electric revenues. This was proposed as a 1.5% flat electric rate increase. Initial reviews indicate that we are slightly behind in our revenues year to date, so staff is recommending that we implement the 1.5% rate increase as budgeted.
- D. Set Electric Rate Hearing Date- At this time, we do not show any changes to our original outlook that would lead us to believe that the Electric rate increase is not required, so staff is recommending that we set the Electric Rate public hearing date for April 23rd, 2019 at 3:00 p.m.

NON-AGENDA ITEMS:

1. **RNG Dedication** – the event is tentatively planned for June 1st. We are also planning on taking employees to the site in two shifts on the preceding day so they can tour the facility and talk with the RNG staff. We have no confirmation regarding the Governor as Keynote Speaker, and will be fixing the date in a couple of weeks regardless. Although his staff are still engaged in discussions with us regarding his attendance, I think our chances of getting him there are slim at this point. We are considering alternatives. If you have suggestions, they would be appreciated
2. **Replacement of the Klickitat PUD Phone System** – Our current phone system has had increasing problems with hardware and software in the past year. The system is approximately 12 years old and the core of it was based on the system before that. These problems have had direct impacts on staff and on our customers. Issues have included inability to dial, voicemails delivered late and voice mail ceasing to operate for various users. Parts are becoming extremely hard to find and our support for the system has all but ceased.

We have researched multiple options and we are planning on upgrading both the phone and voice mail system to one that has the ability to grow with the utility. Our goal will be a system that can integrate into NISC for customer and employee communications and notifications.

As per RCW 39.04.270, we can participate in competitive negotiations and not competitive bidding. We are moving forward with a request for proposals that complies with the RCW. We do not need formal authorization from you, but I wanted to make you aware. We expect that we will be within

budget amounts.

3. **United States Army Corps of Engineers Lease at John Day** – Brian checked with his Corps contact today. All the applications and supporting details have been accepted and they are processing the funding agreement. We are completing a formal land survey for the easement. We have been assured that the easement timing will work and no one else has any requests that interfere with ours.
4. **Legislative Update** – The 100% Clean Energy bill is set for executive session in the Finance Committee on March 26th. It must pass through Finance before it is scheduled for a vote in committee.

The Net Metering bill is set for executive session in the House Environment and Energy Committee on the 26th as well. The bill has been well supported and that support is expected to continue.

Our DNR bill was scheduled yesterday for executive session in the House, but they did not get to it. No further word at this time.

Our RNG Tax bill passed unanimously out of the Senate Committee on Environment, Energy and Technology. It is now in Ways and Means.

The WPUDA summary is attached.

5. **Public Generating Pool** – I attended the March meeting this week. Power Management VPs from Puget Sound Energy and Avista were guest speakers. Extremely good session and I will go through the interesting perspectives at the meeting.