

PRE-AGENDA
FOR THE REGULAR MEETING OF
CLALLAM COUNTY PUBLIC UTILITY DISTRICT #1
BOARD OF COMMISSIONERS
August 10, 2020

Join Zoom Meeting: <https://zoom.us/j/95639882073?pwd=WlJKREN2RGxiLzZLUU1FdnRqbnVWQT09>

Meeting ID: 956 3988 2073 | **Passcode:** 078822

One tap mobile: +12532158782,,95639882073#,,,,,0#,,078822# US (Tacoma)

Dial by your location: +1 253 215 8782 US (Tacoma)

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- **Consent Agenda Items**

The Commissioners will consider approving Consent Agenda items.

- **RESOLUTION 2179-20 Authorizing the Disposal of Surplus Property**

Staff requests that the Commission pass RESOLUTION 2179-20 Authorizing the Disposal of Surplus Property including: a 2003 Freightliner F180; 2007 GMC Sierra 4x4; a 2003 GMC Canyon 4x4; a 2008 Chevrolet Colorado 4x4; a 003 GMC Sonoma 4x4; a 2002 GMC Sierra 4x4; 1999 Chevrolet Express Van; a 1991 Big Tex Trailer; a 2002 SlashBuster DMXL 480 Cutting Head; and a 1985 Morbark Chipper. These items have been replaced and/or are no longer being used by the District. The total estimated value of this surplus property is \$14,500.

The Commissioners will also consider the customary business matters associated with approval of payments, minutes of the previous meeting, reports from Commissioners and staff, comments from the public, and other items of information or general business. Items may be added to, or removed from, the agenda at the meeting.

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1. CALL TO ORDER

2. APPROVAL OF CONSENT AGENDA

- a. Minutes of the July 27th, 2020 regular meeting;
- b. Claim vouchers July 27th through August 3rd, 2020 for a total of \$2,711,115.29;
- c. Payroll vouchers for the period of July 1st through July 15th, 2020; and
- d. Removal of delinquent accounts from the August active accounts receivable in the total amount of \$5,098.75, including a 30% collection fee.

3. AGENDA REVISIONS

4. COMMENTS FROM THE PUBLIC

5. BUSINESS ITEMS

- a. RESOLUTION 2179-20 Authorizing the Disposal of Surplus Property Terry Lind

6. CORRESPONDENCE/COMMUNICATIONS

7. COMMISSIONER REPORTS

8. STAFF REPORTS

- a. Old PUD office in Port Angeles sold Doug Nass
- b. Safety disconnects Sean Worthington
- c. CARES update Sean Worthington
- d. Update on Forks Operations Building John Purvis
- e. Update on Service Territory Solar Generation vs. Department of Commerce Reporting John Purvis
- f. Update on 2020 2nd Quarter Key Performance Indicators (KPIs) GM and Direct Reports

9. BOARD'S ACTION ITEMS FOR STAFF

10. COMMENTS FROM THE PUBLIC

11. EXECUTIVE SESSION (TENATIVE)

12. ADJOURN

CLALLAM COUNTY PUBLIC UTILITY DISTRICT #1
Minutes of the Regular Meeting of the Board of Commissioners
Main Office | 104 Hooker Road | Sequim, WA 98382
July 27, 2020 – This meeting held remotely via ZOOM

Commissioners Present

Will Purser, President
Jim Waddell, Vice President
Dave Anderson, Secretary

Staff Present

Doug Nass, General Manager
John Purvis, Assistant General Manager
Sean Worthington, Finance Manager/Treasurer
Lori Carter, Controller/Auditing Officer
Tyler King, Power Analyst
Mattias Järvegren, Utility Services Coordinator
Tom Martin, Water and Wastewater Manager
Steve Schopfer, IT Manager
Jamie Spence, HR Manager
Nicole Clark, Communications Manager
Larry Morris, Safety Manager
Mike Hill, Engineering Manager
Teresa Lyn, Executive Assistant

Others Present as Identified

Krestine Reed
Paula Barnes
Richard DeBusman
James Schuenemann
Patricia Morris
Rob, last name not provided

The meeting commenced at 1:30 PM.

CONSENT AGENDA

Upon recommendation of staff, and upon motion of Commissioner Anderson seconded by Commissioner Waddell and carried, the Commissioners approved the following consent agenda items:

- a. Minutes of the July 13th, 2020 regular meeting; and
- b. Claim vouchers from July 13th through July 20th, 2020 for a total of \$1,698,306.45.

AGENDA REVISIONS

The Clallam 10 Year Utility Resource Plan was added to the agenda as Business Item C.

COMMENTS FROM THE PUBLIC

Comments heard from the public regarding: Tier 1 utilities; the name of the consulting firm that performed a resource adequacy analysis; a request for an update on the Forks operations building and its potential for solar installation; PUD representation at BPA's upcoming rate case negotiations; and the disposal of renewable energy credits (RECs), which Commissioner Purser advised would be addressed during a staff presentation.

BUSINESS ITEMS

Upon recommendation of staff, and upon motion of Commissioner Anderson seconded by Commissioner Waddell and carried, the Commissioners authorized Recommendation Memo reference Sourcewell Contract No. 121218-WES to purchase 31 composite poles of various sizes and necessary accessories for the Airport substation to Oak Street Rebuild. The amount of the contract is \$238,254.52.

Upon recommendation of staff, and upon motion of Commissioner Anderson seconded by Commissioner Waddell and carried, the Commissioners passed RESOLUTION 2178-20 Authorizing the Disposal of Surplus Renewable Energy Credits (RECs). Power Analyst Tyler King answered questions from the public, explaining that RECs are not actual energy; they are a certificate that corresponds to the environmental attributes of energy generated by renewable energy sources, such as solar or wind. The PUD purchases RECs to offset conventional energy use and disposes of surplus RECs by selling them to a broker who resells them to the renewable energy marketplace.

Upon recommendation of staff, and upon motion of Commissioner Waddell seconded by Commissioner Anderson and carried, the Commissioners approved a motion to approve the Clallam 10-Year Utility Resource Plan, which is based on BPAs load forecast of a 0.3% load growth over the next 10 years. The Department of Commerce requires the plan to be updated and displayed at a public meeting every two years. The 10-Year Utility Resource Plan projects PUDs potential energy needs, taking into account conservation efficiencies and projected economic growth.

CORRESPONDENCE/COMMUNICATIONS

General Manager Nass reported on a recent American Public Power Association (APPA) article that outlined the benefits of PUD's implementation of the National Information System COOP (NISC) enterprise solution. The solution facilitates: real-time transactions and reporting; an integrated intelligent mapping solution, which improves accuracy out in the field; an outage management system, which enables dispatchers to direct lineman to trouble areas; and improved customer care.

COMMISSIONER REPORTS

Commissioner Anderson attended virtual WPUA roundtable meetings. With COVID, he noted, there is increased impetus on expanding broadband to unserved and underserved rural and remote areas. Discussions focused on the possibility of revising RCW language for broadband grant authority from wholesale to wholesale and retail; and the estimated costs and timelines of applying for grants and permits, the ordering of materials, and the maintenance factors involved in the build out of a fiber infrastructure.

Commissioner Waddell attended virtual WPUA meetings. Topics were public participation in commission meetings, the impact of COVID, CETA guidance and rulemaking, water river temperatures, the Environmental Impact Study (EIS) on the lower Snake River dams, and resource adequacy studies and reporting. He attended the Clallam County Economic Development Council (EDC) meeting; discussed were the EDC budget, cash flow of local businesses, and CARES funding.

Commissioner Purser attended a BPA webinar on resource adequacy, which is on the BPA website at <https://www.bpa.gov/news/AboutUs/Hydropower-101/Pages/Resource-adequacy-Meeting-the-regions-energy-needs.aspx>. He also attended WPUA roundtable meetings. Topics included: cybersecurity issues; the vulnerability of government officials in terms of hacking and/or harassment due to the current Public Disclosure Commission (PDC) reporting requirements; the potential for a big windfarm in Benton County; potential language revisions to the RCWs to eliminate the term wholesale in order to prevent the PUDs from having to provide broadband when it is not economically viable to do so; NoaNet's system upgrade to 300 Gbps; CETA rulemaking procedures; a report from River Partners; and the upcoming legislative session.

STAFF REPORTS

Utility Services Coordinator Mattias Järvegren reported on the District's 2018/2019 energy efficiency (savings) and conservation goals and programs. The District met and exceed the target for the 2018/2019 biennial and is on track to do the same in 2020/2021. The success is due mostly to PUD's promotion of and ratepayer's broad utilization of LED lighting and efficient heat pumps and water heaters. He also reported that Energy Northwest (EN) applied for Department of Commerce Electric Vehicle (EV) grant in early June. If awarded, the grant would allow EN to install and operate a series of EV chargers around the Highway 101 loop, including one each in Sequim and Forks. Grant awardees will be announced in December 2020, and the earliest that contract work would begin is May 2021.

At 3:00 PM Commissioner Purser convened the meeting for a short break. The meeting reconvened at 3:08 PM.

GM Doug Nass provided an update on Coronavirus Aid, Relief, and Economic Security Act (CARES) funding. The District will receive \$45,200 in funding for residential utility customer assistance. PUD hopes to receive and disperse funds by October 31, 2020. Qualified applicants must be a county resident and Clallam PUD ratepayer; enter into a payment plan; and provide proof of the COVID-related financial hardship (job loss, illness, reduction in hours, etc.) that led to the need for assistance. The PUD will post the CARES Utility Assistance Letter on the website, and will insert inserts into our bills to notify customers of the availability of assistance.

General Manager Nass, Finance Manager Sean Worthington, and Assistant General Manager John Purvis each provided 2020 2nd Quarter Key Performance Indicator (KPI) updates on their department's strategic objectives. View the 2020 Strategic Plan online at <https://clallampud.net/about/>.

BOARD'S ACTION ITEMS FOR STAFF

There were no action items from the Board.

COMMENTS FROM THE PUBLIC

Comments heard from the public regarding: a Department of Energy spreadsheet that indicates that the District does not generate solar power. Assistant GM Purvis explained that the amount of solar power currently produced does not constitute a measurable amount of load. It is recorded under a net-metering configuration, and thus is invisible to the BPA portfolio. It was then asked if the PUD reports on the website how much solar is being generated by rooftop solar customers.

ADJOURN

There being no further business to come before the Commission, the meeting adjourned at 4:12 PM.

ATTEST:

President

Vice President

Secretary

July 27, 2020

SUMMARY VOUCHER APPROVAL
PUBLIC UTILITY DISTRICT #1 OF CLALLAM COUNTY
OPERATING FUND

We certify, under penalty of perjury, that the materials have been furnished, the services rendered, or the labor performed as described herein, and that the attached list of claims are a just, due and unpaid obligation against Public Utility District No. 1 of Clallam County, and that we are authorized to authenticate and certify said claims.

SIGNED Yvonne Carter DATE 8/4/20
AUDITING OFFICER

GENERAL MANAGER DATE _____

Vouchers audited and certified by the Auditing Officer and the General Manager have been recorded on the attached list which has been made available to the Board of Commissioners of Public Utility District No. 1 of Clallam County. We, the undersigned Board of Commissioners of Public Utility District No. 1 of Clallam County, approve for payment those vouchers included on the attached list:

Summary for Voucher Lists Dated 7/27/20–8/3/20

Checks	\$	618,650.94
Wire Transfers		2,079,994.57
E-Payment		12,413.03
Prepays		56.75
Total	\$	2,711,115.29

COMMISSIONER

COMMISSIONER

COMMISSIONER

PUD#1 OF CLALLAM COUNTY, WASHINGTON

**AUGUST 2020
DELINQUENT ACCOUNTS TO BE REMOVED
FROM ACTIVE ACCOUNTS RECEIVABLE**

Delinquent accounts listed for electricity and water on the attached pages are approved to be removed from the active accounts receivable. All accounts to be removed are grouped and total as follows:

08/03/20	Clallam Bay – Evergreen	\$	409.30
08/03/20	Forks – Evergreen	\$	-
08/03/20	Port Angeles – Evergreen	\$	2,147.20
08/03/20	Sequim – Evergreen	\$	1,365.61
08/03/20	All Area-Direct W/O Bankruptcy	\$	-
08/03/20	All Area-Direct W/O Deceased	\$	-
08/03/20	All Area-Direct W/O Small Balance	\$	-
	SUBTOTAL	\$	3,922.11
08/03/20	30% Collection Fee	\$	1,176.64
	TOTAL	\$	5,098.75
	Previous Debt Collected in July 2020	\$	1,788.02
	Previous Debt Collected Year To Date 2020	\$	14,085.03

Dated this _____ day of _____, 20____.

President

Secretary

Vice-President

SW:kw

Attachments

These lists comply with our CIS software which removes accounts from the active accounts receivable when placed with a collection agency (classifies them as bad debt). The exceptions are bankruptcies, deceased customers and customer accounts with small balances under \$20. These are removed under the categories of All-Area Direct W/O, but not placed with a collection agency.

A RESOLUTION Authorizing the Disposal of Surplus Property

WHEREAS, in accordance with RCW 54.16.180, the District property and equipment described on the attached list, has been determined to be no longer necessary or useful in the operation of the District's system; and

WHEREAS, removal, storage, and accounting for such surplus equipment is wasteful; now, therefore, be it

RESOLVED, That the General Manager is hereby authorized to dispose of the material described on the attached lists as determined to be in the District's best interest.

PASSED, by the Board of Commissioners of Public Utility District No. 1 of Clallam County, Washington, this 10th day of August, 2020.

President

ATTEST:

Vice President

Secretary

Surplus Vehicles 2020 (07-17-2020)

2003 Freightliner FL80 ,Cat 3126 engine, Allison Transmission, Service Body , Altec TA 40 boom

(03-077) \$3500.00 Value as-is

- a. Tires 07/32" Front, 07/32" Rear tires need to be replaced
- b. Mileage 201,845 Hours 11,405
- c. Bucket has chips and spider cracks and needs repaired
- d. Engine has oil leaks
- e. Coolant Reservoir has a leak from Rust
- f. Plastic guards on the boom are missing or broken
- g. Truck had been stationed on the coast and has rust
- h. Engine runs and transmission works
- i. Truck runs and drives
- j. Boom would not move could be electrical or PTO related. Have not put time into trouble shooting
- k. Will need batteries , can be jumped started
- l. Braden Front bumper winch

2- 2007 GMC Sierra 4x4, 2500 HD, Duramax engine , Allison Transmission, Service body , Extended Cab

(07-067) \$1500.00 Value as-is

- a. Tires 5/32" Tires need to be replaced
- b. Mileage 145,866
- c. Windshield is cracked
- d. Driver seat is ripped
- e. Extensive rust on the vehicle , Truck had been stationed on the coast
- f. Lift gate works going down is slow
- g. Need a heater resistor installed
- h. Lift gate does not work and is rusty
- i. Will need a battery , can be jumped started

- 3- 2003 GMC Sonoma 4x4, 4.3 gas engine, automatic Transmission, extended Cab,
(03-029) \$800.00 Value as-is
- a. Tires 7/32"
 - b. Mileage 96,518
 - c. Transmission has issues ,
 - d. Check engine light is on, misfire sometimes,
 - e. Will need a battery , can be jumped started
- 4- 2005 GMC Canyon, 4x4, 2.8 gas engine, Automatic transmission, extended cab,
(05-017) \$800.00 Value as-is
- a. Tires 7/32"
 - b. Mileage 135,743
 - c. Right Front Axle seal starting to leak
 - d. Driver seat is ripped
 - e. U-joint is bad.
 - f. Will need a battery, can be jumped started
- 5- 2008 Chevrolet Colorado 4x4, 3.7 gas engine, Automatic Transmission, extended cab
(08-025) \$ 800.00 Value as-is
- a. Tires 7/32"
 - b. Mileage 87,881
 - c. Tire Pressure sensor, TPMS light is on
 - d. Need front brakes and rotors
 - e. Airbag light is on,
 - f. Driver seat is ripped
 - g. Will need a battery, can be jumped started
- 6- 2002 GMC Sierra, 4x4 5.3 gas engine, Automatic Transmission, extended Cab,
(02-002) \$ 750.00 Value as-is
- a. Tires 7/32"
 - b. Mileage 153,338
 - c. Transmission is not shifting correctly, not shifting into 1-2 gears
 - d. Will need a Battery , can be jumped started

7- 1999 Chevrolet Express Van, 5.7 gas engine, Automatic Transmission,
(99-038) \$1500.00 Value as-is

- a. Tires 8/32"
- b. Mileage 137,560
- c. Right rear wheel axle seal is leaking
- d. Shift selector , oil drip from the seal area
- e. Will need a Battery , can be jumped started

8- 1991 Big Tex 20,000 GVWR trailer

(91-198) \$ 1500.00 Value as-is

- a. Air Brakes
- b. New Tires
- c. Recent brakes
- d. Good Condition

9- 2002 SlashBuster DMXL 480 cutting head

(2002) \$ 500.00 Value as-is

- a. Rotary cutting disk
- b. Excavator mount
- c. Disk could use some repair (teeth mounting holes are worn)
- d. Used on a Hyundai 130 excavator (Excavator not included)
- e. Set up for PSM Series II bucket Quick Coupler

10- 1985 Morbark Chipper

(85-11) \$ 2500.00 Value as-is

- a. Eger Beaver
- b. Cummins Engine
- c. Runs and works as it should
- d. Blades need sharpened