

Minutes of
PUBLIC UTILITY DISTRICT NO. 1 OF PEND OREILLE COUNTY
September 29, 2026
BOX CANYON DAM, IONE, WA AND
VIRTUAL VIA MICROSOFT TEAMS

Present: Curtis J. Knapp, President
Dave Rick, Vice President

Absent: J. Troy Moody, Secretary

Staff Present: Mike Schleich, Acting General Manager
Management/District Staff
Karen Willner, Clerk of the Board
Angie Rogers, Acting Clerk of the Board

Absent: Chris Jones, General Manager

Others: David Bradbury, Commissioner Candidate
Ernie Hood, Commissioner Candidate

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

CONSENT AGENDA:

The minutes from the September 15, 2026 meeting, today's revised agenda, and the vouchers were reviewed.

As of this date, September 29, 2026, the Board, upon motion by Commissioner Rick and seconded by Commissioner Knapp approved the following:

- The revised agenda for September 29, 2026, and the minutes of the September 15, 2026 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. 12113 through 12167 in the total amount of \$720,863.50; ACH payments in the total amount of \$512,451.14; Wire Transfers in the total amount of \$20,106.87; and ACH payroll transactions in the total amount of \$355,203.65 for the payroll ending September 15, 2026.

The motion passed unanimously.

BOX CANYON REPORT:

Bryant Kramer, Director of Power Production, showed slides of the progress on the Spillway Rehabilitation Project for Bays 1 & 2. Bay 2 is completed. He also gave an update on the caisson. He provided an update on the Fire Suppression System which will be done by the end of October.

COMMISSION REPORT:

Commissioner Rick attended the Washington Public Utility Districts Association (WPUDA) meetings on September 16th-18th virtually and provided an overview.

Commissioner Knapp attended WPUDA meetings in Olympia on September 16th-18th and provided an overview.

COMMISSION BUSINESS:

Commissioner Rick will attend a Metaline Town Council meeting in Metaline on October 14th and a Tri-County Economic Development District (TEDD) meeting in Colville on October 28th.

Commissioner Knapp will attend the WPUDA Water Workshop in Wenatchee on October 1st, the Public Power Council (PPC) meetings in Portland October 6th-8th and a Pacific Northwest Utilities Conference Committee (PNUCC) meeting virtually on October 9th.

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

BUSINESS FROM THE PUBLIC/OPEN COMMENT PERIOD:

Commissioner Knapp provided the guidelines for the session and asked if there was any business or comments from the public. There was none.

ACTING GENERAL MANAGER REPORT:

April Owen, Director of Finance, provided a Clark payment calculation overview for the year 2027. The contract expires in 2041.

She gave a Privilege Tax Overview. We pay this tax instead of a property tax and it is based on retail revenue. She reported that the county receives 56%. Discussion was held.

William Zurcher, Vegetation Management Supervisor, gave an update on the Heli-Dunn helicopter loggers, they have removed 36 hazard trees so far. The trees that are taken

down will either be mulched or taken away. He provided a timeline expecting about 12-15 working days to go when they come back on October 19th. Discussion was held.

Joe Hathaway, Public Information Officer, gave an update on Public Power Week, Pops, Brats & Kilowatts, and the District's 90th Anniversary.

NISC CONNECT PRESENTATION

Lauren Naccarato, Utility Service Designer II and Mandy Aubrey, Operations Specialist, gave an update on our software and how we will utilize what we already have to improve our current system. NISC's iVUE Connect will be utilized. They gave an overview of Why Change? Why Now? Why Does It Matter? It will be more efficient and there will be less down time. Going paperless will make the process more efficient. This change will impact all departments and help our customers.

BUDGET PRESENTATION

Sarah Holderman, Director of Customer Service, provided a Priority Projects & Strategic Outcomes for 2027 presentation.

Mr. Hathaway reviewed Strategic Priorities for 2026-2030.

Mike Schleich, Director of Engineering and Operations, reviewed several upcoming projects including the Box Canyon transmission tap project, Pine Street Substation to Diamond Lake Substation transmission route development, and wildfire mitigation efforts. He also provided an update on the Bare Mountain project reporting the design is to be complete this year and construction to begin next year.

Mr. Zurcher reviewed vegetation management projects.

Mr. Kramer reviewed the spillway crane rehabilitation, caisson rehabilitation, and spillway cliff rock scaling & stabilization projects.

Scott Jungblom, Natural Resources Manager, reviewed the Lower West Branch LeClerc fish management structure.

Mr. Hathaway reviewed the website modernization project.

Ms. Holderman reviewed expanding our use of NISC tools, staking integration, operational analytics, automatic outage notification, and benefits enrollment.

Commissioner Knapp thanked Katie Pfitzer, Director of Administrative Services, for providing a presentation at the WPUA meeting.

ACTION ITEMS:

- Approval of Revised Investment Policy. Ms. Holderman provided details. A motion was made by Commissioner Rick and seconded by Commissioner Knapp to approve the revised policy. The motion passed unanimously.
- Approval of Declaration of Surplus Property- Three 167kVA Transformers, Model Nos. N8-155-N8-157. Mr. Schleich provided details. A motion was made by Commissioner Rick and seconded by Commissioner Knapp to approve and declare the transformers 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 transformers will be recycled. The motion passed unanimously. Staff will proceed as appropriate.
- Approval of Procurement of 15kV Hook Stick Disconnects Contract No. 26-322. Mr. Schleich reported this is for the Bare Mountain Project. A motion was made by Commissioner Rick and seconded by Commissioner Knapp to approve the contract. The motion passed unanimously.
- Approval of Procurement of 15kV Main Regulators Contract No. 26-333. Mr. Schleich reported this is for the Bare Mountain Substation. A motion was made by Commissioner Knapp and seconded by Commissioner Rick to approve the contract. The motion passed unanimously.
- Approval of Fiber Broadband Service Contract for Mountain West Bank in Ione. Ms. Holdeman provided details and reported this is a 5-year contract. A motion was made by Commissioner Rick and seconded by Commissioner Knapp to approve the contract. The motion passed unanimously.
- Approval of Unbudgeted Request for Accounts Payable Analyst Position. Ms. Owen provided the details. A motion was made by Commissioner Rick and seconded by Commissioner Knapp to approve the request. The motion passed unanimously.

Commissioner Knapp asked if there was any other business for the good of the order. Ms. Willner thanked the District for the employment opportunity and staff for being a great team.

There being no further discussion to come before the Board, the meeting adjourned at 10:46 a.m.

President

ATTEST:

Secretary

General Counsel
Approved as to Form