

**PUBLIC UTILITY DISTRICT NO. 1  
OF  
BENTON COUNTY**

---

Date: April 25, 2017

Time: 9:00 a.m.

Place: 2721 West 10<sup>th</sup> Avenue, Kennewick, Washington

***Attendees:***

Commissioners Bush, Hall and Sanders

General Manager Bartram

Assistant General Manager Hunter

Legal Counsel Hultgrenn

Senior Director of Engineering and Power Management Dunn

Director of Finance Meyer

Manager of Communications and Governmental Relations Miller

Manager of Contracts and Purchasing Ochweri

Manager of Risk Management & Treasury White

Manager of Human Resources Wenner

Manager of Power Resources Johnson

Manager of Accounting Zirker

Manager of Key Accounts McAloon

Manager of Information Technology Folta

Electrical Engineer Flores

Electrical Engineer Berven

Supervisor of Executive Administration Cole

---

The Pledge of Allegiance was given.

**Consent Agenda**

Motion by Lori Sanders, seconded by Jeff Hall to approve the Consent Agenda as follows:

- a) Approving Commission Minutes of April 11, 2017.
- b) Approving Periodic Travel Report dated April 25, 2017.
- c) Approving Vouchers audited and certified by the auditing officer as required by RCW 42.24.080, and those expense reimbursement claims certified as required by RCW 42.24.090, have been recorded on a listing made available to the Commission. As of this date, the Commission does approve the following for payment: Accounts Payable: Electronic Fund Transfer (WIRE) payments 4130-4134 in the total amount of \$289,082.00, Checks and Customer Refund payments (CHK) 70776-70870 in the total amount of \$914,008.85, Automated Clearing House (DD) payments 62286-62335 in the total amount of \$860,262.16; Residential Conservation Rebates: Credits on Customer Accounts in the total amount of \$570.00; Payroll: Direct Deposit 04/06/17 62109-62268 in the total amount of \$406,778.57 for a grand total of \$2,470,701.58. For April, voided DD 62098, 62269-62285 in the total amount of \$129,916.19,

voided checks 70099, 70739-70775 in the total amount of \$240,362.98 were included in the report.

d) Adopting Resolution No. 2407, approving a one-time schedule change to a regularly scheduled meeting of the Commission of Public Utility District No. 1 of Benton County.

e) Approving Work Order No. 130343 for electric service and related infrastructure upgrades at the Tree Top plant.

f) Authorizing the General Manager, on behalf of the District, to sign Change Order No. 1 of Contract No. 15-45-19 with Delta Heating & Air Conditioning, to increase the not-to-exceed amount by \$20,000.00; bringing the new not-to-exceed amount to \$120,000.00.

g) Authorizing the General Manager, on behalf of the District, to sign Change Order No. 2 of Contract No. 15-45-40 with M. Campbell and Company, to increase the not-to-exceed amount by \$30,000.00; bringing the new not-to-exceed amount to \$230,000.00.

h) Authorizing the General Manager, on behalf of the District, to sign Change Order No. 6 of Contract No. 11-12-03 with William Leahy Design, effective January 1, 2017, extending the term of the contract to December 31, 2017, and increasing the not-to-exceed amount by \$25,000.00, bringing the new not-to-exceed amount to \$162,500.00.

i) Reviewing the 2016-2017 Strategic Plan – First Quarter Report.

j) Reviewing the Conservation Rebate Report – First Quarter Report.

MOTION CARRIED UNANIMOUSLY.

## **MANAGEMENT REPORT**

### *General Manager/Senior Director of Engineering and Power Management:*

1. General Manager provided an update on a successful meeting held with representatives from the City of Kennewick. The intent of the meeting was to provide education in areas of interest relating to economic development and issues relevant to the District in preparation for future large load customer requests. The District held a similar meeting with TRIDEC.

2. General Manager reported on discussions being held with the Bonneville Power Administration (BPA) on the three-year interconnection process and concerns being expressed relating to the long process involved.

3. Senior Director reported on a meeting held in Olympia with the Governor's staff on how public utilities calculate pole attachment rates.

4. General Manager and Senior Director discussed participating in a study with the Public Generating Pool on the Pacific Northwest Carbon Framework, in the amount of \$20,000 for the first two phases of the study, and the Commission concurred to participate in the study. Commission requested additional communication prior to considering participation in Phase 3 of the project.

5. Senior Director reported the EVITA grant application is on schedule and due by May 12th.

### *Manager of Communications and Governmental Relations:*

1. A wrap-up of 2017 legislation was provided, noting five bills relating to carbon reduction were considered and although not passed did open the door for discussions; five bills relating to the Energy Independence Act (EIA) were considered, including a bill on federal hydro efficiency.

The Washington PUD Association's (WPUDA) bill on contract unit pricing did pass and was signed by the governor.

*Assistant General Manager:*

1. The District received a Safety Award from the Northwest Public Power Association's annual safety contest which was presented at the annual Engineering & Operations conference.
2. A letter was distributed from the Tri-City area fire departments thanking the District for changing practices by adding an after-hours on-duty line crew to expedite responses when answering emergency calls.
3. An underground failure which caused a phase to go down on April 17, 2017 was briefly discussed.

*Manager of Risk Management and Treasury:*

1. Manager distributed and briefly reviewed the Benton-Franklin Rural Economic Development revolving fund report.
2. Manager provided an update from PURMS, noting PURMS members will each receive a large assessment due to a settlement relating to a fire in 2010 in Klickitat County. The District's estimated share of the future assessment, including other claims incurred that had not previously reached the assessment trigger amount, is approximately \$85,000.

*Manager of Key Accounts:*

1. An update was provided on SmartHub, autopay, and paperless billing enrollment levels. An e-mail from a customer sharing how she appreciates SmartHub and is using it to monitor her usage was discussed. It was also noted that Customer Service call volumes continue to be higher than typical, causing longer than normal wait times in the telephone queue.

**2017 Internal Audit Plan and Report on 2016 Internal Audits**

Manager of Accounting reported on plans for the 2017 internal audit for the following areas: records policy adherence, gasoline tracking, configuration change management and completion of the review of TEA transactions for the District. Results of the 2016 internal audits were reviewed.

At 10:10 a.m., President Barry Bush announced that the Commission would recess for 10 minutes.

At 10:20 a.m., President Barry Bush announced that the Commission would reconvene into regular open public session.

**State of the System Presentation**

Senior Director and Assistant General Manager gave a presentation on the State of the System for 2016 with objectives identified as 1) increased accountability for managing risk of public injury or electrocution and a quality assurance program, 2) focus on reliability; underground cable rejuvenation/replacement, plan of service for Badger Canyon and SCADA on feeders, and 3) equipment and facilities maintenance.

### **Future Planning**

General Manager gave a presentation on upcoming strategic planning sessions, stressing how regulatory and technological uncertainty will impact this year's planning discussions. He also outlined the upcoming subjects for strategic planning and the scheduled dates and times.

### **Meeting Reports**

Commissioner Hall reported on new officers for the WPUDA and stated they are not holding May or June meetings.

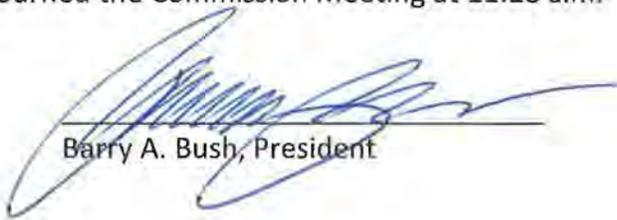
At 11:00 a.m., President Barry Bush announced that the Commission would go into executive session for 15 minutes with legal counsel to discuss potential litigation.

At 11:15 a.m., President Barry Bush reconvened the commission meeting into regular open public session.

General Manager reviewed requests received from customer Ken Mey via e-mail and during public comment in a previous commission meeting. A response to Mr. Mey from the Public Records Officer, Terri Cole, was distributed and discussed. The District continues to receive public records requests from Mr. Mey primarily related to broadband records.

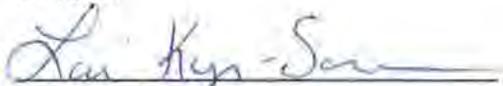
Manager of Human Resources summarized nonstandard compensation for 2016 as required by Resolution No. 2334.

Hearing no objection, President Barry Bush adjourned the Commission Meeting at 11:28 a.m.



Barry A. Bush, President

ATTEST:



Lori Kays-Sanders, Secretary