

Public Utility District No. 1 of Klickitat County  
**Board of Commissioners Meeting**  
**Tuesday, September 10, 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:** Shelby Manka - Accounting Clerk, Gwyn Miller - Assistant General Manager, Kevin Ricks - Renewable Energy Assets Manager, Cynthia Bruce - Accounting Supervisor, Mike DeMott - Director of Finance and Power Management, April Castillo - Operations Administrative Assistant, and Luann Mata - Executive Assistant.

Via teleconference: Brandon Walter - Water/Wastewater Superintendent, Mike Nixon - Operations Manager, Alex Casimiro - LFG Support Assistant, Sarah Honkala - Accountant, 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 27, 2024 meeting minutes as presented. 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 9<sup>th</sup> day of September, 2024.

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

- Accounts Payable Voucher Nos. 220364 through 220481 in the total amount of \$1,148,744.24; Electronic Funds Transfer (EFT) transaction Nos. 646 through 651 and Wire and Automated Clearing House (ACH) 8802026 through 8802036 in the total amount of \$480,850.03 for the period ending September 10, 2024; and
- ACH Direct Deposit Payroll transactions 214723 through 214811 and Payroll check numbers 220373-220374 in the total amount of \$275,383.60 for the payroll period ending August 25, 2024.

Motion carried.

**PUBLIC COMMENTS:** None

**REPORTS:**

**Renewable Energy Assets Update** - Kevin Ricks reviewed the August statistics. Total production for 2024 year to date is 44,000 above budget as of the end of July. Two short forced outages this month reported when Williams Pipeline experienced two over-pressure issues during July. On one event we curtailed production and on the other we flared gas. We have a procedure in place now to reduce well field vacuum if this arises again, keep the plant on line and flare a limited quantity. This allows us to ride an event that is hours in duration and restore production quickly. An LFG Tech Trainee has been hired. This individual has completed an instrument

and controls (I&C) program from Perry Tech and will be adding depth to the I&C position as well.

LoCI Controls sold carbon credits generated from the facility. This sale yielded \$109,000 profit for KPUD. Representatives from LoCI will attend the next meeting to review the projects progress.

**Power Management and Finance Update** - Mike DeMott reviewed the current statistics. Power prices are softening from the volatile high levels experienced so far this years, but forward curves out through 2028 are still in the \$50 / MWh during Q2 and over a \$100 / MWh during Q1 of these years. We are in the process of locking in the long term pricing through 2028 and reducing the forward pricing in the 5-year forecast for load shaping and White Creek Wind revenue.

BP-26 rate case is still in flux. BPA has said we will have our 3-year rate by October 2025. Current BPA Tier 1 rate increase estimates are 8% for power and 15% for transmission. The current allocation for BP-26 is 36.8MW for Tier 1 and 13.5MW for Tier 2. BP-28 allocations are forecasted at 42MW Tier 1 and 10MW for Tier 2. All of these load forecasts are exclusive of any new large load customers. BP Tier 2 pricing appears to be \$80.00 although market is substantially lower than this price.

The MOU with the large data center customer has been executed and evaluations are underway. Negotiations continue with the Energizer substation customer request.

Bond ratings were affirmed by both Moodies and Fitch. Lastly, Mike noted that the Trout Lake property will be listed soon.

**COMMISSIONER RANDY KNOWLES** - Commissioner Knowles asked for board discussion on policy related to medical coverage. Gwyn will bring back statistics at the next meeting for review.

**COMMISSIONER DAN GUNKEL** - Commissioner Gunkel stated that the Department of Commerce has granted the Dallesport Regional Airport an infrastructure grant. The assumption is that there may be another request of the Landfill Gas Improvement Fund for the Dallesport Water system coming soon.

**COMMISSIONER DOUGLAS MILLER** - Commissioner Miller attended the Wishram Community Meeting September 9<sup>th</sup> along with staff. In attendance were Richard Foster from the Klickitat County EDA board and Commissioner Elect Ron Ihrig. The community questions focused on street lighting, installing plug-ins on streetlight poles and providing Christmas lighting assistance as well. Discussions went well and staff will research the lighting requests.

**ASSISTANT GENERAL MANAGER** - Gwyn Miller notified the commissioners of the Klickitat Valley Health and Wellness Fair annual event schedule for October 3<sup>rd</sup>. Breakfast will be provided for the event. Preregistration is required for all participants. Please have your registration forms submitted the week prior to the event. Multifactor authentication will be coming to all soon, as it is a requirement of our cyber security insurance. October 14 is the scheduled date for the Annual Employee meeting located at the Goldendale Grange. Lastly, Jim will provide wildfire legislation update at the next meeting.

**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)

## **AGENDA ITEMS:**

- A. **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.

