

Minutes of
PUBLIC UTILITY DISTRICT NO. 1 OF PEND OREILLE COUNTY
November 1, 2022
NEWPORT CONFERENCE ROOM, NEWPORT, WA AND
VIRTUAL VIA MICROSOFT TEAMS

Present: Curtis J. Knapp, President
Richard A. Larson, Vice President
Joseph B. Onley, Secretary

Staff Present: F. Colin Willenbrock, General Manager
Management/District Staff
Tyler Whitney, General Counsel
Karen Willner, Clerk of the Board

Others: Gretchen Koenig, Member of the Public
Sonya Scaufflaire, Selkirk Sun (virtual)
Don Gronning, Newport Miner (virtual)
Lonnie Walkup, Member of the Public (virtual)
Norm Smith, Member of the Public (virtual)
Dave Rick, Member of the Public

The meeting was called to order at 8:32 a.m. by Curtis J. Knapp, President.

CONSENT AGENDA:

The minutes from the October 18, 2022 meeting, today's revised agenda, and the vouchers were reviewed. Colin Willenbrock, District General Manager, noted an additional action item.

As of this date, November 1, 2022, the Board, upon motion by Commissioner Larson and seconded by Commissioner Onley approved the following:

- The revised agenda for November 1, 2022, and the minutes of the October 18, 2022 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. 7425 through 7471 in the total amount of \$297,462.45; ACH payments in the total amount of \$3,291,562.30; Wire Transfers in the total amount of \$943,012.50; and ACH payroll transactions in the total amount of \$220,087.29 for the payroll ending October 15, 2022.

The motion passed unanimously.

BOARD WORKSHOP:

Commissioner Knapp asked if the commissioners had any topics of discussion for this or future workshops. Commissioner Onley thanked Sarah Holderman, District Director of Customer Services, for the Northwest Open Access Network (NoaNet) invoice information.

Mr. Willenbrock attended Washington Public Utility Districts Association (WPUDA) Managers/Public Power Council/Energy Northwest Public Power Forum meetings on October 26 - 27 in Kennewick. He reported there was a lot of legislation, collective bargaining, and elections discussion.

Philip Roice, District Engineering Manager, introduced Chance Foss, newly-hired Electric Project Engineer and reported he started today. Mr. Foss provided his background history. The Board welcomed him to the District.

Bob Pebles, District Information Technology Manager/CIP Senior Manager, introduced Nik Reed, newly-hired Broadband Administrator. Mr. Reed provided his background history. The Board welcomed him to the District.

Ms. Holderman provided a draft 2023 Budget presentation. She and April Owen, District Director of Finance, provided a revenue update. Ms. Holderman reviewed capital expenditures, provided a metering project update, and reviewed dues and memberships, labor assumptions, and cash balances. Discussion was held.

FLEET ASSET PRESENTATION:

Chris Jones, District Director of Operations, provided a fleet asset presentation. He referenced the District's Fleet Management Policy and reviewed the replacement schedule for trucks. He explained the current ordering and delivery lead times and reported any custom truck orders done today will be delivered in 2028. He explained stock truck ordering and if order today will be delivered in two years. He provided the details for today's additional action item. Discussion was held.

Following a short recess, the meeting resumed.

BUSINESS FROM THE PUBLIC/OPEN COMMENT PERIOD:

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

Gretchen Koenig, member of the public, requested a future substation update. Mr. Jones provided an explanation of capacity, transformers, and locations.

Dave Rick, member of the public, requested a Box Canyon Dam turbine outage update. Mr. Willenbrock reported an internal inspection was done and we are waiting on the final report from McMillen Jacobs. He provided an overview of the repairs process. Discussion was held.

FLEET ASSET PRESENTATION (continued):

Mr. Jones will provide a 5-year look ahead plan to the Board for budget planning. Discussion was held regarding the fleet management plan and future fleet ordering.

ACTION ITEMS:

- Surplus Bid Awards – Fleet Asset #286 2013 C&B Flatbed Trailer, 2006 Bradford Built Flatbed for Truck, and Sweeps. Karen Willner, Clerk of the Board, provided a bid tabulation review. Based on staff recommendation, a motion was made by Commissioner Onley and seconded by Commissioner Larson to award the bids to the highest bidders, as presented. The motion passed unanimously.
- Declaration of Surplus Property – Fleet Asset #280 2000 Eager Beaver Equipment Trailer and Thread Bolts. Mr. Jones reported the equipment trailer is at the end of its useful life and is too small for what we haul. The thread bolts are no longer needed. Based on staff recommendation, a motion was made by Commissioner Larson and seconded by Commissioner Onley to declare the items as being no longer necessary, material to, or useful in the operations of the District and, therefore surplus to the needs of the District. A sealed bid process will be used. The motion passed unanimously. Staff will proceed as appropriate.
- Approval for Vehicle Purchase – Digger Derrick Truck. A motion was made by Commissioner Larson and seconded by Commissioner Onley to authorize the general manager to pre-order a 2023 Digger Derrick truck from Altec in the approximate amount of \$350,000. The motion passed unanimously.

Discussion was held regarding the budget for a Newport Conference Room technology upgrade.

SAFETY SPOTLIGHT:

Kevin Conway, Director of Utility Services, reported the Functional Emergency Action Plan (EAP) exercise was successfully done on October 26. This exercise is done every five years. It was done virtually with over 70 participants. It included Box Canyon Dam, Sullivan Lake Dam, Cusick dike, Boundary Dam, Seven Mile Dam, and Waneta Dam. It showed the importance of county agency coordination.

Mr. Willenbrock thanked Jamie Dunn, District Administrative Assistant at Box Canyon Dam, for her efforts in coordinating the event. He read a thank you from Mike Haynes, Assistant General Manager of Seattle City Light to the District for its coordination of the event. He thanked Mr. Conway; Bryant Kramer, District Director of Power Production, staff and other agencies for participating.

CUSTOMER SPOTLIGHT:

Ms. Holderman reported Amber Gifford, District Customer Service & Contracts Manager, participated in the Functional EAP exercise and commented it was a stressful exercise.

Ms. Holderman provided an update on customer arrearages and reported we are eligible to receive \$100,000 in grant awards to reimburse customers who had arrearages and received energy assistance during the billing period of March 1, 2020 – December 31, 2021. We need to disburse the award money before the end of this year. Discussion was held.

She reported we had lots of trick-or-treaters yesterday.

COMMISSION REPORT:

Commissioner Knapp attended a virtual Washington State auditor's exit interview on October 24. He attended an Energy Northwest Public Power Forum on October 27 in Kennewick and provided an overview.

Commissioner Larson attended a virtual Tri-County Economic Development District meeting on October 26 and provided an overview.

Commissioner Onley attended the Energy Northwest Public Power Forum on October 27 in Kennewick and provided an overview.

COMMISSION BUSINESS:

Commissioner Larson will attend a virtual NoaNet Board meeting on November 9. Mr. Willenbrock reported he will not be attending the meeting due to attending an American Public Power Association meeting and will inform NoaNet that Ms. Holderman will be his replacement for that meeting.

Commissioner Onley will attend a virtual Greater Newport Area Chamber of Commerce meeting on November 2. He was asked by Kitsap PUD to join a video conference meeting with Port district representatives to discuss legislative goals on November 7. He requested the Board's authorization to attend. Commissioners Knapp and Larson approved his attendance.

Commissioner Knapp has no business until the November 15 Board meeting. He suggested a field trip to the fish hatchery during a Board meeting at Box Canyon. Discussion was held.

Discussion was held regarding the Annual Legislative meeting. Due to scheduling conflicts, the meeting has been canceled.

Mr. Willenbrock, Ms. Holderman, and Mr. Reed attended a virtual Washington State Broadband Office meeting to discuss the fiber broadband expansion grant on October 28. Mr. Willenbrock provided an overview. Discussion was held.

Mr. Willenbrock reported only one PUD received the spectrum auction and he provided an overview.

Commissioner Knapp reported the WPUA Annual Conference is in Spokane this year and inquired if the commissioners would want to stay at the hotel on Thursday night due to the evening reception and awards ceremony. Discussion was held. The Board was in agreement to stay at the hotel on Thursday night.

Commissioner Knapp announced a 90-minute executive session for an annual performance evaluation of an individual employee to be held in the Newport Conference Room. No final action will be taken during the executive session. If the executive session needs to be extended, he will rejoin this open session to publicly announce an extension. Following the executive session he and the Board will rejoin the open session to take any action and/or to adjourn this meeting.

He reported the next meeting is November 15 starting at 8:30 a.m., in the Newport Conference Room in Newport and via Microsoft Teams.

EXECUTIVE SESSION – ANNUAL PERFORMANCE EVALUATION OF AN INDIVIDUAL EMPLOYEE:

A 90-minute executive session on an annual performance evaluation of an individual employee commenced at 11:10 a.m. The following were in attendance: Board of Commissioners. The executive session adjourned at 12:35 p.m. The Board returned to open session.

Commissioner Knapp reported the next meeting is November 15 starting at 8:30 a.m., in the Newport Conference Room in Newport and via Microsoft Teams.

There being no further discussion to come before the Board, the meeting adjourned at 12:36 p.m.

President

ATTEST:

Secretary

General Counsel
Approved as to Form