

CLALLAM COUNTY PUBLIC UTILITY DISTRICT #1
Minutes of the Regular Meeting of the Board of Commissioners
Main Office | 104 Hooker Road | Sequim, WA 98382
January 10, 2022 – This meeting was held remotely via ZOOM

Commissioners Present

Will Purser, President
Rick Paschall, Vice President
Jim Waddell, Secretary

Staff Present

Doug Nass, General Manager
John Purvis, Assistant General Manager
Sean Worthington, Finance
Manager/Treasurer
Terry Lind, PA Operations Manager
Steve Schopfer, IT Services Manager
Lori Carter, Controller, Auditing Officer
Ruth Kuch, Finance Analyst
Tom Martin, WWW Manager
Teresa Lyn, Executive Assistant

Sarah Canepa, Compliance Analyst
Nicole Hartman, Communications Manager
Larry Morris, Safety Manager
Jamie Spence, HR Manager
Eric Jacobson, Business Analyst
Ben Phillips, Engineer III
Annette Long, Finance Coordinator
Mary Doran, Accountant

Others Present as Identified

Janet Marx
Richard Debusman
Patti Morris
James Schuenemann

The meeting commenced at 1:30 PM.

CONSENT AGENDA :24

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

- a. Claim vouchers for December 13 through December 30, 2021 for a total of \$4,408,715.13;
- b. Payroll vouchers for the period of December 1 through December 31;
- c. Removal of delinquent accounts from the January 2022 active accounts receivable totaling \$33,880.43, including a 30% collection fee; and
- d. Removal of invoices from January active accounts receivable in the amount of \$7,756.72.

Minutes of the December 13, 2021 regular meeting were excluded from consent agenda approval in order to record Commissioner Waddell's nay vote on Business Item G: approval of Resolution 2226-21 Changing the Boundaries of the Commissioner Districts of Public Utility District No. 1 of Clallam County and rescinding Resolution 1954-11.

AGENDA REVISIONS 1:43

None

COMMENTS FROM THE PUBLIC 1:57

Public comment was heard thanking Commissioner Paschall for responding to a text inquiry, commenting on the Districts organization memberships, delegates, and dues; and suggesting that the District consider membership in an organization that focuses on energy conversation.

BUSINESS ITEMS STARTING AT 5:00

- a. **5:02:** Upon recommendation of staff, and upon motion of Commissioner Paschall, seconded by Commissioner Waddell and carried, the Board authorizes District staff to purchase per Sourcewell Contract No. 091521 a 2022 Chevrolet Silverado MD crew cab diesel truck with 4 wheel drive with a crane rated at 30,000 lbs. mounted on the truck. The not-to-exceed purchase price is \$152,867.73 (not including WSST). The vehicle/crane will be purchased from 72 Hour LLC, dba. National Auto Fleet Group.
- b. **8:33:** Upon recommendation of staff, and upon motion of Commissioner Waddell, seconded by Commissioner Paschall and carried, the Board authorizes District staff to publish a notice in the Peninsula Daily News inviting sealed proposals from pre-qualified high voltage electric contractors per Invitation to Bid No. 210804. The work consists of the replacement of 22 transmission poles with 3-phase distribution underbuild, fiber optic cable, and foreign communications attachments for transmission pole replacement from Cherry Street to Race Street in Port Angeles, WA.
- c. **14:05:** Upon recommendation of staff, and upon motion of Commissioner Paschall, seconded by Commissioner Waddell and carried, the Board approved Resolution 2230-22 Appointing an Alternate Deputy Treasurer (Annette Long) effective January 16, 2022 and Rescinding Resolutions 1749-04 and 1838-07.
- d. **16:54:** Upon recommendation of staff, and upon motion of Commissioner Paschall, seconded by Commissioner Waddell and carried, the Board approved Resolution 2231-22 Appointing a Deputy Treasurer (Sarah Canepa) effective January 16, 2022.
- e. **19:57:** Staff presented current and estimated 2022 dues of the District's organization memberships. All Commissioners agreed to add the Northwest Power and Conservation Council and discussed assigning delegates; Commissioners Purser and Paschall agreed to keep NW RiverPartners on the list and to keep the current WPUA Energy Committee delegates in place; Commissioner Waddell requested adding Solar Washington to the organization membership list and the Board directed staff to evaluate the proposed addition. Upon motion of Commissioner Purser, seconded by Commissioner Paschall with Commissioner Waddell opposing, the motion carried, and the Board approved the 2022 Committee and Organization Membership list and delegates as presented, with the addition of the Northwest Power and Conservation and delegates.

- f. **38:46:** Bonneville Power Administration's (BPA)'s post-2028 contract: Commissioner Waddell advised that he attended the Public Power part of the BPA post-2028 process. Topics were demand, load growth, resource adequacy, and excess capacity. He attended a NW Power and Conservation Council economic/load growth forecast presentation. He attended a WPAG overview presentation from EES Consulting on acquiring resources, significant market changes, BPA project cost analyses and debt strategy, and the need for flexibility in the future. Commissioner Purser advised that Energy Northwest has committed to issuing a 3.6 billion dollar infrastructure bond over the next 10 years to fund BPA's capital investments, and that BPA is to provide ENW with annual bond proposals, spending details, and updates on its financial health.

- g. **48:45:** Upon recommendation of staff, and upon motion of Commissioner Paschall, seconded by Commissioner Waddell and carried, the Board approved Resolution 2229-22 in appreciation of General Manager Douglas Nass's fifteen years of exemplary management at Clallam PUD, during which he initiated and oversaw the modernization of District facilities; fostered a collaborative and cooperative team work environment within the PUD and with outside PUDs and agencies; developed and implemented a comprehensive Emergency Response and Restoration Plan, implemented a comprehensive Strategic Plan that will support and sustain the PUD far into the future; and achieved national recognition through the District receiving the American Public Power Association's Reliable Public Power Provider (RP3) and Smart Energy Provider designations. General Manager Nass thanked all Clallam employees for their openness to change and for their close teamwork in achieving these accomplishments.

54:36: CORRESPONDENCE/COMMUNICATIONS

None

54:48: COMMISSIONER REPORTS

Commissioner Waddell: see Business Item g above for comments.

Commissioner Purser attended in-person Energy Northwest (EN) Board of Directors and executive board meetings. Topics included EN's high level of COVID cases, their completed union contract, an upcoming infrastructure bill that will increase BPA's borrowing authority for 10 billion dollars, funding for small nuclear reactors, and clean energy policies. He also attended Public Power Council meetings. Topics were resource adequacy, the Columbia River Treaty, and the Blue Sky Initiative.

1:01:51: STAFF REPORTS

Water/Wastewater Manager Tom Martin provided an update on the ongoing Clallam Bay – Sekiu water system recovery from recent floods and landslides.

The meeting convened and recessed at 2:46 PM for a five minute break. The meeting reconvened at 2:51 PM.

Water/Wastewater Manager Tom Martin presented a detailed PUD Water Law Primer which explained water rights, encompassed Washington State RCWs & WACs, case law, and law implementation in Clallam County, and a PUD water rights portfolio.

The meeting convened and recessed at 2:09 PM in order to present a Resolution plaque and Service Award to outgoing Manager Doug Nass and to take photos. The meeting reconvened at 2:11 PM.

2:11:57: BOARD ACTION ITEMS FOR STAFF

- a. Update item “g” in the December 13, 2021 regular meeting minutes to reflect that Commissioner Waddell voted “nay” on the motion regarding the redistricting;
- b. Add Northwest Power and Conservation Council to the District’s organization list, with Assistant General Manager John Purvis and Power Analyst Tyler King as delegates and Commissioner Waddell as a representative;
- c. Look into adding Solar Washington to the District’s organization list; and
- d. Include in the minutes the names of the three organization meetings that Commissioner Waddell attended.

2:13:19: COMMENTS FROM THE PUBLIC

Public comment was heard regarding the District’s organization list, dues, and delegates.

Public comment was heard thanking outgoing General Manager Doug Nass for his management and leadership, thanking Commissioner Rick Paschall for his leadership, and expressing confidence in incoming General Manager Sean Worthington.

Public comment was heard regarding the FEMA reimbursement process.

2:20:20: ADJOURN

There being no further business to come before the Commission, the meeting adjourned at 3:50 PM.

A detailed transcript of this meeting via audio recording is available to the public on the Commission Meetings page of the PUD website here: <https://clallampud.net/commission-meetings/>.

January 10, 2022