

SNOHOMISH COUNTY PUBLIC UTILITY DISTRICT

Regular Meeting

January 7, 2020

The Regular Meeting was convened by President Sidney Logan at 9:00 a.m. in the Commission Meeting Room. Those attending were Rebecca Wolfe, Vice-President; Tanya Olson, Secretary; CEO/General Manager John Haarlow; General Counsel Anne Spangler; Assistant General Managers Pam Baley, Guy Payne, and Brant Wood; Chief Financial Officer Scott Jones; Chief Information Officer Dean Galvez; other District staff; members of the public; Commission & Executive Services Director Melissa Collins; and Deputy Clerks of the Board Allison Morrison and Lela Wall.

*** Items Taken Out of Order**

****Non-Agenda Items**

1. CEO/GENERAL MANAGER BRIEFING AND STUDY SESSION

**CEO/General Manager John Haarlow introduced the District's new Chief Financial Officer (CFO), Scott Jones.

A. Updates

1. Media. Communications, Marketing & Business Readiness Director Julee Cunningham reported on District related news and articles.
2. Community Engagement. Senior Customer & Energy Services Program Manager Suzy Oversvee announced that the Stanwood-Camano Community Resource Center (CRC) and Everett-based HopeWorks Social Enterprises were the two recent recipients of District Community Solar energy grants. Both agencies would distribute the benefits to their income qualified clients, over a four-year period.
3. Other. Senior Manager Treasury Risk Management & Supply Jim Herrling notified the Board of a Warm Beach Reserve Fund, which was created to isolate the surcharge funds received from Warm Beach customers.

B. North County Update

Senior Project Manager Doug Wilson provided project updates and recommendations, from the Next Generation Continuous Improvement Team that was tasked with the development and improvement, of the District's North County Community Office, East County Community Office, Clean Energy Technology Center (CETC) and Modular Data Center (MDC), Microgrid, and proposed East County Community Office.

The North County Community Office schedule included Commission approval of a Professional Services Contract for the design, design throughout 2020, and bidding in spring of 2021, with construction from summer 2021 to end of 2022. Fit out and move in would occur in 2023.

Microgrid next steps were Balance of Plant (BOP) plans and specs created by Burns & McDonnell from January-February 2020; BOP to Bid in March 2020; BOP start site prep (concrete pads and conduit) in May 2020; Battery and control equipment would begin to arrive in July 2020; and the project would be completed December 2020.

The meeting recessed at 10:07 a.m. and reconvened at 10:15 a.m.

C. 2020 Legislative Reporting and State Principles

Government & External Affairs Director Kim Johnston provided proposed legislative principles and a new legislative reporting structure for 2020, in an effort to enhance and streamline the government affairs reporting to the Board and the District's Leadership Team.

The Board agreed to the suggestion that State Government and External Affairs Associate Clark McIsaac provide the in-person Legislative Update every other Commission meeting and call in during the off-meetings.

D. Streetlight Rates Update

Senior Manager Rates, Economics & Energy Risk Management Brian Booth and Senior Executive Account Manager Shelley Pattison provided an overview of the District's streetlight rate Schedules 1, 3, 4, and 5. Rate recommendations were proposed for rate Schedules 1 and 4. The status of the schedule conversions from High Pressure Sodium (HPS) bulbs to LED, and an outline of the prior communications to customers were also discussed.

EXECUTIVE SESSION

The Regular Meeting recessed at 10:52 a.m. and reconvened in Executive Session at 10:58 a.m. to review the performance of a public employee, under the terms set forth in the Open Public Meetings Act. It was anticipated the Executive Session would last approximately 40 minutes, with no public announcements. Those in attendance were Commissioners Sidney Logan, Tanya Olson, and Rebecca Wolfe; and CEO/General Manager John Haarlow. At 11:25 a.m. the Executive Session recessed. The Executive Session reconvened at 12:30 p.m. and concluded at 1:24 p.m.

RECONVENE REGULAR MEETING

The Regular Meeting was reconvened by President Sidney Logan at 1:30 p.m. in the Commission Meeting Room. Those attending were Rebecca Wolfe, Vice-President; Tanya Olson, Secretary; CEO/General Manager John Haarlow; Acting General Counsel Shawn Aronow; Assistant General Managers Pam Baley, Guy Payne, and Brant Wood; Chief Financial Officer Scott Jones; other District staff; members of the public; Commission & Executive Services Director Melissa Collins; and Deputy Clerks of the Board Allison Morrison and Lela Wall.

*** Items Taken Out of Order******Non-Agenda Items****2. RECOGNITION/DECLARATIONS**

A. Employee of the Month for January – James Robbins

James Robbins was recognized as Employee of the Month for January.

3. COMMENTS FROM THE PUBLIC

James Deal, Lynnwood, provided handouts at places, by reference made a part of the packet. Mr. Deal thanked District staff for meeting with him to discuss smart meters and encouraged the District to explore a wired and, what Mr. Deal referred to as, a more secure means of monitoring usage.

4. CONSENT AGENDA

A. Approval of Minutes for the Regular Meeting of December 3, 2019, the Special Meeting of December 11, 2019, and the Regular Meeting of December 17, 2019

B. Bid Awards, Professional Services Contracts and Amendments

Public Works Contract Award Recommendations Over \$25,000:

None

Formal Bid Award Recommendations \$120,000 and Over:

Request for Proposal No. 10280 with Tyndale, USA

Professional Services Contract Award Recommendations \$200,000 and Over:

Professional Services Contract No. CW2239430 with Murraysmith Inc.

Miscellaneous Contract Award Recommendations \$200,000 and Over:

None

Cooperative Purchase Recommendations:

Contracts:

Contract No. CW2239423 with Ivoxy Consulting

Contract No. CW2239428 with Celco Partnership dba Verizon Wireless

Amendments:

None

Sole Source Purchase Recommendations:

None

Emergency Declarations, Purchases and Public Works Contracts:

None

Purchases Involving Special Facilities or Market Condition Recommendations:

None

Formal Bid and Contract Amendments:

None

Contract Acceptance Recommendations:

Public Works Contract No. CW2237907 with Potelco, Inc.

C. Consideration of Certification/Ratification and Approval of District Checks and Vouchers

A motion unanimously passed approving Agenda Items 4A – Approval of Minutes for the Regular Meeting of December 3, 2019, the Special Meeting of December 11, 2019, and the Regular Meeting of December 17, 2019; 4B – Bid Awards, Professional Services Contracts and Amendments; and 4C - Certification/Ratification and Approval of District Checks and Vouchers.

5. PUBLIC HEARING AND ACTION

A. Consideration of a Resolution Amending the District's Retail Electric Rate Schedule 7

President Logan convened the public hearing.

There being no questions or comments from the public, the public hearing was closed.

A motion unanimously passed approving Resolution No. 5940 amending the District's Retail Electric Rate Schedule 7.

6. ITEMS FOR INDIVIDUAL CONSIDERATION

A. Introduction of a Resolution Authorizing the CEO/General Manager to Execute a Wholesale Water Agreement for the Sale of Water to Seymour's Water Company for Resale to its Twin Falls Water System

Assistant General Manager Water Utility Brant Wood provided a brief explanation and description of the two Wholesale Water Agreements.

A motion unanimously passed to hold this Resolution over to the next Regular Board meeting to accommodate the statutory period required before the adoption.

B. Introduction of a Resolution Authorizing the CEO/General Manager to Execute a Wholesale Water Agreement for the Sale of Water to Iliad, Inc. d.b.a. Sudden View Water System

A motion unanimously passed to hold this Resolution over to the next Regular Board meeting to accommodate the statutory period required before the adoption.

7. CEO/GENERAL MANAGER REPORT

CEO/General Manager John Haarlow reported on several upcoming events, including a Leadership Team (LT) retreat, a PPC [Public Power Council] Executive Committee Strategic Planning session, a WEI [Western Energy Institute] Board meeting, and a PPC Board meeting.

8. COMMISSION BUSINESS

A. Commission Reports

Commissioner Wolfe reported on her attendance at a recent Lynnwood Chamber of Commerce Luncheon.

The Board attended the Economic Alliance Snohomish County (EASC) Legislative Kick-off Breakfast.

B. Commissioner Event Calendar

Commissioner Logan added a Port of Everett event he would be attending to celebrate the Port's connection with the industrial complex, CIC [Cascade Industrial Center], located in the Arlington-Marysville area.

C. Discussion of Representatives to Organizations and Committees for 2020

Representatives for 2020 were proposed as follows:

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| American Public Power Association (APPA) & Legislative Resolutions Committee | Delegate: | Sidney (Sid) Logan |
| | Alternate No. 1 | Tanya (Toni) Olson |

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| Energy Northwest (ENW) | Delegate: | Sidney (Sid) Logan |
| | Alternate No. 1 | Rebecca Wolfe |

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| Northwest Public Power Association (NWPPA) | Delegate: | Rebecca Wolfe |
| | Alternate No. 1 | Tanya (Toni) Olson |

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| APPA Policy Makers Council | Delegate: | Sidney (Sid) Logan |
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A motion unanimously passed adopting representatives to organizations and committees for 2020, as proposed.

9. GOVERNANCE PLANNING

A. Governance Planning Calendar

There were no changes to the Governance Planning Calendar.

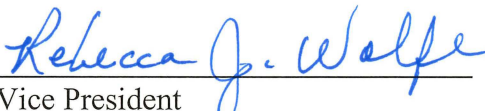
ADJOURNMENT

There being no further business or discussion to come before the Board, the Regular Meeting of January 7, 2020, adjourned at 1:56 p.m. An audio file of the meeting is on file in the Commission Office and available for review.

Approved this 21st day of January 2020.


Secretary


President


Vice President