

Minutes of
PUBLIC UTILITY DISTRICT NO. 1 OF PEND OREILLE COUNTY
October 29, 2024
BOX CANYON DAM, IONE, WA AND
VIRTUAL VIA MICROSOFT TEAMS

Present: Joseph B. Onley, President
David W. Rick, Vice President
Curtis J. Knapp, Secretary

Staff Present: John Janney, General Manager
Management/District Staff
Karen Willner, Clerk of the Board

Others: Five Members of the Public, virtually

The meeting was called to order at 9:00 a.m. by Joseph B. Onley, President. He announced a 30-minute executive session to review the performance of a public employee will begin at 9:01 a.m. If the executive session needs to be extended he will rejoin the open session to publicly announce an extension. No final action will be taken during the executive session. Following the executive session, he and the Board will rejoin the open session to resume the meeting.

EXECUTIVE SESSION – REVIEW THE PERFORMANCE OF A PUBLIC EMPLOYEE:

A 30-minute executive session to review the performance of a public employee commenced at 9:01 a.m. The following were in attendance: Board of Commissioners; and John Janney, General Manager. At 9:30 a.m., Commissioner Onley publicly announced the executive session would be extended for 30 minutes. The executive session ended at 10:00 a.m. and the Board returned to open session. No final action was taken during the executive session.

CONSENT AGENDA:

The minutes from the October 15, 2024 meeting, today's revised agenda, and the vouchers were reviewed.

As of this date, October 29, 2024, the Board, upon motion by Commissioner Knapp and seconded by Commissioner Rick approved the following:

- The revised agenda for October 29, 2024, and the minutes of the October 15, 2024 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. 9825 through 9850 in the total amount of \$98,154.08; ACH payments in the total amount of \$1,090,677.22; Wire Transfers in the total amount of \$362,912.51; and ACH payroll transactions in the total amount of \$278,141.67 for the payroll ending October 15, 2024.

The motion passed unanimously.

BUSINESS FROM THE PUBLIC/OPEN COMMENT PERIOD:

Commissioner Onley asked if there was any business or comments from the public. There was none.

BOX CANYON UPDATE:

Bryant Kramer, District Director of Power Production, introduced Tommy O'Donnell, District Temporary Hydro Maintenance Worker. Mr. O'Donnell provided his background history. The Board welcomed him to the District.

Scott Jungblom, District Natural Resources Manager, introduced Sean Kinard, District Resource Biologist, and provided his background history. The Board welcomed Mr. Kinard to the District.

Mr. Kramer provided a Metaline Falls Water System overview and reported there was a double water main break for unknown reasons on October 17. He showed and explained pictures of what occurred and reported the District water system operators, with help from the District Box Canyon maintenance crew and Versatile Industries, were able to stop the leak within an hour. Water service was restored by midnight the same day. He explained the restoration process and expressed his appreciation for everyone's help. He reported we are working with Welch Comer on an engineering plan that the Washington State Department of Health (DOH) will need to approve. We've discussed emergency funding, either a loan or grant with DOH and there is an action item today.

Commissioner Onley thanked Mr. Kramer for his presentation and for his leadership with a great crew. Mr. Kramer reported that a Sunvale Acres Water System customer sent a note of appreciation for Rusty Gill, District Lead Water System Operator, and Andrew Crawford, District Water System Operator, for their helpfulness and responsiveness and for representing the District well and professionally.

Discussion was held regarding the gantry crane.

WORKFORCE PLAN:

Katie Pfitzer, District HR Generalist, provided a Workforce Plan presentation as part of our 10-Year Financial Forecast. She reported on historical full-time employee counts and that we currently have 84 employees. She explained employee development and training and the costs of understaffing risks and reported the estimated prior year cost was \$2.6M. She reviewed staffing needs and succession planning and commended John Janney, District General Manager, for implementing employee programs to help with our future needs.

The Board thanked Ms. Pfitzer for her presentation.

2025 BUDGET:

Sarah Holderman, District Director of Customer Services, provided a 2025 Budget Capital Plan presentation. She reviewed the operating and capital costs, and capital expenditures.

Stacie Maier, District Director of Utility Services, reported the Bare Mountain Substation project actual design will be done in 2025 and she provided a budget overview. She provided a Wildfire Mitigation project budget overview and reported equipment will be installed in 2025 and 2026.

Mr. Kramer provided a Spillway Concrete Repair project budget overview and reported it is erosion repair of the downstream apron on bays 1 and 2 of the Box Canyon spillway.

Ms. Holderman provided a Meter Replacement project budget overview and reported 2025 is the final year of a multi-year project to replace all of the old and unsupported meters and the contractor is starting on November 12 to install the new meters.

She reviewed department headcounts and reported we currently have 84 employees and staff is proposing a projection of 91 employees for 2025, three of which are limited assignment. She provided an employee succession planning overview. Discussion was held.

She reviewed wage assumptions and reported that Ms. Pfitzer will provide a presentation of increased employee benefits of almost 13% at the next meeting. She reviewed the timeline for the budget presentation, budget hearing, and budget adoption. The Board thanked Ms. Holderman for her presentation.

ACTION ITEMS:

- Declaration of Surplus Property – Fleet Asset #155, a 2009 Ford F-150 Truck. The truck will be offered for sale through our sealed bid process. A motion was made by Commissioner Rick and seconded by Commissioner Knapp to approve and declare the truck as being unserviceable, inadequate, obsolete, worn out, or unfit to be used in the District’s operations, and no longer necessary, material to,

or useful in the operations of the District and, therefore, surplus to the needs of the District. The motion passed unanimously. Staff will proceed as appropriate.

- Approval of Revised Fleet Management Policy. Mr. Janney reported we are doing an annual policy review process. A motion was made by Commissioner Knapp and seconded by Commissioner Rick to approve the revised policy. The motion passed unanimously.
- Approval of Wildfire Mitigation Plan. Commissioner Onley thanked staff for a great document to be able to share and coordinate with agencies. Mr. Janney explained our process. A motion was made by Commissioner Rick and seconded by Commissioner Knapp to approve the plan. The motion passed unanimously.
- Resolution No. 1489 – Declaring Emergency and Waiving Competitive Bidding Requirements for Metaline Falls Water System. A motion was made by Commissioner Knapp and seconded by Commissioner Rick to approve and adopt the resolution. Ms. Holderman reported the resolution is needed for waiving the competitive bidding process. The motion passed unanimously.

COMMISSION BUSINESS:

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

Commissioner Onley reported he will not attend the District's public meeting tomorrow night at the Newport High School.

Commissioner Rick will attend the District's public meeting tomorrow night at the Newport High School.

Commissioner Knapp will attend a virtual Washington State Auditor's Office Clean Energy Transformation Act Exit Conference on October 31. Discussion was held. Commissioner Onley may also attend the exit conference.

COMMISSION REPORT:

Commissioner Onley attended an Energy Northwest Public Power Forum on October 24 in Tri-Cities and provided an overview.

Commissioner Rick attended an Economic Development Advisory Committee on October 16 in Metaline and a TEDD meeting on October 23 in Colville. He provided an overview. He reported TEDD will be refunding their conference room rental fee for the legislative meeting to us.

Commissioner Knapp attended the Energy Northwest Public Power Forum on October 24 in Tri-Cities. He attended a virtual Washington Public Utility Districts Association Budget Committee meeting on October 17 and provided an overview. Discussion was held regarding Amazon joining with Energy Northwest to develop a small modular nuclear reactor in Richland.

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

He reported that following a working lunch and a tour of the Metaline Falls Water System, the meeting will be adjourned. The next meeting will be held on November 5 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 2:00 p.m.

President

ATTEST:

Secretary

General Counsel
Approved as to Form