

CLALLAM COUNTY PUBLIC UTILITY DISTRICT #1
Minutes of the Regular Meeting of the Board of Commissioners
Main Office | 104 Hooker Road | Sequim, WA 98382
October 26, 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
Tom Martin, Water/Wastewater Manager
Steve Schopfer, IT Manager
Shawn Delplain, Broadband Supervisor

Larry Morris, Safety Manager
Lori Carter, Controller/Auditing Officer
Ruth Kuch, Financial Analyst
Rebecca Turner, Sr. Accountant
Nicole Clark, Communications Manager
Teresa Lyn, Executive Assistant

Others Present as Identified

Colleen McAleer
Patti Morris
Rick Paschall
Paula Barnes
Richard DeBusman
Rob

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 October 12th, 2020 regular meeting;
- b. Claim vouchers for October 12th through October 19th, 2020 for a total of \$2,489,095.40;
- c. Payroll vouchers for the period of September 16th through October 21st, 2020;
- d. Contractor Prequalification for Sturgeon Electric Company, Inc. in the amount of \$5,000,000; and
- e. Contractor Prequalification for Wilson Construction Company for \$10,000,000.

AGENDA REVISIONS

Business item d - Resolution 2183-20 Authorizing the Approval and Execution of a Repayment Agreement to provide security for bonds to be issued by NoaNet was added to the agenda.

COMMENTS FROM THE PUBLIC

A member of the public requested that the PUD submit a resolution to BPA requesting that Clallam PUD payments to BPA not fund the Snake River dams.

BUSINESS ITEMS

Colleen McAleer, Executive Director of the Clallam County Economic Development Council (EDC) presented Clallam County's 2020 – Year in Review. The presentation focused on the EDC's COVID-19 response; an overview of their www.ChooseClallamFirst.com website; social media outreach statistics and email campaigns; notifying and informing community of the availability of provider relief fund; and grant administration of \$2.1M in CARES funding including community development block grants; as well as ongoing business recruitment, involvement in the North Olympic Legislative Alliance (NOLA) and Procurement Technical Assistant Center (PTAC), and a virtual job fair.

Upon recommendation of staff, and upon motion of Commissioner Anderson, seconded by Commissioner Waddell and carried, the Commissioners passed Resolution 2182-20 declaring an emergency and authorizing certain emergency work without formal bid, for excavation and asphalt repair at the corner of Carlsborg Road and Business Park Loop.

Upon recommendation of staff, and upon motion of Commissioner Waddell, seconded by Commissioner Anderson and carried, the Commissioners approved Acceptance Memo of Completion for Bid No. 190802 with Layfield USA Corporation for completing the replacement of the existing floating cover and liner for the Gales Addition Reservoir. The total contract cost of the project is \$380,878.33, including WSST.

Upon recommendation of staff, and upon motion of Commissioner Anderson, seconded by Commissioner Waddell and carried, the Commissioners passed Resolution 2183-20 Authorizing the Approval and Execution of a Repayment Agreement to provide security for bonds to be issued by NoaNet.

CORRESPONDENCE/COMMUNICATIONS

There were no items of correspondence/communication.

At 2:23 PM, Commissioner Purser convened the meeting for a short break. The meeting reconvened at 2:33 PM.

COMMISSIONER REPORTS

Commissioner Anderson attended a NoaNet meeting and a WPUDA Education Committee meeting. Topics discussed were resource adequacy, water regulations, broadband accessibility, costs, quality, and concerns over the anticipated loss of technical expertise in rural areas in regards to implementing broadband solutions and workarounds. He advised that the new consultant at the North Olympic Development Council (NODC) is holding evening stakeholder discussion sessions to encourage community members to call in and receive answers about broadband issues in the west end/rural areas of the county. He also attended an Energy Northwest forum where the topics were expansion of hydropower, the Horn Rapids Solar project, and the electrification of several utilities' transportation.

Commissioner Waddell listened in on a BPA asset management phone call. He advised that BPA has thousands of assets and are utilizing ISO 5000 to manage them at a project level. He also called Ryan Neale at WPAG to ask for input on a recent proposal by BPA to increase their reserve budget.

Commissioner Purser attended a variety of Energy Northwest meetings. Topics discussed were the NoaNet bond issue and repayment, resource adequacy, and a proposal for a \$6.8 million solar farm on 33 acres in Hanover, WA.

STAFF REPORTS

Assistant General Manager John Purvis presented on BPA's communication summarizing the results of their 2020 Provider of Choice Customer Engagement for direction of post 2028 interest, contracts, and rate structure. The presentation, which was included in the board packet, conveyed customer views which are largely consistent with what our PUD provided as a member of represented organizations, as well as what staff has conveyed informally to BPA, including requests for:

- Controlling costs for long-term competitiveness;
- Proper allocation and accounting to ensure major errors such as what occurred during BP-20 do not occur in the future;
- Advocacy of the Low Density Discount;
- A preference for EEI payments staying with our PUD; and
- Obligation of BPA to ensure their WA load following customers would have language and mechanisms in future contracts that will enable compliance with the post 2030 CETA carbon neutral requirement.

Going forward, Clallam PUD intends to work through WPAG to answer the questions on pages 14 and 15 of the summary, as well as any future involvement with the planned 2021 Concept Paper.

IT Manager Steve Schopfer reported that Clallam PUD's grant application for a proposed broadband infrastructure project in the west end of the county for \$4,187,000 was denied. Although the application scored 83.9 points out of a possible 100, the application process was very competitive with 30 organizations/utilities vying for the grant/loan funds. Grant funding and/or loans were awarded to the Makah Tribe, the Kalispell Tribe, Grant County PUD, Port of Skagit, and Wahkiakum County PUD, Hood Canal Telephone, and the Port of Ilwaco.

BOARD'S ACTION ITEMS FOR STAFF

No action items.

COMMENTS FROM THE PUBLIC

Public comment was heard regarding viewing the WA State Public Works Broadband Construction applications and scoring results at <https://www.commerce.wa.gov/building-infrastructure/pwb-broadband/>.

ADJOURN

There being no further business to come before the Commission, the meeting adjourned at 3:02 PM.