

PRE-AGENDA
FOR THE REGULAR MEETING OF
CLALLAM COUNTY PUBLIC UTILITY DISTRICT #1
BOARD OF COMMISSIONERS
August 24, 2020

Join Zoom Meeting: <https://zoom.us/j/92281362930?pwd=cXZoajA5clMzUWJ4UWIQK0o1Mm1yUT09>

Meeting ID: 922 8136 2930 | **Passcode:** 785963

One tap mobile: +12532158782,,92281362930#,,,,,0#,785963# US (Tacoma)

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

Find your local number: <https://zoom.us/u/abGLCtq4G>

- **Consent Agenda Items**

The Commissioners will consider approving Consent Agenda items.

- **Acceptance of Completion Memo #180806**

Staff requests that the Commission approve Acceptance of Contract Completion for the Deer Park Road Pumping Project with Harbor Pacific Contractors, Inc., for a total cost of \$1,617,142.60, including WSST.

- **Executive Session**

The Commissioners will hold an executive session to discuss litigation or potential litigation with legal counsel, pursuant to RCW 42.30.110(1)(i).

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 August 10th, 2020 regular meeting;
- b. Claim vouchers for August 10th through August 17th, 2020 for a total of \$472,441.17; and
- c. Payroll vouchers for the period of July 16th through July 31st, 2020.

3. AGENDA REVISIONS

4. COMMENTS FROM THE PUBLIC

5. BUSINESS ITEMS

- a. Acceptance of Contract Completion for Contract No. 180806

Tom Martin

6. CORRESPONDENCE/COMMUNICATIONS

7. COMMISSIONER REPORTS

8. STAFF REPORTS

- a. Plans for upcoming BOC meetings – virtual/socially distanced
- b. Continue update on 2020 Key Performance Indicators (KPIs)

Doug Nass
Direct Reports

9. BOARD'S ACTION ITEMS FOR STAFF

10. COMMENTS FROM THE PUBLIC

11. EXECUTIVE SESSION

The Commissioners will hold an executive session to discuss litigation, potential litigation and/or network security with legal counsel, pursuant to RCW 42.30.110(1)(i) and 42.30.110(1)(aii).

12. ADJOURN

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1. CALL TO ORDER

2. APPROVAL OF CONSENT AGENDA

- a. Minutes of the August 10th, 2020 regular meeting;
- b. Claim vouchers for August 10th through August 17th, 2020 for a total of \$546,395.20; and
- c. Payroll vouchers for the period of July 16th through July 31st, 2020.

3. AGENDA REVISIONS

4. COMMENTS FROM THE PUBLIC

5. BUSINESS ITEMS

- a. Acceptance of Contract Completion for Contract No. 180806

Tom Martin

6. CORRESPONDENCE/COMMUNICATIONS

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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
August 10, 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
Terry Lind, Operations Superintendent
Steve Schopfer, IT Manager
Shawn Delplain, Broadband Supervisor
Nicole Clark, Communications Manager
Jamie Spence, HR Manager
Larry Morris, Safety Manager
Tom Martin, Water/Wastewater Manager
Rebecca Turner, Sr. Accountant
Chanda Halverson, Customer Service Supervisor
Teresa Lyn, Executive Assistant

Others Present as Identified

Patricia Morris
Paula Barnes
Krestine Reed
James Schuenemann
Richard DeBusman
Janet Marx

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;
- b. Claim vouchers from July 27th through August 3rd, 2020 for a total of \$2,711,115.29;
- c. Payroll 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.

AGENDA REVISIONS

No revisions.

COMMENTS FROM THE PUBLIC

There was no public comment, however staff responded to emailed comments regarding the consultant to be hired to examine resource adequacy and PUD representation at upcoming Bonneville Power Administration (BPA) rate negotiations.

BUSINESS ITEMS

Upon recommendation of staff, and upon motion of Commissioner Anderson, seconded by Commissioner Waddell and carried, the Commissioners passed RESOLUTION 2179-20 Authorizing the Disposal of Surplus Property. The list of surplus property consists of: a 2003 Freightliner F180; 2007 GMC Sierra 4x4; a 2003 GMC Canyon 4x4; a 2008 Chevrolet Colorado 4x4; a 2003 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. The total estimated value of this surplus property is \$14,500. Items will be auctioned off at GovDeals.com.

CORRESPONDENCE/COMMUNICATIONS

None.

COMMISSIONER REPORTS

Commissioner Anderson attended a virtual Western Public Agencies Group (WPAG) meeting. He shared the comments that WPAG submitted to BPA on July 31st regarding BPA's Integrated Program Review (IPR). The comments included recommendations for BPA to: to suspend surcharges in order to help relieve communities during this time of pandemic; to seek additional fish and wildlife savings; to identify more hydro savings possibilities by limiting their capital project budget to no more than \$250M; to have Energy Northwest continue the asset management that is being done on the Columbia Generating Stations (CGS); to reduce their proposed information technology budget; and to revise their plan for the Vancouver Control Center. He noted that most of the WPAG members come from west of the Cascades.

Commissioner Waddell attended a virtual WPAG meeting. Topics discussed were BPA's asset management and secondary sales, and the models that BPA uses to manage/calculate these. He attended a PABA meeting where discussion revolved around the business community's concerns about unemployment running out and increased heating bills this coming winter. He sent a paper to George Caan of WPUDA on total maximum daily load (TMDL). Mr. Caan forwarded it on to Energy Committee members and General Manager Nass confirmed that he forwarded the paper on to the PUD Commissioners.

Commissioner Purser attended a virtual Energy Northwest (ENW) Executive Board meeting. Discussions related to BPA were: they will appoint an interim CEO replacement for Elliot Mainzer, who has been appointed President and CEO of California Independent System Operator (CAISO); their contract signature target of 2025; and their issuance of a statement that commits them to being responsible for resource adequacy for their load-following customers. Discussions related to ENW were: based in the tri-cities area, they are experiencing a high rate of COVID cases; their's Women in Nuclear chapter was presented with the Overall Excellence award for a small chapter; the

Electric Vehicle Infrastructure Transportation Alliance (EVITA) charging sessions; Richland's Horn Rapids clean energy project delay due to COVID - however it is scheduled to be energized in September; the construction of a large windfarm adjacent to ENW's Nine Canyons Wind Project near Kennewick; resource adequacy; and XEnergy's favorable tour of a potential small nuclear reactor site adjacent to the Columbia Generating Station (CGS): and their recent purchases of uranium. Discussions related to the CGS were: the plant has been online 45 days and had the most economical dispatch ever recorded during this time; the Nuclear Regulatory Commission (NRC) issued a red citation to CGS for equipment performance and a green (minor) citation for failing to implement a cybersecurity measure.

STAFF REPORTS

General Manager Doug Nass reported that, after four years, the old PUD office in Port Angeles sold for \$650K. The District netted \$608K from the sale and will benefit from the resulting reduction in maintenance and labor costs. He commended Port Angeles Operations Superintendent Terry Lind's group on a great job in maintaining the building for the past years.

Finance Manager Sean Worthington reported on the exception of safety disconnects to the Governor's directive for no service disconnects due to COVID. Safety disconnects would apply in cases where the District has not, within the last 30 days, been able to contact the customer via: multiple mailings, phone calls and employee delivered door hangers. In these scenarios, the District will perform a safety disconnect. Currently 81 residential and 8 commercial customers meet these conditions. Customer service will be notifying these customers within the coming days in a variety of ways of the planned disconnects. He also advised that the PUD received \$45,200 in Coronavirus Aid, Relief, and Economic Security Act (CARES) funding from the County, which will be available to assist qualified residential ratepayers next week. Customer service representatives and Communications Manager Nicole Clark are working to get the qualification information out to ratepayers via phone calls, door hangers, and on the website.

Assistant General Manager John Purvis provided an update on the construction of the Forks Operations building, which is ahead of schedule. Included in the update was a response to a recent public inquiry about why the PUD did not install rooftop solar. The weather and environment in Forks, the orientation of the building; a dearth of affordable and reliable battery storage solutions, and the higher cost of construction and maintenance of building in the west end of the county did not make solar a cost-effective option, the cost of which would be passed along to ratepayers.

Assistant General Manager Purvis then presented on Clallam's net meter solar and Department of Commerce reporting in response to a public inquiry about why the fuel mix chart posted on the PUD website does not include solar. He advised that the chart illustrated BPA energy sources, not Clallam's. Clallam solar currently makes up .34% of PUD's fuel mix, along with 87.06% of hydropower, 10.48% of nuclear power, and the balance from unspecified sources. The .34% of solar comes from 362 net meter solar facilities in the county, with a combined installed capacity of 2.5 MW, which typically provides a maximum of 3.4% of the load on sunny summer afternoons.

IT Manager Steve Schopfer reported on the PUD's recent activity in applying for \$4.1M in public works grant funding to build out the infrastructure for broadband to Forks. The infrastructure would facilitate ISP expansion of broadband to the west end of the county.

At 2:59 PM Commissioner Purser convened the meeting for a short break. The meeting reconvened at 3:08 PM.

Water/Wastewater Manager Tom Martin, Human Resources Manager Jamie Spence, and Information Services Manager Steve Schopfer provided 2020 second quarter Key Performance Indicator (KPI) updates on their respective department's strategic objectives. Final remaining KPI's will be presented at the next board meeting. The 2020 Strategic Plan can be viewed online at <https://clallampud.net/about/>.

BOARD'S ACTION ITEMS FOR STAFF

- a. Commissioner Waddell requested a more in-depth report on solar and battery storage. Assistant General Manager Purvis advised that staff is preparing a more substantial report to be presented to the board within the next 4-6 weeks. Today's brief presentation was designed to answer a specific public inquiry.

COMMENTS FROM THE PUBLIC

Comments were heard from the public regarding: expansion of broadband internet access and the inclusion of that objective into the next strategic plan; BPA contract signature dates; an inquiry into the online availability of statistics on the Sequim community charging station (# of production of kilowatt hours and usage); and reusable energy credits (RECs) – specifically, will PUD be buying RECs again this year, where will the PUD go to buy them, and are there options for solar RECs?.

ADJOURN

There being no further business to come before the Commission, the meeting adjourned at 4:05 PM.

ATTEST:

President

Vice President

Secretary

August 10, 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 *Yori Carby* DATE 8/13/20
AUDITING OFFICER

[Signature] DATE 8/13/20
GENERAL MANAGER
FOL

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 8/10/20–8/17/20

Checks	\$	350,892.59
Wire Transfers		83,036.50
E-Payment		38,512.08
Prepays		
Total	\$	472,441.17

COMMISSIONER

COMMISSIONER

COMMISSIONER



MEMORANDUM

Date: August 24, 2020
 To: Doug Nass, General Manager
 From: Tom Martin, Water & WW Systems Superintendent *TM*
 Re: ACCEPTANCE OF CONTRACT COMPLETION
 BID OPENING JANUARY 16, 2019
 DEER PARK ROAD PUMPING PROJECT
Contract Number 180806

All work under the above-referenced contract with **HARBOR PACIFIC CONTRACTORS INC.**, has been completed. It is recommended that this work be accepted as complete.

The work consisted of the construction of three pump stations approximately 275 square feet in size each. Work includes the installation of approximately 260' of 4" HDPE watermain, 334' of 4" corrugated drain line, the demolition of one existing pump station, construction of three reinforced CMU pump stations, procurement and installation of associated pumps and appurtenances, located in Clallam County, Washington. The project area includes three different pump station sites extending along Deer Park Rd, South from Highway 101. All three pump stations are within 1.5 miles from each other with the farthest being approximately 5 miles South of Port Angeles.

The Contractor started work on April 1, 2019 and completed the work on May 13, 2020.

The contract information is as follows:

Item	Total
Original Contract Amount	\$1,444,840.00
Contract Cost	\$1,490,454.00
WSST (8.5%)	\$126,688.60
TOTAL COST	\$1,617,142.60

JP:TM/jk

Accepted by Board of Commissioners at meeting of: _____ 20__.

 Doug Nass, General Manager