

**MINUTES OF THE REGULAR MEETING OF THE
BOARD OF DIRECTORS OF COLUMBIA BASIN HYDROPOWER**

January 28, 2020

Ephrata, Washington

The regular meeting of the Board of Directors of Columbia Basin Hydropower (CBHP) was called to order by Vice-President LaPlant at 9:00 AM on January 28, 2020. Those in attendance were:

Directors

Duaine Anderson, ECBID
Mike LaPlant, QCBID
Phil Stadelman, QCBID
Ko Weyns, QCBID
Richard Conrad, SCBID
J.J. Danz, SCBID
Charles Lyall, SCBID

Staff

Darvin Fales, Secretary-Manager
Anna Franz, Attorney
Tim Culbertson, Project Development Manager
Larry Thomas, Asst. Manager/Hydro Supervisor
Jacob Taylor, Treasurer
Robert Stoaks, Electrical Engineer
Derek Wolf, Mechanical Engineer
Betty Craig, Technical Information Administrator
Stacey Bresee, Administrative Services Coord.

Others

Kelly Larimer, Kleinschmidt
Larry Stone, Bostonia Partners
Lloyd Reed, Reed Consulting

Others, continued

Kevin Lyle, ECBID
Craig Simpson, ECBID
Douglas Cramer, QCBID
Steve Omlin, QCBID
John Rylaarsdam, QCBID
Norman Semanko, QCBID
Roger Sonnichsen, QCBID
Bill Stevens, QCBID
Larry Martin, SCBID
John O'Callaghan, SCBID
Dave Solem, SCBID (call-in)
Michael Hill, TP
Clark Bishop, USBR (call-in)
Marc Maynard, USBR
Amy Rodman, USBR
Florence Webster, USBR
James Gall, Avista
Kevin Holland, Avista
Tom Grim, Cable Huston
Garrison Marr, Snohomish
PUD (call-in)

CONSIDERATION OF MEETING MINUTES

On motion by Duaine Anderson, seconded by J.J. Danz, which motion passed unanimously, the minutes of the December 17, 2019 meeting was approved as distributed.

2020 CBHP BOARD

District Appointees to Board:

The respective District appointees to the CBHP Board as received by the three Districts are as follows:

EAST DISTRICT: Duaine Anderson, Reid Baker, Dennis Mickelsen (alternate), and Bernard Erickson (alternate)

QUINCY DISTRICT: Mike LaPlant, Phil Stadelman, John Rylaarsdam (alternate), and Ko Weyns (alternate)

SOUTH DISTRICT: Bryan Alford, Richard Conrad, J.J. Danz (alternate), and Charles Lyall (alternate)

Committee Appointments:

The Committee appointments remain the same as 2019 except for Reid Baker replacing Denny Mickelsen on the Hydro Development Committee. No approval was needed.

ORGANIZATION OF BOARD

Election of Officers:

On motion by Richard Conrad, seconded by Phil Stadelman, which motion passed unanimously, the election of Bryan Alford for President and Mike LaPlant for Vice-President was approved.

On motion by Phil Stadelman, seconded by Richard Conrad, which motion passed unanimously, the appointment of Darvin Fales as Secretary-Manager and Jacob Taylor as Treasurer was approved.

Issuance of Oaths of Office:

An Oath of Office was issued to each appointed Board Member and Officer in attendance.

PROJECT DEVELOPMENT WORKSHOP

Culbertson and Fales began the Project Development Workshop at 9:10 AM. The Workshop continued until 1:45 PM with presentations and discussion. Presenters were James Gall and Kevin Holland of Avista, Lloyd Reed of Reed Consulting, Florence Webster of USBR, and Larry Stone of Bostonia Partners.

Vice President LaPlant left the Board meeting. Phil Stadelman chaired the remaining meeting. Ko Weyns (alternate) replaced LaPlant.

On motion by J.J. Danz, seconded by Duaine Anderson, to approve all work orders under Task Order No. 18 for Banks Lake Pumped Storage Project – Project Marketing and Due Diligence, Geophysical Investigation, Regulatory & Permitting, Modeling – Phase III, and Transmission Routing & Costing.

An amendment to the motion was made by Phil Stadelman, seconded by Duaine Anderson, for Task Order No. 18, Work Order No. 2, for Banks Lake Pumped Storage Project – Project Marketing and Due Diligence, Geophysical Investigation, Regulatory &

Permitting, Modeling – Phase III, and Transmission Routing & Costing was approved. The amended motion was approved subject to District approvals.

On motion by Phil Stadelman, seconded by Duaine Anderson, to provide additional funds to CBHP for Project Development of \$100,000 from each District was approved.

ACKNOWLEDGEMENT, REVIEW AND/OR APPROPRIATE CONSIDERATION OF THE FOLLOWING:

Resolutions:

On motion by Richard Conrad, seconded by Ko Weyns, which motion passed unanimously, Resolution 2020-01 of CBHP Adopting 2020 Budget for Project Reserved Works Activities was approved. A copy of said resolution is hereby incorporated by reference.

On motion by Duaine Anderson, seconded by Richard Conrad, which motion passed unanimously, Resolution 2020-02 of CBHP Adopting 2020 Budget for Quincy Chute & P.E.C. Headworks Power Plants was approved. A copy of said resolution is hereby incorporated by reference.

Task Order Approvals:

On motion by Ko Weyns, seconded by Richard Conrad, which motion passed unanimously, Task Order No. 7, Rev. 1 to supersede approved Task Order No. 7 for continued technical support of new relays, PLC's, networks, and subsystems for all CBHP plants (H2E) was approved.

On motion by Ko Weyns, seconded by J.J. Danz, which motion passed unanimously, Task Order No. 19 – Main Canal Headworks Project Support (Kleinschmidt) was approved.

On motion by Ko Weyns, seconded by J.J. Danz, which motion passed unanimously, the Interlocal Agreement for Human Resources Services between QCBID and CBHP was approved.

Travel Authorizations:

On motion by Ko Weyns, seconded by Duaine Anderson, which motion passed unanimously, authorization of attendance and payment of reasonable expenses for travel, lodging and meals for the following was approved:

- (1) Doble Conference, March 8-13, 2020, Boston, MA, Registration \$0 – R. Stoaks
- (2) NWPPA Administrative Professionals Conference, May 6-7, 2020, Richland, WA, Registration \$1185 – S. Bresee
- (3) TST 103: SEL Feeder Relay Testing, July 14-16, 2020, Charlotte, NC, Registration \$1500 – T. Ogle and B. Skidmore

TREASURER'S REPORT

Financial Reports:

The December 31, 2019 Balance Sheet (unaudited) and the December 31, 2019 All Power Plants Income Statement (unaudited) were included in the Board packets for review.

Approval of Voucher:

The Current Expense Voucher (O&M) was presented at the meeting for consideration. Check numbering is as follows:

Current Expense Voucher (O&M): \$634,901.45
Check Numbers: 18949-19035

On motion by Ko Weyns, seconded by Richard Conrad, which motion passed unanimously, the Current Expense Voucher (O&M) dated December 31, 2019 in the amount of \$634,901.45 was approved.

Deposit Report – Fourth Quarter 2019:

The Fourth Quarter 2019 Deposit Report (unaudited) was included in the Board packets for review.

Short Term Disability Insurance – Self-Insured

On motion by Duaine Anderson, seconded by Richard Conrad, which motion passed unanimously, hydro craftworkers will be added to the self-insured Short Term Disability funds.

STAFF ACTIVITY REPORT

Larry Thomas presented the Staff Activity Report for period of December 10, 2019 to January 21, 2020 that was included in the Board packets for review and comments.

PROJECT DEVELOPMENT

Jacob Taylor distributed and reviewed the Monthly Summarized Project Development Expense Reports for December 2019.

On motion by Duaine Anderson, seconded by Ko Weyns, which motion passed, CBHP to apply for LOPP for the Banks Lake Project was approved with Richard Conrad opposing the motion.

On motion by Duaine Anderson, seconded by Ko Weyns, which motion passed unanimously, the revised Bostonia Letter of Agreement and the MOA was approved subject to District approvals.

On motion by Richard Conrad, seconded by Ko Weyns, which motion passed unanimously, to the Amendment to Project Development Manager Employment Agreement for Tim Culbertson was approved.

Authorization to solicit RFP's for Small Hydropower sites

On motion by Charles Lyall, seconded by Ko Weyns, which motion passed unanimously, to start the process of issuing a new RFP for small hydropower sites was approved.

OTHER BUSINESS

Columbia River Treaty – Fales gave a brief update.

USBR – nothing to report.

Cities – nothing to report.

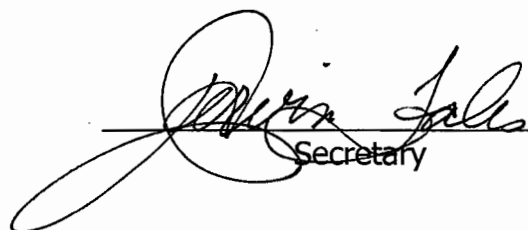
Districts – nothing to report.

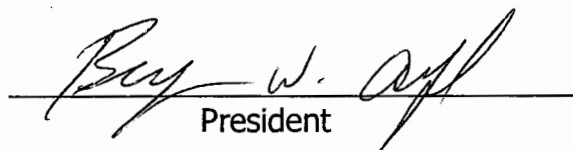
DATE OF NEXT BOARD MEETING – FEBRUARY 25, 2020

Fales requested a Personnel Committee Meeting to be held before the Board Meeting on February 25, 2020, at 8:30 AM.

ADJOURNMENT

There being no further business to come before the Board, Phil Stadelman adjourned the meeting at 2:30 PM.


Secretary


President