

Minutes of  
PUBLIC UTILITY DISTRICT NO. 1 OF PEND OREILLE COUNTY  
December 2, 2025  
NEWPORT CONFERENCE ROOM, NEWPORT, WA AND  
VIRTUAL VIA MICROSOFT TEAMS

Present: Dave Rick, President  
Curtis J. Knapp, Vice President  
J. Troy Moody, Secretary

Staff Present: Chris Jones, General Manager  
Management/District Staff  
Karen Willner, Clerk of the Board

Others: Gretchen Koenig, Member of the Public  
Laura Verity, Merkle Standard Infrastructure

The meeting was called to order at 8:30 a.m. by Commissioner Dave Rick, President followed by the Pledge of Allegiance.

APPROVAL OF CONSENT AGENDA:

The minutes from the November 18, 2025 meeting, today's agenda, and the vouchers were reviewed. Commissioner Moody requested tabling the action item for approving Resolution No. 1503 for the 2026 Budget until December 16 because he had not had time to review it. The item will be tabled.

As of this date, December 2, 2025, the Board, upon motion by Commissioner Moody and seconded by Commissioner Knapp approved the following:

- The revised agenda for December 2, 2025 meeting, and the minutes of the November 18, 2025 meeting.
- Vouchers audited certified by the auditing officer as required by RCW 42.24.080, and those expense reimbursement claims certified by RCW 42.24.090, have been recorded on a listing, which has been made available to the Board. Payment of those vouchers, included in the list referred to above and further described as follows: Voucher Nos. 11112 through 11147 in the total amount of \$68,558.17; ACH payments in the total amount of \$386,992.14; Wire transfers in the total amount of \$450,472.83; and ACH payroll transaction in the total amount of \$296,085.90 for the payroll ending November 15, 2025.

The motion passed unanimously.

SAFETY SPOTLIGHT:

Katie Pfitzer, District Director of Administrative Services, reviewed the Safety Core Value Award recipients for November.

She reported there have been no safety incidents or work-related injuries for over 160 days. Safety training last month included First Aid/CPR and underground installation and this month will include establishing the 2026 Safety Meetings calendar.

She introduced Sheena Thompson, HR Generalist, and expressed her appreciation in having her here. Ms. Thompson provided her background. The Board welcomed her to the District.

#### CUSTOMER SPOTLIGHT:

Shannon Johnston, District Customer Services Supervisor, announced the 2026 PUD Calendars are available. She thanked customers for submitting photos; Amber Gifford, District Conservation and Grants Manager, for her coordination; and Michelle Nedved, Newport Miner, for printing the calendars. She inquired if the Board wants to distribute calendars to the public. Discussion was held.

#### COMMISSION REPORT:

Commissioner Knapp attended Energy Northwest phone and virtual meetings.

#### COMMISSION BUSINESS:

Commissioner Knapp will attend the Energy Northwest Annual meetings on December 9 - 11 in Tri-Cities.

Commissioner Moody will attend a Pend Oreille County Representatives Workshop on December 10 at the county.

Commissioner Rick will attend a Tri-County Economic Development District meeting tomorrow in Colville and the Pend Oreille County Representatives Workshop on December 10 at the county.

#### GENERAL MANAGER REPORT:

Chris Jones, District General Manager, reported that all the submitted bids for the Bare Mountain transformer will be rejected and we will restart the bidding process.

He reported January 1, 2026 is when we leave our Shell Energy Contract and are going to our Clark Public Utilities Contract in selling power for Box Canyon Dam. The operations at the dam will stay the same. Discussion was held.

He referenced today's action item and reported the lead times for new Altec trucks used to be one year but since COVID, lead times have been closer to five years. This affects

the budget and we have set up our purchasing schedule to have one truck arrive every year by doing a truck purchase pre-approval by the Board. Discussion was held.

Discussion was held regarding Employee Safety Core Value Awards in relation to the budget.

Commissioner Rick thanked Mr. Jones and his staff for their due diligence in relation to the Bare Mountain transformer bid process. Discussion was held.

#### BUSINESS FROM THE PUBLIC/OPEN COMMENT PERIOD:

Commissioner Rick asked if there was any business or comments from the public.

Gretchen Koenig, member of the public, gave kudos to the District's brush crew and vegetation crew for the job they do for our county. She recently got back from Oregon and commented about the conditions of their lines and vegetation. Commissioner Rick commended our crews and their work efforts compared to other locations.

#### FINANCIAL REVIEW:

April Owen, District Director of Finance, provided a financial review and explained how our Shell Agreement and Clark Public Utilities Contract work for selling our Box Canyon Dam generation. Discussion was held.

#### PUBLIC HEARING – COMMUNITY NETWORK SYSTEM RATE ADJUSTMENTS:

Pursuant to notice given to the Newport Miner, a public hearing to review and consider the District's Community Network System (CNS) Rate Adjustments commenced at 9:32 a.m. There were three members of the public in attendance.

Sarah Holderman, District Director of Customer Services, provided a presentation and reported on the three services we offer – Standard Class Wireless, Standard Class Fiber, and Premium Class. She noted that we are a wholesale provider.

Nik Reed, District Broadband System Network Administrator, reviewed our Premium Class Services including lit bandwidth, dark fiber lease, communication space rental, and the Northwest Open Access Network interconnections and Internet pricing. Dark Fiber, which is an unlit fiber optic cable, was discussed.

Ms. Holderman reviewed our current retail service providers.

Mr. Reed reviewed the District's current Dark Fiber Lease policy and the proposed changes.

Ms. Holderman reported there is an action item today or if needed, the Board can table it until December 16. Discussion was held.

Laura Verity, Merkle Standard Infrastructure, inquired about the number of District leases and if they are locked in on the price even if they don't have the same number of lines. Mr. Reed reported we have eight leases and most are at the minimum amount and won't change.

Ms. Koenig inquired about how the District's rates compare with other rates. Mr. Reed reported we need to make an adjustment based on today's market.

Ms. Verity inquired if the District's fiber is above or underground. Mr. Reed reported we have both above and underground fiber. Ms. Verity inquired if there is a lower risk with underground and if the District has looked at that. Mr. Reed reported staff looked at that and it's not much different.

Commissioner Rick thanked everyone for their questions and comments.

The public hearing ended at 9:52 a.m.

#### FINANCIAL REVIEW (continued):

Ms. Owen reviewed the historical interest rates, Consumer Price Index inflation rates, and forecast metrics for days cash on hand, debt service coverage, and debt to assets ratio.

#### DRAFT STRATEGIC PLAN PREVIEW:

Joe Hathaway, District Public Information Officer, provided a draft Strategic Plan preview and thanked Mr. Jones and his staff for their work on our plan. He reviewed our Mission, Vision, and Core Value changes, our strategic priorities, and key goals for financial responsibility, system reliability, safety, community engagement, employee experience, and innovation. He reported staff will be asking for Board approval at the December 16 meeting.

#### ACTION ITEMS:

- Approval of Land Lease Agreement Extensions. Mr. Jones reported we have two land lease agreements that are two-year agreements. Discussion was held. A motion was made by Commissioner Moody and seconded by Commissioner Knapp to approve the Land Lease Agreement extensions for Edwards and Norton as presented by staff. The motion passed unanimously.
- Approval of Clean Energy Implementation Plan (CEIP). Ben Hall, District Energy Resources Manager, reported that following our CEIP customer survey we held a public hearing on November 4 outlining the draft plan. The public was invited to review the plan on our website and provide additional comments during the month of November; no additional comments or feedback was received during

this time. A motion was made by Commissioner Knapp and seconded by Commissioner Moody to approve the CEIP for 2026 – 2029 as presented by staff. The motion passed unanimously.

- Approval of Utility Resource Plan (URP). Mr. Hall reported that the CEIP and URP are closely related and our URP was revised during the development of the CEIP. Staff provided an overview of the URP during a public hearing on November 18 with a subsequent public comment period. No additional comments were received during this public input period. Discussion was held. A motion was made by Commissioner Moody and seconded by Commissioner Knapp to approve the revised URP as presented by staff. The motion passed unanimously.
- Approval of Resolution No. 1503 – 2026 Budget. This item was tabled until the December 16 meeting.
- Approval of Revised Community Network System (CNS) Policy and Fees. A motion was made by Commissioner Moody and seconded by Commissioner Knapp to approve the revised CNS Policy and Fees as presented by staff. The motion passed unanimously.
- Approval of Purchase of Two AT40-G Altec Bucket Trucks Contract No. 25-307 and Contract No. 25-308. Discussion was held. A motion was made by Commissioner Knapp and seconded by Commissioner Moody to approve the purchase of the two bucket trucks and authorize the general manager to execute the contracts. The motion passed unanimously.
- Approval of General Manager to Execute Standard Industrial Electric Service Agreements for Safran, 32 Telephone Road, 100 Telephone Road, and Vaagen Brothers. Mr. Jones reported that these are 1-year annual agreements. A motion was made by Commissioner Knapp and seconded by Commissioner Moody to approve and authorize the general manager to execute the four agreements. The motion passed unanimously.
- Approval of Early Closing of Business on December 24, 2025. Mr. Jones reported this is something the Board can do for District employees to allow them to spend more time with family. A motion was made by Commissioner Knapp and seconded by Commissioner Moody to approve the early closing as a thank you to employees for their work and dedication for this year. The motion passed unanimously.

Commissioner Rick asked if there was any other business for the good of the order. Discussion was held regarding the draft 2026 Board Meeting Calendar and District Organization Representation for 2026. These items are scheduled for action at the December 16 meeting.

Commissioner Rick expressed his appreciation of staff for the work they do and in keeping the District running.

He reported the next regular meeting is scheduled for Tuesday, December 16, 2025, starting at 8:30 a.m., in the Newport Conference Room, in Newport and via Microsoft Teams. He adjourned the meeting at 11:04 a.m.

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President

ATTEST:

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Secretary

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General Counsel  
Approved as to Form