PRESENT: Connie Karp, President  
Roger Howe, Vice President  
Howard Gonser, Treasurer  
Dan Williams, Director

President Karp called the Regular Session to order at 6:00 p.m.

The following individuals were present during the Regular Session:

**Counsel:** James Foster

**NWCPUD Staff:** General Manager Roger Kline; Assistant General Manager/Director of Power Resources Kurt Conger; Principal Engineer/Chief Innovation Officer Paul Titus; Executive Assistant Kathy McBride; Chief Financial Officer/Director of Finance & Enterprise Risk Harvey Hall; Senior Financial Analyst/Contracts, Risk and Supply Chain Sue Powers; Asset/Program Manager Steve Horzynek; Joint Use and Regulatory Compliance Program Manager Tom McGowan; Energy Specialist Lance Kublick; Customer Service Representative Haley Red Cloud Windsor; IT Help Desk Analyst Keith Michaels; Operations & Engineering Manager Pat Morehart; Corporate Services Assistant Lili Garcia; and Finance Intern Alex Hastings.

**Visitors:** Home At Last Representatives Stephen Drynan and Sheila Dooley; Elijah Preston; National Neon Sign Museum Representative David Benko; City of The Dalles Assistant to Manager Matthew Klebes; The Next Door, Inc. Representative Janet Hamada; Fort Dalles Museum Representative Cal McDermid, Elizabeth Wallis and Mike Wacker; Wasco County 4-H Association Representative Lu Seapy; and Ajay Rundell, The Dalles High School.

President Karp reported on the sudden death of Board of Director Clay Smith on May 8, 2019. Director Smith served Northern Wasco County People's Utility District for 13 years; Director Smith will be missed.

**PUBLIC COMMENT**

There was no one present wishing to provide public comment.

Chief Financial Officer/Director of Finance & Enterprise Risk Harvey Hall introduced Alex Hastings who has been hired as the new Finance Intern. Alex is currently a student going into her senior year at George Fox University.
APPOINTMENT OF BOARD SECRETARY

The Board will need to appoint another individual to serve as Secretary due to the death of Director Clay Smith, who was serving as the Board of Director’s Secretary.

{{Director Howe moved to appoint Director Gonser as Secretary and Director Williams as Treasurer. Director Gonser seconded the motion; it was then passed unanimously.}}

ECONOMIC DEVELOPMENT GRANT APPLICATIONS

City of The Dalles/Fort Dalles Museum

Cal McDermid, Fort Dalles Museum Director; Elizabeth Wallis and Mike Wacker, Wasco County/The Dalles Museum Commission Representatives; and Matthew Klebes, City of The Dalles Assistant to Manager, were present to discuss the grant request from the City of The Dalles/Fort Dalles Museum and Anderson Homestead Commission in the amount of $19,744 for the purchase and installation of an electric heat pump, along with necessary electrical upgrades to the electrical system, and the installation of insulation in the attics and floors.

The following are a few highlights from Cal McDermid and Elizabeth Wallis’ presentation:

- The Fort Dalles and Anderson Homestead Museum Complex is co-owned by the City of The Dalles and Wasco County.
- Over the last few years the Museum has had an average of 650 visitors per month.
- The Museum has received over $30,000 of in-kind donations of labor and materials from the community.
- If the Museum’s grant is funded by the District, it would be the Museum Commission’s last hurdle in overcoming deferred maintenance.
- Artifacts are housed in the Anderson House; the house is not temperature controlled.
- The Museum has one paid employee; their budget is lean.

Some discussion occurred after questions were raised by members of the Board of Directors as to eligible energy conservation rebates and the number of visitors to the Museum.
Energy Specialist Lance Kublick stated that the District can offer energy conservation rebates to projects that qualify for the rebates such as insulation, windows, heat pump, etc.

McDermid stated that the Museum averages 700 guests during the height of the season; with four cruise ships and another ship being added in the fall.

Wallis stated that the Museum was awarded a $500 grant from Google to upgrade the Fort Dalles and Anderson Homestead Museum Complex website. The Museum has visitors representing 22 states and 10 different countries; these visitors are coming specifically to see the Museum.

Home At Last

Sheila Dooley, Central Oregon Animal Friends dba Home At Last Humane Society Board Member, and Stephen Drynan, Home At Last Executive Director, were present to discuss the grant request from Home At Last in the amount of $9,756 for the installation of stainless-steel kennels with individual, sealed drains.

The following are a few highlights from Sheila Dooley and Stephen Drynan’s presentation:

- Home At Last (HAL) is a nonprofit organization which was started in 2000.
- The first four years of the organization, homeless dogs and cats were housed in foster homes until 2004 when HAL contracted with Wasco County to run the animal shelter as a limited/no kill shelter.
- HAL merged with Central Oregon Animal Friends in January 2018.
- This project will be an economic benefit to the community by improving its livability and the well-being of those who live here.
- Prior to HAL, more than 1,000 unwanted dogs and cats were being euthanized each year as compared to 11 during 2018.
- The community also benefits through HAL’s programs, which assist pet owners and promotes responsible pet ownership, including the low-income community owned pet spay/neuter assistance program, humane education, assistance with training needs, pet vaccination clinics, emergency food for pets, and volunteer opportunities.
- People from all over adopt animals from the shelter.
- HAL’s kennel replacement project will help enable the shelter to reduce costs by preventing the spread of disease between kennels through the replacement of the aging isolation kennel system.
- The proposed project would consist of the installation of a three-unit stainless steel kennel system with raised floors and individual, sealed floor drains.
- In 2017, HAL was shut down due to an outbreak in ringworm.
Photographs of the existing isolation kennels were shown to the Board at this time. A copy of said photographs is hereto attached and marked as Exhibit 1.

Some discussion occurred after questions were raised by members of the Board of Directors regarding where the animals at the shelter come from, the amount of money raised by HAL under their bottle/can drive, and whether HAL receives other funding contributions from other entities.

Drynan responded by stating that HAL serves five counties; Klickitat, Skamania, Sherman, Gilliam and Wasco.

Dooley noted that they had trouble last year with people breaking into their bottle trailers and stealing the bottles and cans. Last year HAL raised $60,000 under their bottle/can program. They are hoping to raise $100,000 this year.

Dooley stated that HAL receives some funding assistance from the City of The Dalles.

Drynan stated that HAL only receives one or two animals per year from four of the five Counties. They receive more than a few from Klickitat County.

National Neon Sign Museum

David Benko, National Neon Sign Museum Executive Director, was present to discuss the grant request from the National Neon Sign Museum in the amount of $19,450 for electrical work to complete the education center at the Museum.

The following are a few highlights from Benko's presentation:

- Benko thanked the Board for their past support of the National Neon Sign Museum.
- The National Neon Sign Museum is seeking financial support to complete the education center.
- The Museum has been open for one year; providing weekly tours.
- The Museum has received guests from France, England, Germany, Canada, Taiwan, Japan and nearly every U.S. state; a total of 250 guests visit the Museum weekly.
- The main history level floor, theater, icons gallery and ballroom have been open to the public and displays continue to be installed.
- Plans for the education center include three classrooms, a large/special exhibition gallery, two bathrooms, a small café, and a neon glass bending studio for demonstrations and production.
- The budget to complete the Education Center is approximately $200,000; the electrical cost is $19,450.
Some discussion occurred regarding the education center and the ability for the Museum to provide educational opportunities to the local community.

The Next Door, Inc.

Janet Hamada, Executive Director of The Next Door, Inc., was present to discuss the grant request from The Next Door, Inc. in the amount of $20,000 for the remodel of their office in The Dalles.

The following are a few highlights from Hamada’s presentation:

- Hamada presented a donation packet which includes information on the programs offered by The Next Door and the opportunity to donate towards their office remodeling project. A copy of said donation packet is hereto attached and marked as Exhibit 2.
- The Next Door was started in Hood River, Oregon back in 1971, and began providing services in The Dalles in 1984.
- The Next Door is the largest non-profit social service organization that work primarily with children and their families.
- The Next Door offers over 30 programs to their clients.
- Last year, The Next Door was able to purchase the Mid-Columbia Council of Governments building located on the corner of 11th Street and Kelly Avenue.
- Photographs of the five buildings that The Next Door previously rented were shown to the Board.
- The Next Door is working with the local school district to have an alternative school program in the fall to serve up to 15 students who need mental health services.
- Their Economic Development Program called “Promoviendo Prosperidad/ Promoting Prosperity, was started seven years ago in Hood River.
- The Promoting Prosperity Program serves Latinos in the Counties of Hood River, Klickitat and Wasco.
- The Next Door works with Latinos small businesses and entrepreneurs in the Counties of Hood River, Klickitat and Wasco.
- The Next Door currently works with 10 businesses in The Dalles; 26 staff members work in The Dalles.
- The Next Door employs a total of 72 staff members who work in Hood River and The Dalles; 36 are bilingual.
- They have raised $65,000 of the $85,000 needed for the project; $25,000 in donations have been raised in Wasco County.

Some discussion occurred regarding the bids that The Next Door, Inc. received for their office remodel project after a question was raised by Director Howe?
Wasco County 4-H Association

Lu Seapy, STEM Program Coordinator, and Ajay Rundell, The Dalles High School Science/STEM Teacher, were present to discuss the grant request from the Wasco County 4-H Association in the amount of $1,000 to help with the purchase of fixtures, pumps, and lighting used in hydroponics/aquaponics gardening.

The following are a few highlights from Lu Seapy and Ajay Rundell’s presentation:

- The “Greenhouses for Good” aquaculture project at The Dalles High School was started to encourage people to learn more about agriculture and horticulture.
- The students are excited about hydroponics/aquaponics.
- The program instructors see this program as an economic development benefit by introducing students to the hydroponic farming industry which encourages the small farms market and can help limit childhood obesity.
- The program can train students to become small farm owners and to engage them in some service learning.
- Small farms participating in The Dalles Public Market generated over $150,000 in booth sales last year.
- The program raises plants.
- Students have harvested between 15 to 20 heads of lettuce on a weekly rotation.
- The produce is donated by the students to the local food bank.
- The hydroponic garden will be shut down for the summer and will start back up in the fall when school resumes.
- A photo board was shown to the Board at this time by Seapy. About 50 students have been impacted by the Greenhouses for Good Project.
- The Wasco County 4-H Association is asking for a total of $1,000; $300 for staff training, and $700 for the purchase of fixtures, pumps and lighting.

Director Gonser pointed out that the District’s Economic Development Grant Program is for bricks and mortar types of project; not for training.

CONSENT AGENDA

Items contained in the consent portion of the Agenda includes the following:

- Regular Session Minutes of May 7, 2019
- April Outage Report
- Energy Management/Marketing Report
- Checks/Vouchers
• April Financial Report
• April Write Offs

The Board considered the approval of the June 4, 2019 Consent Agenda.

{{Director Williams moved to approve the June 4, 2019 Consent Agenda as presented. Director Gonser second the motion; it was then passed unanimously.}}

DIVISION UPDATES

Engineering & Operations

Asset/Program Manager Steve Horzynek presented a PowerPoint Presentation entitled “The Dalles Marina Electrical Rebuild Project”, a copy of which is hereto attached and marked as Exhibit 3.

A few of the highlights from Horzynek’s PowerPoint Presentation are as follows:

• Issues resolved under The Dalles Marina Electrical Rebuild Project included the following:
  ➢ Onshore pad mount transformer provides three times the capacity.
  ➢ Conductors are now located along the docks under cover.
  ➢ All equipment mounted to the docks rise and lower with the water level.
  ➢ The new electrical system and equipment is up to current code and provides ground fault protection.
  ➢ Each tenant has a dedicated 60-amp breaker at the meter pedestal.
  ➢ Each meter pedestal is equipped with LED area lighting.
• The new electrical system monitors the current flowing in and out. When a differential is detected it will automatically shut off the circuit; it isolates the fault.
• There are two meters per pedestal.

Operations & Engineering Manager Pat Morehart provided the following report:

APPA National Line Workers Rodeo

• Apprentice Lineman Tucker McCabe competed at the American Public Power Association National Line Workers Rodeo in Colorado Springs on April 8-10, 2019.
• McCabe’s performance was outstanding in the Apprentice competitions.
• McCabe competed against over 200 single Apprentice contestants from around the country and Canada.
Photographs and a video of the competition was shown at this time.

**Operations**

- A huge amount of distribution line work has been completed by Michels Power, District Contractor, and the District's line crew.
- The following distribution lines have been recently rebuilt:
  - Remington Road distribution line.
  - Distribution line between Fairview Street and Dry Hollow Road, along Radford Orchard.
- Approximately 30 poles were replaced during these distribution line rebuilds.
- Both crews have been replacing poles and reconductoring back lot lines in town.

**Joint Use Audit**

- The Joint Use Audit will begin on June 12, 2019.
- Osmose, District Contractor, will be out measuring and collecting data.
- The Joint Use Audit process is estimated to take 18 weeks.
- Tom McGowan, Joint Use & Regulatory Compliance Manager, has prepared a letter notifying District customers that the contractor will be working in their neighborhoods.

**Osmose**

- Beginning this month another 10% of District poles will be inspected by Osmose for Public Utility Commission (PUC) compliance.
- It usually takes Osmose eight to ten weeks to complete the pole inspections.

**Capital Improvement Projects**

- Staff has just finished posting a Request for Bids for a Capital Improvement Project.
- The project will involve rebuilding the distribution circuit all the way out to the system end on Mill Creek Road; including rebuilding the circuit to the end of Wicks Reservoir Road.
- The Request for Bids also includes rebuilding about a mile of the Downtown Feeder between the Tie Plant and Interstate 84.
- These projects will increase capacity and reliability.
- A Pre-Bid Meeting is scheduled on June 12th with bids being due on June 26, 2019.
- The Capital Improvement Project will be brought before the Board of Directors at the July 2nd Board Meeting.
Staff is preparing to solicit for bids for engineering services for the Rowena Feeder on Highway 30 and the Celilo Feeder from Fifteen Mile Road over to Old Moody Crossing to the Deschutes Park.

During Morehart’s report various photographs were shown, including APPA Line Workers Rodeo photos. A copy of these photographs is hereto attached and marked as Exhibit 4.

Finance

Chief Financial Officer/Director of Finance & Enterprise Risk Harvey Hall presented the following report:

- By the end of April 2019, the District is already at 51% of budget for net income for the year.
- Staff is anticipating a 45% to 55% split in our revenue forecast from the first six months of the year versus the second half of the year. Staff anticipates load growth from the District’s primary customer on the back half of the year.
- The main driver for a higher than expected net income is due to the snowstorm in February which resulted in a positive effect to the District’s net income.

Some discussion occurred after a question was raised by Director Gonser regarding the extra income earned during the year.

Risk Tolerance Survey

Hall reminded the Board that at last month’s meeting he talked about the Risk Tolerance Survey. Three Board Members returned their response to said Survey. The results are shown on the handout entitled “Risk Tolerance Survey Results”, a copy of which is hereto attached and marked as Exhibit 5.

Hall noted the following results from the Risk Tolerance Survey taken by members of the Board of Directors:

Question asked: How much deviation from expectations can you accept?

Average: (1 Very Low Tolerance, 10 Very High Tolerance)
1 Safety
1.7 System Reliability
3.7 Financial Risk
3 Human Resources
2.3 Reputation
1.3 Security – Physical/Cyber
2.2 Average of all categories
Some discussion occurred regarding the Risk Tolerance Survey results.

Hall noted that the results of the survey represents a point in time perspective from the Board as to their risk sensitivity. He would like to have the Board complete the survey in the fall to see if the Board’s risk sensitivity moves.

General Counsel James Foster asked if there is any comparable data from other electric utilities?

Hall responded by stating that this is a home-grown survey. He will see if there is anything similar out there from another utility.

Hall noted in closing that he partnered with Assistant General Manager/Director of Power Resources Kurt Conger to secure a third-party entity to do credit reviews as needed. The District, in these credit reviews, is getting a full snapshot of the entity under review. The District also receives notifications if there is any movement that affects the entity’s credit rating. A summary report is received weekly.

**Power Resources**

Assistant General Manager/Director of Power Resources Kurt Conger presented a PowerPoint Presentation, which includes information on market purchase for diversified load; forward price curve indicators; water supply and runoff forecast, basin hydrologic indicators as of May 29, 2019; price indicators; and Mid-C price trends as of June 3, 2019. A copy of Conger’s PowerPoint Presentation is hereto attached and is marked as Exhibit 6.

Some highlights of Conger’s presentation are as follows:

- Staff executed a purchase through Northwest Energy Management Services (NEMS) Group; the purchase was concluded on May 30, 2019.
- The details of the purchase are in the Board Packet and are shown in Conger’s PowerPoint presentation.
- Prices have stabilized.
- Prices did drop slightly for Fiscal Year 2020.
- Water year conditions continue to be below normal, especially above Grand Coulee, which will put upper pressure on prices for the remainder of the water year through September 30, 2019.
- Right now, we are at about peak flow at The Dalles Dam for runoff for the current water year. The flows are around 300,000 to 350,000 cfs. From here through the end of the water year flow rates will decline.
- We are experiencing dry conditions in the upper Columbia River Basin, but in Oregon it is a relatively wet water year with above normal natural flows.
As to price indicators, the three-month expectation is above normal
temperatures. We are going into the rest of the summer with below normal water
conditions.

The PowerPoint Slide entitled Mid-C Price Trends was reviewed and discussed
at this time.

**Corporate Services**

General Manager Roger Kline stated that Director of Corporate Services Cyndi Gentry
is not here tonight due to graduation activities.

**Presentation on Check Scanner Project**

Customer Service Representative Haley Red Cloud Windsor and IT Help Desk Analyst
Keith Michaels presented a PowerPoint Presentation entitled “Check Scanning Project”,
which is hereto attached and marked as Exhibit 7.

Some highlights of the PowerPoint Presentation are as follows:

- **Advantages of the Check Scanner Project include:**
  - Much faster processing times.
  - Images of checks and stubs are retained in the cloud for three years.
  - Retained data is easily searchable within RemitPlus Express.
  - Checks are automatically endorsed while scanning.
  - Customer Service Representatives (CSRs) can devote more time to work
    with customers and other assigned work.
  - This process will allow the District to transition to electronic deposit.

- **Disadvantages include:**
  - Discrepancies between bank check scanner totals and District check
    scanner totals.
  - RemitPlus Express is unable to identify if a check is unsigned.
  - Manual adjustments must be performed in UPN and RemitPlus Express.

- **Biggest hurdles included:**
  - Finding a way to upload RemitPlus data into UPN.
  - Simplifying the check endorsement protocol.
  - Ensuring that checks are not lost or double-posted.

- **Check delivery method, between February 5-May 24, 2019, includes:**
  - Office drop box – 247 checks (3.1 average checks/business day).
  - Downtown drop box – 900 checks (11.4 average checks/business day).
  - U.S. Mail – 1,854 checks (23.5 average checks/business day).

- Checks are scanned into RemitPlus Express, a cloud-based service.
- Extracted check data is uploaded to UPN via customer software created by IT
  Help Desk Analyst Keith Michaels.
Time spent on processing checks are as follows:
  - Checks from office drop box – average 14 minutes.
  - Checks from downtown drop box – average 27 minutes.
  - Checks from U.S. mail – average 1 hour 13 minutes.
  - Time spent on all checks – 1 hour 48 minutes.
- Staff has saved an average of 3 hours 20 minutes per day, or about 173 labor hours saved per year.
- Staff has concluded that the Check Scanner Project has successfully reduced the number of labor-hours required to process checks.
- CSR now have uninterrupted time to process checks each day.
- CSR now have more time available for daily tasks and other projects.
- Processed checks are easily located in the RemitPlus Express search tool.
- The District processed a total of 3,001 checks; with a processing error of 0.7%.
- The District will transition to electronic deposit sometime in the near future.
- Staff will continue to work with the District's bank to resolve any check discrepancies.

Discussion occurred throughout the presentation.

It was noted during the discussion by Corporate Services Assistant Lili Narcisco-Garcia that approximately 37% of District customers use automatic pay.

**Update on Space Planning/Workstation Project**

Energy Specialist Lance Kublick provided the following report on the Space Planning/Workstation Project:

- The order for Phase 2 of the Space Planning/Workstation Project was submitted yesterday to WorkPoint, District Contractor.
- Within the next week or so, staff will have an estimated delivery date for the workstations.
- Of the $300,000 allocated for the Space Planning/Workstation Project, the District will have approximately $30,000 left after the Phase 2 order.
- Staff is anticipating that Phase 2 will be installed by the end of July, first of August 2019.
- Phase 2 includes more staff than Phase 1.

Kublick noted in closing that he has been working with Key Accounts Manager Justin Brock on a list of energy conservation projects that the Oregon Cherry Growers have developed.

Kublick stated that with the help from Energy Smart Industrial, a BPA program, they came up with incentive amounts and potential savings. A meeting was held with
Oregon Cherry Growers Representatives. It has been determined that two of the Oregon Cherry Growers projects will save an estimated 1.8 million kilowatt hours per year. Staff anticipates that these projects will take a big chunk of the District’s Energy Conservation Budget. Kublick noted that both projects are for their water treatment systems.

Some discussion occurred.

**Keys Accounts**

General Manager Roger Kline stated that Key Accounts Manager Justin Brock is not here this evening since he is coaching his daughter’s softball game at Sorosis Park.

Kline noted that the District’s website now includes an Electric Vehicle Icon on the home page where customers can calculate what their savings would be if they owned an electric vehicle in Northern Wasco County People’s Utility District’s service territory. This is just another way to provide other options and tools for District customers.

More information on electric vehicles will be provided next month by Key Accounts Manager Justin Brock.

**Innovation & Planning**

Principal Engineer/Chief Innovation Officer Paul Titus presented a handout to the Board pertaining to meter age, number of AMI Meters on hand, and the number of meters in service. A copy of said handout is hereto attached and marked as Exhibit 8.

Titus provided the Board with the following report:

- The District has received some equipment from Itron.
- A router was installed in the parking lot, which collected data from the AMI meters installed in the field.
- AMI meters have been installed at the District’s Office Building, a substation and other areas in the service territory.
- The District has 10,196 meters in service.
- A total of 14 AMI Meters have been deployed in the field.
- Meters will be installed based on location and billing date; not on the age of the meter.

Some discussion occurred regarding the AMI meters that have been installed in various locations in the community.
General Manager

General Manager Roger Kline showed the Board a photograph of the meter on the home he just purchased, which has a Pacific Power sticker on it.

Director Williams stated that the District bought Pacific Power’s electric system back in 1976.

Principal Engineer/Chief Innovation Officer Paul Titus informed the Board that the District received 36 single phase AMI (Automated Metering Infrastructure) residential meters. Service Orders have been issued for the installation of AMI meters on homes owned by General Manager Kline, Director Karp, Director Gonser and General Counsel Foster. Photos will be taken of the meter installations.

Kline thanked the Board for their continued support.

Kline provided the following comments:

- The AMI Project is one of many projects that is going on at this time.
- Kline noted that we started tonight’s Division Reports with an update on the District’s Apprentice Lineman as Tucker McCabe nears his Journeyman Lineman.
- The District has gone 2.5 years with no time loss accidents.
- The District’s Workers’ Compensation Rates over the last few years are as follows:
  - 2016/2017 - $109,043
  - 2018/2019 - $68,471
  - 2019-2020 - $47,940
- An advertisement from PG&E recruiting for Journeyman Lineman candidates was shown at this time. A copy of said recruitment is hereto attached and marked as Exhibit 9.
- Kline noted that General Managers are seeing that Journeyman Linemen, employed by utilities that are covered by PERS, are retiring and taking on contract type work to restore areas devastated by natural disasters. These individuals are being offered incentives to retire and go work as a contractor.
- The District needs to ensure that we have a safe competitive work environment in order to attract individuals to our organization.

General Counsel

General Counsel James Foster stated that he recently attended a conference entitled “Northwest Wholesale Power Markets” in May 2019. The Conference was eye opening
for Foster in terms of the deficit in resources that the region is looking at over the next couple of years.

Foster commends the Board of Directors for attending the Public Power Council (PPC) and other regional meetings; this is a critical time since there are all kinds of changes coming in the industry.

Foster feels the more the Board stays educated, the better. He commends the board for the time and energy they spend in keeping up with this field.

NEW BUSINESS

Consideration and adoption of Financial Policy:

Chief Financial Officer/Director of Finance & Enterprise Risk Harvey Hall presented a PowerPoint Presentation entitled “Northern Wasco County PUD Proposed Financial Policy”, a copy of which is hereto attached and marked as Exhibit 10.

Some of the highlights of Hall’s PowerPoint Presentation are as follows:

- The objective of the Financial Policy is to promote the financial health and stability of the District and protect rate-payers asset through clear guidance, fiscal accountability, legal and regulatory compliance, reporting transparency, and consistent risk management.
- Policies being pulled into the new Financial Policy, which are not being changed, include:
  - Investment Policy and Portfolio Guidelines.
  - Reserve/Rate Stabilization Policy.
  - Per Diem Policy.
  - Purchasing Card Policy.
- Policies being added into the new Financial Policy include:
  - Rate Sufficiency Policy.
  - Retirement Benefits Funding Policy.
  - Cost Management Policy.
  - Budget Policy.
  - Debt Policy.
  - Billing and Collections Policy.
  - Accounting Practices Policy.
  - Financial Controls Policy.
  - Capitalization Policy.

Some discussion occurred regarding District reserves and the need to borrow funds to help cover the cost of capital improvements over the next three years.
Hall went over the District’s reserve levels after a question was raised by Director Gonser. Hall reminded the Board that the reserve balances are listed in the monthly Financial Statement.

General Manager Kline asked General Counsel James Foster if he saw any issue with the Board adopting the Financial Policy.

General Counsel Foster stated that he is not speaking to the policy itself. Foster noted that the adoption of a policy is one of the most critical kind of things that you do as a Board Member. The Board was elected to adopt policies for the District.

Foster stated if you are adopting a policy you need to understand what you are adopting. If the Board is comfortable that you understand the policy then you should proceed, if you are not comfortable you should sit here until you understand the policy.

```{{Director Williams moved to adopt the Financial Policy as presented. Director Gonser seconded the motion; it was then passed unanimously.}}```

Consideration of Resolution #03-2019 declaring Northern Wasco County People’s Utility District’s intention to enter into a Revenue Borrowing Facility with Cashmere Valley Bank up to $10 million:

Chief Financial Officer/Director of Finance & Enterprise Risk Harvey Hall presented a PowerPoint Presentation entitled “Northern Wasco County PUD New Borrowing”, a copy of which is hereto attached and marked as Exhibit 11.

Some of the highlights of Hall’s PowerPoint Presentation are as follows:

- The assumptions built into the graph of the Electric LTFP – Projected Debt Service Ratio and Reserves & Cash PowerPoint Slide reflects no future diversified rate increase, a $6 million borrowing at the rate of 2.75%, with the potential to borrow $4 million at 4% in January 2020.
- The Board has set the District’s target for the Financial Reserves at $14 million.
- The District has identified $40 million in capital work, of which $20 million will occur within the next three years.
- The identified Ten-Year Capital Projects total $37,622,569, of which a total of $3,419,832 is Contribution in Aid of Construction (CIAC) Funded Capital. This does not include large primary customer funded construction.
- Some of the major capital projects that will be funded over the next three years include Automated Metering Infrastructure (AMI); rebuild of Tygh Valley Substation; East Side Substation; McNary Hydroelectric Fishway Plant Elevator; and the rebuild of the Seufert Transmission Line.
• The borrowing terms offered to the District by Cashmere Valley Bank are as follows:
  ➢ Borrow an amount not to exceed $10,000,000, up to three draws in a three-year period.
  ➢ Interest Rate:
    ✓ 2.75% on the first five years of the first draw.
    ✓ 3.05% on the second five years of the first draw.
    ✓ Subsequent draws based on interest rates at that time.
  ➢ No prepayment penalty with 10 days advanced notice.
  ➢ First Draw Fee is $500.

• Hall has had a conversation with the District’s financial advisor to ensure that this recommended borrowing does not create any problems with the current outstanding revenue bonds.

Some discussion occurred.

{{Director Williams moved to approve Resolution #03-2019 declaring Northern Wasco County People’s Utility District’s intention to enter into a Revenue Borrowing Facility with Cashmere Valley Bank up to $10 million. Director Howe seconded the motion.}}

Some discussion occurred after Director Gonser made a comment regarding the total amount of capital improvements projects over a ten-year period being a lot of money and whether the projects needed to be done now.

General Manager Kline responded by stating that the District is doing expansion and system corrections and repair. For an example, one project that comes to the Board next month is the downtown feeder, which feeds the major downtown area.

Kline noted that our community is growing. The District is up about 140 meters over the last two years; we are expecting 1.5% growth per year. There is the need to have an east side substation. Mid-Columbia Medical Center has announced that they could be building a new hospital. Staff is confident that the need is there; the fear is it may not be enough. Kline stated that we will need to have a conversation whether it should be $50 or $60 million instead of $40 in capital projects.

Director Gonser stated that this is a big decision; who knows what effect these expenditures will have on District rates.

Kline noted that the District’s Ten-Year Capital Plan is for planning purposes; it is a forecast.
Director Williams stated that there will still be 40 acres left of the North Wasco County School District property if the hospital rebuilds on a portion of the School District’s property. Director Williams feels we need to get ahead of the game instead of doing catchup.

Further discussion occurred.

The vote was called for. The motion passed unanimously.}}

Consideration of Grant Extension Request from the Dufur School District:

The Board considered the request from Dufur School District Superintendent Jack Henderson for a Grant Extension for the Economic Development Grant awarded by the District in 2018.

{{Director Gonser moved to approve the request from the Dufur School District for a one-year extension of the Northern Wasco County People’s Utility District 2018 Economic Development Grant in the amount of $10,170.45; said grant is extended until June 5, 2020. Director Williams seconded the motion; it was then passed unanimously.}}

Board Vacancy

General Counsel James Foster asked that the Board provide staff with direction on how to proceed with the filling of the vacancy on the Board of Directors due to the recent death of Director Clay Smith.

Some discussion occurred regarding the process of filling the vacancy on the Board of Directors.

It was the feeling of the Board to immediately begin the process of filling the vacancy. The process will be similar to the filling of the vacancy after the death of former Board Member Kenneth Leibham.

The Board directed Executive Assistant Kathy McBride to begin advertising the vacancy on the Board of Directors, Subdivision 3.

OLD BUSINESS

There was no old business to discuss.
BOARD REPORTS / ITEMS FROM BOARD MEMBERS

Oregon People’s Utility Districts Association (OPUDA):

Director Gonser stated that he provided the District’s report at the last OPUDA Board Meeting, which all Board Members attended. Director Gonser chose not to report on the meeting since a lot has changed already since the meeting.

Director Gonser briefly noted the OPUDA Lobby Day held earlier this year in Salem, Oregon.

President Karp appointed Director Gonser as the Oregon People’s Utility Districts Association (OPUDA) Alternate Voting Member, and herself as the Voting Member.

Northwest Public Power Association (NWPPA) Annual Conference

Director Howe reported that President Karp and himself attended the recent NWPPA Annual Conference in Sacramento, California. They heard reports on Electric Vehicles (EVs), the changes coming in the industry, and the silver tsunami aging workforce. Director Howe stated that there were a lot of good speakers; it was worth their time.

Director Gonser reported that he will be attending the American Public Power Association (APPA) Annual Conference in Austin, Texas; conference begins on June 8th.

APPROVAL OF FUTURE MEETINGS/TRAVEL/OR RELATED MATTERS

June 5, PPC Special Meeting – Connie Karp, Roger Howe, Howard Gonser and Dan Williams

June 5, PPC Forum – Connie Karp, Roger Howe, Howard Gonser and Dan Williams

June 6, PPC Executive Committee – Connie Karp, Roger Howe, Howard Gonser and Dan Williams

June 7, APPA Annual Conference – Howard Gonser

June 9-10, NRECA Financial Decision Making – Connie Karp and Roger Howe

June 21, OPUDA Board Meeting – Roger Howe, Howard Gonser and Dan Williams

July 10, PPC Forum – Roger Howe, Howard Gonser and Dan Williams
EXECUTIVE SESSION

At 9:20 p.m. President Karp recessed the Regular Session to convene into Executive Session as authorized by ORS 192.660(2) (g) to consider preliminary negotiations involving matters of trade or commerce in which the governing body is in competition with governing bodies in other states or nations and ORS 192.660 (2)(d) to conduct deliberations with persons designated by the governing body to carry on labor negotiations.

Those present for the Executive Sessions included the Board of Directors; General Counsel James Foster; General Manager Roger Kline; Assistant General Manager/Director of Power Resources Kurt Conger; Principal Engineer/Chief Innovation Officer Paul Titus, CFO/Director of Finance & Enterprise Risk Harvey Hall; and Executive Assistant Kathy McBride.

At 9:44 p.m. the Board adjourned from Executive Session to return to Regular Session.

There being no further business the meeting adjourned at 9:45 p.m.

Attest:

President

Secretary
Economic Development Services
Supporting Latino owned businesses enriches the community and allows individuals to provide for their families. We help the Latino and minority communities learn the skills needed to create jobs, assets and sustainable livelihoods.

Youth Services
Our youth programs focus on children gaining confidence, social skills, and valuable life experiences. We provide youth outreach in schools, life skills training and mentoring. This extra support sets them on the path for healthy, well-adjusted futures.

Family Services
Our family programs help moms and dads navigate the challenges of being a parent. Our trained staff nurtures safe, healthy relationships where all feel valued. Parents are taught important life skills, so that the parent and baby can bond and thrive together.

Health Promotion Services
Our wellness programs provide culturally relevant health services, economic development, and education for the Latino community. Emotional, intellectual, social, and physical wellness is key to a successful family and community.

Treatment Services
Children in foster care who struggle with emotional and social challenges need a different level of support and care, one that we provide in our therapeutic foster care program.

Our Impact, Our Community
The Next Door has always been a place of possibility and promise for all. Every day children and families are supported with programs that protect, teach, connect, heal and encourage. Every day our community faces new challenges that create a greater need for the work we do. And we need your help to do it!

The goal of the Strengthening Roots, Opening New Doors Campaign is the expansion of services and programs in The Dalles and throughout Wasco, Sherman, and Gilliam Counties through the purchase of a permanent building.

We need this building. Simply said, it is a new, more effective tool to help us reach our community and change more lives. Our new facility will enable us to serve children, families, and our community like never before.

We need you! The goal of this campaign is to pay off this new building quickly, so that we can multiply our efforts to grow programs and reach more people, helping them go further-faster.

The total costs of purchase and renovations is $780,000.

Your Gift is Powerful
Your support of our Columbia Gorge community changes lives and builds communities at the time our families need us most. The hope for a brighter tomorrow is only possible because of you.
Your gift is the gift of hope and has the power to change a life.
Donate Today at http://nextdoorinc.org/donate/

For more information:
development@nextdoorinc.org
541.436.0307
www.nextdoorinc.org
A Sampling of Our 2017 Impact in Numbers:

86 high risk families have received home visiting and mentoring services to prevent child abuse as part of evidence based programming Healthy Families of Oregon; through Four Rivers Healthy Families.

34 families received parent coaching, decreasing their risk of safety threats associated with child abuse and child maltreatment, therefore reducing the incidents of child welfare involvement.

70 matches were made providing positive adult role models for children ages 6-14 and 28 matches were made for teens and young adults ages 14-20 through our Gorge Youth Mentoring Program.

41 youths who are leaving foster care received life skills training, including field trips through our Independent Living Program.

6 formerly homeless 17-21 year olds, including three young mothers, received housing and life skills training through our Oregon Trail Transitional Housing program.

9 weeks of conservation and environmental education and employment was provided for 10 teenagers (This infuses about $30K of wages into the community) with our Summer Youth Employment Program.

41 Latino-Owned businesses were assisted with small business development services through Promoviendo Prosperidad (Promoting Prosperity). The program is currently expanding to reach more Latino-owned businesses located in Wasco County.

359 low-income workers were given assistance to understand and apply for health insurance with Cover Oregon.

43 Latino community members and existing advocacy groups: Abogadores de la Comunidad (Wasco County Group) and River People were provided leadership development and training by Mid-Columbia Health Equity Advocates (MCHEA).

100 Community Health, Social Services and Volunteer Workers received Community Health Worker Training: a 90-hour certification course.

6 children in Wasco and Hood River Counties were provided foster care and treatment by our Community Attention Home services.

25 teens in foster homes attended Klahre House – an alternative school and treatment program in Hood River.

20 families were provided with therapy/counseling during Department of Human Services visitation with the goal of reunification of children with their biological parents.

All of this happens because of people like you!
One Powerful Story:

Miguel had a very difficult childhood, with a drug addicted mother and an absent father that sent him in and out of 13 different foster homes. He hated foster care so much, that he started violently acting out. He thought that if no one else wanted him, he would be sent back home.

At 17, he was introduced to The Next Door and met his Community Attention Home Case Manager, Taunesha. During one of their visits, she asked him, “When are you going to stop running?” At that moment, he realized he didn’t know where home was anymore. Taunesha helped Miguel understand that home could be wherever he wanted it to be. She eventually told him about an opening at The Next Door’s Oregon Trail Transitional House, a home in The Dalles for youth who’d experienced trauma just like him. Over time, he came to trust and feel safe with Taunesha. Miguel recently graduated and has high hopes for his future. He plans to attend college in the fall.

The Need

Our home in the Mid-Columbia area is changing and growing with an increase in people and new businesses. Yet, many families who live here still struggle.

Out of the 3,048 children enrolled in The Dalles K-12:

- 85% are considered “economically disadvantaged”
- 25% are “English Language Learners”

In Wasco County in 2016:

- 24% is the child poverty rate
- 22% are living with “Childhood Food Insecurity”
- 6% are uninsured
- 4% are homeless students
- 32% is the teen pregnancy rate (per 1,000 girls ages 15-19)

You can provide critical, important care to children and families in need, like Miguel.

Your gift can help children and families to feel hopeful, to heal, and to see new possibilities.

Donate today at http://nextdoorinc.org/donate/

EVERY DAY
THE NEXT DOOR
BUILDS COMMUNITIES
BY STRENGTHENING ROOTS
AND OPENING NEW DOORS

Our Story

Since 1971, The Next Door, Inc. (TNDI) has served the people of the Mid-Columbia area.

Starting as a group home for troubled teens, we’ve grown to become the largest social service provider in Wasco County. Today we have over 65 employees and 200 volunteers throughout the Columbia River Gorge who are all committed to the original mission of strengthening children and families. Our outreach and service efforts span seven counties in Oregon and Washington.

Last year in Wasco County we responded to the needs of over 1500 children, parents, families and individuals of all ages. TNDI provides family services to prevent child abuse, positive youth development programming, including housing for homeless youth, economic development services, culturally appropriate health and leadership development programming, and behavioral treatment services.
What Our Programs Accomplish:

Over the past 46 years, The Next Door, Inc. has developed programs in response to the needs of new parents, at-risk youth, parents of teens, and entire families. These programs, in both English and Spanish, are working. Results from a small sample of our 25 programs demonstrate our effectiveness:

- Families served by Family Services are 2½ times LESS likely to be investigated for abuse or neglect, and 98% of the children have a health care provider.
- 80% of the Klahre House youth who successfully complete the program stay out of trouble.
- Youth in Gorge Youth Mentoring are 52% LESS likely than their peers to skip school.

A Place of Our Own

As much as TNDI has accomplished, there is still a significant amount of work to be done. There are still many kids in need of a stable home and positive mentoring, as well as families who need support.

After a five year search, TNDI was able to purchase an existing building in a centralized location in The Dalles. This new space triples the current size (from 3,200 sq. ft to 10,000 sq. ft) of office and meeting space. The new building will enable TNDI to enhance and continue growing their services. Community members will benefit from a central location to access the over two dozen prevention and intervention programs that benefit over 1,500 Wasco County residents every year.

This building will also serve as a hub for program services that allow TNDI and other community partners to store, organize and have office space for programming that reaches out to Gilliam, Sherman and Wheeler counties.

"The Next Door does so much for the community behind the scenes ... I am a sustaining monthly supporter and will continue to be for as long as I can." — Dennis Morgan

How Much Will it Cost?

The estimated cost of purchase and renovating The Next Door’s new building is $780,000. These costs include the building itself, plus contractor costs for general office renovations: walls, cubicles, restrooms, moving expenses, IT expenses, a mural, appliances, HVAC, plumbing, insurance, and new furnishings.

You can help us!

If you want to have a powerful impact on your community, please contact our Development team at 541.436.0307 or email: development@nextdoorinc.org
Help of generous community donations

Future Layout with the
### Strengthening Roots ~ Opening New Doors

**The Dalles Office Naming Opportunities**

Make a gift that is meaningful to you and have your name, or the name of loved ones, displayed on a plaque on or near the appropriate area.

<table>
<thead>
<tr>
<th>Name of Area</th>
<th>Cost</th>
<th>Availability</th>
</tr>
</thead>
<tbody>
<tr>
<td>The Whole Building (pay off the mortgage)</td>
<td>$550,000</td>
<td>one available</td>
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<tr>
<td>Community Meeting Room</td>
<td>$ 50,000</td>
<td>one available</td>
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<tr>
<td>Solar</td>
<td>$ 35,000</td>
<td>one available</td>
</tr>
<tr>
<td>Outdoor Plaza</td>
<td>$ 25,000</td>
<td>one available</td>
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<tr>
<td>Youth Activity and Group Meeting Room</td>
<td>$ 20,000</td>
<td>two available</td>
</tr>
<tr>
<td>Information Technology Room</td>
<td>$ 15,000</td>
<td>one available</td>
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<tr>
<td>Kitchen</td>
<td>$ 15,000</td>
<td>one available</td>
</tr>
<tr>
<td>Lobby</td>
<td>$ 10,000</td>
<td>one available</td>
</tr>
<tr>
<td>Small Staff Meeting Room</td>
<td>$ 5,000</td>
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</tr>
<tr>
<td>Clothing Closet</td>
<td>$ 5,000</td>
<td>one available</td>
</tr>
<tr>
<td>Class/Meeting Rooms</td>
<td>$ 3,000</td>
<td>six available</td>
</tr>
<tr>
<td>Counseling Room</td>
<td>$ 2,500</td>
<td>one available</td>
</tr>
<tr>
<td>Program and Administrative Offices</td>
<td>$ 2,500</td>
<td>nine available</td>
</tr>
<tr>
<td>Furnished Cubicles</td>
<td>$ 1,000</td>
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<tr>
<td>Hallways</td>
<td>$ 750</td>
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</tr>
<tr>
<td>Lobby Chairs</td>
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<tr>
<td>Meeting Room Tables</td>
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<tr>
<td>Conference Room Chairs</td>
<td>$ 300</td>
<td>twenty available</td>
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</table>
Programs of The Next Door – May 2019

* Programs offered only out of The Dalles office
** Programs offered only out of the Hood River office

FAMILY SERVICES
Community Closet – Free children’s clothing and supplies*
Family Support & Connections – Coaching for families with children at risk of entering foster care
Healthy Families – Home visiting and mentoring for families with new babies
Children in Between – Parenting classes for divorcing parents
Playgroups – For families with children, ages 0-5, in The Dalles, Pine Grove, Cascade Locks, and Hood River
Imagination Library – Partnership with The Dollywood Foundation providing monthly books to children ages 0-5

YOUTH SERVICES
Gorge Youth Mentoring – Formerly Big Brother Big Sister & Mentor For Success, matches adult role models with children and teens, ages 6 – 21
Independent Living – Provides life skills to prepare teens to succeed after foster care
Oregon Trail Transitional Living – Housing for formerly homeless 17-22 year olds*
Summer Youth Employment – Summer employment for 10-30 teens to work on trails and campgrounds
Youth Connection – Short term counseling and mental health therapy for teens at Hood River Valley High School and referrals for teen victims of crime**
Bridges to Health – Community Health Workers connect children and families to needed services and resources

ECONOMIC DEVELOPMENT SERVICES
Promoviendo Prosperidad/Promoting Prosperity – Business assistance for small Latino-owned businesses
Roots/Raices Cooperative Farm – Educational garden program. Families grow vegetables and improve nutrition**

HEALTH PROMOTION SERVICES
Community Health Worker Training (CHWT) – Certification training (90-hours) for Community Health Workers**
HAPA (Hombres Autoresponsables para Parar el Abuso) - Domestic violence treatment for Spanish-speaking perpetrators**
Mid-Columbia Health Equity Advocates – Leadership development and training to help community members get involved in issues that affect their health
Pasos a Salud/Steps to Wellness – Diabetes and obesity prevention classes
OHP Now Covers Me! – Outreach and education on importance of healthcare for children
Protect Our Children – Sexual abuse prevention training

TREATMENT SERVICES
Community Attention Home – Foster care and treatment in Wasco and Hood River Counties
Family Support & Treatment Services – Intensive services for families working with the child welfare system
Foster Parent Training – Trauma-informed counseling for family foster care providers
Klahre House – Alternative school and treatment in Hood River for teens in foster homes**
Nurturing Visitation – Counseling during visitation for families in the child welfare system
In-Home Safety & Reunification Services – Stabilizing families in crisis and keeping children out of foster care
Outpatient Behavioral Health – Individual and family therapy services, case management, skills training and substance abuse

CONSULTING SERVICES
Diversity and Equity Training – Workshops on topics of diversity and more with Popular Education Methods
Focus Group Facilitation and Research – Planning, recruitment and facilitation of focus groups for the Latino Community
Language Support – Offering Spanish interpretation and Plain Language training
Programas de The Next Door – Mayo 2019

*Programas solamente ofrecidos en The Dalles
**Programas solamente ofrecidos en Hood River

**Servicios Para Familias**

**Armario Comunitario** – Ropa gratuita para niños.*
**Apoyo Familiar y Conexiones** – Entrenamiento para familias con jóvenes en riesgo de ser colocado a un hogar de crianza temporal.
**Familias Sanas** – Visitas a hogar y tutorías para familias con nuevos bebes.
**Niños en Medio** – Clases para padres que están en el proceso del divorcio o separación.
**Grupos de Juego** – Para familias con niños en The Dalles, Pine Grove, Cascade Locks, y Hood River.
**Biblioteca de Imaginación** – Asociación con la Fundación Dollywood que regala libros mensuales a niños.

**Servicios para Jóvenes**

**Tutoría Juvenil del Gorge** – Combina Adultos con niños y adolescentes entre las edades de 6 – 21 años.
**Vida Independiente** – Enseña habilidades para preparar a los adolescentes para tener éxito después del cuidado de crianza.
**La Vida de Transición Oregon Trail** – Vivienda para jóvenes sin hogar entre las edades de 17-22 años. *
**Empleo Juvenil de Verano** – Empleo de verano para 10 a 30 jóvenes para trabajar en caminos y campamentos.
**Conexión Juvenil** – Consejería a corto plazo y terapia de salud mental para adolescentes en la escuela secundaria del Valle de Hood River y referencias para adolescentes víctimas de delitos. **
**Puentes hacia Salud** – Trabajadores Comunitarios de la Salud conectan a los niños y familias a los servicios y recursos necesarios.

**Servicios de Desarrollo Económico**

**Promoviendo Prosperidad – Asistencia** – Programa comercial para pequeños negocios latinos.
**Raíces** – Programa de jardinería educativa. Las familias cultivan hortalizas y mejoran su nutrición. **

**Servicios de Promoción de la Salud**

**Capacitación de Trabajadores de Salud Comunitaria** – Capacitación de 90 horas para trabajadores Comunitarios de la Salud. **
**Hombres Autoreresponsables ara Parar el Abuso** – Intervención de violencia doméstica para responsables de este delito. **
**Defensores de la equidad en la salud en el Columbia Gorge** – desarrollo de liderazgo y capacitación para ayudar a los miembros de la comunidad a involucrarse en temas que afectan su salud.
**Pasos a Salud** – Clase de prevención para obesidad y diabetes.
**OHIP Ahora Me Cubre!** – Educación sobre la importancia del cuidado de salud de los niños.
**Proteger Nuestros Niños** – Entrenamiento de prevención de abuso sexual.

**Servicios de Tratamiento**

**Community Attention Home** – Cuidado de crianza y tratamiento.
**Apoyo Familiar y Servicios de Tratamiento** – Servicios intensivos para familias que trabajan con el sistema de bienestar infantil.
**Entrenamiento para Padres de Crianza Temporal** – Consejería familiar sobre el trauma para proveedores de cuidado de crianza temporal.
**Klahre House** – Escuela alternativa y tratamiento en Hood River para adolescentes en hogares de crianza. **
**Visitaciones Educativas** – Asesoramiento basado en el trauma para proveedores de cuidado de crianza familiar.
**Servicios de Seguridad y Reunificación a domicilio** – Estabilizar a las familias en crisis y mantener a los niños fuera del cuidado de crianza temporal.
**Salud del comportamiento** – Servicios de terapia individual y familiar, manejo de casos, entrenamiento de habilidades y abuso de sustancias.

**Servicios de Consultoría**

**Capacitación en Diversidad y Equidad** – Talleres sobre temas de diversidad y más con métodos de educación popular.
**Facilitación de Grupos de Enfoque e investigación** – Planificación, reclutamiento y facilitación de grupos de enfoque para la comunidad Latina.
**Ayuda de Idioma** – Ofreciendo interpretación en español y en lenguaje común.
The Dalles Marina Electrical Rebuild Project
Resolved Issues

Problem; Onshore overhead transformer at capacity
Solution; Provided an onshore pad mount transformer with three times the capacity

Problem; Overhead lines on aged wood structures
Solution; Under cover conductors along the docks

Problem; Hazards during high water
Solution; All equipment mounted to the docks rise and lower with the water level

Problem; No availability to provide ground fault protection
Solution; New system and equipment up to current code and provide ground fault protection

Problem; Each finger, up to 21 tenants, was managed under one 200 amp breaker
Solution; Each tenant now has a dedicated 60 amp breaker at the meter pedestal

Problem; Inadequate lighting
Solution; Each meter pedestal is equipped with LED area lighting
The water now carries all the fault current because the grounding conductor is open.
ONSHORE TRANSFORMER WITH MAIN SYSTEM DISCONNECT
ON WATER TRANSFORMERS
METER PEDESTALS
CONDUCTOR RACEWAYS
AFTER
Instrumental to the success of this project

Andria Klass-Port of The Dalles Manager
Angie Wilson-The Dalles Marina Manager
Ed David with Harbor Power
Neal Tilbury with ECI Engineering
Hage Electric
An Anxtream Electric
Highly valued PUD staff and Board
Engineering & Operations Division
Board Update
June, 2019

Pat Morehart
Operations & Engineering Manager
APPA Lineworker Rodeo
Line Work in The District
Risk Tolerance Sensitivity Survey

How much deviation from expectations can you accept?

Please rate on a scale of 1 to 10: 1 Very Low Tolerance, 10 Very High Tolerance

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<td>3</td>
<td>2</td>
<td>1</td>
<td>1</td>
<td>1.7</td>
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Market Purchase for Diversified Load

• NEMS purchase of 4 MW for ARHWM Diversified Load
• Purchase Date: 5/30/2019
• Term: FY 2020
• Price: $30.95 per MWh (Market closed on 5/30 for FY 20 at $31.06 per MWh)
• Notional Value of Energy: $1,087,459.20
• Seller: (to NEMS) TransAlta
Forward Price Curve Indicators:

- NEMS FPC (as of 5-31-2019)

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<td>Cal 23</td>
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- Prebon Update

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<td>$43.21</td>
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Water Supply and Runoff Forecast

The Dalles Dam

Grand Coulee Dam
Approximately two thirds of natural flow at The Dalles Dam is from areas on these maps that are currently below average (yellow and orange) so inflow forecasts remain below normal.
Price Indicators

Q3 Temperature Outlook

Q3 Water Supply Outlook

COLUMBIA - THE DALLES DAM
Forecasts For Water Year 2019

ESP Monthly Water Supply Forecast

<table>
<thead>
<tr>
<th>Forecast Period</th>
<th>90%</th>
<th>50%</th>
<th>% Average</th>
<th>10%</th>
<th>Obs Runoff (2019-06-04)</th>
<th>30 Year Average (1981-2010)</th>
</tr>
</thead>
<tbody>
<tr>
<td>OCT</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>3919</td>
<td>5080</td>
</tr>
<tr>
<td>NOV</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>5181</td>
<td>5612</td>
</tr>
<tr>
<td>DEC</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>4427</td>
<td>5610</td>
</tr>
<tr>
<td>JAN</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>4475</td>
<td>6011</td>
</tr>
<tr>
<td>FEB</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>4081</td>
<td>6392</td>
</tr>
<tr>
<td>MAR</td>
<td></td>
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<td></td>
<td></td>
<td>7230</td>
<td>9110</td>
</tr>
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<td>19052</td>
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<tr>
<td>MAY</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>25344</td>
<td>28354</td>
</tr>
<tr>
<td>JUN</td>
<td>20990</td>
<td>21732</td>
<td>83</td>
<td>22554</td>
<td>3230*</td>
<td>28157</td>
</tr>
<tr>
<td>JUL</td>
<td>8655</td>
<td>9872</td>
<td>68</td>
<td>11552</td>
<td>14536</td>
<td>7877</td>
</tr>
<tr>
<td>AUG</td>
<td>5682</td>
<td>6132</td>
<td>80</td>
<td>6922</td>
<td>7677</td>
<td>5172</td>
</tr>
<tr>
<td>SEP</td>
<td>4316</td>
<td>4628</td>
<td>89</td>
<td>6075</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Mid-C Price Trends (as of 6-03-2019)
Check Scanning Project

06/04/2019

Presented By:
Haley Red Cloud Windsor & Keith Michaels

Special Thanks to Marijane Thompson
Equipment Used

Canon Check Scanner:
Used to scan and endorse checks

Check Jogger:
Used to align checks before scanning them
Software Used

**RemitPlus Express:**
Web-based application used for scanning checks

**RemitPlus OCR Data Processor:**
Software created by NWCPUD to upload check data into UPN
Software Used

utilityPOWERnet (UPN):
Billing and accounting system used by NWCPUD
Advantages and Disadvantages of Check Scanning

**Advantages**
- Much faster processing time
- Images of checks and stubs are retained in the cloud for 3 years
- Retained data is easily searchable within RemitPlus Express
- Checks are automatically endorsed while scanning
- CSRs can devote more time to work with customers as well work on any new projects that they are assigned
- This process will allow NWCPUD to transition to electronic deposit

**Disadvantages**
- Discrepancies between bank check scanner totals and NWCPUD check scanner totals
- RemitPlus Express is unable to identify if a check is unsigned (sometimes missed by CSRs while scanning)
- Manual adjustments must be performed in UPN and RemitPlus Express
RemitPlus Express – Searchable Check Database
Biggest Hurdles

• Finding a way to upload RemitPlus data into UPN
• Simplifying the check endorsement protocol
• Ensuring that checks are not lost or double-posted
Biggest Hurdles – Uploading RemitPlus Data into UPN

Original Method:
Command line interface

Updated Method:
Graphical user interface
Biggest Hurdles – Check Endorsement Protocol

Original Method:

• Hand endorsement of checks by CSRs

Updated Method:

• Checks are automatically endorsed by the check scanner as they are being scanned
• This reduces the number of times the checks need to be handled per day
Biggest Hurdles – Ensure that Checks are not Lost or Double-posted

Original Method:

• Payments are manually processed by CSRs and then sorted for deposit

Updated Method:

• Use bins to sort checks while processing and ensure groups are not handled after being processed
• Transition to electronic deposit so that checks do not have to be delivered to bank (to be implemented)
Check Delivery Method

• Checks are received by:
  1. Office Drop Box
  2. Downtown Drop Box
  3. U.S. Mail

• We have recently started to process checks delivered to the payment counter in RemitPlus Express (data omitted from this report)
Check Delivery Method

(02/05/2019 – 05/24/2019)

<table>
<thead>
<tr>
<th>Delivery Method</th>
<th>Total Checks</th>
<th>Total Payments</th>
<th>Average Payment Per Check</th>
<th>Average Checks Per Business Day</th>
</tr>
</thead>
<tbody>
<tr>
<td>Office Drop Box</td>
<td>247</td>
<td>$38,435.36</td>
<td>$155.61</td>
<td>3.1</td>
</tr>
<tr>
<td>Downtown Drop Box</td>
<td>900</td>
<td>$116,723.79</td>
<td>$129.69</td>
<td>11.4</td>
</tr>
<tr>
<td>U.S. Mail</td>
<td>1854</td>
<td>$503,287.81</td>
<td>$271.46</td>
<td>23.5</td>
</tr>
</tbody>
</table>

![Graph showing the number of checks and total payments for each delivery method.](image)
Processing Checks

• Checks are processed in groups (by delivery method)
• U.S. mail is the most time consuming to process since it is the most used delivery method
• Checks are scanned into RemitPlus Express, a cloud-based service
• Extracted check data is uploaded to UPN via custom software created by NWCPUD
Processing Checks – Time Spent on Office Drop Box

Average Time: 14 Minutes

Short Staffed on 5/2
Processing Checks – Time Spent on Downtown Drop Box

Average Time: 27 Minutes
Processing Checks – Time Spent on U.S. Mail

Average Time: 1 Hour and 13 Minutes

- Heavy Mail on 3/11
- Heavy Mail on 3/25
- Short Staffed and Heavy Mail on 4/22

Date: 2/5/2019 to 5/21/2019

- Total Time
- Average Time
Processing Checks – Time Spent on All Checks

Average Time: 1 Hour and 48 Minutes
## Time Savings

<table>
<thead>
<tr>
<th>Man-Hours</th>
<th>Manual Entry</th>
<th>Check Scanning Process</th>
<th>Difference</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>5 hours 9 minutes</td>
<td>1 hour 49 minutes</td>
<td>3 hours 20 minutes</td>
</tr>
</tbody>
</table>

- 3 hours and 20 minutes saved per day
- About 173 labor-hours saved per year
Corrections Made Before Deposit
(03/18/2019 – 05/24/2019)

Total: 11 Corrections
Errors Discovered After Deposit

(02/05/2019 – 05/24/2019)

Total: 21 Errors

- 7 Lost Checks on 2/22

Total Errors

Date

CARLAR Mismatch | Wrong Amount | Unsigned | Bank Lost Check | CSR Lost Check

Total Number of Corrections & Errors
(02/05/2019 – 05/24/2019)

Total: 32 Corrections & Errors

Average Corrections & Errors Per Business Day: 0.41

- 7 Lost Checks on 2/22
## Total Number of Corrections & Errors

(02/05/2019 – 05/24/2019)

<table>
<thead>
<tr>
<th></th>
<th>Total Items</th>
<th>Percentage of Checks Processed (3001 Checks)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Corrections</td>
<td>11</td>
<td>0.37%</td>
</tr>
<tr>
<td>Errors</td>
<td>21</td>
<td>0.70%</td>
</tr>
</tbody>
</table>

- The finance department was able to reduce the number of items containing errors by 0.37% before depositing checks
- Errors make up 0.70% of total checks processed
Conclusions

• The check scanning project has successfully reduced the number of labor-hour required to process checks by 3 hours and 20 minutes per day.
• CSRs now have uninterrupted time to process checks each day.
• CSRs now have more time available for daily tasks and other projects
• Processed checks are easily located in the RemitPlus Express search tool
• Processing error is only 0.7%

• We will transition to electronic deposit in the near future
• We will work with our bank to resolve check discrepancies
Journeyman Lineman

PG&E has been providing energy to central and northern California for over a century, and we’re just getting started. If you want to help create the future, explore our opportunities.

$60.02-$63.02 per hour + OVERTIME!

We currently have positions available within our California service territory Bay Area & Non-Bay Area for our Transmission and Distribution Operations

Journeyman Lineman (Division & GC) — Troubleman — Compliance Inspectors

Included in Offer

Benefits Package *(One of the best in the industry!)*: Medical, Dental, Vision
401K & Cash Balance Pension
Sign-on bonus (ranges from $5K-$30K)
*Relocation package
31 days of corporate housing
4 weeks of paid training
Internal Referral bonus program ($1,500 per referral-unlimited)

*Relocation package must meet minimum distance qualification of 50 miles.

Theresa Or Adam - Lineman Recruiter, PG&E
Cell: 925-348-6004
linemancareers@pge.com

Visit our Lineman webpage!
www.pgelineman.com

Together, Building a Better California
NORTHERN WASCO COUNTY PUD
PROPOSED FINANCIAL POLICY

JUNE 4, 2019
FINANCIAL POLICY OBJECTIVE:

TO PROMOTE THE FINANCIAL HEALTH AND STABILITY OF THE DISTRICT AND PROTECT RATE-PAYER ASSETS THROUGH CLEAR GUIDANCE, FISCAL ACCOUNTABILITY, LEGAL AND REGULATORY COMPLIANCE, REPORTING TRANSPARENCY, AND CONSISTENT RISK MANAGEMENT.
NORTHERN WASCO COUNTY PUD
PROPOSED FINANCIAL POLICY

Current Policies to be included in the Financial Policy:

Investment Policy and Portfolio Guidelines

Reserve/Rate Stabilization Policy

Per Diem Policy

Purchasing Card Policy
Policies to be added in the Financial Policy:

- Rate Sufficiency Policy
- Retirement Benefits Funding Policy
- Cost Management Policy
- Budget Policy
- Debt Policy
- Billing and Collections Policy
- Accounting Practices Policy
- Financial Controls Policy
- Capitalization Policy
Questions
NORTHERN WASCO COUNTY PUD
NEW BORROWING

JUNE 4, 2019
NORTHERN WASCO COUNTY PUD
NEW BORROWING

Electric LTFP - Projected Debt Service Ratio and Reserves & Cash (5/30/19)

- Reserves & Cash
- Minimum DSC Target
- Debt Service Coverage Ratio (DSC)

Assumes: 1. No future Diversified rate changes. 2. No future NLSL load growth for Primary customers beyond 2021. 3. Borrow $6M @ 2.75% in July 19 and $4M @ 4% in Jan 21.
### Capital Projections

<table>
<thead>
<tr>
<th>Year</th>
<th>CIAC-Funded Capital</th>
<th>Rate-Funded Capital</th>
<th>Total Capital Expense</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019</td>
<td>$242,050</td>
<td>$7,573,200</td>
<td>$7,815,250</td>
</tr>
<tr>
<td>2020</td>
<td>$519,312</td>
<td>$6,268,189</td>
<td>$6,787,501</td>
</tr>
<tr>
<td>2021</td>
<td>$631,791</td>
<td>$5,872,873</td>
<td>$6,504,664</td>
</tr>
<tr>
<td>2022</td>
<td>$264,495</td>
<td>$1,830,757</td>
<td>$2,095,251</td>
</tr>
<tr>
<td>2023</td>
<td>$272,429</td>
<td>$1,522,848</td>
<td>$1,795,277</td>
</tr>
<tr>
<td>2024</td>
<td>$280,602</td>
<td>$2,555,151</td>
<td>$2,835,753</td>
</tr>
<tr>
<td>2025</td>
<td>$289,020</td>
<td>$2,332,674</td>
<td>$2,621,694</td>
</tr>
<tr>
<td>2026</td>
<td>$297,691</td>
<td>$565,422</td>
<td>$863,113</td>
</tr>
<tr>
<td>2027</td>
<td>$306,622</td>
<td>$2,065,002</td>
<td>$2,371,624</td>
</tr>
<tr>
<td>2028</td>
<td>$315,820</td>
<td>$3,616,622</td>
<td>$3,932,443</td>
</tr>
<tr>
<td>2029</td>
<td>$3,419,832</td>
<td>$34,202,737</td>
<td>$37,622,569</td>
</tr>
</tbody>
</table>

### Expenditure by Type

<table>
<thead>
<tr>
<th>Expenditure by Type</th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
<th>2022</th>
<th>2023</th>
<th>2024</th>
<th>2025</th>
<th>2026</th>
<th>2027</th>
<th>2028</th>
<th>10-Year Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rate-Funded Capital</td>
<td>$7,573,200</td>
<td>$6,268,189</td>
<td>$5,872,873</td>
<td>$1,830,757</td>
<td>$1,522,848</td>
<td>$2,555,151</td>
<td>$2,332,674</td>
<td>$565,422</td>
<td>$2,065,002</td>
<td>$3,616,622</td>
<td>$34,202,737</td>
</tr>
<tr>
<td>Total Capital Expense</td>
<td>$7,815,250</td>
<td>$6,787,501</td>
<td>$6,504,664</td>
<td>$2,095,251</td>
<td>$1,795,277</td>
<td>$2,835,753</td>
<td>$2,621,694</td>
<td>$863,113</td>
<td>$2,371,624</td>
<td>$3,932,443</td>
<td>$37,622,569</td>
</tr>
</tbody>
</table>

**NOTE:** This does not include large Primary customer funded construction.
Borrowing Terms and Conditions Summary

- **Creditor:** Cashmere Valley Bank
- **Amount:** Not to exceed $10,000,000 in up to three draws in a three year period
- **Tax Status:** Tax Exempt
- **Interest Rate:**
  - 2.75% on the first five years of the first draw
  - 3.05% on the second five years of the first draw
  - Subsequent draws based on interest rates at that time
- **Prepayment:** No prepayment penalty with 10 days advanced notice
- **Fees:** $500 at first draw
Questions