

Minutes of
PUBLIC UTILITY DISTRICT NO. 1 OF PEND OREILLE COUNTY
August 2, 2022
NEWPORT CONFERENCE ROOM, NEWPORT, WA AND
VIRTUAL VIA MICROSOFT TEAMS

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

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

Others: Kurt Miller, Executive Director of Northwest River Partners
Dave Rick, Member of the Public
Monty Stahl, CEO of Merkle Standard
Steve Wood, CFO of Merkle Standard
Gretchen Koenig, Member of the Public

Absent: Curtis J. Knapp, President

The meeting was called to order at 8:32 a.m. by Richard A. Larson, Vice President.

CONSENT AGENDA:

The minutes from the July 26, 2022 meeting, today's agenda, and the vouchers were reviewed.

As of this date, August 2, 2022, the Board, upon motion by Commissioner Onley and seconded by Commissioner Larson approved the following:

- The agenda for August 2, 2022, and the minutes of the July 26, 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. 7135 through 7148 in the total amount of \$123,701.82; ACH payments in the total amount of \$387,847.43; and Wire Transfers in the total amount of \$496, 673.34.

The motion passed unanimously.

BOARD WORKSHOP:

Commissioner Larson asked if Commissioner Onley had any topics of discussion for this or future workshops. Commissioner Onley did not have any topics. Commissioner Larson requested future discussion on electric vehicle charging stations related to partnerships and our damage claim process.

Colin Willenbrock, District General Manager, reported April Owen, District Director of Finance, will provide June 2022 financial report highlights.

Ms. Owen provided an overview of the June 2022 financials. Discussion was held. She reported staff will have a virtual meeting with Fitch Ratings today.

Mr. Willenbrock introduced Kurt Miller, Executive Director of Northwest River Partners. He reported that hydropower is a much debated topic and that we have a vested interest in hydro because of our Box Canyon Dam and Seattle City Light's Boundary Dam. We are not currently members of the Northwest River Partners. He provided Mr. Miller's background and welcomed him.

Mr. Miller provided a powerpoint presentation entitled “Saving Hydropower in the Pacific Northwest”. The presentation is posted on the District’s website. Discussion was held.

Following a short recess, the meeting resumed.

BUSINESS FROM THE PUBLIC/OPEN COMMENT PERIOD:

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

Gretchen Koenig, member of the public, inquired about the status of Merkle Standard’s collateral with the banks. Mr. Willenbrock reported on the status.

Monty Stahl, CEO of Merkle Standard, thanked the Board and staff for giving them a clear path to their goal and reported they are working to meet that goal. They expected the collateral process to be simple and believe they have done everything possible to make the deadline. He requested an additional 26 MW for this month and reported they are ready to sign the deal to move forward.

Steve Wood, CFO of Merkle Standard, is ready to purchase more power.

Dave Rick, member of the public, thanked the Board and staff for having today’s board workshop presentation on the dams and hydropower.

Commissioner Onley inquired what prevents a customer from taking more electricity without permission. Mr. Willenbrock reported we use contract penalties and physical disconnection.

SAFETY SPOTLIGHT:

Adam Wiltse, District Safety Manager, shared his screen and reported that hornets, wasps, and bee are out in full force and that outbreaks are occurring. He provided an overview of various insects and their impacts to the environment and society. He explained the treatments if you get stung and when to seek medical attention. He explained how to use an epipen. Discussion was held.

CUSTOMER SPOTLIGHT:

Amber Gifford, District Customer Service & Contracts Manager, received over 75 photo entries for our 2023 PUD Calendar. Entries are due by August 31 and need to include the photo taker’s name and the photo’s location. Discussion was held on the voting process.

COMMISSION REPORT:

Commissioner Onley was contacted via email by Afton Servas, Kalispel Tribe of Indians, regarding a recommendation for a PUD Commissioner District 3 candidate. He responded that it was his opinion that it would be inappropriate for him to comment but he noted that one candidate had been in attendance at meetings. He received an email regarding the Washington State broadband grant and inquired if Sarah Holderman, District Director of Customer Services, had seen it and acted on it. Ms. Holderman reported she saw the email notification and acted on it.

Commissioner Larson did not attend the Tri-County Economic Development District meeting on July 27 due to a conflict. He received an Economic Development Council email regarding a Community Economic Revitalization Board meeting today at the county.

COMMISSION BUSINESS:

Commissioners Onley and Larson will attend the August 16 Board meeting in Newport.

Commissioner Larson reported the next Board meeting is August 16 in the Newport Conference Room in Newport and via Microsoft Teams beginning at 8:30 a.m.

Mr. Willenbrock reported we will wait for Commissioner Knapp to return in order to have a discussion about rejoining the Northwest River Partners as it will be up to the commission. Discussion was held.

There being no further discussion to come before the Board, the meeting adjourned at 10:33 a.m.

Vice President

ATTEST:

Secretary

General Counsel
Approved as to Form