

MINUTES OF THE REGULAR MEETING OF THE
BOARD OF DIRECTORS OF THE COLUMBIA BASIN HYDROPOWER
EPHRATA, WASHINGTON FEBRUARY 20, 2018

President Alford called the regular meeting of the Columbia Basin Hydropower to order at 9:30 AM.

<u>CBHP Directors</u>	<u>Other CBHP Directors Attending</u>	<u>Others Attending</u>
SCBID – Bryan Alford	ECBID – Duaine Anderson (Alt)	Dave Solem, SCBID
ECBID – Dennis Mickelsen	QCBID - John Rylaarsdam (Alt)	
QCBID – Phil Stadelman	ECBID - Bernard Erickson (Alt)	
QCBID – Ko Weyns (Alt)		
ECBID – Boe Clausen		
SCBID - J.J. Danz (Alt)		

Staff

Tim Culbertson, Secretary-Manager
Richard Lemargie, Attorney
Jacob Taylor, Treasurer
Judy Runge, Administrative Assistant
Betty Craig, Technical Information Administrator
Larry Thomas, Assistant Manager/Hydro Supervisor
Robert Stoaks, Engineer
Stacey Bresee, Data Management Technician
Noel Yingling, Hydro Craftworker/Mechanic

INTRODUCTION

Manager Culbertson introduced our employee Noel Yingling, Hydro Craftworker/Mechanic who will be attending the meeting.

CONSIDERATION OF MEETING MINUTES

Boe Clausen moved that the minutes of the January 23, 2018 meeting be approved as distributed. Phil Stadelman seconded the motion. Motion passed.

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

Request for Bids – Main Canal Storage Building

The 2018 O&M Budget allowed for the construction of a storage building at Main Canal Power Plant.

Phil Stadelman moved to advertise invitation to bid for the storage building to be located at Main Canal Power Plant. Boe Clausen seconded the motion. Motion passed.

Travel Authorizations:

Ko Weyns moved to authorize attendance and payment of reasonable expenses for travel, lodging and meals for the following:

- (1) WFOA Budget Development and Leadership Skills to Lead for Entity, March 20, 2018, Federal Way, WA – Reg. \$125 – Jacob Taylor

(2) NWPPA Leadership Skills #4 – HR Basics and Building a More Effective Workplace,
April 25&26, 2018, Bend, OR, Reg. \$1,590 – Betty Craig

Dennis Mickelsen seconded the motion. Motion passed.

Vehicle Purchase Proposal

Larry Thomas proposed the purchase of two vehicles under the Washington State Contract that were included in the 2018 budget.

Dennis Mickelsen moved to purchase a 2018 Ford F350 Crew Cab 4x4 Cab & Chassis with Service Body in the amount of \$43,238.00 plus Washington State sales tax, license and processing fees and a 2018 RAM 1500 ST Quad Cab 4x4 Pickup in the amount of \$26,170.00 plus Washington State sales tax, license and processing fees under the Washington State Vehicle Purchase Contract No. 05916. Boe Clausen seconded the motion. Motion passed.

Proposed Task Order No. 12 – Main Canal Dam Safety Inspection Report Supplement Contract 12356-08-14 and Supplemental Agreement No. 1.

Larry Thomas presented Task Order No. 12 for the Board's consideration. Kleinschmidt Associates will perform tasks to address FERC's comments under the FERC Part 12D Safety Inspection Report Supplement and shall develop a cost estimate to perform additional studies and analysis as may be required to address FERC's comments.

Boe Clausen moved to approve Task Order No. 12 in the amount not to exceed \$5,000.00. Ko Weyns seconded the motion. Motion passed.

TREASURER'S REPORT

Financial Reports

The January 31, 2018 Balance Sheet (unaudited) and 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) – \$601,527.46
Check Numbers: 16731-16829

On motion by Ko Weyns, seconded by Dennis Mickelsen, which motion passed unanimously, the Current Expense Voucher (O&M) dated February 20, 2018 in the amount of \$601,527.46 was approved.

STAFF AND OTHER REPORTS

The following written activity reports, attached and incorporated by reference, were made available for review and comments:

Field O&M Activities (Larry Thomas)
Engineering (Bob Stoaks)
Engineering (Derek Wolf)

Technical Information (Betty Craig)

OTHER POWER BUSINESS

Project Development

Manager Culbertson provided a brief review of the Project Development committee meeting that was held on February 9, 2018.

Treasurer Taylor provided and reviewed with Board members a Project Development Expense Report for the month of January 2018

Columbia River Treaty

Manager Culbertson reported on the last Power Group meeting held on February 15, 2018 at SeaTac. The most significant item to report was regarding a significant change to the Army Corps of Engineers position regarding the Treaty. There will be more information to report after the next Power Group meeting to be held in March.

USBR - No report

Cities - No report

Districts - No report

DATE OF NEXT BOARD MEETING

President Alford announced that the next CBHP Board Meeting will be March 27, 2018.

RECESS

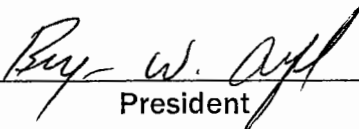
President Alford called for a ten minute recess.

EXECUTIVE SESSION

At 10:45 AM President Alford called for a 30-minute executive session to discuss potential litigation with Grant County PUD regarding Quincy Chute penstock recoating.

RECONVENE AND ADJOURNMENT

There being no further business to come before the Board President Alford adjourned the meeting at 11:15 AM.



President



Secretary

COLUMBIA BASIN HYDROPOWER
Activity Report

For period January 13, 2018 to February 8, 2018
Reported by: Larry Thomas Function: Field O&M Activities

All Plants

- . Electrical power factor testing was completed.

Russell D. Smith Power Plant

- . Installation of new exciter equipment was completed. Commissioning will take place when sufficient water is available to rotate the unit.
- . The canal level probe and well were relocated from the intake area to the check structure.

P.E.C. 66.0 Power Plant

- . Routine equipment inspection and maintenance performed.

E.B.C. 4.6 Power Plant

- . Shaft seal water drainage piping modifications were completed.

Main Canal Power Plant

- . Waterside turbine maintenance was started.

Summer Falls Power Plant

- . Unit 162 oil head mechanical seal repair continued.
- . Governor air compressor unloader valve rebuild completed.
- . Turbine cavitation repair continued.
- . Summer Falls to Stratford transmission line pole replacement was completed.
- . The clean water sump pump check valves were replaced.

Columbia Basin Hydropower

Activities Report for the period of Jan 15th, 2018, through Feb 9th, 2018.

Derek Wolf, PE Mechanical Engineer

General:

- Directing the mechanical off-season maintenance work.
- Coordination with Grant PUD on FERC maintenance requests at the PEC Headworks.
- FERC Part 12 follow-up on additional seismic analysis requirements.
- Performing cost calculations for potential alternative labor expenses.

Main Canal Power Plant:

- Lube oil and governor hydraulic oil purification in process.
- Continuing contract development for the new steel storage building.
- Emergency generator radiator repaired.
- Planning modifications to the oil purification piping system.
- Turbine water passage inspection.

Summer Falls Power Plant:

- U161 and U162 turbine hub oil purification completed.
- U161 and U162 Penstock concrete spalling repair is completed.
- U162 oil head mechanical seal repair in process.
- U162 draft tube crack mapping.
- Clean water sump valve packing replacement completed on U162.
- GSU Transformer fall protection near completion.
- Began preparations/planning for the Howell Bunger valve hydraulic actuator repairs next off-season on U161 and U162.
- Addressing ventilation requirements when using gas-powered equipment in confined spaces.
- Oil/water separator coagulation pack cleanout.
- Clean water sump pump check valves replacement.

Russell D. Smith Power Plant:

- The stilling well for upstream water elevation monitoring has been relocated to a more reliable position.

Columbia Basin Hydropower

Activity Report

For Period: January 11, 2018 through February 12, 2018

Reported by: Robert Stoaks P.E. Function: Engineering

- 1) Avista completed work on the 115kV Summer Falls line rebuild. Contractor will return to clean up road after the area dries out.
- 2) Performing study to increase efficiency and output of Main Canal and Summer Falls. Gathering information from vendors on efficiency upgrades and costs.
- 3) EBC 4.6 transformer tested for high gasses (Methane, Ethane, and Ethylene) which indicates an internal hot spot possibly from a loose connection or overheating of tap changer. Quotation for tap changer work was \$25,000. New replacement transformer quote was \$75,000. Decision to repair tap changer in-house by cleaning connections, drying oil, testing oil using Karl Fisher, and dielectric tests for moisture. We will re-energize transformer and monitor during next season.
- 4) Purchased replacement package to remove analog electronics on the RDS exciter and install a Basler DECS-400. Delivered on 9/25. Installation completed by electrical crew. Final commissioning when we have water to spin the unit.
- 5) SCADA/PLC/Relay replacement for all plants: H2E is working on design.
- 6) Calisto2 transformer oil monitors from Morgan Schaffer were delivered 10/3. Proceeding with installation.
- 7) Assisting operators with purchase of new 17kW generator for the Smith plant.
- 8) Calculated setting requirements to meet NERC PRC-025-1 load dependent relays. Coordinating changes with Avista.
- 9) Researching how to heat the governor hydraulic oil to lower the viscosity to less than 54cSt. Contacted experts and vendors.
- 10) Coordinating the proper response of the Main Canal generator to a system event with Avista.
- 11) Design of wireless controller for bridge crane in Main Canal shop.
- 12) Reviewing maintenance practices and making recommendations for improvement.

COLUMBIA BASIN HYDROPOWER

Activity Report

For Period: January 14 through February 10, 2018Reported by: Betty Craig Function: Technical Information Dept.CMMS:

- CASCADE data entry is up to date.
- Project to add all PRC-005 related equipment to CASCADE is ongoing.

NERC/WECC COMPLIANCE:

- Reviewed NERC & WECC websites for any upcoming deadlines or revisions to existing standards.
- Annual review of compliance evidence is complete.
- Reviewed NERC training materials for 2018.

NETWORKING & COMPUTERS:

- Routine security, maintenance, and verification of nightly backups.
- Assisted users with miscellaneous hardware and software issues.
- Preparing for beta testing of J5 logbook software continues.
- New network server has been installed and is being prepared for change over.

HYDRO PROJECT DEVELOPMENT:

- Work continues on project development binders and network folder organization.
- Created Google map of existing projects.
- Edited and uploaded 9th 6-month progress report for P-14329.

OTHER:

- Scanned and created .pdf files for CBHP staff.
- Continuing to support the Treasurer.
- Website updates.
- Notarized oath of office forms.
- Completed annual EIA-860 Electric Generator Report for Dept. of Energy
- Completed annual EIA-923A Annual Power Plant Operations Survey for DOE