

Public Utility District No. 1 of Klickitat County
Board of Commissioners Meeting
Tuesday, August 24, 2021
2:00 p.m.

Meetings are now open to the public, teleconference was offered during this meeting as we transition back to in person attendance. Attendance is noted below.

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

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

STAFF PRESENT: Jim Smith - General Manager, Gwyn Miller - Assistant General Manager, Alex Casimiro - AP Clerk, Kevin Ricks - Renewable Energy Assets Manager, Mark Garner - Engineering Supervisor, Brandon Johnson - Engineering Supervisor, Ron Schultz - Engineering Manager, Ron Ihrig - Interim Operations Manager, April Greenlaw - Operations Support Assistant, Judy Woody - Payroll and Benefits Coordinator, Chris Evans - Network Administrator, Sharon Blodgett - Water/Wastewater Coordinator, Russ Patton - Project Engineer, and Luann Mata - Executive Assistant.

Via teleconference:, Brandon Walter - Water/Wastewater Superintendent, Geoffrey Lacefield - System Engineer, Sarah Honkala - Accounting Clerk, Robbie Cacy - Buyer, Brandy Myers - Customer and Accounting Services Manager, Samantha Berry - Payroll Clerk and Cynthia Bruce - Accountant.

GUESTS: Beth Schroder (via teleconference)

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

MINUTES: MOTION was made by Commissioner Knowles to approve the August 10, 2021 meeting minutes as presented. Motion carried.

CLAIMS & PAYROLL: Presented by Alex Casimiro. 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 24th day of August, 2021.

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

- Accounts Payable Voucher Nos. 211083 through 211085 and 211087 through 211220 in the total amount of \$606,824.15; Wire and Automated Clearing House (ACH) transaction Nos. 8801513 through 8801520, along with Electronic Funds Transfer (EFT) transaction Nos. 262 through 266 in the total amount of \$1,784,875.69 for the period ending August 24, 2021; and
- Payroll Warrant No. 211086 and ACH Direct Deposit Payroll transactions 207660 through 207753 in the total amount of \$230,941.03 for the payroll period ending August 15, 2021.

Motion carried.

PUBLIC COMMENTS: None

REPORTS:

Renewable natural gas well project update - Kevin Ricks provided an update on the Loci Controls automated wellhead-tuning project. He reported that the installation is complete, and that they would be spending this week going over the

project to make sure everything is ready to “go live” on Monday, August 30. He said the Loci system will take readings on each individual well every hour and compare those readings to programmed targeting readings and if the reading is outside of those parameters, it will open or close the valve 0.5%. It will make these corrections every hour until the reading is in spec, and then maintain the well within the set bandwidth. The project will come online in incremental steps, bringing Loci units online one at a time and it will take about two weeks to get them all in service. The goal of the project is to collect as much methane as possible without over collecting on the landfill’s system. Kevin is working with Nicole Neff, Loci Controls project manager, to come to a board meeting to give a live presentation of the KPUD Roosevelt system to demonstrate what we are doing to increase flow and collection system reliability. The demonstration is tentatively scheduled for September 28th.

Water/Wastewater July update - Sharon Blodgett discussed the July Report. The Ponderosa Well 1 will remain offline until satisfactory reports come back. Commissioner Miller provided some suggestions to evaluate for potential causes of the unsatisfactory reporting.

The county has received an RV park zoning proposal in Lyle. The preliminary information shows one of the two proposed accesses crosses over the parcel that the Homer James well resides on. As of today, the developer has not contacted our Water/Wastewater department to discuss service options. During the conference call, the developer had commented he was hoping he could use the Homer James well directly. Staff corrected him informing him it could not be used for potable water and that any connections would be through the Lyle water system.

The Rimrock Community requested that we attend their August meeting. That meeting is scheduled for tonight.

The Glenwood Water system Caustic Soda Injection project has been delayed due to material shortage. The Department of Health has extended the construction deadline beyond October 2021, but will not extend past the project completion deadline of April 8, 2022. We do not foresee any challenge to meet the April deadline.

Russ stated it had been mentioned by Jeff Hunter that the Klickitat County Commissioners are motivated to divest the Dallesport Sewer system. Commissioner Knowles and Commissioner Miller had several verification questions. There are many unknowns at this time, but staff will continue down the path of researching this as an option.

Lastly, Sharon mentioned that there is an open W/WW Operator position, and the hiring committee will conduct interviews this week.

Operations July update - Ron Ihrig, Mark Garner and April Greenlaw provided the July update. Ron began by crediting the monthly reporting efforts to April. We have had 32,497 outage hours to date. We are currently not meeting our reliability goals. Ron commented that if we did not have any additional outage hours this year we would still slightly miss our reliability goal.

The Goldendale crew is currently scheduled two weeks out, with eight customers who are ready to be scheduled. In White Salmon, they are scheduled one week out with four customers who are ready to be scheduled. The accumulated customer backlog will be completed this week. There are other additional applicants in both districts with requirements they need to meet in order to qualify to be taken to scheduling.

The contracted “dock crew” Titan Electric, Inc. completed replacing 14 poles on the Knight Rd. transmission project and completed 34 poles of new construction off Fenton Lane. The Fenton Lane project was completed in approximately two weeks and staff pre-arranged to have the holes for these projects predrilled. This crew is not set up for outages or emergent work, so they have been placed on the larger projects to assist with backlog. Next, we will have them focus on the Sandridge Rd. distribution project. This project consists of removing approximately 2.8 miles of line that is currently installed across private property and move it to the road right-of-way to improve accessibility, especially during inclement weather. Summit Excavation has been contracted to assist our crew with installing the conduit and vaults for the Husum Hills subdivision.

Northwest Line Clearance is still on the property completing vegetation management work. They have one crew now, but when they are able to provide another journeyman, they will split this crew into two. Asplundh is hoping to have at least one crew next week. Mark Garner and Phillip McMillen have been working on mapping the vegetation management process. These maps are extremely useful. They show how each area was trimmed and will greatly assist us in the future directing the contractors and internal staff work. These tools will become more and more valuable as the program progresses. The pole test and treat contractors are working in the Firwood area. Lastly, Martin Taylor is back providing serviceman coverage.

The fair booth electrical demonstrations were well attended. We estimate that 150 people watched one of the three demonstrations. The crew was excited to showcase their new demonstration trailer and are looking forward to doing more demonstrations in the future. Bobby Batte did well describing what was happening during the demonstrations, but also included information regarding the importance of power line safety.

Jeff Thayer has been reappointed as the utility safety officer. The crew safety meeting will be held tomorrow while Jim Smith this the Water/Wastewater department safety meeting this morning.

Engineering July update - Ron Schultz, Brandon Johnson, and Mark Garner provided the July update. Mark discussed outstanding customer and recloser work. The Husum Hills development has paid for their subdivision installation and there has been a request to serve 26-30 lots in Dallesport. These projects require larger transformers and other equipment. The lead times for material is extremely long and pricing has increased significantly. Commissioner Miller asked if we should institute surcharges during times when pricing is unpredictable. Staff is already preparing a plan and will evaluate this option.

Brandon informed the board that the Klickitat substation power transformer analysis shows we need to replace high-side bushings and two low-side bushings that have visible damage and require replacement. Like other materials, these bushings also have longer lead times and will not be received before winter, so this will be one of our 2022 spring projects. The Cleveland substation power transformer oil testing is showing signs of age but the transformer is still in good shape. We will schedule reconditioning the oil for this transformer in 2022. We will be requesting approval of a call for bid for the MA Collins substation upgrade project. We currently have a 10MVA transformer and our 7MVA portable transformer supporting the load in this area. The plan is to leave the existing 10MVA, install a 20MVA in a parallel configuration, which will provide a combined capacity of 30MVA. This would allow for the removal of the portable transformer, which will be brought back to Goldendale for maintenance. Commissioner Miller asked if this would alleviate the future addition of a new substation in the area. Brandon stated that at this time the need is to increase capacity at the current location, should the

grape market come back in the future the need may arise again, but this solution is the most cost effective now.

Brandon and Jim Smith scheduled a call with the Mid-Columbia Economic Development District to discuss the potential of providing grant funding for KPUD to run a redundant fiber optic path to the east. The potential of being able to provide an opportunity for a backup in the Gorge for the fiber network is very appealing as we are impacted along with many others when there is an outage. Benton PUD is also interested in a partnership. MCEDD expressed the potential of grant funds being available for projects in the area. In concept, the board agreed that if funding was available, we would certainly entertain the option to utilize our dark fiber assets to provide opportunities for others to serve customers.

Staffing update- Tim Madsen is leaving the area so this will create another position opening in the meter shop. Ron Schultz stated that from what he has seen so far, there are a few very qualified applicants. The plan is to begin interviewing next week. Gwyn Miller also reviewed the department organizational changes with the board.

COMMISSIONER DOUGLAS MILLER - Commissioner Miller stated that he received notice of the Public Works board selection from the Washington Public Utility District Association. He was not selected. He also stated that he worked at the KPUD Fair Booth on Thursday with Lori Fakesch - Billing Clerk and Katie Kloster - White Salmon Customer Service Rep. Then Friday he worked with Courtney Collins - Customer Service Rep., Courtney Tatro - College Intern, and Kaitlynn Spino - College Intern. He stated both groups he worked with did a great job informing customers of available programs and were knowledgeable in their responses. Commissioner Miller also felt that the general customer attitude was very positive.

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

COMMISSIONER DAN GUNKEL - Commissioner Gunkel was absent from the meeting.

ASSISTANT GENERAL MANAGER - Gwyn Miller provided an update on:

Human Resources update - Judy Woody discussed that the PUD is implementing a new job application process. We have partnered with NEOGOV, which is a service that streamlines the application process. Staff has been diligently working to update job descriptions in preparation for the October implementation. This system will allow for increased confidentiality, it will send the submitting party an automated response to their submissions, and it will not accept incomplete applications.

The next item that has been at the forefront of the human resources world is the mandated Washington State Long Term Care tax, slated to begin in January. Staff has been working with Public Utility Risk Management Services to find options other than the State for our employees. We should have an option to provide our staff within the next two weeks.

Information Technology (IT) update - Chris Evans provided an overview of projects completed to date this year. His department has been working diligently all year to keep equipment available and sanitized for distribution in the event anyone is home for COVID related reasons. He has been replacing storage arrays for business critical systems. He has also prepared equipment for crew deployment in support of the roll out of the mobile workforce implementation. He assisted with the updates made to the big meeting room collaborating to install new technology to assist with commission meetings. It is time to update the wireless throughout the buildings. Chris is also evaluating moving the office to Microsoft Office 365 next year. He has a few things to research before making the decision.

Gwyn mentioned that the Cyber Liability renewal is required this year. The evaluation process in the past has not been as in-depth to date. This year's

evaluation has significantly increased. She also discussed departmental staffing and that they are evaluating options for reaching out to nearby college programs to groom the next hire.

GENERAL MANAGER - The following items are additions to the GM report.

The complete report can be found at:

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

Loci Controls Renewable Natural Gas project update - 30 wells have been placed on line so far this week. When the installation was first done, the Loci valves were all placed in the wide open position, with the existing well valve controlling the flow. As we go live, the Loci valve will be placed in the same position as the existing valve, and the existing valve then opened fully. The system then starts to take readings and adjust as programmed. We hope to have all wells on line in two weeks and may see improvements in a month.

Annual meeting - This meeting will be held at the Goldendale office again this year. We will maintain the smaller group setting. We will also have the commissioners individually attend a scheduled department meetings throughout the day to allow staff the opportunity to participate in a question and answer session with board members.

AGENDA ITEMS:

- A. RESOLUTION 1809: AUTHORIZATION OF VISA DISTRIBUTION TO BRANDY MYERS AND RON IHRIG - MOTION** was made by Commissioner Knowles to adopt Resolution No.1809 therefore authorizing the issuance of visa credit cards to Brandy Myers and Ron Ihrig for Klickitat PUD purchase use. Motion carried.
- B. CALL FOR BID: MA COLLINS SUBSTATION EXPANSION PROJECT - MOTION** was made by Commissioner Knowles therefore authorizing staff to advertise Call for Bid for the M.A. Collins substation expansion project 2021. Bids will be received until 2:00 p.m. on September 16, 2021. Motion carried.

Adjourned - There being no further business, the meeting adjourned at 3:44p.m.

/S/
Douglas B. Miller, President

/S/
Randy L. Knowles, Vice President

ABSENT
Dan G. Gunkel, Secretary
Date Approved: September 14, 2021

/s/
Luann Mata, Executive Assistant