

SNOHOMISH COUNTY PUBLIC UTILITY DISTRICT

Regular Meeting

August 18, 2020

The Regular Meeting, held virtually, was convened by President Sidney Logan at 9:00 a.m. 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, Brant Wood and Jason Zyskowski; Chief Financial Officer Scott Jones; Chief Information Officer Dean Galvez; other District staff; members of the public; Commission & Executive Services Director Melissa Collins; Assistant Clerk of the Board Allison Morrison; and Deputy Clerk of the Board Lela Wall.

*** Items Taken Out of Order**

****Non-Agenda Items**

**Commissioner Logan read the following statement:

In accordance with the governor's Proclamation 20-28.8, we are holding meetings remotely.

**A moment of silence was observed in honor of District employee Steve Hlavacka.

1. CEO/GENERAL MANAGER BRIEFING AND STUDY SESSION

A. 196th St SW Relocation – City of Lynnwood Interlocal Agreement

Manager Distribution Engineering Services Erin Burke briefed the Board on the City of Lynnwood's 196th St SW project that would require relocation of District infrastructure.

The next step was to return with a resolution for Board approval of an Interlocal Agreement at the September 1, 2020, Commission meeting.

B. Energy Risk Management Report – 2nd Quarter

Senior Manager Rates, Economics & Energy Risk Management Brian Booth and Senior Rate Analyst Peter Dauenhauer provided an overview of the 2nd Quarter of 2020 that included Supply, Demand, Market Prices, Past Week Demand, Forecast Errors Over Time, and Forward Prices.

The Credit Limit Analysis, Financial Load Resource Imbalance Test, and Price Volatility Test had no violations during the quarter.

**Other. CEO/General Manager John Haarlow and Short-Term Power Trader Mike Shapley provided an update on the rolling blackouts occurring in California.

C. Water Supply Update

Short-Term Power Trader Mike Shapley provided a presentation on the Water Year 2020 (WY'20), which included highlights of the District energy portfolio mix; WY'20 Hydro generation update: District resources and Bonneville Power Administration (BPA) Slice; what to expect in the short term and WY'21 (October 2020 – September 2021); Load resource balance; and summary/highlights.

The meeting recessed at 11:04 a.m. and reconvened at 11:10 a.m.

D. 2021 Integrated Resource Plan Phase 2: Measure and Assess Needs

Assistant General Manager Facilities, Generation, Power, Rates & Transmission Management Jason Zyskowski and his team provided an update on the second of five Integrated Resource Plan (IRP) phases.

The briefing included Phase Two Objectives, New Model and Collaborative Phase Two Approach, Scenarios and Sensitivities, Planning Standards, and the District's Forecast Resource Needs.

The next phase would focus on Demand Response Potential Assessment, Conservation Potential Assessment in progress, Supply-Side research, and Market Price forecasting. Staff would provide what resources were available that could help the District meet any identified needs and when those resources might be needed.

The Board agreed to provide feedback and questions during the Commission meeting following each IRP phase presentation.

E. Update: Clean Energy Transformation Act Rulemaking

Due to time constraints, this item was moved to the afternoon session.

The meeting recessed at 12:41 p.m.

RECONVENE REGULAR MEETING

The Regular Meeting, held virtually, was reconvened by President Sidney Logan at 1:30 p.m. Those attending were; Tanya Olson, Secretary; CEO/General Manager John Haarlow; General Counsel Anne Spangler; Assistant General Managers Pam Baley, Guy Payne, Brant Wood, and Jason Zyskowski; Chief Information Officer Dean Galvez; Chief Financial Officer Scott Jones; other District staff; members of the public; Commission & Executive Services Director Melissa Collins; Assistant Clerk of the Board Allison Morrison; and Deputy Clerk of the Board Lela Wall. Rebecca Wolfe, Vice President, arrived at 1:33p.m.

*** Items Taken Out of Order******Non-Agenda Items**

**Commissioner Logan read the following statement:

In accordance with the governor's Proclamation 20-28.8, we are holding meetings remotely.

Changes to the agenda were made as follows: Add a continuation of CEO/General Manager Briefing and Study Session item 1E before Comments from the Public.

1. CEO/GENERAL MANAGER BRIEFING AND STUDY SESSION - Continued*E. Update: Clean Energy Transformation Act Rulemaking**

State Government & External Affairs Associate Clark McIsaac presented an update on the Clean Energy Transformation Act (CETA) Rulemaking and Timeline, that included the District's rulemaking goals; priority issues; and engagement.

The next steps included the Department of Commerce (Commerce) releasing its second discussion draft rules, which were being reviewed, and streamlining the Energy Independence Act (EIA) and CETA.

2. COMMENTS FROM THE PUBLIC

Gayla Shoemake, Edmonds, commented on the proposed reductions to greenhouse gases and Power Analyst Garrison Marr responded to her inquiry in regard to public involvement in the Integrated Resource Plan (IRP).

3. CONSENT AGENDA

A. Approval of Minutes for the Regular Meeting of July 21, 2020

B. Bid Awards, Professional Services Contracts and Amendments

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

Request for Proposal No. 20-1051-SC with Interwest Construction, Inc.

Request for Proposal No. 20-1052-KS with Interwest Construction, Inc.

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

None

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

None

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

None

Cooperative Purchase Recommendations:

Contracts:

None

Amendments:

Contract No. 4600001494 with Wright Express (WEX Bank)

Sole Source Purchase Recommendations:

None

Emergency Declarations, Purchases and Public Works Contracts:

Declaration of Emergency for Warm Beach Water System Well #4 Repair

Purchases Involving Special Facilities or Market Condition Recommendations:

None

Formal Bid and Contract Amendments:

Professional Services Contract No. CW2239483 with Z2 Solutions LLC

Miscellaneous Contract No. CW2230424 with Total Landscape Corporation

Miscellaneous Contract No. 65673 with ARCOS, LLC

Contract Acceptance Recommendations:

None

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

A motion unanimously passed approving Agenda Items 3A – Approval of the Minutes for the Regular Meeting of July 21, 2020; 3B – Bid Awards, Professional Services Contracts and Amendments, and 3C – Certification/Ratification and Approval of District Checks and Vouchers.

4. PUBLIC HEARING AND ACTION

A. Disposal of Surplus Property – 3rd Quarter 2020 Supplement

The public hearing was opened.

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

Based on staff's recommendation that the items were no longer necessary or useful to the District, a motion unanimously passed approving those items listed on Exhibits A of the Surplus Property Recommendation Report be declared surplus and be sold for high bid or disposed of according to policy in the 3rd Quarter of 2020.

5. ITEMS FOR INDIVIDUAL CONSIDERATION

A. 2021 Budget Notice of Public Hearing

A motion unanimously passed approving the proposed Notice of Public Hearings for the 2021 Preliminary Budget as presented in the packet (October 5, 2020, November 3, 2020, November 17, 2020, and December 1, 2020).

6. CEO/GENERAL MANAGER REPORT

CEO/General Manager John Haarlow reported on District related topics and accomplishments.

Among the topics, Mr. Haarlow mentioned a new Analytics Wind Alerting and Dashboard for detecting wind safety levels at the Sultan Basin Road. Commissioner Logan noted that the public enjoys the recreation sites and asked if there was a way to share that data. Assistant General Manager Generation, Power, Rates & Transmission Management Jason Zyskowski responded that the idea would be taken back for discussion.

Mr. Haarlow advised the Board that as part of the Public Power Council (PPC) Executive Committee, he had been engaged in the process of replacing Elliott Mainzer the CEO of Bonneville Power Administration (BPA).

7. COMMISSION BUSINESS

A. The Commissioners reported on Commission related activity and Board related topics.

The Commissioners agreed that all three would attend the virtual Northwest Public Power Association (NWPPA) Annual Meeting being held in September.

B. Commissioner Event Calendar

There were no changes to the Commissioner Event Calendar.

C. 2020 Budget, Forecast, and Major Project Status Report

There were no questions or discussion on the 2020 Budget, Forecast, and Major Project Status Report.

8. GOVERNANCE PLANNING

A. Governance Planning Calendar

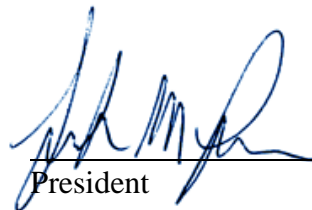
The Board agreed to add a BPA 101 Workshop to the Governance Planning Calendar, under to be scheduled.

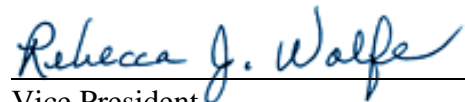
ADJOURNMENT

There being no further business or discussion to come before the Board, the Regular Meeting of August 18, 2020, adjourned at 2:42 p.m. An audio file of the meeting is on file in the Commission Office and available for review.

Approved this 1st day of September, 2020.


Secretary


President


Vice President