

PRE-AGENDA
FOR THE REGULAR MEETING OF
CLALLAM COUNTY PUBLIC UTILITY DISTRICT #1
BOARD OF COMMISSIONERS
OCTOBER 24, 2022 AT 1:30 PM

THIS IS A HYBRID MEETING

Join Zoom Meeting: <https://clallampud-net.zoom.us/j/89142297746?pwd=eGE0NVlBV2lJYTlVqSUJlVnY3YXNEQT09>

Meeting ID: 891 4229 7746 | **Passcode:** 162005

One tap mobile: +12532158782,,89142297746#,,,*162005# US (Tacoma)

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

- **Consent Agenda Items**

The Commissioners will consider approving Consent Agenda items.

- **Bid Award Recommendation Memo No. 220808 for Neah Bay Substation Transformer**

The Commissioners will consider approving Bid Award Recommendation Memo No. 220808 for a Neah Bay Substation Transformer.

Staff requests a motion, second, and a vote: to approve Bid Award Recommendation Memo No. 220808 to T&R Electric Supply Company for a re-manufactured rewind, 3-phase, 12MVA power transformer for the Neah Bay Substation, located at 1200 Backtrack Road in Neah Bay to bring equipment up to current standards. Delivery time of 58-65 weeks. The total base bid for the transformer is \$331,991.00 (not including WSST).

- **Request for \$20K Contract in 2023 for Clallam Economic Development Council**

The Commissioners will consider approving the Clallam County Economic Development Council's proposed 2023 contract in the amount of \$20,000.

- **BPA Letter Regarding Reliability Issues in West Clallam County**

The Commissioners will consider approving PUD's letter to senior BPA administration requesting BPA to seek Federal funding for improvements to BPAs transmission lines in west Clallam County.

- **BPA Post-2028 Contract Discussion**

Commissioners and staff will discuss recent developments of the BPA post-2028 contract.

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. **COMMENTS FROM THE PUBLIC**
3. **AGENDA REVISIONS**
4. **APPROVAL OF CONSENT AGENDA**
 - A. Minutes of the October 10 regular meeting;
 - B. Minutes of the October 12 Carlsborg Water work session;
 - C. Minutes of the October 12 special meeting;
 - D. Claim vouchers for October 10 through October 17, 2022 for a total of \$ 2,760.335.21;
 - E. Payroll vouchers for the period of October 1 through October 15, 2022; and
 - F. September Treasurer's Report.
5. **BUSINESS ITEMS**
 - A. Bid Award Recommendation Memo No. 220808 Doug Adams
for a Neah Bay Substation Transformer
 - B. Request for \$20K Contract in 2023 for Clallam EDC Sean Worthington
 - C. BPA Letter re: reliability issues in western Clallam County Sean Worthington
 - D. BPA Post-2028 contract discussion Commissioners, Staff
6. **CORRESPONDENCE/COMMUNICATIONS**
 - A. NWPPA Excellence in Communications Award for Social Media Nicole Hartman
7. **COMMISSIONER REPORTS**
8. **STAFF REPORTS**
9. **BOARD ACTIONS FOR STAFF**
10. **COMMENTS FROM THE PUBLIC**
11. **EXECUTIVE SESSION**
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

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.

ATTEST:

President

Vice President

Secretary

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

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 12, 2022 at 5:00 PM - This meeting was HYBRID via Zoom and in person

Commissioners Present

Will Purser, President
Rick Paschall, Vice President

Commissioner Absent

Jim Waddell, Secretary

Staff Present

Sean Worthington, General Manager
John Purvis, Assistant General Manager
Travis McClain, WWW Coordinator
Bowen Kendrick, WWW Superintendent
Tom Martin, WWW Manager
Eric Jacobson, Business Analyst

Teresa Lyn, Executive Assistant

Others Present as Identified

Bonnie Sanford
Darlene Schanfald
David Mallon
Dayhawk Kim
Jared, last name not provided
Krestine Reed
Lisa Donaldson
Steve Gray, Clallam County

Logan, last name not provided
Mike, last name not provided
R. Sill
Scott, last name provided
Sue, last name not provided
TJ, full name not provided
Tom Reyes

The meeting commenced at 5:00 PM.

BUSINESS ITEMS STARTING AT 00:00:02:

Water and Wastewater Coordinator Travis McClain presented and initiated a discussion with the public and the board of Commissioners as he presented a comprehensive PowerPoint on the history and status of Carlsborg water. The discussion revolved around a related Memorandum of Understanding between Clallam County PUD and Clallam County that outlines the interests of the County, PUD customers, and issues related to providing water for the current Carlsborg Local Utility District (LUD) and the Carlsborg Urban Growth Area (UGA). The MOU is pending signature of the board.

COMMENTS FROM THE PUBLIC

Public comment was provided and responded to throughout the presentation. Public comment topics and inquiries included:

- What is the PUD's mitigation plan for the existing well which is projected to reach maximum safe nitrogen levels within four to six years?
- The Smithfield pump/well – is it in use? Is part of the plan to bring on more capacity?

- A property owner holding 40 acres of property within the UGA that could have 300 homes built on it has been waiting to develop it (and has not yet applied for a water right) is concerned that that capability could be lost if water is provided outside of the UGA.
- An individual outside of the Retail Service Area working on housing development had a question on what percentage of the 23 percent water supply rights currently being used is currently designated for residential use and what percentage is designated for industrial use? This individual has a shovel ready housing subdivision project of once acre single-family home lots and needs water to proceed.
- An inquiry about two waste transfer projects being considered within the UGA; specifically has Waste Connections Inc. asked PUD for water availability and if so, have they received an answer if so what is the answer? Would fireflow availability be impacted by these industrial projects?
- An inquiry from a wholesale building supplies business/property owner asking how this impacts him and/or his business or property. Will there be financial implications? Will we no longer have drinking water for his employees?
- Will the PUD do a formal poll of the LUD water customers?
- Can you provide an update from Ecology on pending projects? Review transcript for question which Tom partly answered. Ecology's concern is in-stream flow (i.e. fish, whales).
- A comment from within the UGA that providing water rights to the rest of the land owners inside the UGA should be a priority before giving up rights to those outside of the UGA.
- Steve Gray from the County advised that Clallam County is focused on the unincorporated UGA because it is an area under the Growth Management Act (GMA) that they are committed to facilitate growth for, both affordable housing and business growth. The County shares concern about clean water as is committed to assist PUD in obtaining water rights and has invested nearly \$1 million dollars to date to do so.

ACTION ITEMS FOR STAFF

- A. Staff is to advise what percentage of the 23 percent water supply rights currently being used is designated for residential use and what percentage is designated for industrial use;
- B. Staff will consider developing and administering a formal poll to identify property owners and developers within and outside the UGA who are interested in developing and/or are ready to develop their property;
- C. Staff will consider developing a phased-in build out plan based on poll results;
- D. Staff will continue to work with Ecology to obtain their approval on the District's proposed mitigation plan, which is expected to address most stakeholders interests; and
- E. Going forward, staff is to provide clearer communication and education to property owners about Carlsborg water issues.

ADJOURN There being no further business to come before the board, the meeting adjourned at 6:54 PM.

ATTEST:

President

Vice President

Secretary

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 12, 2022

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 18, 2022 at 1:00 PM - This meeting was HYBRID via Zoom and in person

Commissioners Present

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

Staff Present

Sean Worthington, General Manager
John Purvis, Assistant General Manager
Travis McClain, WWW Coordinator
Bowen Kendrick, WWW Superintendent
Teresa Lyn, Executive Assistant
Eric Jacobson, Business Analyst
Lori Carter, Controller/Auditing Officer
Ruth Kuch, Finance Manager/Treasurer
Chelsey Jung, Payroll Coordinator
Sarah Canepa, Financial Analyst II

Others Present as Identified

Sanders, last name not provided

The meeting commenced at 1:00 PM.

BUSINESS ITEMS STARTING AT :47

- A. :57: Staff introduced a Memo of Understanding (MOU) between Clallam County and Clallam County PUD No. 1 regarding Carlsborg water supply. Upon recommendation of staff, and upon motion of Commissioner Waddell, seconded by Commissioner Purser and carried, the Board voted to sign the MOU. Commissioner Paschall abstained. Water/Wastewater Manager Bowen Kendrick thanked the Commissioners for signing the MOU, as it is a sign of our willingness to proceed forward in this mutual interest decision making process alongside Clallam County and to achieve additional water rights for the Carlsborg water system.

ADJOURN There being no further business to come before the board, the meeting adjourned at 1:04 PM.

ATTEST:

President

Vice President

Secretary

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 18, 2022

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 *John Carter* DATE *10/18/22*
AUDITING OFFICER

[Signature] DATE *10/18/22*
GENERAL MANAGER

Vouchers audited and certified by the Auditing Officer and the General Manager have been recorded on the attached list(s) 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(s):

Summary for Voucher Lists Dated 10/10/2022–10/17/2022

Checks	\$	868,332.41
Wire Transfers		1,757,409.73
E-Payment		39,969.07
Prepays		94,624.00
Total	\$	2,760,335.21

COMMISSIONER

COMMISSIONER

COMMISSIONER

Public Utility District No. 1 of Clallam County
Treasurer's Report
September 30, 2022

	8/31/22			Receipts			Disbursements			9/30/22	9/30/21
	Cash	Transfers	Investments	Cash	Transfers	Investments	Cash	Transfers	Investments		
Electric Funds											
Electric Operating Fund	4,922,367.11	5,676,574.42	1,163,920.95	5,273,286.81	954,793.06		5,534,782.61		20,274,080.32		20,274,080.32
Temporary Investments	21,040,142.43	10,412.83					21,050,555.26		6,024,683.98		6,024,683.98
Safekeeping Account	13,873.69	0.05		27.00			13,846.74		4,745.28		4,745.28
Working Funds	3,200.00						3,200.00		3,350.00		3,350.00
Escrow in Lieu of Bond Fund											
Rate Stabilization Fund	4,145,145.24						4,145,145.24		3,910,760.94		3,910,760.94
2018 Construction Fund											
2018 Construction Fund - Inv.											
2022 Construction Fund	4,634,709.04	9,898.77					4,644,607.81				
2022 Construction Fund - Inv.											
Rural Economic Dev. Fund											
CETA Decarbonization Fund	6,954,006.81	14,852.30					6,968,859.11		6,345,338.50		6,345,338.50
Debt Service Funds	1,474,645.85		294,929.17				1,769,575.02		1,140,000.08		1,140,000.08
Debt Service Reserve Fund	2,016,087.39						2,016,087.39		3,444,672.44		3,444,672.44
Totals	45,204,177.56	5,711,738.37	1,458,850.12	5,273,313.81	954,793.06		46,146,659.18		41,147,831.54		41,147,831.54
Water Funds											
Water Operating Fund	601,339.20	1,284.33	652,622.52		1,190,494.09		64,751.96		774,668.98		774,668.98
Water Capital Fund	5,096,826.80	10,885.76	25,750.34				5,133,464.90		4,781,817.52		4,781,817.52
Debt Service Fund - 2019 Loan	28,275.00		3,925.00				32,200.00		31,686.66		31,686.66
Totals	5,726,443.00	12,170.09	682,297.86		1,190,494.09		5,230,416.86		5,688,173.16		5,688,173.16
Sewer Funds											
Sewer Operating Fund	83,666.35	178.69	7,343.07		3,736.62		87,451.49		70,370.13		70,370.13
Sewer Capital Fund	146,309.50	312.49	532.72				147,154.71		139,894.78		139,894.78
Totals	229,975.85	491.18	7,875.79		3,736.62		234,606.20		210,264.91		210,264.91
Totals	51,160,596.41	5,724,399.64	2,149,023.77	5,273,313.81	2,149,023.77		51,611,682.24		46,946,069.61		46,946,069.61

Interest	Current Month		
	2022	2021	2021
Electric Funds	54,950.99	238,555.61	138,480.92
Water Funds	12,170.09	42,077.59	16,952.44
Sewer Funds	491.18	1,621.54	616.55
Total	67,612.26	282,254.74	157,049.91

Cash & Investments	9/30/22		9/30/21	
	FF/Gesa/Sound Accounts	30,544,080.24		40,913,290.35
LGIP				
Working Funds	3,200.00		3,350.00	
Safekeeping	13,846.74		4,745.28	
Investments	21,050,555.26		6,024,683.98	
Total	51,611,682.24		46,946,069.61	

Cash & Investments

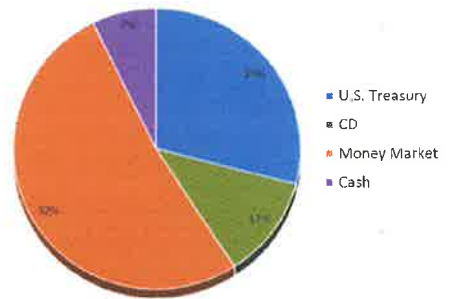
September 30, 2022

Avg Weighted Yield - Money Market	2.53%
Avg Weighted Yield - Investments	0.70%
Avg Days to Maturity	77

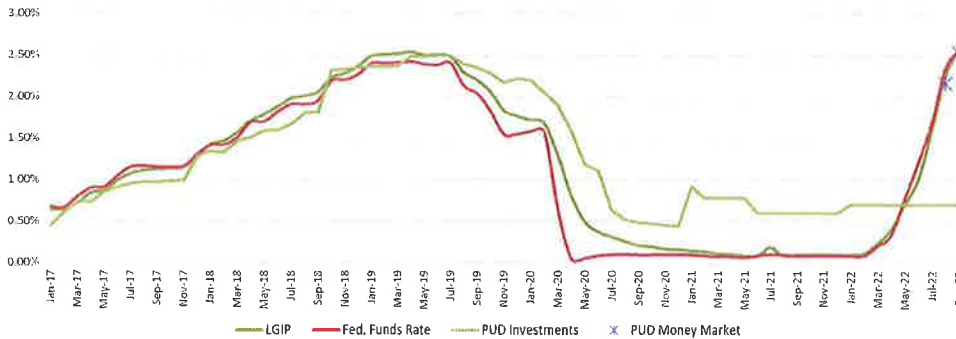
Cash & Investment Portfolio

Electric	Investment Instrument	Yield/Rate	Term	Maturity Date	Balance
Gesa CU	CD	0.70%	12 MO.	1/28/2023	3,032,487.31
Gesa CU	CD	0.70%	12 MO.	1/21/2023	3,032,172.65
U.S. Treasury	U.S. Treasury	0.70%	289 Days	11/30/2022	14,985,895.30
				Subtotal	21,050,555.26
All Systems					
LGIP		N/A			-
FF Money Market		2.53%			23,477,410.98
Sound Money Market		2.52%			3,303,949.95
Cash**		Varied			3,779,768.07
				Subtotal	30,561,126.98
				Total	\$ 51,611,682.24

**Cash held at FF, Sound, Gesa and US Bank (incl. Working Funds), excl. Money Market



Rate History: LGIP, Fed Funds Rate, & PUD Investment Portfolio



Public Utility District No. 1 of Clallam County
Treasurer's Report September 30, 2022

Cash Receipts

Electric	Collections	5,656,787.38	
	Allocated Interest	19,787.04	
	Subtotal	5,676,574.42	
Temp. Investments	Bond Income	8,936.73	
	CD Interest	3,476.10	
	Subtotal	10,412.83	
Safekeeping	Treasury Bond Interest	-	
	Safekeeping Interest	0.05	
	Subtotal	0.05	
2022 Construction Fund	Allocated Interest	9,898.77	
CETA Decarbonization Fund	Allocated Interest	14,852.30	
Water	Collections	-	
	Allocated Interest	1,284.33	
	Subtotal	1,284.33	
Water Capital Fund	Allocated Interest	10,885.76	
Sewer	Collections	-	
	Allocated Interest	178.69	
	Subtotal	178.69	
Sewer Capital Fund	Allocated Interest	312.49	
	Total	5,724,399.64	

Cash Disbursements

Electric	Checks Iss'd/Fees	5,273,286.81	
	Subtotal	5,273,286.81	
Safekeeping Account	Fees	27.00	
Debt Service Fund - 2010	Principal & Interest	-	
Debt Service Fund - 2014	Principal & Interest	-	
Debt Service Fund - 2016	Principal & Interest	-	
Debt Service Fund - 2018	Principal & Interest	-	
Debt Service Fund - 2022	Principal & Interest	-	
	Subtotal	-	
Water	Debt Service Fund - 2019 Loan	-	
	Total	5,273,313.81	

Transfers In

Electric	From Water Op warehouse rent	1,990.00	
	From Water Op GIS Loan Payment	-	
	From Wat/Sew Op shared services	39,781.91	
	From Wat/Sew Op Current Month Payroll	142,687.56	
	Intercompany Trfs. - fleet, materials OH, etc. (WS)	1,168.80	
	From Wat/Sew Current Month Voucher & RnV	978,292.68	
	From Working Funds	-	
	From 2022 Construction Fund	-	
	Subtotal	1,163,920.95	
CETA Decarbonization Fund	From Elec Op	-	
Debt Service Funds	From Electric Op monthly debt service transfers	294,929.17	
Water	From Electric Op for Current Month Receipts	646,487.11	
	Intercompany Trfs. - fleet, materials OH, etc. (ES)	6,135.41	
	From Sewer Op promissory note pymt.	-	
	Subtotal	652,622.52	
Water Capital Fund	From Water Op for charges billed	25,750.34	
	From Water Op Transfer	-	
	Subtotal	25,750.34	
Debt Service Fund - 2019 Loan	From Water Op	3,925.00	
Sewer	From Electric Op for Current Month Receipts	7,343.07	
	Intercompany Trfs. - fleet, materials OH, etc. (EW)	-	
	Subtotal	7,343.07	
Sewer Capital Fund	From Sewer Op for charges billed	532.72	
	Total	2,149,023.77	

Transfers Out

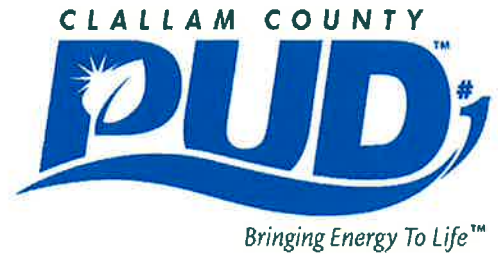
Electric	To 2010 Electric Debt Service Fund	73,120.83	
	To 2014 Electric Debt Service Fund	64,312.50	
	To 2016 Electric Debt Service Fund	75,054.17	
	To 2018 Electric Debt Service Fund	59,325.00	
	To 2022 Electric Debt Service Fund	23,116.67	
	To CETA Fund	-	
	To Wat/Sew Op Current Month Receipts	653,830.18	
	Intercompany Trfs. - fleet, materials OH, etc. (S)	-	
	Intercompany Trfs. - fleet, materials OH, etc. (W)	6,033.71	
	Subtotal	954,793.06	
Working Funds	To Electric Op	-	
2022 Construction Fund	To Electric Op	-	
Water	To Electric Op Current Month Payroll	141,206.19	
	To Electric Op warehouse rent	1,990.00	
	To Electric Oper shared services	39,377.94	
	To Electric Op Current Month Vouchers & RnV	977,377.76	
	To Electric Op GIS Loan Payment	-	
	Intercompany Trfs. - fleet, materials OH, etc. (E)	866.86	
	To Water Capital Fund charges billed	25,750.34	
	To Debt Service Fund - 2019 Loan	3,925.00	
	Subtotal	1,190,494.09	
Sewer	To Electric Op Current Month Payroll	1,481.37	
	To Elec Oper shared services	403.97	
	To Electric Op Current Month Vouchers & RnV	914.92	
	Intercompany Trfs. - fleet, materials OH, etc.	301.94	
	To Water Op promissory note pymt	-	
	Intercompany Trfs. - fleet, materials OH, etc. (W)	101.70	
	To Sewer Capital Fund charges billed	532.72	
	Subtotal	3,736.62	
	Total	2,149,023.77	

Investments Matured/Purchased

Operating Fund	Subtotal	-
Safekeeping	Subtotal	-
Temp. Investments	Subtotal	-
2022 Construction Fund	Subtotal	-
	Total	-

Investments Matured/Purchased


Operating Fund	Subtotal	-
Safekeeping	Subtotal	-
Temp. Investments	Subtotal	-
2022 Construction Fund - Inv.	Subtotal	-
	Total	-



MEMORANDUM

Date: October 24, 2022

To: Sean Worthington, General Manager

From: John Purvis, Assistant General Manager 
Doug Adams, Transmission & Substation System Supervisor

Re: BID AWARD RECOMMENDATION MEMO
BID OPENING OCTOBER 18, 2022
NEAH BAY SUBSTATION TRANSFORMER RE-BID
BID NUMBER 220808

This bid is for the procurement of one (1) 3-phase, 12MVA power transformer without Load Tap Changer for the Neah Bay Substation, located at 1200 Backtrack Road, Neah Bay, WA, to bring equipment up to current standards. The Engineer's estimate for the item is \$480,000.

T&R Electric Supply Company, Inc., from Colman, South Dakota, is the lowest responsive responsible bidder meeting all requirements of the bid documents providing a re-manufactured rewind, 3-phase, 12MVA power transformer without Load Tap Changer. With a delivery time of 58-65 weeks. The total base bid for the transformer is \$331,991.00 (not including WSST). A tabulation of all bids received is attached.

We recommend the District accept the bid of T&R Electric Supply Company, Inc.

Accepted by Board of Commissioners at meeting of _____ 20____.

Sean Worthington, General Manager



October 3, 2022

Sean Worthington
General Manager, PUD#1 of Clallam County
104 Hooker Rd.
Sequim, WA 98382

Dear Sean,

On October 1, 2022 the Clallam County Economic Development Council was awarded ongoing funding to support a North Olympic Peninsula Procurement Technical Assistance Center (NOP-PTAC). This nascent center will be serving businesses in both Clallam and Jefferson Counties.

The state has supported a PTAC program for years with regional offices. The regional office for our Jefferson and Clallam Counties was located in Kitsap County, but we have received extremely limited support over the past decades. Last year we determined the best course of action for our region's businesses and labor force would be to apply for our own program from the federal government.

You likely know that government contracts and subcontracts are not generally awarded to local businesses because they are unaware, and therefore not positioned, to compete for procurement opportunities. A PTAC dedicated to our distinct geographic region will change this by guiding them through the onerous system and setting them up for success. We will help our own community members thrive instead of importing workers and companies from outside the region.

The total program cost of the program is over \$180K annually and requires a local match. The purpose of this letter is to formally request that the Clallam County PUD consider increasing their contract with the Clallam EDC in 2023 from \$10,000 to \$20,000 to support this critical program and the many others that we continue to administer. I have included a slide presentation covering our prior 12-mo impact.

As the Washington State Department of Transportation removes culverts on the Peninsula for fish passage and local governments like the Clallam PUD receive infrastructure funding from federal resources, we want to ensure that as much of this lucrative funding remains in Clallam as possible.

We are excited to announce that the Clallam EDC has hired Rebekah Miller, (RMiller@clallam.org) to serve as our local PTAC Program Manager and Counselor beginning Oct. 1, 2023. She looks forward to working with your team, and we would be pleased to meet with you if you would like more information.

We appreciate your time and consideration.

Sincerely,

A handwritten signature in black ink, appearing to read "Colleen McAleer", is positioned above the typed name.

Colleen McAleer
Executive Director

**CLALLAM COUNTY
ECONOMIC
DEVELOPMENT
COUNCIL**



**PUD#1 of Clallam County
October 5, 2022**

WHERE DOES YOUR INVESTMENT GO?

Programs we Administer & Will Expand in 2023

- Pandemic Response
- NOLA
- PTAC
- 5-year Economic Plan
- Workforce Development
- Housing
- Childcare
- Communication and Education Hub for our Community
- In-Person (& Virtual) Advising

EDDC

CLALLAM
ECONOMIC
DEVELOPMENT
COUNCIL

EDC'S ROLE IN COVID19 RESPONSE

Name of Grant	The Basics		Elements of Grant	
	Funding Source	Grants Awarded	# Biz Awarded	Max Award Amount
WW1	WA State Commerce	\$ 177,194	48	\$5K
WW2	WA State CARES Act Commerce	\$ 110,390	17	\$10K
WW2 Chambers	WA State CARES Act Commerce	\$ 35,000	4	\$10K
Lifeboat1	CARES Act Clallam County	\$ 315,000	69	\$10K
Lifeboat2	CARES Act Clallam County	\$ 1,345,300	208	\$10K
CDBG Jeff Co	State to Jefferson	\$ 82,560	19	\$4K
		\$2,065,444	365	\$5,659
Lifeboat 3 Round 1	ARPA Clallam County	\$ 1,002,116	69	\$20K
Lifeboat 3 Round 2	ARPA Clallam County	\$ 1,119,256	84	\$20K
Lifeboat 3 Child Care	ARPA Clallam County	\$ 486,770	23	\$55K
		\$2,608,142	176	\$14,819
Lifeboat 3 Round 3	ARPA Clallam County	\$ 580,123	44	\$20K
		\$ 580,123	44	\$13,185
		3 Year Total: \$ 5,253,709	585	\$8,981

LifeBoat 3 Grants Processed within Sequim City Limits

- 220 Businesses
- \$3.188M In Total
- \$14,500 Average grant

Sidenote: ARPA Funding Triggered a Successful Single Federal Audit

NOLA

Top 3 Legislative Priorities

1. Resolving Housing Issues
2. State Policies that Negatively Impact Impoverished & Rural Communities
 - Training
 - Data
 - Procurement
 - Includes .09 (Opportunity Fund) Extension
3. Extending Electrical Contractor Formal Apprenticeship Req beyond July 1, 2023

EDC

CLALLAM
ECONOMIC
DEVELOPMENT
COUNCIL

PTAC

North Olympic Peninsula - Procurement Technical Assistance Center

Awarded \$145,000 annually in federal funds to advise Clallam and Jefferson County Businesses (local match required) on:

How to compete for local, state and federal government contracts and subcontracts.

Rebekah Miller - NOP-PTAC PM/Counselor

Local contractors will acquire funding through new opportunities

- Employs local workers
- Retains money in our community
- Public Works contracts have major multiplier impacts

EDDC

CLALLAM ECONOMIC DEVELOPMENT COUNCIL

5-YEAR ECONOMIC PLAN

Community & Business Surveying Feeds into a Strategic Plan

- 14 Clallam Industry Clusters
- # Employees, Median Wages, Revenues
- Supply Chain Growth Potential

508 Community Surveys to inform and drive the summary

300+ Business Surveys in 14 Clusters

Q4 2023 Complete Countywide 5-Year Economic Plan written
with significant input from stakeholders

EDDC

CLALLAM
ECONOMIC
DEVELOPMENT
COUNCIL

WORKFORCE DEV & HOUSING

5 – Year Economic Plan Feeds into

- Career Tech Education (Vocational) Programs
- Peninsula College
- West Sound STEM & Western Washington University Proposals

Housing

- Serving as Vice Chair of the Clallam Housing Solutions Committee
- Housing Affordability Index
- Assessor Data Analysis

EDC

CLALLAM
ECONOMIC
DEVELOPMENT
COUNCIL

CHILD CARE

Three Years, Three Grants >> Big Impact

1. Map
 2. Expand
 3. Create
- Working with 68 Child Care providers, we created **80 new slots**
 - Clallam Bay - Childcare Desert – CBCC – 38 open positions



COMMUNICATION AND EDUCATION HUB FOR OUR COMMUNITY

"Coffee with Colleen" every Wednesday morning at 8:00 am via Zoom

- Noteworthy speakers on a variety of topics
- Opportunity for useful discussions and networking
- ***Please join us!***

New Website in Q4 combines our three current sites

- www.Clallam.org
- www.ChooseClallamFirst.com
- www.EmeraldFunds.org

EDDC

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ECONOMIC
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WE DO MORE WORKING TOGETHER!

Past 12 months:

- Business Retention & Expansion – 121 Businesses
- Startups – 34
- Training Events – 12
- Successful Recruitments – 3

EDDC

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COUNCIL

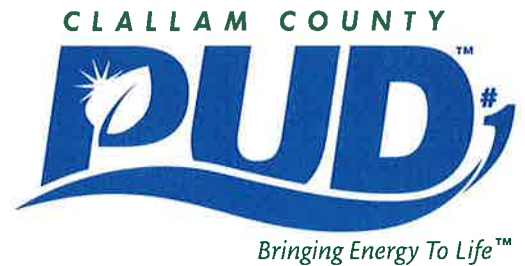
WE DO MORE WORKING TOGETHER!

Highlighting a Few of Our Important Partners

Department of Defense	Clallam Transit	Food Banks
State Department of Commerce	Jamestown S'Klallam Tribe	United Way of Clallam County
Clallam County	Lower Elwha Klallam Tribe	Habitat for Humanity Clallam
OMC	Makah Tribe	Healthy Families of Clallam County
Clallam PUD	PA Regional Chamber	Numerous Mills, Builders & Developers
Port of Port Angeles	Dungeness Valley Chamber	Numerous Banks
City of Port Angeles	Forks Chamber	
City of Sequim	CIE & SBDC	
City of Forks	NPBA	
	NODC	
	Realtor® Associations	



Appreciate William Armacost serving as a valued Clallam County EDC Board Member!



October 24, 2022

The Honorable John Hairston
Administrator and CEO
Bonneville Power Administration
905 NE 11th Avenue
Portland, OR 97208

Dear Administrator Hairston:

We write to urge Bonneville Power Administration (BPA) to consider remedies for the poor reliability associated with a BPA transmission segment that serves western Clallam County and more than 5,600 preference customers. Western Clallam's average household income is about 65% of the state median, and includes a large number of disadvantaged or vulnerable populations, including the Hoh, Makah, Quileute Tribes.

Over the last five years, the Silverado-Sappho section of Port Angeles-Sappho No. 1 115kV line experienced 12 unplanned outages totaling 137 hours, an average of almost eleven hours per event. During the same five-year period, the line also saw five planned outages totaling 32 hours. On an annual basis, customers in western Clallam County are without BPA power an average of 34 hours, resulting in detrimental health and economic consequences. We believe this transmission segment is the poorest performing transmission line owned and operated by BPA that also serves a large number of preference customers.

In short, the quality of service is unacceptable.

Our local utility fully understands the challenges our remote, heavily forested, and storm-prone region presents to transmission; we deal with the same challenges. Over the last 15 years, our utility has made significant improvements to our west Clallam electric system, however these improvements only highlight that BPA outages now account for more than 80% of the outage time experienced by customers. We recognize that BPA has made recent efforts to improve reliability of the line, including extensive ROW maintenance and tree removal, however with the single line and generally narrow BPA rights of way, a long-term dramatic improvement in electric reliability is unlikely.

On October 7th, western Clallam County experienced a planned outage of 6.5 hours followed by an unplanned outage of the line for an additional 5.5 hours. These outages have generated significant customer ire and demands for our utility to "do something" about the outages that are becoming intolerable to our west Clallam customers. As an elected board, we consider it our obligation to take action and find a long-term solution to what is almost certainly the poorest service reliability in the BPA transmission system.

In light of resiliency and reliability funding becoming available through Federal grants, it is our hope that BPA is eligible for such funding, and if not, that our utility might seek such funding with BPA support to improve the BPA transmission line. Clallam PUD staff have recently made an inquiry through our BPA Transmission Account Executive regarding three potential projects that are related and should significantly improve reliability of the Silverado-Sappho section of Port Angeles-Sappho No. 1 115kV line, as well as North Olympic Peninsula reliability more generally. Our Transmission Account Executive has taken action and advises us that subject matter experts are being tasked to respond to our inquiry. As Clallam PUD's governing board, we want to ensure the suggested projects are given due consideration at the most senior level. These projects are:

1. Significantly expanding the right of way for the Silverado-Sappho section of Port Angeles-Sappho No 1 115kV line, potentially including the section between Port Angeles and Silverado;
2. Construction of a parallel line with automated switching such that loss of one line does not result an extended outage for west Clallam; and
3. Upgrade the 83 MVA transformer that serves as the intertie between the Port Angeles 69 and 115 kV buses. Without an upgrade there is not full redundancy for almost 45,000 customers on the North Olympic Peninsula in the event of a loss of one of the two 230 kV lines that serves the region.

It is understood the cost for these improvements are substantial, however it also appears that recent infrastructure funding is intended exactly for this purpose. If BPA takes the initiative to acquire grants and implement the projects, our utility, our customers and many others will fully support and contribute to the effort. If BPA is ineligible for such funding, we ask that BPA fully support and cooperate in an effort by our utility to acquire such funding. In the event grants are not available, BPA should utilize the current large reserves that are available, and if necessary, utilize funds acquired through BPA's increased borrowing authority. Work required to assess and facilitate acquisition of additional rights of way for the line should commence immediately.

We appreciate your time and attention to the matter of west Clallam County service reliability, and hope for an expeditious response.

Sincerely,

Will Purser, Commissioner, District 1

Rick Paschall, Commissioner, District 2

Jim Waddell, Commissioner, District 3



NWPPA Communications Award

Clallam PUD Social Media – Facebook

1st place for our utility size category.

Note: We have over 6,000 facebook followers, giving us over 20% followers-to-customers ratio. 11% is utility industry average.

Overall Score: **48.00 out of 50**

Consideration Questions

Does the page appear to be professionally produced?

Are the posts engaging, informative, or educational?

Is the utility/association engaging with the customers/members?

Is the page free of errors?

Judges Comments:

Great response time in your chat! You're obviously a customer service-oriented team.

Very good general engagement with followers, answering questions, being appreciative and courteous. Kudos for not "rolling in the mud with pigs" – e.g. holding back from public dialogue, when it's evident a follower is looking to pick a fight vs. asking an earnest question.

Excellent mix of content that showcases your on-the-ground involvement in your community, tips for customers, organizational history, and complementary partner content.

Your intention to create community and spark conversation is right-on. Kudos. Hope you keep building and learning from and with your followers.

