

SNOHOMISH COUNTY PUBLIC UTILITY DISTRICT

Regular Meeting

October 5, 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; 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 20-28.10 we are holding meetings remotely. Please note for the record that Proclamation 20-28-10 [Commissioner Logan said 28-28-10] was amended to Proclamation 20-28-11 [Commissioner Logan said 28-28-11], after the meeting agenda was published.

1. CEO/GENERAL MANAGER BRIEFING AND STUDY SESSION

A. Updates

1. Media. Communications, Marketing & Business Readiness Director Julee Cunningham reported on District related news and articles and shared the new "Energizing Life in Our Communities" District webpage.
2. Community Engagement. Communications & Marketing Representative Laura Zorick spoke about two free lending libraries that District employees recently placed at the Monroe and Lynnwood community offices.
3. Legislative. There were no questions on the Legislative Report.
4. Other. There were no other topics.

B. 2020 Wholesale Water Agreements with the City of Granite Falls and the City of Snohomish

Assistant General Manager Water Utility Brant Wood provided a summary of two Wholesale Water Agreements with the City of Granite Falls and the City of Snohomish. A proposed new Wholesale Water Rate for the City of Snohomish and proposed changes to Table B-9 Wholesale Water Service of the District's Policies and Procedures Manual for Water Service were also included.

Next steps included an introduction of the Resolutions authorizing CEO/General Manager to execute Wholesale Water Agreements with the City of Granite Falls and the City of Snohomish, and a Resolution and public hearing on the proposed Water Rate for Snohomish

during the October 20, 2020, Commission meeting. A public hearing and action on the three Resolutions would be on November 3, 2020.

The meeting recessed at 10:06 a.m. and reconvened at 10:15 a.m.

C. 2021 Load Forecast

Senior Manager Rates, Economics, & Energy Risk Management Brian Booth provided a presentation on the methodology and load environment for the District's Residential, Commercial, and Industrial 2021 load.

Commissioner Olson asked how trends in housing might impact new connects and what were the new connects last year, in comparison to what is in the current proposed budget. Mr. Booth said he could get those exact numbers and would provide the information to the Board.

The load environment included economic conditions, COVID-19 impact, housing stock, and energy efficiency. Overall load forecast was reduced by approximately one percent versus last year's forecast.

- D. Based on the impact of COVID-19, and related safety measures on local residents and business, Senior manager Rates, Economics, & Energy Risk Management Brian Booth provided staff's recommendations for a delayed rate redesign implementation for the District's Retail Electric Rate Schedules 20, 24, and 25.

Next steps included a public hearing and potential action on October 20, 2020, to approve the delay of the previously approved rate redesign implementation dates, study a combined revenue and rate design strategy – further recommendations possible, and messaging and implementation in mid-2021.

E. Transitional Rate Schedule for Public Fast Chargers

Senior Manager Rates, Economics, & Energy Risk Management Brian Booth and Senior Executive Account Manager Shelley Pattison presented the District's proposed transitional rates schedule, meant to incentivize public electric vehicle DC fast chargers and provide relief from electric demand charges.

The next steps were to return to the Commission on October 20, 2020, for a Rates Hearing and potential action. Upon approval of the rate schedule implementation, staff would begin advertising to attract more chargers.

The meeting recessed at 11:49 a.m.

RECONVENE REGULAR MEETING

The Regular Meeting, held virtually, was reconvened by President Sidney Logan at 1:30 p.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 Information Officer Dean Galvez; Chief Financial Officer Scott Jones; other District staff; 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:

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2. RECOGNITION/DECLARATIONS

- A. Consideration of a Resolution Recognizing the Observance of the Week of October 5, 2020, Through October 9, 2020, as Customer Service Appreciation Week

The Resolution was read into the record.

A motion unanimously passed approving Resolution No. 5977 recognizing the observance of the week of October 5, 2020, through October 9, 2020, as Customer Service Appreciation Week.

3. COMMENTS FROM THE PUBLIC

There were no comments from the public.

4. CONSENT AGENDA

- A. Approval of the Minutes for the Regular Meeting of September 15, 2020

- 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:

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. CW2222790 with Hewlett Packard, Inc.

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:

Miscellaneous Contract No. CW2237096 with AtWork Commercial Enterprises, LLC

Contract Acceptance Recommendations:

Public Works Contract No. CW2238270 with B & L Utility, Inc.

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

A motion unanimously passed approving Agenda Items 4A – Approval of the Minutes for the Regular Meeting of September 15, 2020; 4B – Bid Awards, Professional Services Contracts and Amendments; and 4C – Certification/Ratification and Approval of District Checks and Vouchers.

5. PUBLIC HEARING

A. Open the 2021 Budget Hearing

President Logan opened the public hearing.

Budget & Financial Planning Manager Sarah Bond provided a presentation to introduce the 2021 proposed Electric, Generation, and Water system budgets. Additional detailed presentations were scheduled for November.

The 2021 Budget remaining hearing schedule was as follows:

November 3, 2020

Water System Proposed Budget

Electric System Proposed Budget – Operating Revenues

November 17, 2020

Generation System Proposed Budget

Electric System Proposed Budget – Operating Expenditures

Electric System 5 Year Forecast

December 1, 2020

Present and discuss any suggested modifications to the 2021 Proposed Budget

December 15, 2020

Adoption of the 2021 Budget

There were no public comments.

Commissioner Logan stated he would be bringing a motion forward at the next meeting to reduce the Commission budget by \$50,000. A discussion ensued and the Board agreed to submit their budget requests for CEO/General Manager John Haarlow to work with the Commissioners electronically, individually, to prepare something for the Board to review at the next Commission meeting.

A motion was unanimously passed continuing the public hearing on the 2021 Budget to Tuesday, November 3, 2020, at 1:30 p.m., at 2320 California Street in Everett or at a publicly noticed video conference, if appropriate.

6. CEO/GENERAL MANAGER REPORT

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

Mr. Haarlow recommended the District re-join Northwest RiverPartners in 2021.

In response to Commissioner Wolfe's request for a data PowerPoint, presented by Distract staff at a previous Pacific Northwest Utilities Conference Committee (PNUCC) meeting, Mr. Haarlow stated he would send that to the Board.

7. COMMISSION BUSINESS

A. Commission Reports

The Commissioners reported on Commission related activities and Board related topics.

B. Commissioner Event Calendar

There were no changes to the Commissioner Event Calendar.

The Board supported Commissioner Wolfe's request to attend the American Public Power Association (APPA) Power Forward Virtual Summit. Ms. Wolfe also mentioned that she would be attending the Energy Northwest (ENW) Board of Directors meeting on October 21, 2020.

8. GOVERNANCE PLANNING

A. Governance Planning Calendar

There were no changes to the Governance Planning Calendar.

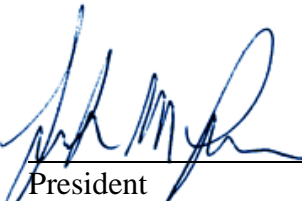
ADJOURNMENT

There being no further business or discussion to come before the Board, the Regular Meeting of October 5, 2020, adjourned at 2:58 p.m. An audio file of the meeting is on file in the Commission Office and available for review.

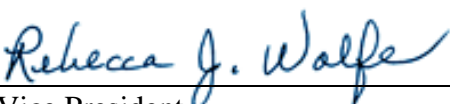
Approved this 3rd day of November, 2020.



Secretary



President



Vice President