

Public Utility District No. 1 of Klickitat County
Board of Commissioners Meeting
Tuesday, August 27, 2024
2:00pm

CALL TO ORDER: President Randy L. Knowles called the meeting to order at 2:00 p.m. as advertised.

PRESENT: Randy L. Knowles - President, Dan G. Gunkel - Vice President, and Douglas B. Miller - Secretary.

STAFF PRESENT: Jim Smith - General Manager, Shelby Manka - Accounting Clerk, Gwyn Miller - Assistant General Manager, Cynthia Bruce - Accounting Supervisor, Justen Greenwood - Operations Superintendent, Sharon Blodgett - Water/Wastewater Coordinator, Brandon Walter - Water/Wastewater Superintendent, Mike DeMott - Director of Finance and Power Management, Brandon Johnson - Engineering Manager, Justin Beierle - Engineering Superintendent, April Castillo - Operations Administrative Assistant, and Luann Mata - Executive Assistant.

Via teleconference: Brandy Myers - Customer and Accounting Services Manager, Mark Garner - Engineering Supervisor, Kevin Ricks - Renewable Energy Assets Manager, Alex Casimiro - LFG Support Assistant, Sarah Honkala - Accountant, Seth Jones - Buyer, and Courtney Collins - Support Assistant.

GUESTS: Stoner Bell

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

MINUTES: **MOTION** was made by Commissioner Miller to approve the August 13, 2024 meeting minutes as updated. Motion carried.

CLAIMS & PAYROLL: Presented by Shelby Manka. 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 27th day of August, 2024.

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

- Accounts Payable Voucher Nos. 220250 through 220363 in the total amount of \$663,187.41; Electronic Funds Transfer (EFT) transaction Nos. 640 through 645 and Wire and Automated Clearing House (ACH) 8802018 through 8802025 in the total amount of \$2,088,529.10 for the period ending August 27, 2024; and
- ACH Direct Deposit Payroll transactions 214637 through 214722 in the total amount of \$299,134.05 for the payroll period ending August 11, 2024.

Motion carried.

PUBLIC COMMENTS: None

REPORTS:

Water/Wastewater Update - Sharon Blodgett and Brandon Walter reviewed the August statistics. Staff is working with Avangrid Energy Co. on a bulk water reservation in Bickleton. They anticipate construction and actual water use in spring 2025. Jim Smith and Brandon met with the Lyle community and the Lyle Fire Department on August 14 to discuss the upper well. A meeting with the Wishram Community Council is scheduled for September 9. Noah Halm was awarded the lead operator position with the resignation of Greg Watson and Eric Cecil was hired as a

W/WW Operator Trainee. Interviews for the last unfilled trainee position will be August 29. Brandon recognized staff's continued efforts noting that KPUD received the Department of Ecology Wastewater Treatment Plant Outstanding Performance awards for all of our systems in 2023. Sharon has submitted the reimbursement request to Klickitat County for the Landfill Gas Improvement funds awarded for the Rimrock project. We were awarded \$140,000 for this project, however we only required \$135,000.

Operations Update - April Castillo and Justen Greenwood reviewed the July report. We are not projected to meet the reliability goal for 2024 with the 62,000 outage hours we have incurred to date. The White Salmon crew has been focused on the Bingen development project. A portion of this project fell under our capital improvements and the three-phase upgrades are being funded by the Bingen Development. The Goldendale crew completed fire repairs this month.

We've hired a new lineman, and currently, we have one apprentice who journeyed out in August and another set to journey out in September. The vegetation management contractors have completed 160 miles of line clearance year-to-date and our tree crew focused on fire clean up in July.

Engineering Update - Brandon Johnson and Justin Beierle reviewed the highlights from July. In addition to items supplied in the report, Brandon reviewed the Goldendale Substation breaker replacement plans and discussions with BPA regarding a spare transformer under the EE Clouse project. PacifiCorp plans to install a breaker in their Hood River substation by the second quarter of 2025, which will finally provide less outage exposure to customers fed from the Bingen Substation. He also discussed BPA commitments to the updates to the Chenoweth transmission line.

Justin reviewed projects the staking engineers have been working on. With slow customer work, they are focusing on maintenance and capital projects. The crew removed the abandoned line on Catherine Creek, as this line has historically been the subject of many down power line phone calls from area hikers. The staking engineers have also received permission from the Department of Natural Resources (DNR) to allow tree removal from within the Trout Lake transmission line right-of-way.

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

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

COMMISSIONER DOUGLAS MILLER - Commissioner Miller discussed his thoughts of his time at the PUD booth during the Klickitat County Fair.

ASSISTANT GENERAL MANAGER - Gwyn Miller thanked Justen Greenwood for his participation in today's meeting and for expanding his service area to encompass the entire county. She also expressed her appreciation of the crew participation in the Klickitat County Fair demonstrations, calling out Nathaniel Hill's enthusiasm as the emcee of the event. Our 2024 PURMS insurance audits are complete. Lastly, we received our patronage check from Pioneer Utility Resources representing a 5.8% reimbursement for our Ruralite subscription.

GENERAL MANAGER - The complete report can be found at: http://www.klickitatpud.com/topicalMenu/commissioners/GM_Reports.aspx In addition to the written report, Jim Smith presented the following information:

- **Dallesport Sole Source contract:** Treatment Equipment Company (TEC) was authorized as the sole source contractor for the Dallesport Wastewater Clarifier Project on June 25, 2024. TEC is the only authorized representative for Walker Process Equipment, the manufacturer of the clarifiers at the Dallesport Wastewater Facility. TEC has requested that we authorize Sentry Equipment Corp to be the prime contractor on the Dallesport Wastewater Clarifier Project, with TEC acting as subcontractor. This allows the same

warranty from Walker Process as TEC will be doing the clarifier work. There is no change in the original award, other than who is listed as the prime contractor, although the price will be marginally less than originally quoted.

MOTION was made by Commissioner Gunkel to rescind the contract for \$431,152.05 approved with Treatment Equipment Company (TEC) issued June 25, 2024. Motion carried.

MOTION was made by Commissioner Gunkel to authorize Sentry Equipment Corp, DBA Rebuild-It, as the sole source contractor for the Dallesport Clarifier Project in the amount of \$416,780.31 as they have met all of the contractual requirements. Motion carried.

- **BPA Markets**: Jim reviewed the steps BPA has taken to date to evaluate the Southwest Power Pool Markets plus and the California Independent System Operator market options and noted they have chosen to delay a decision on selecting a market until March 2025.
- **Bond Ratings Calls**: Jim stated the calls went well and he expects that our current ratings will be affirmed. Commissioner Miller agreed that staff provided a well-rounded description of our projects and our focus.
- **Active Shooter Drill**: Staff participated in an active shooter drill August 21. The drill provided several scenarios for employee training and real-time evaluation of our procedures. It also provided everyone with experience with how individuals may react when an unexpected event happens. This provided valuable training for the Goldendale Police Department staff as well. Jim thanked Brandon Walter for pulling this second training event together.

AGENDA ITEMS:

- PREQUALIFICATION OF CONTRACTOR**: **MOTION** was made by Commissioner Gunkel to approve the addition of the contractors presented and agree to add them to their referenced works rosters for the 2024 period. Motion carried.
- PREQUALIFICATION OF PROFESSIONAL SERVICES**: **MOTION** was made by Commissioner Miller to approve the addition of the consultants provided and agree to add them to the Professional Services roster for the 2024 period. Motion carried.
- RESOLUTION 1858 - RESCINDING OF BUSINESS CREDIT CARD**: **MOTION** was made by Commissioner Miller to adopt Resolution No. 1858 thereby rescinding the credit card signing authority of Douglas Tuning issued under Resolution 1833. Motion carried.
- EXECUTIVE SESSION per RCW 42.30.110(1)(b)**: Commissioner Knowles called for an executive session at 2:50 p.m. to discuss the lease or purchase of real estate, where disclosure could likely increase pricing, noting the session would last 40 minutes until 3:30 p.m. Session ended at 3:30 p.m. No action was taken.

Adjourned - There being no further business, the meeting adjourned at 3:31 p.m.

/S/
Randy L. Knowles, President

/S/
Dan G. Gunkel, Vice President

/S/
Douglas B. Miller, Secretary
Date Approved: September 10, 2024

/s/
Luann Mata, Executive Assistant