

SNOHOMISH COUNTY PUBLIC UTILITY DISTRICT

Regular Meeting

November 1, 2022

The Regular Meeting was convened by President Tanya Olson at 9:00 a.m. Those attending were Rebecca Wolfe, Vice-President; Sidney Logan, Secretary; CEO/General Manager John Haarlow; Interim General Counsel Joe Fina; Assistant General Managers Pam Baley (virtually), Guy Payne, Brant Wood, and Jason Zyskowski; Chief Financial Officer Scott Jones; Chief Information Officer Kristi Sterling; other District staff; Clerk of the Board Allison Morrison; and Deputy Clerks of the Board Jenny Rich and Morgan Stoltzner.

*** Items Taken Out of Order**

****Non-Agenda Items**

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. Other. There were no other updates.

B. Grants to Utilities for Residential Customer Arrearages

Senior Manager, Energy Efficiency & Customer Innovations Jeff Feinberg provided a presentation on the Legislative framework and process steps for grants to utilities for residential customer arrearages.

Next steps would be to return during the afternoon session with a resolution for Board approval of the contract to receive fund allocation from the Department of Commerce. Once the allocation is finalized, the distribution of funds would be distributed to customer accounts by December 31, 2022, followed by the reporting of results and validation to the Department of Commerce by March 1, 2023.

C. Commencement of District's Consideration of New PURPA Standards

Interim General Counsel Joe Fina updated the Board on the new Public Utility Regulatory Policy Act (PURPA) standards enacted on November 15, 2021.

Next steps for the proposed timeline would be formal consideration of the regulatory standards, the process of reviewing the new regulatory standards and preparing the recommendation. Late summer/early fall 2023 hold a hearing and later October/early November 2023 formal action by the Board on the two regulatory standards.

D. 2023 Pole Attachment Rates

Data Scientist Felicie Ng provided a presentation on the proposed 2023 pole attachment rates to be effective January 1, 2023.

Next steps would be Board consideration of a resolution at the November 15, 2022, Commission meeting.

E. Energy Storage Briefing

The cross-functional Energy Storage Team provided an informational only presentation to the Board on Energy Storage.

Next Steps would include the determination of internal work needed for real estate, permitting, and interconnection for battery storage; with an estimated Request for Proposal (RFP) due by the end of the first quarter of 2023; a continuation of Local Pumped Storage Hydro due diligence and feasibility work. Lastly, an Integrated Resource Plan (IRP) to identify how the electrification load forecast changes future needs and resource responses would begin in 2023.

EXECUTIVE SESSION

The Regular Meeting recessed at 10:31 a.m. and reconvened at 10:38 a.m. into Executive Session to discuss current or potential litigation, under the terms set forth in the Open Public Meetings Act. It was anticipated the Executive Session would last approximately 30 minutes, with no public announcements. Those in attendance were Commissioners Tanya Olson, Rebecca Wolfe, and Sidney Logan; CEO/General Manager John Haarlow; Interim General Counsel Joe Fina; Assistant General Counsel Branda Andrade; External Counsel Damon Elder; other District staff; and Clerk of the Board Allison Morrison. The Regular Meeting recessed immediately upon conclusion of the Executive Session at 11:07 a.m.

RECONVENE REGULAR MEETING

The Regular Meeting was reconvened by President Tanya Olson at 1:30 p.m. Those attending were Rebecca Wolfe, Vice-President; Sidney Logan, Secretary; CEO/General Manager John Haarlow; Interim General Counsel Joe Fina; Assistant General Managers Pam Baley (virtually), Guy Payne, Brant Wood, and Jason Zyskowski; Chief Financial Officer Scott Jones; Chief Information Officer Kristi Sterling; other District staff; members of the public; Clerk of the Board Allison Morrison; and Deputy Clerks of the Board Jenny Rich and Morgan Stoltzner.

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

Changes to the agenda were made as follows: Item 7B add Proposed Offer of Judgment under Items for Individual Consideration.

2. RECOGNITION/DECLARATIONS

A. Employee of the Month for November – Carol Biggs

Carol Biggs was recognized as Employee of the Month for November.

3. COMMENTS FROM THE PUBLIC

The following public provided comments:

- Steven Keeler, Edmonds, provided documents at places, by reference made a part of the packet.
- Gayla Shoemake

4. CONSENT AGENDA

A. Approval of Minutes for the Regular Meeting of October 18, 2022, the Special Meeting of October 20, 2022, and the Special Meeting of October 25, 2022

B. Bid Awards, Professional Services Contracts and Amendments

Public Works Contract Award Recommendations:

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

Interlocal Agreements and Cooperative Purchase Recommendations:

Contracts:

Purchase Order Number 4500080062 with Clary Ford Longview

Outline Agreement Number 4600003656 with Petrocard

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:

Miscellaneous No. CW2236357 with Accelerated Innovations, LLC

Miscellaneous No. CW2242658 with Puget Sound Energy

Professional Services Contract No. CW2235869 with USIC Locating Services LLC dba Onecall Holdings, Inc.

Professional Services Contract No. CW2236354 with Accelerated Innovations

Professional Services Contract No. CW2242397 with Pratt, Day & Stratton PLLC

Professional Services Contract No. CW2244445 with David Evans & Associates, Inc.

Contract Acceptance Recommendations:

None

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 October 18, 2022, the Special Meeting of October 20, 2022, and the Special Meeting of October 25, 2022; 4B – Bid Awards, Professional Services Contracts and Amendments; and 4C - Consideration of Certification/Ratification and Approval of Checks and Vouchers.

5. PUBLIC HEARING

A. Continue Public Hearing on the 2023 Proposed Budget

President Olson opened the public hearing.

Chief Financial Officer Scott Jones and Financial Planning Manager Sarah Bond provided a presentation continuing the discussion of the 2023 proposed Electric, Generation, and Water System budgets.

The 2023 Budget remaining hearing schedule was as follows:

November 15, 2022

Discuss any potential changes to the 2023 Proposed Budget

December 6, 2022

Adoption of the 2023 Budget

The Board requested an updated bar graph of other utilities' electric and water rate increases for customers with the same load. Staff responded that the requested information would be provided.

A motion unanimously passed continuing the public hearing on the 2023 Proposed Budget to Tuesday, November 15, 2022, at 1:30 p.m. at 2320 California Street in Everett, WA.

6. PUBLIC HEARING AND ACTION

- A. Consideration of a Resolution Declaring a Certain Portions of Two Easements Over Property (Tax Parcel Nos. 27052100400100, 27052100400300, and 27052100400500) Granted Over Northshore School District Property, Located in Woodinville, Snohomish County, Washington, to be Surplus and Authorizing the Release of the Easements in Accordance With an Exchange Agreement With Washington State Department of Transportation

President Olson opened the public hearing.

There being no questions from the Board or the public; the public hearing was closed.

A motion unanimously passed approving Resolution No. 6087 declaring a certain portions of two easements over property (Tax Parcel Nos. 27052100400100, 27052100400300, and 27052100400500) granted over Northshore School District property, located in Woodinville, Snohomish County, Washington, to be surplus and authorizing the release of the easements in accordance with an exchange agreement with Washington State Department of Transportation.

7. ITEMS FOR INDIVIDUAL CONSIDERATION

- A. Consideration of a Resolution Authorizing the CEO/General Manager or Designee to Execute a Department of Commerce Agreement With Snohomish County PUD Under the Utility Arrearages Grant Program

A motion unanimously passed approving Resolution No. 6088 authorizing the CEO/General Manager or designee to execute a Department of Commerce agreement with Snohomish County PUD under the Utility Arrearages Grant Program.

- **B. Proposed Offer of Judgment

A motion unanimously passed approving the proposed offer of judgment in the lawsuit brought by Megan Sansaver against Snohomish County Public Utility District No.1 in accordance with the terms and conditions set forth in the confidential memorandum from legal counsel for the District to the CEO/General Manager, dated October 28, 2022, and as discussed during Executive Session.

8. CEO/GENERAL MANAGER REPORT

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

CEO/General Manager John Haarlow advised that the Special meeting workshop of November 14, 2022, will be combined with the Special meeting workshop of December 13, 2022.

9. COMMISSION BUSINESS**A. Commission Reports**

The Board reported on Commission related topics.

B. Commissioner Event Calendar

There were no changes to the Commissioner Event Calendar.

C. 2022 Budget, Forecast, and Major Project Status Report – September Results

There were no questions on the 2022 Budget, Forecast, and Major Project Status Report.

10. GOVERNANCE PLANNING**A. Governance Planning Calendar**

There were no changes to Governance Planning Calendar.

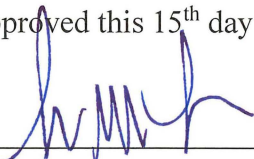
EXECUTIVE SESSION

The Regular Meeting recessed at 2:56 p.m. and reconvened at 3:02 p.m. into Executive Session to discuss computer and telecommunications security 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 Tanya Olson, Rebecca Wolfe, and Sidney Logan; CEO/General Manager John Haarlow; Interim General Counsel Joe Fina; other District staff; and Clerk of the Board Allison Morrison. The Commission immediately adjourned the Regular Meeting upon the conclusion of the Executive Session.

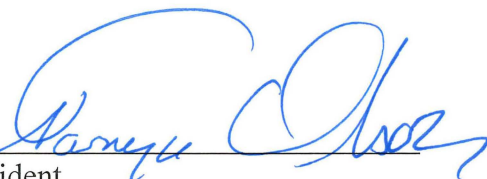
ADJOURNMENT

There being no further business or discussion to come before the Board, the Regular Meeting of November 1, 2022, adjourned at 4:25 p.m. An audio file of the meeting is on file in the Commission Office and available for review.

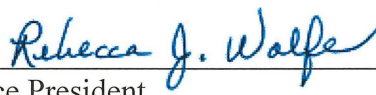
Approved this 15th day of November, 2022.



Secretary



President



Vice President