

Minutes of  
PUBLIC UTILITY DISTRICT NO. 1 OF PEND OREILLE COUNTY  
September 30, 2025  
BOX CANYON DAM, IONE, 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: Kate Pedersen, WA State Department of Commerce Energy  
Resilience Specialist  
Gretchen Koenig, Member of the Public  
Laura Verity, Merkle Standard

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

CONSENT AGENDA:

The minutes from the September 16, 2025 meeting, the September 22, 2025 special meeting, today's agenda, and the vouchers were reviewed.

As of this date, September 30, 2025, the Board, upon motion by Commissioner Moody and seconded by Commissioner Knapp approved the following:

- The agenda for September 30, 2025, the minutes of the September 16, 2025 meeting, and the minutes of the September 22, 2025 special 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. 10885 through 10935 in the total amount of \$126,463.13; ACH payments in the total amount of \$1,795,444.09; Wire Transfers in the total amount of \$317,753.10; and ACH payroll transactions in the total amount of \$317,734.30 for the payroll ending September 15, 2025.

The motion passed unanimously.

COMMISSION REPORT:

Commissioner Knapp attended the Washington Public Utility Association (WPUDA) meetings on September 17 – 19 in Moses Lake and provided an overview. He attended an Energy Northwest Special Board meeting on September 24 in Richland and provided an overview. He attended a WPUDA Water Workshop on September 24 – 26 in Leavenworth and provided an overview.

Commissioner Moody attended the WPUDA meetings on September 17 – 19 in Moses Lake and provided an overview. He attended a Greater Newport Area Chamber of Commerce meeting on September 6 in Newport and commended Madi Campbell, President, for doing a great job. He attended a WPUDA Water Workshop on September 24 – 26 in Leavenworth and provided an overview.

Commissioner Rick attended the virtual WPUDA meetings on September 17 - 19 and provided an overview. He attended a Tri-County Economic Development District meeting on September 24 in Colville and provided an overview.

#### COMMISSION BUSINESS:

The Board of Commissioners will attend a virtual Energy Northwest Conditional Approval Engagement Session on October 6.

Commissioner Moody will attend a WPUDA Telecom Workshop on October 8 - 9 in Shelton.

- Pre-Approval of Commissioner Travel or Meeting Attendance. Discussion was held. A motion was made by Commissioner Knapp and seconded by Commissioner Moody to approve the Commissioner Travel or Meeting Attendance for October as presented. The motion passed unanimously.

#### 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, noted a concern about the Box Canyon gate entry accessibility. Bryant Kramer, District Director of Power Production, reported the gate is only open during Board meetings and staff monitors and can close the gate if needed. Chris Jones, District General Manager, reported it is a safety concern.

Commissioner Rick thanked everyone for their comments and questions and for attending today's meeting.

Following a short recess, the meeting resumed.

#### GENERAL MANAGER REPORT:

Mr. Jones attended and provided an overview of a meeting with Senator Jamie Pedersen on September 25 at the County. Attendees included the Pend Oreille County Commissioners, Senator Shelly Short, the Port of Pend Oreille, the Kalispel Tribe of Indians, and the Newport Hospital. His takeaway is that there are differences between Western and Eastern Washington. We are a Frontier County with 62% forest timber land and 13% private forest timber land which brings in no revenue to the county. Not all the rules will fit the whole state, and we need to get local control back to the counties. Discussion was held.

#### BOX CANYON REPORT:

Mr. Kramer provided a maintenance projects overview and reported the water department is doing routine maintenance on the North Fork Dam of the Metaline Falls Water System to remove shale and debris from behind the dam and he commended the water and Box Canyon crews for their work. He reported Rusty Gill, District Lead Water Systems Operator, worked with the Forest Service to get our special use permit renewed, is working on water system leaks, is working with other staff on projects, and is working on getting Granite Shores Water System updated with new wireless water meters. Discussion was held.

Mr. Kramer provided a 2025 Box Canyon Spillway Rehabilitation project presentation and reported the project is for temporary bulkhead installation. He showed and explained pictures and processes for using the caisson and dewatering Bay 1. He reported on the emergency action plans that are in place during the construction.

He provided a 2025 summer production maintenance projects presentation regarding the Cusick 250 HP Pumping Plant rebuild, the 5-year diving inspection and underwater maintenance at Box Canyon Dam, and the fish ladder chimneys and grating repairs.

He reported Scott Jungblom, District Natural Resources Manager, completed a Shoreline Erosion Study with the county last week. He held a frog catching event for the Selkirk School District students at Campbell Pond. Discussion was held.

#### WA STATE DEPARTMENT OF COMMERCE GRID RESILIENCE AND RELIABILITY GRANT – KATE PEDERSEN, ENERGY RESILIENCE SPECIALIST:

Kate Pedersen, WA State Department of Commerce Energy Resilience Specialist, thanked the District for inviting her to today's meeting. She is working with Amber Gifford, District Communications and Grants Manager, and Jim Cupples, Economic Recovery Corporation, on a Grid Resilience and Reliability Grant. She provided a presentation on the Grant Program 4041D and reported the goal of the grant is to enhance reliability and equity, expand well-paying jobs, and build a community of practice to work with other utilities. She reviewed the eligible project goals and reported the grant is for environmental-based and not human-based projects.

She reviewed the Grid Resilience Technical Assistance Program regarding available services, grant application development, project eligibility, lessons learned from the last round, importance of telling your community story and tying everything back to resilience and data and gaining community engagement with how outages impact their lives.

She reviewed the Energy Resilience and Emergency Management Office divisions.

Ms. Gifford thanked Ms. Pedersen for visiting today, for working with staff, and for being a great help and support. She reported our grant application is due on November 20 and the grant application opened on September 5. She thanked Mr. Cupples (today is his last day) who has been a great support. Discussion was held. The Board thanked Ms. Pedersen for coming to the meeting and our county today.

#### 2026 BUDGET DISCUSSION – PRIORITY PROJECTS:

Sarah Holderman, District Director of Customer Services, reported this is the first budget discussion and reviewed the District's strategic priorities. District staff presented proposed priority projects for 2026.

Stacie Maier, District Director of Engineering and Operations, reviewed the Bare Mountain Substation, the 115kV Box Canyon Tap Design, and Wildfire Mitigation Efforts projects.

William Zurcher, District Vegetation Management Supervisor, reviewed the Transmission Vegetation Clearing, the Fieldnote Vegetation Management Software, and the Overstory Vegetation Planning Software projects.

Mr. Kramer reviewed the Box Canyon Spillway Rehabilitation and the Box Canyon Unit Fire Suppression System projects.

Bob Pebles, District Information Technology Manager/CIP Senior Manager, reviewed the Information Technology Phone System Replacement project.

Katie Pfitzer, District Safety Manager, reviewed the Emergency Action Plan and Safety Physical Security projects.

John Bricher, District Finance Manager, reviewed the Accounts Payable Automation project.

Ms. Holderman reviewed a Cost of Service Study, a District-Wide Fleet Management System, and Customer Services Pre-Pay Program projects.

Joe Hathaway, District Public Information Officer, reviewed a Communications Website Modernization project.

Ms. Holderman reviewed the key takeaways and the budget timeline.

ACTION ITEMS:

- Approval of Merkle Standard Infrastructure Electric Service Agreement. Ben Hall, District Energy Resources Manager, reported the current Cascade contract expired today but was extended by the Board for one month. He reviewed the new contract changes that include prepayment for November 2025, load of up to 100MW conditionally, a name change, term is four years two months, expanded energy resource option for customer arranged resources, variable monthly delivery fee based upon customer load and an annual inflation adjustment, and expanded options to address material market and law and regulations that may arise. Discussion was held. A motion was made by Commissioner Knapp and seconded by Commissioner Moody to approve the agreement in substantially the same form as presented. The motion passed unanimously.
- Request Approval for Task Order #14 Pine Street Relay Upgrade and Task Order #15 Power Quality, Load, and Coordination Analysis, Contract No. 24-024. Ms. Maier reported these task orders are part of our ECI Contract and these projects are budgeted. She provided the project details. Discussion was held. A motion was made by Commissioner Moody and seconded by Commissioner Knapp to approve the task orders. The motion passed unanimously.

Commissioner Rick announced that following a working lunch, the Board Workshop will consist of a Box Canyon Spillway Tour and then the meeting will be adjourned. He asked if there was any other business for the good of the order. There was none. He reported the next meeting will be held on Tuesday, October 7, 2025, at 8:30 a.m., in the Newport Conference Room in Newport and via Microsoft Teams.

BOARD WORKSHOP – BOX CANYON SPILLWAY TOUR:

The Board, District staff, and members of the public toured the Box Canyon Spillway. Discussion was held.

There being no further discussion to come before the Board, the meeting adjourned at 1:30 p.m.

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President

ATTEST:

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Secretary

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General Counsel  
Approved as to Form