

Public Utility District No. 1 of Klickitat County
Board of Commissioners Meeting
Tuesday, February 25, 2025
2:00p.m.

CALL TO ORDER: President Dan G. Gunkel called the meeting to order at 2:00p.m. as advertised.

PRESENT: Dan G. Gunkel - President, Douglas B. Miller - Vice President, and Stoner W. Bell - Secretary

STAFF PRESENT: Gwyn Miller - Chief Administrative Officer, Shelby Manka - Accounting Clerk, Sharon Blodgett - W/WW Coordinator, Brandon Walter - W/WW Superintendent, Justin Beierle - Engineering Superintendent, Mark Garner - Engineering Supervisor, Brandy Myers - Customer and Accounting Services Manager, Mike Nixon - Operations Manager, Kevin Ricks - Renewable Energy Assets Manager, Mike DeMott - Director of Finance and Power Management, Doug Strathdee - LFG Gas & Field Tech/Maintenance, and Luann Mata - Executive Assistant/Clerk of the Board.

Via teleconference:

April Castillo - Operations Administrative Assistant, Lacie Seaman - Engineering Support Assistant, Ocean Barrett - W/WW Support Assistant, Holly Thiele - Billing Clerk, Samantha Berry - Payroll Administrator, Sarah Honkala - Accountant, Anita Clever - Energy Services Specialist, Aaron Estey - Staking Engineer, Katie Kloster - Customer Service Representative, Jared Balcom - Staking Engineer, Seth Jones - Buyer, Patrick Carroll - IT Consultant, Cynthia Bruce - Accounting Supervisor, and Courtney Collins - Support Assistant

GUESTS: Jeff Thayer and Larry Hocter

PLEDGE: The Pledge of Allegiance was recited by those present.

MINUTES: **MOTION** was made by Commissioner Miller to approve the February 11, 2025 meeting minutes as presented. Motion carried.

CLAIMS & PAYROLL: Presented by Shelby Manka. Vouchers were audited and certified by the auditing officer as required by RCW 42.24.080, and all expense reimbursement claims presented were certified as required by RCW 42.24.090 and were recorded on a listing made available to the Board this 25th day of February, 2025.

MOTION was made by Commissioner Miller to approve accounts payable vouchers and payroll in the amounts as listed:

- Accounts Payable Voucher Nos. 221824 through 221918 in the total amount of \$798,059.46; Electronic Funds Transfer (EFT) transaction Nos. 711 through 716 and Wire and Automated Clearing House (ACH) 8802147 through 8802154 in the total amount of \$2,693,058.75 for the period ending February 25, 2025; and
- Payroll ACH Direct Deposit Payroll transactions 215926 through 216013 in the total amount of \$266,033.57 for the payroll period ending February 9, 2025.

Motion carried.

PUBLIC COMMENTS: Jeff Thayer conveyed his appreciation to the board for the advanced meter installation and the reduction in outages, which he attributed to the utility's dedication to tree trimming. He proudly reported having zero outages at his home this year, underscoring the program's effectiveness. Thayer also praised Casey Sholdebrand for his efforts in upgrading the meeting room, particularly for painting the logo and core values sign. He reiterated that the utility's ongoing success relies

on adhering to the core values that have remained consistent since the original strategic planning sessions.

REPORTS:

Water/Wastewater update - Sharon Blodgett and Brandon Walter reported that the Wishram roof project and inspection of the reservoir were completed, and the reservoir is in good condition. Currently, we are using the upper well to supply water to the town. However, it was noted over the weekend that the water level in the reservoir was dropping. Matt Olson went to Wishram to take meter readings and discovered unusually high usage at the post office. Upon inspection, a leak was found and repaired. After the repairs were completed, the reservoir began to recover. The radio-read meters played a crucial role in quickly detecting this issue.

While the inspection contractor was on-site, they also conducted an inspection of the Klickitat reservoir, which revealed very little settlement since the last inspection in 2017.

Additionally, staff has submitted the cultural study paperwork for the Ponderosa water project to the Department of Health. Russ Patton is currently working on the SEPA submission. He and Vicente Fuentes met with the county to review the SEPA process.

Finally, a reimbursement request has been submitted to the county for reimbursement from the Landfill Gas Improvement Fund for the Dallesport Clarifier project.

Operations update - Mike Nixon reviewed the reliability performance against our goals, noting that while we have experienced a few outages, none have been significant. During last night's wind event, the impact on customers was minimal. The crews have had limited customer work recently, focusing instead on completing transmission inspections and maintenance projects. The vegetation management teams are working diligently, and the positive effects are evident. We will provide data on the miles of line trimmed to date in next month's report. Currently, our tree crew is completing mulching while the ground is still wet.

Mike also reported that a potential accident was narrowly avoided during today's outage. One of our staff members had just finished repairs when a tree fell, destroying the pole they had been working on. Fortunately, no injuries occurred, and the repairs were completed.

Commissioner Bell requested clarification on the mulching process. John Starr works with customers to determine how to handle the trimmings and brush once our work is completed.

Engineering update - Mark Garner and Justin Beierle reviewed the Engineering report. We have not yet received a response from BPA regarding the letter about the Chenoweth Transmission Line, but a call is scheduled with our account executive Dallas Filan next week, and an update will be included in the next report. Washington State received \$22 million in grant funds; we applied for grants for ten capital work plan projects and were approved for eight, totaling \$2.8 million to be used over the next three years. These funds were issued through the Department of Energy, but we were just notified that our application was missing required documentation, which we are now working to complete. It's uncertain whether this missing paperwork will affect the award.

Additionally, the GRIP Grant award money is currently frozen by the administration, putting us in a holding pattern for the associated projects. We are collaborating with Electrical Consultants Inc. (ECI) on updating our long-range plan. The E.E. Clouse transformer is scheduled for delivery next Monday, and we anticipate that the setup

will be completed during the week of March 10. Engineering is also reviewing the vegetation management plan, with John providing feedback on the projects.

Justin mentioned that the staking engineers are working on several larger projects, including developments in White Salmon and Dallesport. The dock crew will arrive on April 14. Some anticipated projects may need to adjust their schedules depending on the outcome of the grant funding process. We have been receiving many new customer calls, suggesting that we might have a busy customer season ahead. The conservation district meetings went well, and Justin thanked Commissioners Miller and Gunkel for attending and addressing questions.

The remaining reports were postponed due to an Executive Session at 2:30 p.m., and they will be addressed on March 11.

AGENDA ITEMS:

- A. COWLITZ PUD ESCROW WAIVER FOR HARVEST WIND: MOTION was made by Commissioner Miller to authorize staff to waive the escrow account requirements for Cowlitz PUD on the Harvest Wind Transmission Service Agreement (TSA). Motion carried.

- B. WASHINGTON PUD ASSOCIATION 2025 EDUCATIONAL SCHOLARSHIP NOMINATION: MOTION was made by Commissioner Miller to nominate Matthew Gray as Klickitat PUD's nominee for the 2025 WPUA Educational Scholarship. Motion carried.

- C. EXECUTIVE SESSIONS:
 - a. Potential Litigation - President Gunkel called for an Executive Session at 2:30p.m. per RCW 42.30.110(1)(i) to discuss litigation or legal risk of proposed action or current practice that agency has identified, when public discussion of the litigation or legal risks, is likely to result in an adverse legal or financial consequence to the agency noting the session would last for 45 minutes, until 3:15p.m. In addition to the board, Athan Tramountanas- General Counsel, Mike DeMott, Kevin Ricks, Doug Strathdee and Gwyn Miller were present for the session. The session ended at 3:15p.m. No action was taken and the meeting reconvened in open public session.

 - b. Review of Performance of a Public Employee (1)(g) - President Gunkel called for an Executive Session at 3:30p.m. per RCW 42.30.110 (1)(g) noting that the session would last for 60 minutes until 4:30p.m., for the purpose of discussing the General Manager's evaluation. At 4:30p.m. the board in open session requested an extension of the session for 30 additional minutes until 5:00p.m. The session ended at 5:00p.m. No action was taken and the meeting reconvened in open public session.

RCW 42.30.110 – Executive Session.

(1) Nothing contained in this chapter may be construed to prevent a governing body from holding an executive session during a regular or special meeting:

RECESS: Commissioner Gunkel recessed the meeting at 5:00p.m. until Friday, February 28, 2025 at 10:00a.m.

/S/
Dan G. Gunkel, President

/S/
Douglas B. Miller, Vice President

/S/
Stoner W. Bell, Secretary
Date Approved: March 11, 2025

/s/
Luann Mata, Executive Assistant

Public Utility District No. 1 of Klickitat County
Board of Commissioners Meeting
Friday, February 28, 2025
10:00a.m.

Reconvening the Tuesday, February 25, 2025 meeting.

CALL TO ORDER: President Dan G. Gunkel called the meeting to order at 10:00a.m. as advertised.

PRESENT: Dan G. Gunkel - President, Douglas B. Miller - Vice President, and Stoner W. Bell - Secretary

STAFF PRESENT: Jim Smith - General Manager, Gwyn Miller - Chief Administrative Officer, and Luann Mata - Executive Assistant/Clerk of the Board.

Via teleconference:

April Castillo - Operations Administrative Assistant, Brandon Walter - Water/Wastewater Superintendent, Lacie Seaman - Engineering Support Assistant, Samantha Berry - Payroll Administrator, Mike DeMott - Director of Finance and Power Management, Sarah Honkala - Accountant, Patrick Carroll - IT Consultant, Cynthia Bruce - Accounting Supervisor, and Courtney Collins - Support Assistant

PLEDGE: The Pledge of Allegiance was recited by those present.

AGENDA ITEMS:

A. EXECUTIVE SESSION: Review of Performance of a Public Employee (1)(g) - President Gunkel called for an Executive Session at 10:10 a.m. per RCW 42.30.110 (1)(g) noting that the session would last for 50 minutes until 11:00a.m., for the purpose of discussing the General Manager's evaluation. At 11:00a.m. the board in open session requested an extension of the session for 30 additional minutes until 11:30a.m. The session ended at 11:30a.m. No action was taken and the meeting reconvened in open public session.

RCW 42.30.110 – Executive Session.

(1) Nothing contained in this chapter may be construed to prevent a governing body from holding an executive session during a regular or special meeting:

RECESS: Commissioner Miller recessed the meeting at 11:30a.m. until Tuesday, March 4, 2025 at 11:00a.m.

/S/
Dan G. Gunkel, President

/S/
Douglas B. Miller, Vice President

/S/
Stoner W. Bell, Secretary
Date Approved: March 11, 2025

/s/
Luann Mata, Executive Assistant

Public Utility District No. 1 of Klickitat County
Board of Commissioners Meeting
Tuesday, March 4, 2025
11:00a.m.
Reconvening the Friday, February 28, 2025 meeting.

CALL TO ORDER: President Dan G. Gunkel called the meeting to order at 11:00a.m. as advertised.

PRESENT: Dan G. Gunkel - President, Douglas B. Miller - Vice President, and Stoner W. Bell - Secretary (via Webex)

STAFF PRESENT: Luann Mata - Executive Assistant/Clerk of the Board.

Via teleconference:

Sarah Honkala - Accountant, Samantha Berry - Payroll Administrator, Lacie Seaman - Engineering Support Assistant, Patrick Carroll - IT Consultant, Cynthia Bruce - Accounting Supervisor, and Courtney Collins - Support Assistant

PLEDGE: The Pledge of Allegiance was recited by those present.

AGENDA ITEMS:

A. **EXECUTIVE SESSION: Review of Performance of a Public Employee (1)(g)** - President Gunkel called for an Executive Session at 11:05a.m. per RCW 42.30.110 (1)(g) noting that the session would last for 15 minutes until 11:20a.m., for the purpose of discussing the General Manager's evaluation. The session ended at 11:20a.m. No action was taken and the meeting reconvened in open public session.

RCW 42.30.110 – Executive Session.

(2) Nothing contained in this chapter may be construed to prevent a governing body from holding an executive session during a regular or special meeting:

Upon entering open public session, a **MOTION** was made by Commissioner Miller to execute rights within the General Manager's contract and terminate Jim Smith, without cause, effective immediately. Motion carried.

A second **MOTION** was made by Commissioner Miller to authorize Klickitat PUD Board President to execute the severance package, the transfer of PTO hours to deferred compensation and other relevant documents. Motion carried.

The Klickitat PUD Board of Commissioners also stated that the board is focused on the future of the utility and wishes Jim Smith the best in his future endeavors.

Adjourned – There being no further business, the meeting adjourned at 11:26a.m.

/S/
Dan G. Gunkel, President

/S/
Douglas B. Miller, Vice President

/S/
Stoner W. Bell, Secretary
Date Approved: March 11, 2025

/s/
Luann Mata, Executive Assistant