

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 10, 2022 at 1:30 PM - This meeting was held remotely via ZOOM

Commissioners Present

Will Purser, President

Rick Paschall, Vice President

Jim Waddell, Secretary

Staff Present via Zoom

Sean Worthington, General Manager

John Purvis, Assistant General Manager

Ben Phillips, Engineer III

Jamie Spence, HR Manager

Lori Carter, Controller/Auditing Officer

Ruth Kuch, Finance Manager/Treasurer

Teresa Lyn, Executive Assistant

Tom Martin, WWW Manager

Travis McClain, WWW Coordinator

Bowen Kendrick, WWW Superintendent

Nicole Hartman, Communications Manager

Sarah Canepa, Financial Analyst II

Steve Schopfer, IT Manager

Kaylie Hunter, Procurement/Facilities
Supervisor

Colin Young, Distribution System
Supervisor

Eric Jacobson, Business Analyst

Mike Hill, Engineering Manager

Tyler King, Power Analyst

Shawn Delplain, Broadband Supervisor

Chelsey Jung, Payroll Coordinator

Mary Doran, Sr. Accountant

Others Present as Identified

Sanders, no last name

Krestine Reed

The meeting commenced at 1:30 PM.

PUBLIC COMMENT 14:43

There was no public comment.

AGENDA REVISIONS 1:10:04

New business item Agenda A Discussion of BPA's west end outage was added.

CONSENT AGENDA 1:34:40

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

- A. Minutes of the September 26 regular meeting;
- B. Claim vouchers for September 26 through October 3, 2022 for a total of \$727,561.50;
- C. Payroll vouchers for the period of September 16 through September 30;
- D. Removal of delinquent accounts from the October 2022 active accounts receivable totaling \$7,117.03 including a 30% collection fee; and

- E. Removal of invoices from October active accounts receivable in the amount of \$12,074.89.

BUSINESS ITEMS STARTING AT 2:54:80

- A. **2:57:40:** A lengthy discussion of last week's west end outage commenced with General Manager Sean Worthington advising that the PUD, along with the North Olympic Development Council (NODC) will be participating in an Energy Futures Conference in November. BPA has been invited to speak at the event about enhancements that they are making to improve resiliency on the Peninsula, specifically out west. In light of substantial Federal funding that is becoming available for resiliency grants, PUD will be sending a letter to senior BPA management requesting additional reliability enhancements while stressing the importance and urgency of our request as it pertains to west end reliability. The letter will include specific outage data, history, comparisons to other utilities and will outline the resulting ongoing adverse health and economic impacts to the vulnerable communities affected by these frequent outages. Commissioner Waddell suggested a brainstorming session to generate ideas for obtaining reimbursement or remediation for customers due to lost power and/or income. Commissioner Purser suggested requesting BPA in the future to send an advance team out via helicopter rather than via vehicles from Olympia to locate the source/cause of outages. Commissioner Paschall stressed the importance of a second line. Engineer Ben Phillips provided a timeline of outage. The planned outage was restored at 5 AM as planned. The unplanned outage occurred Friday between noon and 5:30pm. Two PUD crews assisted in line patrol prior to the arrival of the BPA crew. The BPA patrol included a helicopter overflight but did not find the point of trouble. The unavailability of the local BPA operator resulted in some delays due to the time it took to acquire a distance reading on the relay. After the BPA patrol, the line was successfully reenergized.
- B. **21:35:** Upon recommendation of staff, and upon motion of Commissioner Paschall, seconded by Commissioner Waddell and carried, the Board voted to nominate General Manager Sean Worthington to serve on the Clallam County Economic Development Board.
- C. **28:27:** Finance Manager/Treasurer Ruth Kuch and Financial Analyst II Sarah Canepa presented the 2023 budget proposal to the board for review and discussion, along with a comprehensive budget vision document that includes assumptions and summaries of the Districts 2023 planned projects along with the corresponding budget inflows and outflows for each.
- D. **1:31:31:** There was no discussion today of the BPA Post-2028 contract.

Commissioner Waddell left the meeting at 2:45 PM.

CORRESPONDENCE/COMMUNICATIONS 1:32:59

Commissioner Paschall and General Manager Sean Worthington discussed an article regarding a joint proposal of the recently-formed Council on Environmental Quality (CEQ) and Oregon State to utilize fifty to five hundred million dollars of BPA's surplus revenues (rate-payer monies) to

fund further study of breaching the Snake river dams and to help endangered salmon runs in the Columbia River. The Public Power Council (PPC) and other public power organizations are raising serious concerns as the joint proposers are not authorized (per the Northwest Power Act) to use ratepayer monies to fund these actions.

COMMISSIONER REPORTS 1:36:35

Commissioner Paschall attended a PNGC meeting. Discussed was the possibility of entities that have contract high watermarks requirements working together to develop a more cost-effective system size and augmentation tier one system.

Commissioner Purser provided information on a new kind of safe truck transportable modular nuclear reactor that can deliver electricity and heat to remote locations.

The Commissioners agreed that board meetings going forward should be in person or hybrid.

STAFF REPORTS 1:45:32

- A. Water/Wastewater Superintendent Bowen Kendrick provided an update to the board regarding the Jamestown S'Klallam Tribe's response to the District's Draft Water Mitigation Plan. JST submitted their comments to Ecology along with a technical review submitted by Hydrogeological Consultant Mott MacDonald. JST's comments included:
 - a) concern that the draft mitigation plan proposal does not demonstrate with enough certainty that impairment to streams resulting from the proposed water right will be offset to an extent that protects stream resources in the near or long term;
 - b) a belief that going after new water rights is premature, as the District is currently using only twenty percent of its current water right for the Carlsborg water system;
 - c) a recommendation that the District's retail water service area be aligned with the Carlsborg UGA;
 - d) a request that one hundred percent consumptive use be accounted for in our mitigation plan;
 - e) a recommendation for continued exploration of an alternative mitigation strategy that would reserve a portion of the saved water for benefiting in stream flow; and
 - f) a recommendation that the PUD set up a technical task force to address these concerns.Going forward, the PUD will be requesting additional feedback from both existing customers as well as potential new customers to focus on solutions that reflect stakeholders common interests, including those of the County and JST.

BOARD ACTION ITEMS 1:59:00

- A. Going forward, board meetings will be hybrid.
- B. Staff will draft a letter to BPA requesting west-end resiliency improvements. Copies of the letter will be sent to stakeholders and influencers including: County Commissioners, Jefferson PUD, local Tribes, District 24 Legislative Representatives, and Senators Cantwell, Murray, and Van de Wege..

PUBLIC COMMENT 1:59:48

There was no public comment.

ADJOURN

There being no further business to come before the board, the meeting adjourned at 3:30 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/>.

October 10, 2022