

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

January 24, 2023

Ephrata, Washington

The regular meeting of the Board of Directors of Columbia Basin Hydropower (CBHP) was called to order by President Mike LaPlant at 9:30 AM on January 24, 2023. Those in attendance were:

Directors

Duaine Anderson, ECBID  
Kevin Lyle (alt), ECBID  
Mike LaPlant, QCBID  
Phil Stadelman, QCBID (*called in*)  
Richard Conrad, SCBID  
J.J. Danz, SCBID

Staff

Darvin Fales, Secretary-Manager  
Anna Franz, Attorney  
Larry Thomas, Asst. Manager/Hydro Supervisor  
Jacob Taylor, Treasurer  
Robert Stoaks, Electrical Engineer  
Derek Wolf, Mechanical Engineer  
Betty Craig, TI Administrator (*called in*)  
Stacey Bresee, Admin. Services Coordinator

Others (present)

John McCourtie, ECBID  
Craig Simpson, ECBID  
Dennis Swinger, ECBID  
Norm Semanko, QCBID  
Roger Sonnichsen, QCBID  
Ko Weyns (alt), QCBID  
Charles Lyall (alt), SCBID  
Larry Martin, SCBID  
John O'Callaghan, SCBID  
Amy Rodman, USBR

Others (called in)

Maurice Balcom (alt), SCBID  
Eric Dixon, SCBID  
Ben Miller, USBR

CONSIDERATION OF MEETING MINUTES

On motion by Richard Conrad, seconded by J.J. Danz, which motion passed unanimously, the minutes of the December 20, 2022, meeting were approved as distributed.

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

No public comments.

2023 CBHP BOARD

Appointment of Staff and Election of Officers:

On motion by Richard Conrad, seconded by Phil Stadelman, which motion passed unanimously, the appointment of Darvin Fales as Secretary-Manager, the appointment of Jacob Taylor as Treasurer, the appointment of Anna Franz as Attorney, the election of Mike LaPlant for President, and the election of Duaine Anderson for Vice-President was approved.

District Appointees to Board:

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

EAST DISTRICT	QUINCY DISTRICT	SOUTH DISTRICT
Duaine Anderson Don Osborne Reid Baker (Alt) Kevin Lyle (Alt) Kevin Lyle (Alt)	Mike LaPlant Phil Stadelman John Rylaarsdam (Alt) Ko Weyns (Alt)	Richard Conrad J.J. Danz Maurice Balcom (Alt) Charles Lyall (Alt)

Issuance of Oaths of Office:

An Oath of Office will be issued to each appointed Board Member and Officer.

Committee Appointments:

The Power Steering Advisory Committee and the Quincy Chute & P.E.C. Headworks Projects Advisory Committee appointments from the respective Districts, Cities, and Grant County PUD were discussed and confirmed. No approval needed.

Manager Fales requested confirmation of the CBHP Committee appointments. President LaPlant appointed the following members to serve on respective committees for 2023:

**BUDGET AND FINANCE:**

East District – Duaine Anderson, Kevin Lyle (Alt), Reid Baker (Alt)  
 Quincy District – Phil Stadelman  
 South District – J.J. Danz, Richard Conrad (Alt), John O’Callaghan (Alt)  
 Tacoma Power – Michael Hill  
 Seattle City Light – Josh Walter  
 CBHP – Darwin Fales, Jacob Taylor, Larry Thomas  
 Attorney – Anna Franz

**PERSONNEL:**

East District – Duaine Anderson  
 Quincy District – Mike LaPlant  
 South District – Richard Conrad  
 Tacoma Power – Michael Hill  
 Seattle City Light – Josh Walter  
 CBHP – Darwin Fales

**PROJECT DEVELOPMENT:**

East District – Craig Simpson, Don Osborne, Duaine Anderson (Alt)  
 Quincy District – Roger Sonnichsen, John Rylaarsdam  
 South District – John O’Callaghan, Richard Conrad



On motion by J.J. Danz, seconded by Duaine Anderson, which motion passed unanimously, the committee appointments were approved.

#### Resolutions:

On motion by Duaine Anderson, seconded by Phil Stadelman, which motion passed unanimously, the following resolutions were approved:

- 1) Resolution 2023-01 of CBHP Adopting 2023 Budget for Project Reserved Works Activities was approved subject to the approval of the three Districts. A copy of said resolution is hereby incorporated by reference.
- 2) Resolution 2023-02 of CBHP Adopting 2023 Budget for Quincy Chute & P.E.C. Headworks Power Plants was approved subject to the approval of the three Districts. A copy of said resolution is hereby incorporated by reference.

#### Travel Authorization:

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

- 1) Tri-State, January 27, 2023, Portland, OR, No fee – D. Fales
- 2) Doble Conference, March 26-31, 2023, Boston, MA, No registration fee – R. Stoaks
- 3) Meetings with SCBID in Washington, DC, March 27-31, 2023, No fee – D. Fales

#### Vehicle Purchase Update:

Larry Thomas reported on the status of the 2023 Mercedes-Benz Sprinter 2500 Cargo Van purchase approved at the October board meeting. That vehicle is no longer available for purchase from the state contract. A state contract for an alternative AWD Cargo Van may be available later this year.

#### Other: Canal Repair Near Summer Falls

Manager Fales showed a video of the canal damage near Summer Falls. His recommendation to the board is to contract the work off the Small Works Roster.

On motion by Richard Conrad, seconded by Phil Stadelman, which motion passed unanimously, the board approved repairs to be completed up to \$75,000.

### TREASURER'S REPORT

#### Financial Reports:

The December 31, 2022, Balance Sheet (unaudited) and the December 31, 2022, All Power Plants Income Statement (unaudited) were included in the Board packets for review.

Approval of Voucher:

On motion by Phil Stadelman, seconded by Kevin Lyle, which motion passed unanimously, the Current Expense Voucher (O&M) dated January 24, 2023, in the amount of \$476,297.34 was approved.

STAFF ACTIVITY REPORT

Larry Thomas presented the Staff Activity Report for the period of December 13, 2022, to January 17, 2023, that was included in the Board packets for review and comments.

PROJECT DEVELOPMENT

Treasurer Taylor reviewed the Monthly Summarized Project Development Expense Report for December 2022 distributed in the Board packets.

Manager Fales gave a brief update of project development activities.

OTHER BUSINESS

Columbia River Treaty – Manager Fales has been working with WSWRA to cover Power Group fees for 2023.

USBR – State audit information requested from the Regional Office.

Cities – not in attendance.

Districts – Manager Sonnichsen stated that QCBID is preparing for startup on the 22<sup>nd</sup>. Manager Simpson discussed the Communication Department personnel changes as outlined at the Reserved Works meeting held January 23<sup>rd</sup>.

DATE OF NEXT BOARD MEETING – February 28, 2023

PERSONNEL COMMITTEE MEETING – 8:15 AM FEBRUARY 28, 2023

EXECUTIVE SESSION

No executive session needed.

ADJOURNMENT

There being no further business to come before the Board, President LaPlant adjourned the meeting at 10:55 AM.



Secretary



President

**RESOLUTION NO. 2023-01  
OF COLUMBIA BASIN HYDROPOWER  
ADOPTING 2023 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

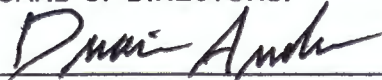
**WHEREAS**, it is advisable for CBHP to adopt a budget setting forth the estimated costs pertaining to the functions of the Project Reserved Works to be performed by CBHP on behalf of the East, South and Quincy-Columbia Basin irrigation districts for presentation to the said Districts for their review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


**NOW, THEREFORE, BE IT HEREBY RESOLVED** as follows:

That the proposed 2023 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 24<sup>th</sup> day of January, 2023.


**BOARD OF DIRECTORS:**

  
\_\_\_\_\_  
Director

  
\_\_\_\_\_  
Director

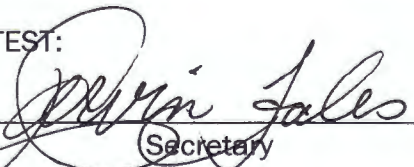
  
\_\_\_\_\_  
Director

  
\_\_\_\_\_  
Director

  
\_\_\_\_\_  
Director

\_\_\_\_\_  
Director

**ATTEST:**

  
\_\_\_\_\_  
Secretary





## Reserved Works

### 2023 Budget

EXPENSES BUDGETED THROUGH:	December 31, 2023
<i>Staff time and payroll costs</i>	\$ 20,000
<i>Travel</i>	\$ 2,500
<i>Conference Registration and Membership Fees</i>	\$ 7,000
<i>Audit Costs</i>	\$ 5,000
<i>Legal</i>	\$ 10,000
<i>Miscellaneous Expenses</i>	\$ 2,500
<i>Power Generation Expenses</i>	\$ 1,325,000
<b>TOTAL 2023 BUDGET RESERVED WORKS</b>	<b>\$ 1,372,000</b>

2023 Reserved Works Budget Allocation		
District	Reserved Works Rate	Amount
<i>East District</i>	0.28841	\$ 395,703
<i>Quincy District</i>	0.39583	\$ 543,073
<i>South District</i>	0.31576	\$ 433,224

#### Prior Year Expenses

2018	\$ 23,798.55
2019	\$ 21,105.00
2020	\$ 13,306.00
2021	\$ 7,926.63
2022	\$ 225,000 - Est

**RESOLUTION NO. 2023-02  
OF COLUMBIA BASIN HYDROPOWER  
ADOPTING 2023 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

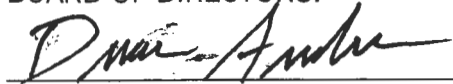
**WHEREAS**, it is necessary for CBHP to adopt a budget representing the costs pertaining to administering said power plants incurred by CBHP during the year 2023 for presentation to the East, Quincy and South Columbia Basin irrigation districts for their review and approval;

**NOW, THEREFORE, BE IT HEREBY RESOLVED** as follows:


That the proposed 2023 Budget for the Quincy Chute and P.E.C. Headworks Power Plants as set forth on the attached sheet entitled "CBHP 2023 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 24<sup>th</sup> day of January, 2023.

**BOARD OF DIRECTORS:**



Director



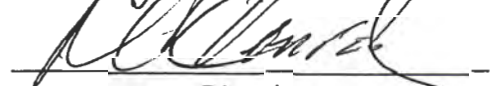
Director



Director



Director



Director



Director

**ATTEST:**



Secretary



**Quincy Chute/  
P.E.C. Headworks 2023 Budget**

EXPENSES BUDGETED THROUGH: December 31, 2023

**QUINCY CHUTE 2023 BUDGET**

<i>Staff Time and Payroll Costs</i>	\$	12,000
<i>Travel</i>	\$	500
<i>Legal</i>	\$	2,000
<i>Miscellaneous Expenses</i>	\$	250
<b>TOTAL 2023 BUDGET QUINCY CHUTE</b>	<b>\$</b>	<b>14,750</b>

**P.E.C. HEADWORKS 2023 BUDGET**

<i>Staff Time and Payroll Costs</i>	\$	4,500
<i>Travel</i>	\$	250
<i>Legal</i>	\$	450
<i>Miscellaneous Expenses</i>	\$	50
<b>TOTAL 2020 BUDGET PEC HEADWORKS</b>	<b>\$</b>	<b>5,250</b>

**TOTAL 2023 BUDGET QUINCY CHUTE & P.E.C. HEADWORKS      \$            20,000**

**2023 QC/P.E.C. Budget Allocation Breakdown**

District	Reserved Works Rate	Amount
<i>East District</i>	0.28841	\$ 5,768
<i>Quincy District</i>	0.39583	\$ 7,917
<i>South District</i>	0.31576	\$ 6,315

**Prior Year Expenses**

2018	\$ 21,075.00
2019	\$ 8,877.50
2020	\$ 3,937.00
2021	\$5,402.82
2022	\$ 4,000-Est.



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

February 28, 2023

Ephrata, Washington

The regular meeting of the Board of Directors of Columbia Basin Hydropower (CBHP) was called to order by President Mike LaPlant at 9:35 AM on February 28, 2023. Those in attendance were:

Directors

Duaine Anderson, ECBID  
Don Osborne, ECBID  
Mike LaPlant, QCBID  
Phil Stadelman, QCBID  
Richard Conrad, SCBID  
J.J. Danz, SCBID

Staff

Darvin Fales, Secretary-Manager  
Anna Franz, Attorney  
Larry Thomas, Asst. Manager/Hydro Supervisor  
Jacob Taylor, Treasurer  
Robert Stoaks, Electrical Engineer  
Stacey Bresee, Admin. Services Coordinator

Staff, con't. (called in)

Derek Wolf, Mechanical Eng.  
Betty Craig, TI Administrator

Others (present)

Craig Simpson, ECBID  
Roger Sonnichsen, QCBID  
John O'Callaghan, SCBID  
Amy Rodman, USBR

Others (called in)

Kevin Lyle (alt), ECBID  
Norm Semanko, QCBID  
Charles Lyall (alt), SCBID  
Mike Hill, Tacoma Power  
Ben Miller, USBR

CONSIDERATION OF MEETING MINUTES

On motion by J.J. Danz, seconded by Richard Conrad, which motion passed unanimously, the minutes of the January 24, 2023, meeting were approved as distributed.

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

No public comments.

The Personnel Committee recommended that the Board approve the Manager's proposed step/grade increases, grant salary scale non-bargaining unit employees a 4% increase in salary, and to remove Jacob Taylor from the salary scale. The Personnel Committee did not make a recommendation on the non-salary scale employee salaries and recommended the Board discuss the matter in an executive session before action.

A motion was made by Richard Conrad, seconded by Duaine Anderson, to approve the Personnel Committee's recommendation regarding salary scale employees. On motion by Phil Stadelman, seconded by J.J. Danz, which motion passed unanimously, to table the motion until after the executive session.

No recommendations from Quincy Chute & P.E.C. Headworks Advisory Committee meeting.

Travel Authorization:

On motion by Phil Stadelman, seconded by Don Osborne, which motion passed unanimously, authorization of attendance and payment of reasonable expenses for travel, lodging and meals for the following was approved:

- 1) GFOA Annual Conference (Government Finance Officers Assoc.), May 21-24, 2023, Portland, OR, Fee \$905 – J. Taylor

Washington DC Workplan:

Manager Fales and Manager O'Callaghan discussed the SCBID Washington, DC, pilgrimage as distributed including CBP issues and appropriate congressional and agency contacts.

BPA Balancing Authority Area Service Agreement – E.B.C. 4.6 Plant:

Following explanation of the need and timing of a balancing authority change, on motion by Don Osborne, seconded by Phil Stadelman, which motion passed unanimously, Manager Fales was authorized to sign a Balancing Authority Area Service Agreement with the Bonneville Power Administration.

Special Projects Status Report:

Manager Fales and Larry Thomas presented and discussed an updated Special Projects Status Report handed out at the meeting.

Small Hydro / Programmable LOPP:

In preparation for a meeting with USBR regarding the LOPP process, the CBP managers discussed questions to present to Reclamation later this week.

TREASURER'S REPORT

Financial Reports:

The January 31, 2023, Balance Sheet (unaudited) and the January 31, 2023, All Power Plants Income Statement (unaudited) were included in the Board packets for review.

Approval of Voucher:

On motion by Phil Stadelman, seconded by Richard Conrad, which motion passed unanimously, the Current Expense Voucher (O&M) dated February 28, 2023, in the amount of \$609,956.07 was approved.



### STAFF ACTIVITY REPORT

Larry Thomas presented the Staff Activity Report for the period of January 18 to February 13, 2023, that was included in the Board packets for review and comments.

### 2022 OWNER'S DAM SAFETY PROGRAM REPORT

Larry Thomas presented the 2022 Owner's Dam Safety Program Report that was included in the Board packets for review and comments.

### PROJECT DEVELOPMENT

Treasurer Taylor reviewed the Monthly Summarized Project Development Expense Report for January 2023 distributed in the Board packets.

### OTHER BUSINESS

Columbia River Treaty – Manager Fales gave a brief update.

USBR – Nothing to report.

Cities – Nothing to report.

Districts – Nothing to report.

### DATE OF MARCH BOARD MEETING

On motion by Phil Stadelman, seconded by Duaine Anderson, which motion passed unanimously, the rescheduling of the March Power Steering Committee meeting and the March Board of Directors of CBHP meeting to March 21, 2023, was approved.

### EXECUTIVE SESSION

At 11:35 AM President LaPlant called for a 95-minute executive session to begin after a 5-minute break to consider sale of CBHP property and personnel issues.

### OTHER

On motion by Duaine Anderson, seconded by J.J. Danz, approving Manager Fales to contract with Green Giraffe in an amount not to exceed \$10,000 for review of potential investors.

On motion by Phil Stadelman, seconded by Richard Conrad, the following recommendations by the Personnel Committee were approved: 4% COLA increase applied to the 2022 Annual Salary Scale, move Betty Craig to Grade 9 Step 4 on the Annual Salary Scale, and move Diane Smith to Grade 5 Step 6 on the Annual Salary Scale; and the following salary increases were approved: increase Darvin Fales's salary to \$267,000, increase Robert Stoaks's salary to \$167,000, increase Jacob Taylor's salary to \$156,000, increase Larry Thomas's salary to \$187,000.



ADJOURNMENT

There being no further business to come before the Board, President LaPlant adjourned the meeting at 1:22 PM.

  
Secretary  
President

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

March 21, 2023

Ephrata, Washington

The regular meeting of the Board of Directors of Columbia Basin Hydropower (CBHP) was called to order by President Mike LaPlant at 9:30 AM on March 21, 2023. Those in attendance were:

Directors

Duaine Anderson, ECBID  
Don Osborne, ECBID  
Mike LaPlant, QCBID  
Phil Stadelman, QCBID (*called in*)  
Richard Conrad, SCBID  
J.J. Danz, SCBID (*called in*)

Others (present)

Craig Simpson, ECBID  
Roger Sonnichsen, QCBID  
Larry Martin, SCBID  
John O'Callaghan, SCBID  
Todd Knittle, USBR  
Amy Rodman, USBR

Staff

Darvin Fales, Secretary-Manager  
Larry Thomas, Asst. Manager/Hydro Supervisor  
Jacob Taylor, Treasurer  
Robert Stoaks, Electrical Engineer  
Derek Wolf, Mechanical Engineer  
Stacey Bresee, Admin. Services Coordinator

Others (called in)

Anna Franz, Attorney  
Kevin Lyle (alt), ECBID  
Norm Semanko, QCBID  
Maurice Balcom, SCBID  
Eric Dixon, SCBID  
Chris Drake, Avista  
Mike Hill, Tacoma Power

CONSIDERATION OF MEETING MINUTES

On motion by Duaine Anderson, seconded by Don Osborne, which motion passed unanimously, the minutes of the February 28, 2023, meeting were approved as distributed.

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

No public comments.

No recommendations from the Power Steering Committee meeting.

Travel Authorization:

On motion by Richard Conrad, 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) NWAHA Technical Workshop & Hydro Owners Forum, May 1-3, 2023, Spokane, WA, Fee \$275 – D. Fales, R. Stoaks, L. Thomas
- 2) 2023 IEEE Power & Energy Society (PES) General Meeting, July 16-20, 2023, Orlando, FL, Fee \$695 – R. Stoaks

## Western Renewable Energy Generation Information System (WREGIS) – Customer Registration Agreement:

On motion by Duaine Anderson, seconded by Don Osborne, which motion passed unanimously, to ratify Manager Fales signing the WREGIS agreement was approved.

### Other:

Treasurer Taylor distributed and discussed the Chart of Proforma Financials (estimated) for All Projects. Manager Fales suggested a new committee be created for future discussions.

## TREASURER'S REPORT

### Financial Reports:

The February 28, 2023, Balance Sheet (unaudited) and the February 28, 2023, All Power Plants Income Statement (unaudited) were included in the Board packets for review.

### Approval of Voucher:

On motion by Duaine Anderson, seconded by Richard Conrad, which motion passed unanimously, the Current Expense Voucher (O&M) dated March 21, 2023, in the amount of \$514,413.73 was approved.

## STAFF ACTIVITY REPORT

Larry Thomas presented the Staff Activity Report for the period of February 14 to March 13, 2023, that was included in the Board packets for review and comments.

## PROJECT DEVELOPMENT

Treasurer Taylor reviewed the Monthly Summarized Project Development Expense Report for February 2023 distributed in the Board packets.

## OTHER BUSINESS

Columbia River Treaty – Manager Fales gave a brief update.

USBR – Todd Knittle reported on some of the canal water levels and start-up times.

Cities – Nothing to report.

Districts – Manager Simpson reported that a new engineer was hired. Manager O'Callaghan reported that a new SCADA consultant was selected from the RFQ.

## EXECUTIVE SESSION

At 10:35 AM President LaPlant called for a 25-minute executive session to begin after a 5-minute break to consider sale of CBHP property.



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DATE OF NEXT BOARD MEETING

On motion by Duaine Anderson, seconded by Don Osborne, which motion passed unanimously, the continuing March Board of Directors of CBHP meeting to April 5, 2023, at 9:00 AM was approved.

ADJOURNMENT

There being no further business to come before the Board, President LaPlant adjourned the meeting at 11:10 AM.

  
Secretary

  
President

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

April 5, 2023

Ephrata, Washington

The continued meeting of the Board of Directors of Columbia Basin Hydropower (CBHP) was called to order by President Mike LaPlant at 9:00 AM on April 5, 2023. The meeting was held at the East Columbia Basin Irrigation District office located in Othello, WA, both in person and conference call. Those in attendance were:

Directors

Duaine Anderson, ECBID  
Don Osborne, ECBID  
Mike LaPlant, QCBID  
Phil Stadelman, QCBID (*called in*)  
Richard Conrad, SCBID  
J.J. Danz, SCBID

Others (*present*)

Reed Baker, ECBID  
Kevin Lyle, ECBID  
Craig Simpson, ECBID  
Roger Sonnichsen, QCBID  
John Rylaarsdam, QCBID  
Ko Weyns, QCBID  
John O'Callaghan, SCBID

Staff

Darvin Fales, Secretary-Manager  
Anna Franz, Attorney  
Larry Thomas, Asst. Manager/Hydro Supervisor  
Jacob Taylor, Treasurer

Others (*called in*)

Norman Semanko, QCBID  
Larry Martin, SCBID  
Mike Hill, Tacoma Power

EXECUTIVE SESSION

At 9:05 AM President LaPlant called for a 50-minute executive session under RCW 42.30.110(c) to consider the sale of CBHP property.

OTHER

Motion by Phil Stadelman to authorize Manager Fales to sign the Due Diligence Funding Agreement with Green Giraffe's first ranked potential investor, Renew Development Hold Co., LLC. Motion failed for lack of second.

Motion by Duaine Anderson, seconded by Don Osborne, to authorize Manager Fales to sign the Due Diligence Funding Agreement with Conifer Infrastructure Partners. In favor: Director LaPlant, Director Osborne, Director Danz, and Director Anderson. Opposed: Director Stadelman. Abstained: Director Conrad.

Motion by JJ Danz, seconded by Don Osborne, to authorize Manager Fales to approve any task orders with Kleinschmidt under the Due Diligence Agreement. Unanimous approval.

ADJOURNMENT

There being no further business to come before the Board, President LaPlant adjourned the meeting at 10:05 AM.



Devin Fales  
Secretary



President



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

April 25, 2023

Ephrata, Washington

The regular meeting of the Board of Directors of Columbia Basin Hydropower (CBHP) was called to order by President Mike LaPlant at 9:30 AM on April 25, 2023. Those in attendance were:

Directors

Duaine Anderson, ECBID  
Don Osborne, ECBID  
Mike LaPlant, QCBID  
Phil Stadelman, QCBID (*called in*)  
Richard Conrad, SCBID  
J.J. Danz, SCBID (*called in*)

Staff

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

Others (*present*)

Craig Simpson, ECBID  
John Rylaarsdam, QCBID  
Roger Sonnichsen, QCBID  
Eric Dixon, SCBID  
Larry Martin, SCBID  
Marc Maynard, USBR  
Amy Rodman, USBR

Others (*called in*)

Kevin Lyle (alt), ECBID  
Norm Semanko, QCBID  
Maurice Balcom, SCBID  
Charles Lyall, SCBID  
Mike Hill, Tacoma Power  
Anna Stork, Conifer  
Nick Stork, Conifer

CONSIDERATION OF MEETING MINUTES

A motion was made by Don Osborne, seconded by J.J. Danz, to approve minutes as distributed. The motion was amended by Richard Conrad, seconded by Duaine Anderson, which motion passed unanimously, the minutes of the March 21, 2023, meeting were approved as distributed, and the minutes of the April 5, 2023, meeting were approved with an amendment to reflect that the Board did not select potential investor ranked first by Green Giraffe.

NO PUBLIC COMMENTS

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

Power Production Reports – March 2023:

Generation Summary, Accumulated Kilowatt Hours, and Energy & Incentive reports were distributed. Total March generation was 97% of 2019-2022 average.

Meet & Greet – Conifer Infrastructure Partners

Nick and Anna Stork gave a brief history of their background to the Board.

Other:

Property Insurance Renewal was reviewed and discussed. On motion by Richard Conrad, seconded by Phil Stadelman, which motion passed unanimously, the insurance renewal was ratified. The Board further directed the Manager Fales to provide policy details at a subsequent meeting.

Manager Fales invited the Directors to a tour of the North Plants with Avista's CEO on May 17, 2023.

TREASURER'S REPORTFinancial Reports:

The March 31, 2023, Balance Sheet (unaudited) and the March 31, 2023, All Power Plants Income Statement (unaudited) were included in the Board packets for review.

Approval of Voucher:

On motion by Phil Stadelman, seconded by J.J. Danz, which motion passed unanimously, the Current Expense Voucher (O&M) dated April 25, 2023, in the amount of \$489,811.12 was approved.

First Quarter Deposit Report:

Treasurer Taylor reviewed the First Quarter Deposit Report of January-March 2023 that was included in the Board packets.

STAFF ACTIVITY REPORT

Larry Thomas presented updates to the Staff Activity Report for the period of March 13 to April 18, 2023, that was included in the Board packets for review and comments. Larry also informed the Board regarding the status of the balancing authority transfer for the E.B.C. 4.6 Plant.

PROJECT DEVELOPMENT

Treasurer Taylor reviewed the Monthly Summarized Project Development Expense Report for March 2023 distributed in the Board packets.

Manager Fales discussed the recent task order, change order, and work orders issued to Kleinschmidt requested by Conifer Infrastructure Partners.

OTHER BUSINESS

Columbia River Treaty – Manager Fales gave a Treaty status update of recent meetings with the Treaty's lead negotiator.

USBR – Marc Maynard stated that USBR has been working on refining the water delivery process with the Districts to improve CBHP generation scheduling with

BPA. The Districts requested that weekly/monthly John W. Keys pump reports be distributed again.

Cities – Nothing to report.

Districts – Eric Dixon stated that the SCADA engineering professional services agreement has been approved with Casne Engineering. Craig Simpson reported that existing radios are being sent in for refurbishment until upgrades are provided by the SCADA engineer.

#### DATE OF NEXT BOARD MEETING – MAY 23, 2023

#### EXECUTIVE SESSION

At 11:20 AM President LaPlant called for a 75-minute executive session to begin after a 5-minute break to consider sale of CBHP property.

#### TRAVEL AUTHORIZATION

On motion by J.J. Danz, 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: NHA Water Power Week, May 8-10, 2023, Washington, D.C., Fee \$2500 – D. Fales.

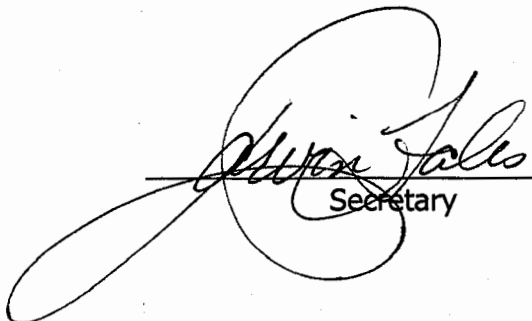
On motion by J.J. Danz, seconded by Duaine Anderson, which motion passed with Director Conrad opposing, authorization of attendance and payment of reasonable expenses for travel, lodging and meals for the following was approved: NWPPA Administrative Professionals Conference, August 15-17, 2023, Spokane, WA, Fee is \$1300 – S. Bresee.

#### DEVELOPMENT COUNCEL

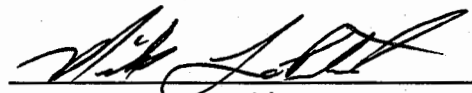
On motion by Phil Stadelman, seconded by J.J. Danz, which motion passed unanimously, authority for Manager Fales to engage development counsel in the event that the three District attorneys cannot provide a unanimous legal opinion regarding the authority and legal requirements for the sale of the Banks Lake Project was approved.

#### ADJOURNMENT

There being no further business to come before the Board, President LaPlant adjourned the meeting at 12:40 PM.



Secretary



President



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

May 23, 2023

Ephrata, Washington

The regular meeting of the Board of Directors of Columbia Basin Hydropower (CBHP) was called to order by President Mike LaPlant at 9:30 AM on May 23, 2023. Those in attendance were:

## Directors

Duaine Anderson, ECBID  
Don Osborne, ECBID  
Mike LaPlant, QCBID  
Phil Stadelman, QCBID  
Richard Conrad, SCBID  
J.J. Danz, SCBID

## Staff

Darvin Fales, Secretary-Manager  
Anna Franz, Attorney  
Larry Thomas, Asst. Manager/Hydro Supervisor  
Jacob Taylor, Treasurer (*called in*)  
Robert Stoaks, Electrical Engineer  
Derek Wolf, Mechanical Engineer  
Betty Craig, Technical Information Administrator  
Stacey Bresee, Admin. Services Coordinator

## Others (present)

Craig Simpson, ECBID

## Others (present), con't.

Roger Sonnichsen, QCBID  
Ko Weyns, QCBID  
Larry Martin, SCBID  
John O'Callaghan, SCBID  
Sara Millard, USBR  
Amy Rodman, USBR  
Lauren Scanga, PayneWest  
Ron Snyder, PayneWest

## Others (called in)

Kevin Lyle (alt), ECBID  
John Rylaarsdam, QCBID  
Norm Semanko, QCBID  
Maurice Balcom, SCBID  
Eric Dixon, SCBID  
Charles Lyall, SCBID  
Kelli Larimer, Kleinschmidt  
Mike Hill, Tacoma Power  
Ben Miller, USBR

## CONSIDERATION OF MEETING MINUTES

On motion by J.J. Danz, seconded by Don Osborne, which motion passed unanimously, the minutes of the April 25, 2023, meeting were approved as distributed.

## NO PUBLIC COMMENTS

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

### Power Production Reports – April 2023:

Generation Summary, Accumulated Kilowatt Hours, and Energy & Incentive reports were distributed. Total April generation was 91% of 2019-2022 average.

### Financial Reports:

The April 30, 2023, Balance Sheet (unaudited) and the April 30, 2023, All Power Plants Income Statement (unaudited) were included in the Board packets for review.

### Approval of Voucher:

On motion by Phil Stadelman, seconded by Richard Conrad, which motion passed unanimously, the Current Expense Voucher (O&M) dated May 23, 2023, in the amount of \$1,228,710.76 was approved.

### Contracts:

Due Diligence Funding Agreement Amendment – tabled until after Executive Session.

On motion by Phil Stadelman, seconded by Duaine Anderson, which motion passed unanimously, the Kleinschmidt Contract 12356-08-14 C was approved.

On motion by Phil Stadelman, seconded by Richard Conrad, which motion passed unanimously, the H2E Contract 12356-13-17 Task Order No. 17 was approved.

A Water Strategies Services Agreement was presented but tabled until the June meeting after discussing with each District at their June meetings.

On motion by Richard Conrad, seconded by Phil Stadelman, which motion passed unanimously, the 2023 Compliance MOU was approved.

### Travel Authorizations:

On motion by Phil Stadelman, seconded by Duaine Anderson, which motion passed unanimously, authorization of attendance and payment of reasonable expenses for travel, lodging and meals to the Tri-State Meeting, June 22-23, Spokane, WA, for D. Fales was approved.

On motion by Phil Stadelman, 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) GE Fanuc Basic Proficy HMI/SCADA Cimplicity by Crown Training, June 19 – 22, Merryville IN, fee \$1,450 – B. Knesek
- 2) PLC Logic Developer Controller Programming by Emerson, August 8–11, Charlottesville, VA, fee \$2,500 – T. Ogle and B. Skidmore
- 3) Doble Client Committee Meeting/Conference, September 18-21, Fort Worth, TX, no registration fee – R. Stoaks

Insurance Policy Review:

Ron Snyder gave a brief insurance acquisition process presentation and answered board questions regarding the 2023 Insurance Policy.

WREGIS:

Manager Fales will present WRIGIS Assignment of Registration Rights for approval and manager signatures at each of the District meetings in June.

Avista Tour:

Manager Fales gave a brief recap of the May 17th Avista tour at the North Plants.

STAFF ACTIVITY REPORT

Larry Thomas presented updates to the Staff Activity Report for the period of April 19 to May 15, 2023, that was included in the Board packets for review and comments.

PROJECT DEVELOPMENT

Manager Fales reviewed the Monthly Summarized Project Development Expense Report for April 2023 distributed in the Board packets and gave a brief Project Development activity report.

OTHER BUSINESS

Columbia River Treaty – Manager Fales gave a brief update.

USBR – Nothing to report.

Cities – Nothing to report.

Avista – Not in attendance.

Districts – Nothing to report.

DATE OF NEXT BOARD MEETING – JUNE 27, 2023EXECUTIVE SESSION

At 11:30 AM President LaPlant called for a 60-minute executive session to begin after a 10-minute break to consider sale of CBHP property.

OTHER

On motion by Duaine Anderson, seconded by J.J. Danz, which motion passed unanimously, the Amendment To Due Diligence Funding Agreement with Conifer was approved.

On motion by J.J. Danz, seconded by Duaine Anderson, which motion passed unanimously, authorization of reasonable expenses for travel, lodging and meals to Bad Creek – Salem, SC, to meet with investor at similar PSH Project, June 12-16, 2023, for manager and directors was approved.

ADJOURNMENT

There being no further business to come before the Board, President LaPlant adjourned the meeting at 12:40 PM.

  
\_\_\_\_\_  
President

  
\_\_\_\_\_  
Secretary



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

June 27, 2023

Ephrata, Washington

The regular meeting of the Board of Directors of Columbia Basin Hydropower (CBHP) was called to order by President Mike LaPlant at 9:30 AM on June 27, 2023. Those in attendance were:

Directors

Duaine Anderson, ECBID  
Don Osborne, ECBID  
Mike LaPlant, QCBID  
Phil Stadelman, QCBID  
Richard Conrad, SCBID  
J.J. Danz, SCBID

Others (present)

Craig Simpson, ECBID  
John Rylaarsdam, QCBID  
Roger Sonnichsen, QCBID  
Maury Balcom, SCBID  
John O'Callaghan, SCBID  
Sara Millard, USBR

Staff

Darvin Fales, Secretary-Manager  
Anna Franz, Attorney  
Larry Thomas, Asst. Manager/Hydro Supervisor  
Jacob Taylor, Treasurer  
Robert Stoaks, Electrical Engineer  
Derek Wolf, Mechanical Engineer  
Betty Craig, Technical Information Administrator

Others (called in)

Kevin Lyle, ECBID  
Norm Semanko, QCBID  
Eric Dixon, SCBID  
Larry Martin, SCBID  
Kellie Pierson-Geddes, SCBID  
Kim Hansen, Kleinschmidt  
Kelli Larimer, Kleinschmidt  
Mike Hill, Tacoma Power  
Ben Miller, USBR

CONSIDERATION OF MEETING MINUTES

On motion by Duaine Anderson, seconded by Don Osborne, which motion passed unanimously, the minutes of the May 23, 2023, meeting were approved as distributed.

NO PUBLIC COMMENTS

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

Power Production Reports – May 2023:

Generation Summary, Accumulated Kilowatt Hours, and Energy & Incentive reports were distributed. Total May generation was 99% of 2019-2022 average.

Contracts:

On motion by Phil Stadelman, seconded by Richard Conrad, which motion passed unanimously, Contract 12356-13-17 Task Order No. 14, Change Order No. 1 was approved.

On motion by Richard Conrad, seconded by Duaine Anderson, which motion passed unanimously, the Professional Services Contract with Kenison-Franz was approved.

Manager Fales announced that he had discussed the Water Strategies Services Agreement with each District at their June meetings but Kris Polly was unable to attend this board meeting so the Agreement will be presented at the August board meeting.

On motion by Phil Stadelman, seconded by Duaine Anderson, which motion passed unanimously, the WREGIS Assignment of Registration Rights was approved.

Other:

Manager Fales informed the board that during the insurance renewal process, the insurer recommended CBHP adopted a motor vehicle registration policy which will be presented at a future board meeting.

Manager Fales informed the board that the current bargaining agreement language addressing VEBA payments upon retirement is not compliant with current IRS laws and will need to be updated. A memorandum of agreement with the union is anticipated.

TREASURER REPORTS

The May 31, 2023, Balance Sheet (unaudited) and the May 31, 2023, All Plants Income Statement (unaudited) were included in the Board packets for review.

Approval of Voucher:

On motion by Duaine Anderson, seconded by J.J. Danz, which motion passed unanimously, the Current Expense Voucher (O&M) dated June 27, 2023, in the amount of \$945,598.40 was approved.

STAFF ACTIVITY REPORT

Larry Thomas presented updates to the Staff Activity Report for the period of May 15 to June 15, 2023, that was included in the Board packets for review and comments.

PROJECT DEVELOPMENT

Kim Hansen with Kleinschmidt Associates provided an updated presentation on the Banks Lake Project.

Manager Fales reviewed the Monthly Summarized Project Development Expense Report for May 2023 distributed in the Board packets.

OTHER BUSINESS

Columbia River Treaty – Manager Fales gave a brief update.  
USBR – Nothing to report.

Cities – Nothing to report.

Avista – Not in attendance.

Districts – Roger Sonnichsen reported that cows in the canal had been removed. John O'Callaghan reported that Stephanie Utter is now the deputy power manager at Grand Coulee.

DATE OF NEXT BOARD MEETING – JULY 25, 2023

NO EXECUTIVE SESSION

ADJOURNMENT

There being no further business to come before the Board, President LaPlant adjourned the meeting at 11:10 AM.

  
\_\_\_\_\_  
President

  
\_\_\_\_\_  
Secretary

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

July 25, 2023

Ephrata, Washington

The regular meeting of the Board of Directors of Columbia Basin Hydropower (CBHP) was called to order by President Mike LaPlant at 9:30 AM on July 25, 2023. Those in attendance were:

Directors

Duaine Anderson, ECBID  
Don Osborne, ECBID  
Mike LaPlant, QCBID  
John Rylaarsdam, QCBID  
Phil Stadelman, QCBID  
Richard Conrad, SCBID  
J.J. Danz, SCBID

Others (present)

Craig Simpson, ECBID  
Roger Sonnichsen, QCBID  
Charles Lyall, SCBID  
John O'Callaghan, SCBID  
Sara Millard, USBR  
Amy Rodman, USBR

Staff

Larry Thomas, Asst. Manager/Hydro Supervisor  
Anna Franz, Attorney  
Jacob Taylor, Treasurer  
Robert Stoaks, Electrical Engineer  
Derek Wolf, Mechanical Engineer  
Betty Craig, Technical Information Administrator  
Stacey Bresee, Administrative Services Coordinator  
Diane Smith, Accts. Payable Admin. Assistant

Others (called in)

Norm Semanko, QCBID  
Maury Balcom, SCBID  
Eric Dixon, SCBID  
Kellie Pierson-Geddes, SCBID  
Mike Hill, Tacoma Power

CONSIDERATION OF MEETING MINUTES

On motion by Don Osborne, seconded by Duaine Anderson, which motion passed unanimously, the minutes of the June 27, 2023, meeting were approved as distributed.

NO PUBLIC COMMENTS

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

Power Production Reports – June 2023:

Generation Summary, Accumulated Kilowatt Hours, and Energy & Incentive reports were distributed. Total June generation was 103% of 2019-2022 average.

Resolution:

On motion by Richard Conrad, seconded by John Rylaarsdam, which motion passed unanimously, Resolution 2023-03 of CBHP Authorizing the Secretary-Manager to Dispose of Certain Surplus Personal Property of CBHP was approved. A copy of said resolution is hereby incorporated by reference.



Annual Education Report:

Larry Thomas presented the Annual Education Report per Resolution 89-07 for the period of July 31, 2022, to July 30, 2023. No tuition reimbursement education was undertaken during this period.

Other:

On motion by Richard Conrad, seconded by John Rylaarsdam, which motion passed unanimously, the revised 2023 Compliance MOU Amendment was approved.

TREASURER REPORTS

The June 30, 2023, Balance Sheet (unaudited) and the June 30, 2023, All Plants Income Statement (unaudited) were included in the Board packets for review.

Approval of Voucher:

On motion by Richard Conrad, seconded by Duaine Anderson, which motion passed unanimously, the Current Expense Voucher (O&M) dated July 25, 2023, in the amount of \$2,265,465.90 was approved.

Second Quarter Deposit Report:

Treasurer Taylor reviewed the Second Quarter Deposit Report of April-June 2023 included in the Board packets.

STAFF ACTIVITY REPORT

Larry Thomas presented updates to the Staff Activity Report for the period of June 16 to July 18, 2023, that was included in the Board packets for review and comments.

PROJECT DEVELOPMENT

Treasurer Taylor reviewed the Monthly Summarized Project Development Expense Report for June 2023 and the Banks Lake Pumped Storage Project Funding Analysis distributed in the Board packets.

Larry Thomas provided an update on recent activities of the Banks Lake Project.

OTHER BUSINESS

Columbia River Treaty – No signed treaty as of yet. Congressional briefing occurred but no report yet.

USBR – Nothing to report.

Cities – Mike Hill had questions regarding the Compliance MOU Amendment. Larry Thomas answered Mike's questions and will email the Compliance MOU Amendment for review.

Avista – Not in attendance.

Districts – John O’Callaghan reminded the board of the Reserved Works meeting on August 14, 2023.

FINANCE COMMITTEE MEETING – AUGUST 15, 2023, AT 9:00 AM

PEC/QC ADVISORY COMMITTEE MEETING – AUGUST 22, 2023, AT 9:00 AM

DATE OF NEXT BOARD MEETING – AUGUST 22, 2023, AT 9:30 AM

OTHER BUSINESS

Charles Lyall reminded the board of the Family Farmers Alliance meetings on September 13-15, 2023.


Phil Stadelman had questions regarding the schedule of the BLPSP and called for executive session to discuss.

EXECUTIVE SESSION

At 10:43 AM President LaPlant called for a 45-minute executive session to begin after a 5-minute break to consider sale of CBHP property.

ADJOURNMENT

There being no further business to come before the Board, President LaPlant adjourned the meeting at 11:35 AM.

  
Secretary

  
President

**RESOLUTION NO. 2023-03  
OF COLUMBIA BASIN HYDROPOWER (CBHP)  
AUTHORIZING THE SECRETARY-MANAGER TO DISPOSE OF CERTAIN  
SURPLUS PERSONAL PROPERTY OF CBHP**

**WHEREAS**, the Board desires to authorize the Secretary-Manager to dispose of certain de minimis items of surplus personal property;

**NOW, THEREFORE, BE IT HEREBY RESOLVED**, that the attached CBHP Surplus Personal Property Policy incorporated herein by reference is hereby approved and adopted.

**ADOPTED IN OPEN MEETING** by the Board on the 25 day of July, 2023.

**BOARD OF DIRECTORS**

*John W. Asbom*  
Director

*[Signature]*  
Director

*Dan Anderson*  
Director

*J. J. Dams*  
Director

*[Signature]*  
Director

*[Signature]*  
Director

ATTEST:

*Angelo Hernandez*  
Secretary



**COLUMBIA BASIN HYDROPOWER  
POLICY AND PROCEDURES**APPROVED BY: BOARD OF DIRECTORS  
DATE: July 25, 2023

TITLE: SURPLUS PERSONAL PROPERTY

RESOLUTION NO.: 2023-03

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**PURPOSE**

This policy is to establish the authorization of the Secretary-Manager to sell, lease, convey, or dispose of surplus items of personal property of Columbia Basin Hydropower (CBHP) with a fair market value less than \$2,000 and subject to the requirements set forth herein. The sale of surplus personal property by the Secretary-Manager shall not exceed \$10,000 annually without Board approval.

**PERSONAL PROPERTY**

Personal property shall include, but not be limited to, scrap materials, equipment, tools, furniture, computers, and computer related equipment. Surplus real property or vehicles shall not be sold or otherwise transferred without Board approval.

**FAIR MARKET VALUE**

Factors which are to be considered in determining value of surplus personal property are original purchase price, age, condition of item, and the current market value.

**SALE OR LEASE**

The Secretary-Manager shall dispose of surplus items of personal property in compliance with the requirements of RCW 87.03.135 or Chapter 39.33 RCW.

**CONFLICT OF INTEREST**

Members of the Board or CBHP employees responsible for administering the sale and their immediate family members shall not purchase any surplus property.

**REPORT TO BOARD**

The Secretary-Manager shall report any disposition of surplus personal property under this policy at the following regular Board meeting which shall include written certification by the Secretary-Manager that the surplus item is not necessary or needed for the use of CBHP.



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

August 22, 2023

Ephrata, Washington

The regular meeting of the Board of Directors of Columbia Basin Hydropower (CBHP) was called to order by Vice President Duaine Anderson at 9:30 AM on August 22, 2023. Those in attendance were:

Directors

Duaine Anderson, ECBID  
Don Osborne, ECBID  
John Rylaarsdam, QCBID  
Phil Stadelman, QCBID  
Richard Conrad, SCBID  
J.J. Danz, SCBID

Staff

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

Others (present)

Roger Sonnichsen, QCBID  
Charles Lyall, SCBID  
John O'Callaghan, SCBID  
Amy Rodman, USBR

Others (called in)

Norm Semanko, QCBID  
Maury Balcom, SCBID  
Eric Dixon, SCBID  
Larry Martin, SCBID  
J.D. Kesler, Attorney  
Mike Hill, Tacoma Power

CONSIDERATION OF MEETING MINUTES

On motion by Don Osborne, seconded by J.J. Danz, which motion passed unanimously, the minutes of the July 25, 2023, meeting were approved as distributed.

NO PUBLIC COMMENTS

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

Budget & Finance Committee Recommendations of 2024 O & M Budget Proposal:

On motion by Phil Stadelman, seconded by J.J. Danz, to table approval until September's meeting to allow all Directors time to review the proposed budget.

Meet & Greet – Parsons, Behle & Latimer Attorney:

J.D. Kesler, Attorney, gave a brief history of his background to the Board.

Power Production Reports – July 2023:

Generation Summary, Accumulated Kilowatt Hours, and Energy & Incentive reports were distributed. Total July generation was 103% of 2019-2022 average.

Other:Vehicle Purchase:

On motion by J.J. Danz, seconded by John Rylaarsdam, which motion passed unanimously, the vehicle purchase of a 2023 Mercedes-Benz Sprinter 2500 Cargo Van for \$70,572.00 was approved.

Resolution:

On motion by Don Osborne, seconded by John Rylaarsdam, which motion passed unanimously, the Resolution 2023-04 for Adopting An Investment Policy was approved. A copy of said resolution is hereby incorporated by reference.

Water Strategies:

Water Strategies Service Agreement drafts will be presented at the January 2024 meeting.

TREASURER REPORTS

The July 31, 2023, Balance Sheet (unaudited) and the July 31, 2023, All Plants Income Statement (unaudited) were included in the Board packets for review.

Approval of Voucher:

On motion by Phil Stadelman, seconded by J.J. Danz, which motion passed unanimously, the Current Expense Voucher (O&M) dated August 22, 2023, in the amount of \$2,109,378.54 was approved.

STAFF ACTIVITY REPORT

Larry Thomas presented updates to the Staff Activity Report for the period of July 19 to August 12, 2023, that was included in the Board packets for review and comments.

PROJECT DEVELOPMENT

Treasurer Taylor reviewed the Monthly Summarized Project Development Expense Report and the Banks Lake Pumped Storage Project Funding Analysis distributed in the Board packets.

Manager Fales distributed new BLPSP layout drawings provided by Kleinschmidt and provided an update on recent activities of the Banks Lake Project.

Discussion of potential project development counsel was tabled until after for executive session.

OTHER BUSINESS

Columbia River Treaty – Manager Fales gave a brief update. Listening session scheduled for this evening at 5:00 PM.

USBR – Nothing to report.

Cities – Nothing to report.

Avista – Not in attendance.

Districts – Manager Sonnichsen stated that the Grand Coulee tour last week was good. Manager O'Callaghan reported that the diversion rate process is ongoing.

POWER STEERING COMMITTEE MEETING – SEPTEMBER 26, 2023, AT 9:20 AM

DATE OF NEXT BOARD MEETING – SEPTEMBER 26, 2023, AT 9:30 AM

EXECUTIVE SESSION


At 11:10 AM Vice President Anderson called for a 65-minute executive session to begin after a 10-minute break to consider sale of CBHP property.

OTHER BUSINESS


On motion by John Rylaarsdam, seconded by J.J. Danz, which motion passed unanimously, the authority for Manager Fales to negotiate an engagement agreement with J.D. Kesler of Parsons, Behle & Latimer was approved.

ADJOURNMENT

There being no further business to come before the Board, Vice President Anderson adjourned the meeting at 12:30 PM.



Secretary



Vice President

**RESOLUTION 2023-04**  
**RESOLUTION OF COLUMBIA BASIN HYDROPOWER (CBHP)**  
**ADOPTING AN INVESTMENT POLICY**


**Whereas**, it is the policy of CBHP to invest public funds in a manner which will provide the highest preservation of principal while maximizing investment returns, meeting daily cash flow demands, while conforming to all federal and state laws and regulations governing the investment of public funds; and

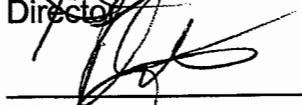
**Whereas**, this policy applies to all funds and activities held by CBHP. These funds are accounted for in the CBHP Comprehensive Annual Financial Report and include General O&M Funds, Reserve Funds, and Capital Improvement Funds; and


**Now, Therefore, Be It Hereby Resolved by the Board of Directors** that the attached CBHP Investment Policy incorporated herein by reference is hereby approved and adopted.

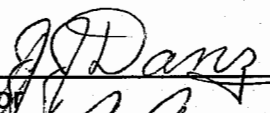
**Adopted** by the BOARD of Columbia Basin Hydropower on the 22<sup>nd</sup> day of August, 2023.

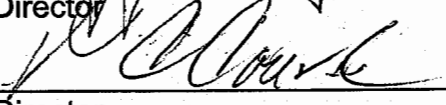
BOARD OF DIRECTORS


  
 Director

  
 Director

  
 Director

  
 Director

  
 Director

  
 Director

(Seal)

ATTEST:

  
 Secretary





**COLUMBIA BASIN HYDROPOWER  
POLICY AND PROCEDURES**APPROVED BY: BOARD OF DIRECTORS  
DATE: August 22, 2023

TITLE: INVESTMENT POLICY

RESOLUTION NO.: 2023-04

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**POLICY**

It is the policy of Columbia Basin Hydropower (CBHP) to have the Treasurer invest public funds in a manner which will provide the highest preservation of principal while maximizing investment returns, meeting daily cash flow demands, while conforming to all federal and state laws and regulations governing the investment of public funds.

**SCOPE**

This investment policy applies to all funds and activities of CBHP with regards to investing CBHP's financial assets.

**OBJECTIVES**

The primary objectives, in priority order, of CBHP investment activities shall be:

1. **Safety:** Principal preservation is paramount, and investments will aim to ensure overall capital safety.
2. **Liquidity:** Portfolio liquidity will be maintained to meet all cash requirements, sustaining a minimum balance for daily obligations.
3. **Return on Investment:** Portfolio design aims for a market-rate return across budgetary and economic cycles, considering risk constraints and liquidity needs.

**AUTHORIZED INVESTMENTS**

Eligible investments are only those securities and deposits authorized by statute (Chapters 39.58, 39.59, and 43.250 of the RCWs) including:

- U.S. Treasury Obligations
- U.S. Government Agency obligations and Sponsored Enterprises
- Certificates of Deposit from qualified public depositories as per Chapter 39.58 RCW
- Bonds from the State of Washington or its local government
- Washington State Local Government Investment Pool (LGIP)
- Grant County Investment Pool

## **DELEGATION OF AUTHORITY**

1. The Board of Directors holds the ultimate authority over CBHP's investment funds.
2. Investment management of all funds is delegated to the Treasurer.
3. Transaction purchases exceeding \$250,000 require approval from both the Treasurer and Secretary-Manager.

## **PORTFOLIO CHANGES**

Significant changes in investment strategy (over 20% of portfolio) or liquidation over \$250,000 require Secretary-Manager approval.

## **DIVERSIFICATION**

CBHP diversifies its portfolio across maturities, issuers, and security classes to mitigate risks of loss due to over-concentration.

## **MATURITIES**

Investments will match cash flow needs as much as possible to avoid losses from premature sales. Hence,

1. 50% of the portfolio will consist of investments maturing within a year.
2. The remaining funds may be invested in authorized securities with a maturity not exceeding two years.

## **INTERNAL CONTROL**

The Treasurer is responsible for establishing and maintaining an internal control structure designed to ensure that all CBHP's financial assets are protected from loss, theft, or misuse.