

# SNOHOMISH COUNTY PUBLIC UTILITY DISTRICT

**Regular Meeting**

**October 20, 2020**

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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; 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 20-28.11, we are holding meetings remotely.

**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
2. Community Engagement. Communications & Marketing Representative Laura Zorick reported on a District food drive for the Volunteers of America, done during employee flu shots at the District's offices. Also reported on was an energy awareness event done for the Navy [the Navy property in Lake Stevens].
3. Legislative. There were no questions on the Legislative Report.
4. Other. There were no other topics.

B. Energy Risk Management Report – 3<sup>rd</sup> Quarter

Senior Manager Rates, Economics & Energy Risk Management Brian Booth and Senior Rate Analyst Peter Dauenhauer provided an overview of the 3<sup>rd</sup> 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. Mr. Booth mentioned that the 4<sup>th</sup> Quarter report would include the prior request from Commissioner Logan for the history of how the tests varied throughout the quarter.

### C. Water Supply Update

Short-Term Power Trader Mike Shapley provided a presentation on the Water Year 2021 (WY'21) that began on October 1, 2020. Included in the presentation were highlights of the District energy portfolio mix; WY'21 Hydro generation update: Bonneville Power Administration (BPA) Slice and District owned resources; Load resource balance; and summary/highlights.

### D. City of Arlington – North County Binding Site Plan Road Dedication

Manager Real Estate Services Maureen Barnes and Principal Engineer Ben Davis provided details of a Binding Site Plan (BSP), to be finalized with the City of Arlington, which would require dedication of a 60 ft road right of way (ROW) for completion of permitting and continued development of the District's North County Campus.

Next steps included completing and finalizing the Binding Site Plan (BSP), which was explained as an alternate process of segregating for commercial and industrial properties and would include the dedication of roads and utilities to the City of Arlington. A public hearing would be held at the November 3, 2020, Commission meeting to declare the ROW surplus to the District's current and future needs and allow the Manager of Real Estate Services to sign the BSP, dedicating the ROW and associated utilities to the City of Arlington.

The meeting recessed at 10:01 a.m. and reconvened at 10:05 a.m.

### E. On the Road with District Customer Service in 2020

Senior Manager Customer Experience Cyndy Nance and Senior Manager Customer Support Derek Hermann charted the path of a cartoon electric vehicle to illustrate the creative approach taken to empower the District's Customer Service Associates (CSRs) and assist customers, during the challenging year of 2020.

The need to have CSRs transition quickly to working from home, due to COVID-19, was among the paths discussed. Assistant General Manager Customer & Energy Services Pam Baley said that there would be a permanent work from home model going forward, based on what was learned during this time.

Commissioner Logan inquired on what the dollar amount, and number of customers who have fallen for recent scammers was and Ms. Nance stated they are working on that and hope to have the information available, by the end of the month.

### F. Northwest Resource Adequacy Program

Interim Senior Manager Power Supply Jeff Kallstrom provided an update and background on the Northwest's effort to develop a Resource Adequacy (RA) program that would help ensure

the total available capacity, over a specified period of time, would be available to sufficiently serve demand.

The meeting recessed at 12:42 p.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; members of the public; 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. COMMENTS FROM THE PUBLIC**

Gayla Shoemake, Edmonds, with the Interfaith Climate Action Group, commented in support of maintaining the dedicated \$50,000 for a consultant in the Commissioner’s 2021 budget.

**3. CONSENT AGENDA**

**A. 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:

Miscellaneous No. CW2241858 with Siemens Industry, Inc. \_

Miscellaneous No. CW2241974 with Redwood Software, Inc.

Cooperative Purchase Recommendations:

Contracts:

Purchase Order Number 4500064556 with TechPower Solutions, Inc.

Purchase Order Number 4500064675 with Ivoxy Consulting

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:

Professional Services Contract No. CW2231139 with Stoel Rives LLP

Contract Acceptance Recommendations:

None

**B. Consideration of Certification/Ratification and Approval of District Checks and Vouchers**

A motion unanimously passed approving Agenda Items 3A – Bid Awards, Professional Services Contracts and Amendments; and 3B – Certification/Ratification and Approval of District Checks and Vouchers.

**4. ITEMS FOR INDIVIDUAL CONSIDERATION**

**A. Introduction of a Resolution Authorizing the CEO/General Manager to Execute a New Wholesale Water Agreement with the City of Granite Falls**

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 New Wholesale Water Agreement with the City of Snohomish**

A motion unanimously passed to hold this resolution over to the next regular board meeting to accommodate the statutory period required before the adoption.

**5. PUBLIC HEARING**

**A. Introduction of a Resolution Establishing District Rates and Charges for Water Utility Service to the City of Snohomish and Revising Table B-9 of the Water Utility’s Customer Service Policies and Procedures**

President Logan opened the public hearing. There being no questions for comments from the public, the public hearing was closed.

A motion unanimously passed to hold this resolution over to the next regular board meeting to be considered with the new Wholesale Water Agreement with the City of Snohomish.

**6. PUBLIC HEARING AND ACTION**

- A. Consideration of a Resolution Declaring Certain Property Interests of the District in Real Property (Tax Parcel No. 27042100403700) Situated in Lynnwood, Snohomish County, Washington, to be Surplus and Authorizing Granting of a Guideway Easement Reflecting Those Property Interests in Favor of the Central Puget Sound Regional Transit Authority

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

A motion unanimously passed approving Resolution No. 5978 declaring certain property interests of the District in Real Property (Tax Parcel No. 27042100403700) situated in Lynnwood, Snohomish County, Washington, to be surplus and authorizing granting of a guideway easement reflecting those property interests in favor of the Central Puget Sound Regional Transit Authority.

- B. Consideration of a Resolution Amending the District's Retail Electric Rate Schedules

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

A motion unanimously passed approving Resolution No. 5979 amending the District's Retail Electric Rate Schedules.

- C. Consideration of a Resolution Creating Retail Electric Rate Schedule 20EV

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

A motion unanimously passed approving Resolution No. 5980 creating Retail Electric Rate Schedule 20EV.

**7. CEO/GENERAL MANAGER REPORT**

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

**8. COMMISSION BUSINESS**

- A. Commission Reports

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

Commissioner Logan mentioned he would be serving on the Energy Northwest (ENW) Board Nominating Committee to nominate a new ENW Outside Director to replace Sid Morrison, who would be stepping down.

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 regarding the 2020 Budget, Forecast, and Major Project Status Report.

D. 2021 Commission Budget Discussion

Commissioner Logan made a motion to decrease the Commission budget for 2021, relative to the preliminary budget, provided to the Commission on July 2, 2020, by \$50,000, as follows: Reduce travel and education by \$5,000 and consulting fees by \$45,000.

Commissioner Olson moved approval and provided her observations and support for the reduction of the \$50,000.

Commissioner Wolfe spoke in opposition of the motion.

Commissioner Wolfe moved to table the vote.

Commissioner Logan called for a vote to table to a date uncertain. The motion to table failed two to one, with Commissioner Wolfe voting Aye and Commissioners Logan and Olson voting Nay.

Ms. Wolfe requested further discussion on the motion to table. Per General Counsel Anne Spangler, further discussion on the move to table was not permitted, since the vote was taken before further discussion was called for.

CEO/General Manager John Haarlow spoke about the benefits to the District and the ratepayers of cost centers not holding funds in case of contingencies.

The vote passed on the motion to decrease the Commission budget for 2021, relative to the preliminary budget, provided to the Commission on July 2, 2020, by \$50,000, as follows: Reduce travel and education by \$5,000 and consulting fees by \$45,000. Commissioner Logan and Commissioner Olson voted Aye. Commissioner Wolfe voted Nay.

\*\*E. Discussion of Setting a Workshop for the Board to Discuss the Carver Model and do the Board's Self-Monitoring

Commissioner Wolfe requested this item be added to the agenda for discussion and stated that the Board was overdue for a workshop and a self-monitoring/evaluation meeting.

Following a discussion about whether to have a virtual meeting on the topic, President Logan said he wanted to wait to have that discussion until the Board could meet in person. Commissioner Olson agreed stating that she would support the decision made by the Board President. Ms. Wolfe agreed that meeting in person would be better for Special meetings.

## 9. GOVERNANCE PLANNING

### A. Governance Planning Calendar

There were no changes to the Governance Planning Calendar.

Commissioner Logan requested to have more information on the Board's role, including the statutory process and legalities of the Board approving items, in the bid process. Commissioner Olson suggested that would be something that could be provided in a report form to the Board, instead of as an agenda item.

## EXECUTIVE SESSION

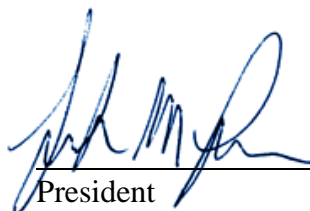
The Regular Meeting recessed at 2:11 p.m. and reconvened virtually into Executive Session at 2:18 p.m. to discuss computer and telecommunications security and risk assessments, under the terms set forth in the Open Public Meetings Act. It was anticipated the Executive Session would last approximately 90 minutes, with no public announcements. Those in attendance were Commissioners Sidney Logan, Rebecca Wolfe, and Tanya Olson; other District staff; and Assistant Clerk of the Board Allison Morrison. At 3:47 p.m., the Executive Session was extended 30 minutes. The Commission immediately adjourned the Regular Meeting upon conclusion of the Executive Session.

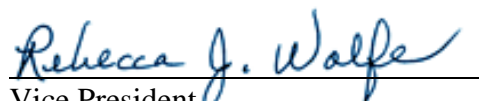
## ADJOURNMENT

There being no further business or discussion to come before the Board, the Regular Meeting of October 20, 2020, adjourned at 4:08 p.m. An audio file of the meeting is on file in the Commission Office and available for review.

Approved this 3<sup>rd</sup> day of November, 2020.

  
Secretary

  
President

  
Vice President