

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

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

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

Others: Gretchen Koenig, Member of the Public

The meeting was called to order at 8:30 a.m. by Commissioner Dave Rick, President.

APPROVAL OF CONSENT AGENDA:

The minutes from the March 18, 2025 meeting, today's revised agenda, and the vouchers were reviewed.

As of this date, April 1, 2025, the Board, upon motion by Commissioner Moody and seconded by Commissioner Knapp approved the following:

- The revised agenda for April 1, 2025 meeting, and the minutes of the March 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. 10321 through 10356 in the total amount of \$146,848.94; ACH payments in the total amount of \$576,022.09; Wire transfers in the total amount of \$1,182,752.82; and ACH payroll transactions in the total amount of \$273,698.78 for the payroll ending March 15, 2025.

The motion passed unanimously.

NEW EMPLOYEE INTRODUCTIONS:

Destini Parker, District Compensation and Benefits Administrator, introduced Coleman Bauer, District Warehouseman, and reported that he started on March 24. Mr. Bauer provided his background.

Ms. Parker introduced William Zurcher, District Vegetation Management Supervisor, and reported that he started on March 27. Mr. Zurcher provided his background.

Ms. Parker introduced Melanie (Mel) Low, District Accounts Payable Analyst, and reported that she started today.

Ms. Parker introduced Mandy Aubrey, District Operations Specialist, and reported that she started today. Ms. Aubrey provided her background.

The Board welcomed them to the District. The newly-hired employees exited the meeting.

SAFETY SPOTLIGHT:

Katie Pfitzer, District Safety Manager, reported that James Massey, District Power Supply Operator, was nominated for a Teamwork and Cyber Security Core Value Award for identifying and suggesting an update to our email banners and our Information Technology incorporated his suggestion to increase employee awareness and security when outside emails are received.

She reported that Jamie Dunn, District Administrative Assistant for Production, was nominated for a Customer Focus Core Value Award for her interaction with a customer and servicing our customers with kindness and dignity.

She reported Laura Smith, District Utility Services Designer I, was nominated for a Customer Focus and Teamwork Core Value Award for always having a positive attitude when answering customers' line extension questions and for stepping in to help when she sees a need.

She reported Jimmy Reed, District Serviceman in Ione, was nominated for a Customer Focus Core Value Award for helping a customer set up email, SmartHub, and autopay.

She reported our Safety Management System modules are underway.

She reported we had two non-recordable employee incidents – one where an employee strained their lower back while pulling wire and she explained the importance of stretching before doing work. Another employee got an eye gash when they were helping to move a downed tree and a branch snapped and she explained the importance of using personal eye protective equipment.

She reported last month's safety training included incident reporting, vehicle walkaround, and trenching and shoring. Next month's safety training will be on de-escalation and will

be held on April 10. Commissioners Moody and Knapp will plan to attend. Other training will also include qualified worker training, energized sites training, and panic button/fire alarm training.

Chris Jones, District Interim General Manager, noted the lower back strain incident and reported in the past linemen had knee issues from climbing poles. It is safer now with bucket trucks and updated equipment, but the industry is sustaining more shoulder and back injuries from reaching and leaning from the bucket trucks. We should expect changes in the industry to help prevent and mitigate these types of injuries

Commissioner Moody commended staff for receiving Core Value Awards for helping others.

CUSTOMER SPOTLIGHT:

Shannon Johnston, District Customer Service Supervisor, reported on the importance of keeping water and electric meters accessible and clear of obstructions now that spring is here. We need to access the meters for maintenance, safety, and reads and customers are encouraged to keep garbage, vehicles, and other items away from the meter. Discussion was held regarding enclosed meter access.

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, commented that she is happy to hear that we are trying to make an effort to help the public with getting computer access and signing up for bill pay. Ms. Pfitzer reported customers use SmartHub for our online bill pay. Ms. Johnston reported there will be an article in this month's Customer Connect newsletter about SmartHub. Commissioner Moody reported he tells customers to come into our office to get help. Commissioner Rick explained the importance of checking on our elderly customers.

He thanked everyone for attending and for their comments.

Mr. Jones reported we have a new agenda format without times listed. We are trying to keep conversations going and not be tied to time constraints. We are scheduling a break after the Business from the Public session so that the Board and staff can talk further with customers. If a break is not needed we can continue with the meeting.

INTERIM GENERAL MANAGER REPORT:

Mr. Jones reported we had a power outage last Wednesday night due to a windstorm in the south county. One major outage was on the Diamond Lake to Bare Mountain transmission line. A tree hit and tore wire down and this affected all south county customers. Crews were able to get the power restored in a short amount of time.

He and Ms. Parker attended a Central Washington Public Utilities (CWPU) negotiations meeting last Wednesday in Wenatchee. This was a kickoff meeting to start negotiations for employee benefits. All the CWPU utilities are under the same insurance pool. Another group negotiations meeting will be held in early June and once those negotiations are settled each utility will go into their local negotiations.

He had a call with Seattle City Light (SCL) and the Kalispel Tribe of Indians regarding a SCL vegetation project due to their Boundary Relicensing. This is in the Boundary Road area and they want to get back to native vegetation. Canary grass is there and they want to plant trees to shade Flume Creek for the fish. Our Boundary transmission line runs through their project area and we will help clean up our rights-of-way so they can do their project. Discussion was held.

He reported staff had a leadership training on Tuesday and Wednesday last week. He reported the training is great and worth every penny that we're spending with Nash Consultants. It will benefit employees and help with communication across departments. He is already seeing benefits that will pay off for years to come.

BONNEVILLE POWER ADMINISTRATION PROVIDER OF CHOICE CONTRACT ELECTION:

Ben Hall, District Energy Resources Manager, reported our formal request to the Bonneville Power Administration (BPA) for our power contract needs to be submitted by June 18. He provided a BPA Provider of Choice Contract Election presentation including the key considerations for product (power) and conditions. He reported the biggest challenge we currently have is that BPA places our Contract High Water Mark at zero megawatts, while he believes that our Contract High Water Mark should be approximately 20 megawatts. The Contract High Water Mark determines the maximum amount of Tier 1 power that we may receive over the term of the contract. Discussion was held.

He reviewed our contract product options of Load Following, Block, or Slice/Block. He reported that we are currently under a Shaped Block product with a 25MW Contract High Water Mark. He reviewed the rules and conditions associated with federal power that include restrictions on reselling power, true up charges if we take more federal power than we are allotted in the year, our administrative obligations under the BPA contract, and our product switching restrictions.

He reviewed the Load Following, Flat Block, and Shaped Block products and reported that Shaped Block best addresses our capacity needs during peak load periods. He explained the importance of having a Contract High Water Mark for our long-term resource planning needs. Discussion was held.

The Board thanked Mr. Hall for his presentation. April Owen, District Director of Finance, discussed political pressures regarding the Tier 1 product, which is at capacity,

and also regional desire for BPA to adhere to their policies regarding the Contract High Water Mark calculations. Mr. Hall reported that Tier 1 is the expected output of the Federal Columbia River Power System (FCRPS) that is allocated to BPA's customers based upon Contract High Water Marks. Tier 2 is power that BPA procures above the FCRPS and is currently \$20 - 30 per MW more expensive than Tier 1.

ACTION ITEMS:

- Approval of Bid Award – Surplus Property, Fleet Asset #333, a 2007 Ford F150 Crew Cab Truck. Karen Willner, District Clerk of the Board, provided a bid summary. A motion was made by Commissioner Moody and seconded by Commissioner Knapp to award the bid to the highest bidder as presented. The motion passed unanimously.
- Approval of Resolution No. 1497 – Revised Electric Service, Rates and Credit Policy and Revised Water Service, Rates and Credit Policy. Ms. Owen reported this revision includes an Advanced Meter Opt-Out Program, an Electric Vehicle Charging Rate, a Low-Income Senior Discount amount increase, and a change to our Neighbors in Need Low Income Assistance Program qualification requirements. A motion was made by Commissioner Moody and seconded by Commissioner Knapp to approve and adopt the resolution for the revised policies. The motion passed unanimously.
- Approval of Revised Utility Extension Fees Policy. Ms. Owen reported these revisions are line extension fees adjustments. A motion was made by Commissioner Moody and seconded by Commissioner Knapp to approve the revised policy. The motion passed unanimously.
- Approval of Request for Neighbors in Need (NIN) Donation. Commissioner Rick reported that in the past the Board donated \$12,500 and staff is requesting the Board to donate that amount for this year. A motion was made by Commissioner Moody and seconded by Commissioner Knapp to approve the request for a Board donation of \$12,500 to the NIN program. Discussion was held. The motion passed unanimously.
- Approval of Resolution No. 1498 – Reduced Utility Rates for Low Income. Ms. Owen reported this resolution is for our Low-Income Senior Discount program and we are introducing a new Low-Income Veterans Discount program. The discount for both programs for qualified customers is \$10 per month. Discussion was held. A motion was made by Commissioner Moody and seconded by Commissioner Knapp to approve and adopt the resolution. The motion passed unanimously.

COMMISSION REPORT:

Commissioner Knapp virtually attended the Washington Public Utility Districts Association (WPUDA) meetings on March 19 – 21, a virtual Energy Northwest New Nuclear Task Force meeting on March 19, and Energy Northwest Board meetings on March 26 – 27 in Richland.

Commissioner Rick attended a Tri-County Economic Development District meeting on March 26 in Colville and provided an overview.

Commissioner Moody attended the WPUDA meetings on March 19 - 21 in Olympia and provided an overview.

COMMISSION BUSINESS:

Commissioner Knapp is currently attending an Emory Executive Education Training in Atlanta. He will try to virtually attend the Public Power Council and Pacific Northwest Utilities Conference Committee meetings this week.

Commissioner Rick noted the benefits in using a grant writer and the importance to mention this when attending agency meetings. Discussion was held regarding the federal grant cuts. Ms. Owen reported that the District is working with the Port of Pend Oreille grant writer and the Northwest Open Access Network grant writer and staff will need to revisit the Broadband Equity, Access, and Deployment Program Grant requirements.

Commissioners Moody and Knapp will attend a District Safety meeting on de-escalation training on April 10 in Newport.

Following a short recess, the meeting resumed.

BOARD WORKSHOP:

- District Organization Chart.

Mr. Jones reported that a Board Workshop is being scheduled at the end of each meeting for the Board and staff to discuss various topics, have trainings, or go into the field. He encouraged the Board to provide topics to staff. Commissioner Knapp would like to have the crews and staff also involved.

Mr. Jones reported there have been some staffing changes and he reviewed his direct reports on the revised District's Organization Chart.

Ms. Owen reviewed her Finance reports on the chart.

Mr. Jones reviewed the Customer Services reports on the chart.

Stacie Maier, District Director of Engineering and Operations, reviewed her Engineering and Operations reports on the chart. Mr. Jones noted other upcoming changes. Discussion was held.

Bryant Kramer, District Director of Power Production, reviewed his Power Production reports on the chart. Discussion was held.

Mr. Jones reviewed the Administrative Services reports on the chart. Discussion was held.

The Board thanked staff for their review.

Commissioner Rick asked if there was any other business for the good of the order. There was none.

He reported the next regular meeting is scheduled for Tuesday, April 15, 2025, starting at 8:30 a.m., in the Newport Conference Room, in Newport and via Microsoft Teams. He adjourned the meeting at 11:02 a.m.

President

ATTEST:

Secretary

General Counsel
Approved as to Form