

MINUTES OF THE REGULAR MEETING OF THE  
BOARD OF DIRECTORS OF THE COLUMBIA BASIN HYDROPOWER  
EPHRATA, WASHINGTON JANUARY 23, 2018

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

CBHP Directors

SCBID – Bryan Alford  
ECBID – Dennis Mickelsen  
SCBID - Richard Conrad  
QCBID – Mike LaPlant  
QCBID – Phil Stadelman  
ECBID – Boe Clausen

Other CBHP Directors Attending

SCBID – J.J. Danz (Alt)  
SCBID – Charles Lyall (Alt)  
ECBID - Duaine Anderson (Alt)

Others Attending

Darvin Fales, QCBID  
Bill Dickens, Tacoma Power  
Craig Simpson, ECBID  
Tony Walsh, SCBID  
Dave Solem, SCBID  
Richard Smith, USBR

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  
Bob Stoaks, Engineer  
Stacey Bresee, Data Management Technician

CONSIDERATION OF MEETING MINUTES

Richard Conrad moved that the minutes of the December 19, 2017 meeting be approved as distributed. Boe Clausen seconded the motion. Motion passed.

2018 CBHP BOARD

District Appointees to Board

The respective District appointees to the Columbia Basin Hydropower Board are as follows:

EAST DISTRICT	QUINCY DISTRICT	SOUTH DISTRICT
Boe Clausen	Mike LaPlant	Bryan Alford
Dennis Mickelsen	Phil Stadelman	Richard Conrad
Duaine Anderson (Alt)	John Rylaarsdam (Alt)	J.J. Danz (Alt)
Bernard Erickson (Alt)	Ko Weyns (Alt)	Charles Lyall (Alt)

Issuance of Oaths of Office to Board Members

An Oath of Office was issued to each appointed Board member and alternate in attendance.

ORGANIZATION OF BOARD

Election of Officers

Acting Chairperson Culbertson conducted the election of President. Mike LaPlant nominated Bryan Alford for President and moved that nominations cease and that the

Secretary be instructed to cast a unanimous ballot for Bryan Alford for President. Boe Clausen seconded the motion. Motion passed. 083

President Alford conducted the election of Vice President. Phil Stadelman nominated Mike LaPlant for Vice President and moved that nominations cease and that the Secretary be instructed to cast a unanimous ballot for Mike LaPlant for Vice President. Boe Clausen seconded the motion. Motion passed.

#### Appointment of Officers

##### Secretary-Manager Treasurer

Mike LaPlant moved to appoint Tim Culbertson as Secretary-Manager and Jacob Taylor as Treasurer. Boe Clausen seconded the motion. Motion passed.

#### Issuance of Oaths of Office to Officers

An Oath of Office was issued to each Officer.

#### 2017 Committee Appointments

President Alford appointed the following members to serve on respective committees for 2018.

#### Budget and Finance

The appointments to the 2018 Budget and Finance Committee are as follows:

Dennis Mickelsen, Phil Stadelman, Bryan Alford, Bill Dickens, Stefanie Johnson, Richard Lemargie, Tim Culbertson, Jacob Taylor

#### Personnel

The 2018 Personnel Committee appointments are as follows:

Boe Clausen, Mike LaPlant, Richard Conrad, Bill Dickens, Stefanie Johnson, Richard Lemargie, Tim Culbertson

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

#### Recommendation from the Personnel Committee

The Personnel Committee met at 9:00 AM on January 23, 2018 to discuss the performance of the Secretary-Manager.

Richard Conrad moved to approve adjusting the Secretary-Manager's annual salary from \$210,000 to \$240,000 effective January 28, 2018 for Tim Culbertson. Mike LaPlant seconded the motion. Motion passed.

084 Resolution 2018-01

President Alford presented for consideration by Board members the following entitled resolution: "Resolution No. 2018-01 of the Columbia Basin Hydropower Adopting 2018 Budget for Project Reserved Works Activities".

Richard Conrad moved to adopt Resolution 2018-01 subject to the approval of the East, Quincy and South Columbia Basin irrigation districts and subject to allocation of costs in accordance with the Reserved Works formula percentages. Boe Clausen seconded the motion. Motion passed. *A copy of said resolution is attached hereto and incorporated by reference.*

Resolution 2018-02

President Alford presented for consideration by Board members the following entitled resolution: "Resolution 2018-02 of Columbia Basin Hydropower Adopting 2018 Budget for Quincy Chute and PEC Headworks Power Plants".

Mike LaPlant moved to adopt Resolution 2018-02 subject to the approval of the East, Quincy and South Columbia Basin irrigation districts and subject to allocation of costs in accordance with the Reserved Works Formula percentages. Boe Clausen seconded the motion. Motion passed. *A copy of said resolution is attached hereto and incorporated by reference.*

Resolution 2018-03

Resolution 2018-03 was presented for consideration the following entitled resolution: "Resolution 2018-03 of Columbia Basin Hydropower (CBHP) Declaring Miscellaneous Equipment Surplus to the Needs of CBHP."

Richard Conrad moved to adopt Resolution 2018-03. Boe Clausen seconded the motion. Motion passed. *A copy of said resolution is attached hereto and incorporated by reference.*

Doble Client Service and Equipment Agreement Extension

Engineer Stoaks presented to the Board a proposal to extend the 2012 Doble Client Service and Equipment Agreement – Amendment No. 4 for one year (February 27, 2018 to February 27, 2019) with an adjustment in annual rates as follows:

Consulting Engineering Services	\$13,000.00
Protection Test Software Maintenance	3,000.00
Doble Test Assistant for M4100	<u>2,390.00</u>
	\$18,390.00

Boe Clausen moved to extend the Doble Client Service and Equipment Agreement – Amendment No. 4 from February 27, 2018 to February 27, 2019 with adjustment in annual rates in the amount of \$18,390.00. Phil Stadelman seconded the motion. Motion passed.

Travel Authorizations:

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

- (1) 85<sup>th</sup> International Conference of Doble Clients, April 8-13, Boston, Massachusetts, Registration fee -0- – Bob Stoaks

- 085
- (2) SEL University: Protection 405, Industrial Power System Protection, April 17-20, 2018, Duluth, Minnesota, Registration fee \$2,300 – Bob Stoaks
  - (3) SEL University: Protection 409: Generation System Protection, May 8-10, 2018, Billings, Montana, Registration fee \$1,725 – Bob Stoaks
  - (4) NWRA Federal Water Issues Conference, April 9-11, 2018, Washington, DC, Registration fee \$600 – Tim Culberson

Mike LaPlant seconded the motion. Motion passed.

#### Amended 2018 O&M Budget

Treasurer Taylor presented the Board with an amended 2018 O&M Budget. Mr. Taylor explained that at the December 19, 2017 Board meeting, the Board approved an increase in the estimated project costs for the Summer Falls line pole replacement.

Mr. Taylor further explained that an amendment to the 2018 O&M Budget was needed to cover the additional costs of the Summer Falls line pole replacement.

Boe Clausen moved to approve amending the 2018 O&M Budget by an additional \$270,000 to cover additional costs related to the Summer Falls line pole replacement. Phil Stadelman seconded the motion. Motion passed.

#### TREASURER'S REPORT

##### Financial Reports

The December 31, 2017 Balance Sheet (unaudited) , All Power Plants Income Statement (unaudited) and 4<sup>th</sup> Quarter O&M Deposits 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) - \$580,820.72  
Check Numbers: 16609-16730

On motion by Boe Clausen, seconded by Dennis Mickelsen, which motion passed unanimously, the Current Expense Voucher (O&M) dated January 23, 2018 in the amount of \$580,820.72 was approved.

#### STAFF AND OTHER REPORTS

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

##### Owner's Dam Safety Program Annual Report – Main Canal Power Plant

Larry Thomas reviewed the Owner's Dam Safety Program Annual Report for Main Canal Power Plant. The report is attached and incorporated by reference.

Field O&M Activities (Larry Thomas)  
Engineering (Bob Stoaks)  
Engineering (Derek Wolf)  
Technical Information (Betty Craig)

Project Development

Project Development Fund Status

Treasurer Taylor provided the Board with the Project Development Fund status and recommendation for funding through April 30, 2018.

Boe Clausen moved to approve an additional \$330,000 for Project Development activities through April 30, 2018 subject to the three irrigation districts approval of \$110,000 each. Richard Conrad seconded the motion. Motion passed.

Columbia River Treaty

Mike LaPlant moved Tim Culbertson's participation in the CRT Power Group and that payment in the amount of \$3,000 be shared equally among the three Districts for work by Van Ness Feldman for the CRT Power Group subject to the approval of the three irrigation districts. Richard Conrad seconded the motion. Motion passed.

USBR - No report

Cities - No report

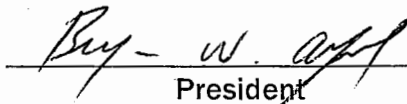
Districts - No report

DATE OF NEXT BOARD MEETING

Mike LaPlant moved that the scheduled CBHP Board Meeting on February 27, 2018 be changed to February 20, 2017. Boe Clausen seconded the motion. Motion passed.

ADJOURNMENT

There being no further business to come before the Board President Alford adjourned the meeting at 10:45 AM.

  
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President

  
\_\_\_\_\_  
Secretary

087

RESOLUTION NO. 2018-01  
OF COLUMBIA BASIN HYDROPOWER  
ADOPTING 2018 BUDGET FOR PROJECT RESERVED WORKS ACTIVITIES

WHEREAS, the East, Quincy and South Columbia Basin irrigation districts are jointly responsible for the payment of certain of the costs of operating and maintaining the Project Reserved Works, all as set forth in the Districts' respective Repayment Contracts with the United States of America dated December 18, 1968; and

WHEREAS, by Agreement executed by the said Districts and Columbia Basin Hydropower (CBHP), the said Districts transferred to CBHP the responsibility of performing certain functions of the Districts related to the operation and maintenance of the Project Reserved Works; and

WHEREAS, it is advisable for CBHP to adopt a budget setting forth the estimated costs pertaining to the functions of the Project Reserved Works to be performed by CBHP on behalf of the East, South and Quincy-Columbia Basin irrigation districts for presentation to the said Districts for their review and approval;

NOW, THEREFORE, BE IT HEREBY RESOLVED as follows:

That the proposed 2018 budget estimates for the Project Reserved Works Activities be performed by CBHP as set forth in the attached proposed budget, which is hereby incorporated by reference, is hereby adopted subject to the approval of the Board of Directors of the East, Quincy and South Columbia Basin irrigation districts.

ADOPTED this 23rd day of January, 2018.

BOARD OF DIRECTORS

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Director

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Director

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Director

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Director

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Director

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Director



ATTEST:

[Signature]  
Secretary

CBHP 2018 BUDGET FOR PROJECT  
RESERVED WORKS ACTIVITIES

WSWRA, NWRA, KEYS TEAM, DIVERSION RATE  
AND OTHER PROJECT ACTIVITIES

I.	ADMIN. & STAFF 125 HRS. @ \$150/HR = (Hourly rate includes payroll expense)		\$ 18,750.00
II.	MISC. TRAVEL, LODGING AND REGISTRATION EXPENSES		
	A. 3500 miles at \$0.545/mile	\$1,907.50	
	B. WSWRA Annual Convention	2,500.00	
	C. NWRA Federal Seminar, Summer Seminar and Annual Convention	7,000.00	
	D. Tri-State, Portland, Boise, ID Travel - 1 trip.	<u>1,000.00</u>	
	Total Misc. Expenses		\$ 12,407.50
III.	MAIN CANAL HEADWORKS - MISC. ELECTRICAL		\$ 1,000.00
	TOTAL PROJECT RESERVED WORK ACTIVITIES		\$ 32,157.50

SPECIFIC ITEMS ARE SUBJECT TO CBHP BOARD APPROVAL.

PROPOSED CONTRIBUTIONS BY THE DISTRICTS IN ACCORDANCE WITH THE  
RESERVED WORKS FORMULA. (2016 PERCENTAGES FOR ALLOCATION EXAMPLE)

EAST DISTRICT	(0.2963340)	\$ 9,529.36
QUINCY DISTRICT	(0.4099280)	13,182.26
SOUTH DISTRICT	(0.2937380)	9,445.88
		\$32,157.50

Expense Review:  
2012 \$22,358.55  
2013 \$38,971.90  
2014 \$41,225.19  
2015 \$36,792.06  
2016 \$25,953.02  
2017 \$15,153.25

**RESOLUTION NO. 2018-02  
OF COLUMBIA BASIN HYDROPOWER  
ADOPTING 2018 BUDGET FOR QUINCY CHUTE  
AND P.E.C. HEADWORKS POWER PLANTS**

WHEREAS, the Quincy Chute and P.E.C. Headworks Power Plants are owned by the East, Quincy and South Columbia Basin irrigation districts; and

WHEREAS, by Agreement dated the 10th day of December, 1987, the said three Districts transferred to Columbia Basin Hydropower (CBHP) the responsibility of administering certain functions of the Districts with respect to their ownership of the said plants; and

WHEREAS, it is necessary for CBHP to adopt a budget representing the costs pertaining to administering said power plants incurred by CBHP during the year 2018 for presentation to the East, Quincy and South Columbia Basin irrigation districts for their review and approval;

NOW, THEREFORE, BE IT HEREBY RESOLVED as follows:

That the proposed 2018 Budget for the Quincy Chute and P.E.C. Headworks Power Plants as set forth on the attached sheet entitled "CBHP 2018 Budget for Quincy Chute and P.E.C. Headworks Power Plants", which is hereby incorporated by reference as if fully set forth herein, is hereby adopted, subject to the approval of the East, Quincy and South Columbia Basin irrigation districts.

ADOPTED this 23rd day of January, 2018.

BOARD OF DIRECTORS

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Director

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Director

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Director

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Director

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Director

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Director



ATTEST:  
[Signature]  
Secretary

**CBHP 2018 BUDGET FOR QUINCY CHUTE  
AND PEC HEADWORKS POWER PLANTS**

QUINCY CHUTE		
I.	ADMIN. & STAFF 100 HRS/MO. @ \$125/HR X 12 MOS.	\$12,500.00
II.	LEGAL	7,500.00
QUINCY CHUTE ESTIMATE -		\$ 20,000.00
PEC HEADWORKS		
I.	ADMIN. & STAFF 50 HRS/MO. @ \$100/HR X 12 MOS.	\$ 5,000.00
II.	LEGAL	1,000.00
PEC HEADWORKS ESTIMATE -		\$ 6,000.00
TRAVEL 500 MILES/MONTH AT \$.545/MILE X 12 MOS. =		\$ 272.50

TOTAL CBHP 2018 BUDGET FOR QUINCY CHUTE AND PEC HEADWORKS	\$ 26,272.50
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PROPOSED CONTRIBUTIONS BY THE DISTRICTS IN ACCORDANCE WITH THE RESERVED WORKS FORMULA. (2016 PERCENTAGES FOR ALLOCATION EXAMPLE)		
EAST DISTRICT	(0.2963340)	\$ 7,785.44
QUINCY DISTRICT	(0.4099280)	10,769.83
SOUTH DISTRICT	(0.2937380)	7,717.23
		\$ 26,272.50

Expense Review:  
2012 \$ 3,772.90  
2013 \$ 1,606.61  
2014 \$ 5,429.51  
2015 \$ 3,322.21  
2016 \$ 536.09  
2017 \$15,153.25

RESOLUTION 2018-03  
RESOLUTION OF COLUMBIA BASIN HYDROPOWER (CBHP)  
DECLARING MISCELLANEOUS EQUIPMENT  
SURPLUS TO THE NEEDS OF CBHP

WHEREAS, listed miscellaneous equipment has become obsolete, uneconomical to maintain, and surplus to the needs of CBHP;

NOW, THEREFORE, BE IT HEREBY RESOLVED, that the following miscellaneous equipment are here by declared to be not necessary or needed for the use of CBHP.

ITEM	DESCRIPTION	SERIAL NUMBER	DATE PURCHASED
Tablet Computer	Apple iPad2	None	06/22/11
Computer	Dell Optiplex 755	35640760033	05/29/08
Computer	Dell Vostro 260 w/Monitor	21761441677	07/26/12
VPN/Firewall	SonicWall NSA220	C0AE400CB34	02/09/12
UPS	BestPower 610	UT610-1500-1050027	08/07/01
Digital Camera	Olympus C-2000	54523194	10/15/99
Air Monitor	Bio PHD Lite w/Pump	54-26-0101	11/01/00
Atmosphere Detector	M40 w/Pump	18105437-11111	12/06/10

BE IT FURTHER RESOLVED that the above-listed office furniture has no salvage value and that the Secretary-Manager of the Authority is instructed to dispose of the equipment in the least cost manner as allowed by Title 87.03.136 RCW.

ADOPTED this 23<sup>rd</sup> day of January, 2018

BOARD OF DIRECTORS

Bry W. Jeff  
Director

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Director

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Director

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Director

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Director

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Director



ATTEST:

[Signature]  
Secretary



**O & M BUDGET FOR 2018  
AMENDED**

090

		<i>ADMINISTRATIVE &amp; GENERAL</i>	R.D.S.	P.E.C.	E.B.C	M.C.	S.F.	2017 BUDGET	2018 BUDGET
920.10	12 mo	SALARIES	116,058	57,677	53,899	214,516	387,351	800,770	829,500
920.20	12 mo	VAC-SICK-HOLIDAY	21,579	10,724	10,022	39,887	72,023	136,932	154,235
920.30	12 mo	S/S-RET-INS	39,571	19,665	18,377	73,141	132,069	239,078	282,824
920.35	12 mo	VEBA, DEFERRED COMP	11,648	5,789	5,409	21,529	38,875	75,000	83,250
921.10	12 mo	OFFICE SUPPLIES	1,679	834	780	3,103	5,604	12,000	12,000
921.20	12 mo	POSTAGE	420	209	195	776	1,401	3,000	3,000
921.40	12 mo	COMPUTER EQUIP/SOFTWARE	4,897	2,434	2,274	9,051	16,344	25,000	35,000
920.40	12 mo	ATTORNEY	6,996	3,477	3,249	12,930	23,348	40,000	50,000
924.10	12 mo	INSURANCE	49,669	24,684	23,067	91,806	165,773	365,250	355,000
930.10	12 mo	BOARD MEETINGS	909	452	422	1,681	3,035	15,000	6,500
921.50	12 mo	TELEPHONE	700	348	325	1,293	2,335	6,000	5,000
923.30	12 mo	PROFESSIONAL SERVICES	11,893	5,910	5,523	21,982	39,692	70,000	85,000
923.20	12 mo	TRUSTEE / SERVICE CHARGES	-	-	-	-	-	1,100	-
930.30	12 mo	EMPLOYEE TRAINING	6,996	3,477	3,249	12,930	23,348	40,000	50,000
930.40	12 mo	MISC. ADMINISTRATION	3,498	1,738	1,624	6,465	11,674	22,000	25,000
921.30	JAJN	OFFICE SPACE RENT	7,136	3,546	3,314	13,189	23,815	50,000	51,000
921.60	12 mo	OFFICE EQUIPMENT	700	348	325	1,293	2,335	5,000	5,000
930.20	MA	AUDITING FEES	2,099	1,043	975	3,879	7,005	20,000	15,000
<b>TOTAL</b>			<b>286,445</b>	<b>142,353</b>	<b>133,030</b>	<b>529,452</b>	<b>956,027</b>	<b>1,926,130</b>	<b>2,047,309</b>

AMENDED JANUARY 23, 2018

**OPERATIONS**

**R.D.S.**

**P.E.C.**

**E.B.C.**

**M.C.**

**S.F.**

**2017  
BUDGET**

**2018  
BUDGET**

536.10	Sep Dec	LICENSE FEES	27,983	13,906	12,996	51,722	93,393	200,000	200,000
537.10	7 mo	SALARIES, (HYDRAULIC)	6,855	3,407	3,184	12,670	22,879	59,405	48,994
537.20	7 mo	VAC-SICK-HOLIDAY	1,598	794	742	2,953	5,332	13,844	11,418
537.30	7 mo	S/S-RET-INS.	2,430	1,208	1,129	4,492	8,111	20,070	17,369
538.10	7 mo	SALARIES, (ELECTRICAL)	43,213	21,475	20,069	79,873	144,226	293,547	308,857
538.20	7 mo	VAC-SICK-HOLIDAY	10,045	4,992	4,665	18,566	33,524	68,410	71,791
538.30	7 mo	S/S-RET-INS.	15,312	7,609	7,111	28,301	51,103	99,176	109,436
538.40	7 mo	MATERIAL & SUPPLIES ELECTRICAL	979	487	455	1,810	3,269	7,000	7,000
539.10	12 mo	PLANT TELEPHONE	2,448	1,217	1,137	4,526	8,172	17,500	17,500
539.20	12 mo	STATION SERVICE	9,794	4,867	4,548	18,103	32,689	55,000	70,000
539.60	AMJ	PURCHASED VEHICLES	11,193	5,563	5,198	20,689	37,357	64,000	80,000
539.40	12 mo	VEHICLE USE EXPENSE	8,395	4,172	3,899	15,517	28,018	50,000	60,000
539.30	12 mo	RADIO & TELEMTRY	2,798	1,391	1,300	5,172	9,339	20,000	20,000
539.90	12 mo	SAFETY SUPPLIES	3,498	1,738	1,624	6,465	11,674	25,000	25,000
539.50	7 mo	EMPLOYEE MEALS	70	35	32	129	233	500	500
537.50	7 mn	SOUTH DISTRICT STANDBY	5,167	5,167	5,167	-	-	15,500	15,500
539.70	12 mo	TOOLS & TESTING EQUIPMENT	10,493	5,215	4,873	19,396	35,023	82,000	75,000
		<b>TOTAL OPERATIONS</b>	<b>162,270</b>	<b>83,242</b>	<b>78,128</b>	<b>290,383</b>	<b>524,342</b>	<b>1,090,953</b>	<b>1,138,366</b>

AMENDED JANUARY 23, 2018

MAINTENANCE

R.D.S.

P.E.C.

E.B.C.

M.C.

S.F.

2017  
BUDGET

2018  
BUDGET

541.40	12 mo	ENGR. CONSULTANT	3,498	1,738	1,624	6,465	11,674	40,000	25,000
542.10	12 mo	SALARIES, (STRUCTURES)	1,214	603	564	2,243	4,050	7,469	8,674
542.20	12 mo	VAC-SICK-HOLIDAY	249	124	115	459	830	1,741	1,777
542.30	12 mo	S/S-RET-INS.	420	209	195	777	1,403	2,524	3,005
542.40	12 mo	MATERIALS & SUPPLIES	3,498	1,738	1,624	6,465	11,674	25,000	25,000
543.10	12 mo	SALARIES, (WATERWAYS)	6,879	3,419	3,195	12,715	22,959	68,414	49,166
543.15	12 mo	VAC-SICK-HOLIDAY	2,277	1,132	1,057	4,208	7,599	15,944	16,273
543.20	12 mo	S/S-RET-INS.	2,632	1,308	1,222	4,865	8,785	23,114	18,814
543.25	12 mo	MATERIALS & SUPPLIES	4,897	2,434	2,274	9,051	16,344	35,000	35,000
543.30	May	HEAVY WORK EQUIP.	700	348	325	1,293	2,335	5,000	5,000
543.40	12 mo	BARRIER NET	-	-	-	15,000	-	15,000	15,000
543.50	12 mo	BARGE MAINTENANCE	-	-	-	5,000	-	5,000	5,000
544.10	12 mo	SALARIES, (ELECTRICAL)	104,432	51,899	48,501	193,028	348,547	708,922	746,406
544.20	12 mo	VAC-SICK-HOLIDAY	23,593	11,725	10,957	43,609	78,744	165,211	168,629
544.30	12 mo	S/S-RET-INS.	36,807	18,292	17,094	68,033	122,846	239,512	263,073
544.40	12 mo	MATERIALS & SUPPLIES	25,184	12,516	11,696	46,550	84,054	180,000	180,000
544.50	12 mo	HEAVY WORK EQUIP.	1,749	869	812	3,233	5,837	12,500	12,500
544.60	12 mo	SUB CONT LABOR CITIES	3,498	1,738	1,624	6,465	11,674	25,000	25,000
544.70	12 mo	SUB CONT LABOR DIST.	1,399	695	650	2,586	4,670	10,000	10,000
545.10	12 mo	MISC MAINTENANCE	70	35	32	129	233	500	500
		TOTAL MAINTENANCE	222,996	110,821	103,564	432,176	744,259	1,585,850	1,613,816

AMENDED JANUARY 23, 2018

**CAPITAL IMPROVEMENTS &  
EXTRAORDINARY MAINTENANCE COSTS**

	R.D.S.	P.E.C.	E.B.C.	M.C.	S.F.	BUDGET	BUDGET
MAIN CANAL INTAKE GATES	-	-	-	481,404	-	481,404	-
CHECK STRUCTURE ENGINEERING USBR	173,200	-	-	-	-	173,200	-
COOLING WATER AUTO FILLTER STRAINER REPLACE	-	-	-	30,000	-	30,000	-
COOLING WATER PUMPS REPLACEMENT	-	-	-	15,000	-	15,000	-
SPARE GOVERNOR OIL PUMP	-	-	-	-	25,000	25,000	-
TRANSFORMER ONLINE OIL MONITOR	80,000	-	-	-	-	80,000	-
BASLER DECS 400	50,000	-	-	-	-	50,000	-
SCOOTENEY - SADDLE GAP LINE REBUILD	74,192	-	-	-	-	74,192	-
STRATFORD - SF LINE DESIGN AND REBUILD	-	-	-	-	217,000	217,000	-
DESIGN/ENGINEERING - SCADA/PLC RELAY	20,000	20,000	20,000	20,000	20,000	100,000	-
SUMMER FALLS CRANE ANALYSIS	-	-	-	-	10,000	-	10,000
MC STORAGE BUILDING	-	-	-	200,000	-	-	200,000
ACCESS ROAD AND PARKING LOT CRACK SEALING	-	-	-	10,000	10,000	-	20,000
SPARE VACUUM BREAKER	-	-	-	-	40,000	-	40,000
STRATFORD - SF LINE DESIGN AND REBUILD	-	-	-	-	490,000	-	490,000
DESIGN/ENGINEERING - SCADA/PLC RELAY	200,000	50,000	50,000	-	-	-	300,000
<b>TOTAL CAP. REPAIRS &amp; REPLACEMENTS</b>	<b>200,000</b>	<b>50,000</b>	<b>50,000</b>	<b>210,000</b>	<b>550,000</b>	<b>1,245,796</b>	<b>1,060,000</b>

	R.D.S.	P.E.C.	E.B.C.	M.C.	S.F.	2017 BUDGET	2018 BUDGET
<b>TRANSMISSION &amp; TOTALS</b>							
TRANSMISSION	4,000	1,500	1,500	-	8,000	15,000	15,000
O & M BUDGET TOTALS	875,711	387,917	366,222	1,462,012	2,782,629	5,863,728	5,874,491

EACH CITIES MONTHLY PAYMENT FOR 2018 (1/22) (O&M TOTAL) IS: \$245,793

AMENDED JANUARY 23, 2018

## COLUMBIA BASIN HYDROPOWER

## Owner's Dam Safety Program Annual Report

For period January 1, 2017 to December 31, 2017

The purpose of this report is to provide the CBHP Secretary-Manager and CBHP Board of Directors an annual assessment of the Owner's Dam Safety Program (Program) for the following facilities (Projects):

- Main Canal Headworks Project, FERC license No. 2849-WA
- P.E.C. Headworks Project, FERC license No. 2840-WA

The Program is intended to ensure CBHP's employees, agents, and consultants have a full understanding of the need to comply with all necessary dam safety measures and requirements.

The underlying philosophy of CBHP regarding dam safety is that CBHP's owned and/or operated dams and hydro facilities will be designed, constructed, operated, and maintained in compliance with all applicable regulatory requirements while minimizing potential risks that would impact the safety of the public or the Project's structures.

During this reporting period CBHP has continued to implement the Program to ensure high standards of dam safety and regulatory compliance are maintained, including the following activities:

- Conduct in-house training.
- Review and update required Emergency Action Plans, Public Safety Plans, Dam Safety Surveillance Monitoring Plans, and Security Plans.
- Perform regular dam safety related inspections.
- Document dam safety and regulatory compliance issues on the appropriate reports.
- Communicate dam safety and regulatory compliance issues to the appropriate personnel and agencies.

In addition, during this reporting period CBHP addressed the following three (3) dam safety related FERC recommendations:

- Restoration of the Main Canal Project intake gates to reduce gate seal leakage.
- Incorporation of the P.E.C Headworks Project into the CBHP Owner's Dam Safety Program.
- Provided FERC a plan and schedule to remove a base plate welded to the area below the P.E.C Headworks Project's turbine discharge ring and perform non-destructive testing to check the area for cracks.

In conclusion, to the best of my knowledge continued implementation of the Program will ensure safe and compliant dam operation.

Reported by: Larry Thomas, Assistant Manager/Hydro Supervisor

COLUMBIA BASIN HYDROPOWER  
Activity Report

For period December 6, 2017 to January 12, 2018  
Reported by: Larry Thomas Function: Field O&M Activities

All Plants

- . Electrical power factor testing continued at all plants.

Russell D. Smith Power Plant

- . Installation of new exciter equipment continued.

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 continued.

Main Canal Power Plant

- . Cooling water rotary strainer replacement was completed.
- . Sump Pumps' bearings replaced.

Summer Falls Power Plant

- . Unit 162 oil head mechanical seal repair continued.
- . Governor air compressor unloader valve rebuild continued.
- . Turbine cavitation repair was started.
- . Summer Falls to Stratford transmission line pole replacement was started.

## Columbia Basin Hydropower

## Activity Report

For Period: December 11, 2017 through January 11, 2018

Reported by: Robert Stoaks P.E.

Function: Engineering

- 1) 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.
- 2) 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.
- 3) Working with Avista on the 115kV Summer Falls line rebuild, bids higher than initial estimate. Replacement is proceeding.
- 4) SCADA/PLC/Relay replacement for all plants: Moving forward with design.
- 5) Electricians completed power factor testing, reviewing results.
- 6) Calisto2 transformer oil monitors from Morgan Schaffer were delivered 10/3. Preparing installation package.
- 7) Calculated setting requirements to meet NERC PRC-025-1 load dependent relays. Coordinating changes with Avista.
- 8) Researching how to heat the governor hydraulic oil to lower the viscosity to less than 54cSt. Contacted experts and vendors.
- 9) Coordinating the proper response of the Main Canal generator to a system event with Avista.
- 10) Design of wireless controller for bridge crane in Main Canal shop.
- 11) Reviewing maintenance practices and making recommendations for improvement.

## Columbia Basin Hydropower

Activities Report for the period of Dec 11<sup>th</sup>, 2017, through Jan 12<sup>th</sup>, 2018.

Derek Wolf, PE Mechanical Engineer

### General:

- Directing the mechanical off-season maintenance work.
- Annual CBHP inventory update.
- Added a "qualified workers" section to the safety manual for machine shop usage.

### Main Canal Power Plant:

- Sump pump motor repair and bearing replacement.
- Began contract development for the new steel storage building.

### Summer Falls Power Plant:

- U161 turbine hub oil analysis and purification in process.
- U161 Penstock/draft tube inspection complete and concrete spalling repair is underway.
- U161 turbine inspection and cavitation repair complete. Belzona 1111 "supermetal" applied to hub.
- U162 oil head mechanical seal repair in process. Andritz Hydro in Spokane utilized for machining services.
- Clean water sump valve packing replacement completed on U161.
- Tailrace replacement buoys arrived on site; final repairs underway.



## COLUMBIA BASIN HYDROPOWER

## Activity Report

For Period: December 10, 2017 through January 13, 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.
- Completed CIP Annual Cyber Security Assessment.
- Annual review of compliance evidence is ongoing.
- Submitted Q4 FAC-003 Vegetation Management report via WebCDMS.
- Submitted Q4 AVR report via WebCDMS.
- Completed Q4 e-GADS reporting.
- Completed Q4 MIDAS reporting.

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.

HYDRO PROJECT DEVELOPMENT:

- Work continues on project development binders and network folder organization.
- Edited successive permit request for P-14380 (Pinto Dam) and uploaded to FERC Online.

OTHER:

- Scanned and created .pdf files for CBHP staff.
- Continuing to support the Treasurer.
- Website updates.
- Participated in Records Management Committee meeting.
- Updated Inventoried Items Spreadsheet.