

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 24, 2022 at 1:30 PM - This was a hybrid meeting

Commissioners Present in Person: Will Purser, President and Rick Paschall, Vice President

Commissioners Present via Zoom: Jim Waddell, Secretary

Staff Present in person or via Zoom:

Sean Worthington, General Manager
Doug Adams, Transmission and Substation
System Supervisor
Lori Carter, Controller/Auditing Officer
Ruth Kuch, Finance Manager/Treasurer
Jamie Spence, HR Manager
Teresa Lyn, Executive Assistant
Tom Martin, WWW Manager
Travis McClain, WWW Coordinator
Bowen Kendrick, WWW Manager
Nicole Hartman, Communications Manager
Steve Schopfer, IT Manager

Colin Young, Distribution System
Supervisor
Jason Siebel, Operations Superintendent
Eric Jacobson, Business Analyst
Mike Hill, Engineering Manager
Tyler King, Power Analyst
Shawn Delplain, Broadband Supervisor
Chelsey Jung, Payroll Coordinator
Mary Doran, Sr. Accountant
Jenean Keate, Contract Coordinator

Others Present as Identified (in person or via Zoom)

Werner Buehler
Krestine Reed
Patti Morris
Christine Stallard
Katherine Woodin
Sanders (first name not provided)
M. Johnson

Assistant General Manager John Purvis was on PTO and attended as a member of the public.

The meeting commenced at 1:30 PM.

PUBLIC COMMENT :18

Assistant General Manager John Purvis read a letter that he wrote in response to candidate Ken Hays' false and damaging statements about Mr. Purvis, and requested that the board authorize the general manager to take specific actions as outlined in the letter to mitigate them. Mr. Purvis then submitted the letter to the board and staff for public records retention.

During the public comments period, a copy of Assistant Manager Purvis's letter was scanned and emailed to Commissioner Waddell, who was attending the meeting remotely and was having difficulty hearing the audio during public comments.

A public comment was made thanking General Manager Sean Worthington for his letter correcting misinformation circulating about the District's fixed cost policy and solar incentives,

and asking why the EDC contract renewal was on the agenda for discussion today as opposed to during the upcoming budget review in December.

Commissioner Waddell shared that he is undergoing treatment for pancreatic cancer. He shared his treatment plan and advised that he will continue doing his work throughout. Commissioners Paschall, Purser and attendee Krestine Reed expressed their concern, best wishes for healing, and offered assistance to Jim.

AGENDA REVISIONS 12:52

- A. Upon motion of Commissioner Paschall and seconded by Commissioner Purser, original Business Item B, the EDC contract renewal for 2023, was tabled to be discussed at an upcoming board meeting as a budget review item;
- B. A correction to Consent Agenda Item C was made; Minutes of the October 12 special meeting was corrected to Minutes of the October 18 special meeting; and
- C. Business Item B was added to discuss Assistant Manager Purvis's requests from the letter he read and submitted during public comments.

CONSENT AGENDA 17:27

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 October 10 regular meeting;
- B. Minutes of the October 12 Carlsborg Water work session;
- C. Minutes of the October 18 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. The September Treasurer's Report.

BUSINESS ITEMS STARTING AT 18:08

- A. **18:35:** Upon recommendation of staff, and upon motion of Commissioner Paschall, seconded by Commissioner Waddell and carried, the Board approved 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. The expected delivery is 58 to 65 weeks. The total base bid for the transformer is \$331,991.00 (not including WSST).
- B. **22:26:** Assistant General Manager John Purvis's letter (read during today's public comment period) was discussed, specifically the letter's request for the board to authorize the general manager to take specific actions as outlined in the letter to mitigate the damage done to both his and the PUD's reputation by candidate Ken Hays' making false characterizations in a recorded public forum. The Commissioners expressed their full support of Assistant Manager Purvis and his requests. Upon motion of Commissioner Paschall, seconded by Commissioner Waddell and carried, the Board authorized General Manager Worthington to take the requested actions and seek legal counsel prior to doing so.

- C. **36:10:** The Commissioners discussed approving PUD’s letter to senior BPA administration outlining significant reliability issues and their effects on west Clallam county residents and businesses due to BPA transmission line inadequacies. The letter also requests that BPA seek federal funding that PUD may not have access to in order to improve reliability of those lines. Commissioner Waddell suggested that the section requesting BPA to apply for federal grants to fund improvements be removed from the letter, considering BPA’s current surplus situation. Commissioner Paschall moved to approved the letter in its current form. Commissioner Waddell seconded, however with dissent due to the request for BPA to apply for federal grants. Upon motion of Commissioner Paschall, seconded by Commissioner Waddell and carried, the Board authorized General Manager Worthington to affix their signatures to the letter and send it in its current form to BPA CEO John Hairston. Local supporting organizations and individuals are to be copied on the letter. Commissioner Paschall suggested inviting PUD’s account executive to an upcoming meeting to discuss the viability of the PUD-proposed projects outlined in the letter.
- D. **41:43:** Commissioners and staff discussed recent BPA Post-2028 contract updates. Commissioner Paschall expressed apprehension regarding augmentation as he believes public power is being bifurcated into utilities that are fast growing, and those that are slow growing, like Clallam PUD.

CORRESPONDENCE/COMMUNICATIONS 52:03

Communications Manager Nicole Clark reported that Clallam PUD was recently awarded an Excellence in Communications / First Place Award for Social Media for 2022 from the Northwest Public Power Association (NWPPA). Specifically mentioned were: customer-oriented posts; quick response times; good general engagement with followers; answering questions; being appreciative and courteous; and an excellent mix of content showcasing on-the-ground improvement in the community, tips for customers, organizational history, and complimentary partner content. General Manager Sean Worthington added that since Nicole has taken over the communications there has been a night and day difference; she's done a phenomenal job. She is communicating with the dispatchers at two o'clock in the morning and posts to Facebook and our website so customers can now go to our website and click on the County map to see exactly where the outages are and when they are expected to be resolved.

COMMISSIONER REPORTS 55:58

Commissioner Paschall advised that he will no longer participate in future contract high water mark (CHWM) group discussions as the focus on aggregation does not apply to Clallam PUD, a slow-growing utility possessing only one megawatt of CHWM power. This is in relation to the other group participant utilities who are “the fast rollers with significantly higher watermarks due to much higher loads.”

Commissioner Purser attended Energy Northwest (EN) resource adequacy meetings. Topics were: Two companies in Grant County that were recently awarded a hundred billion dollars each to manufacture battery material; EN working with Grant to build a small nuclear reactor; and the Pentagon’s request for proposals for the installation of a 10 megawatt microreactor at an Alaskan

Air Force base, which is being driven by President Biden in an effort to make all military installations zero carbon. This new technology requires little surveillance, only needs to be refueled every eight years; and is an option for remote locations that experience frequent outages.

STAFF REPORTS 1:05:45

There were no staff reports.

BOARD ACTION ITEMS 1:05:53

- A. General Manager Sean Worthington is to seek legal counsel and proceed with taking action on Assistant General Manager Purvis's requests in the letter he read during today's public comment period;
- B. Staff is to send the BPA letter out to CEO John Hairston and supporting individuals and organizations this week and is to follow up with CEO Hairston within 45 days if a response has not been received; and
- C. Staff is to invite PUD's BPA Transmission Account Executive Melanie Jackson to an upcoming board meeting to advise what actions BPA will take to address west end transmission reliability issues.

PUBLIC COMMENT 1:06

Public comment was heard from Ken Hays in response to John Purvis's letter.

ADJOURN

There being no further business to come before the board, the meeting adjourned at 2:40 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 24, 2022