

Minutes of
PUBLIC UTILITY DISTRICT NO. 1 OF PEND OREILLE COUNTY
June 4, 2020
SPECIAL MEETING
TELECONFERENCE ONLY

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 R. Whitney, General Counsel & Assistant General Manager
Karen Willner, Clerk of the Board

Others: Gretchen Koenig, Member of the Public
Sheryl Miller, Member of the Public
Phyllis Kardos, Member of the Public
Luke Smith, Member of the Public
Don Gronning, Newport Miner

The special meeting was called to order at 8:32 a.m. by Curtis J. Knapp, President. A roll call was taken.

CONSENT AGENDA:

The minutes from the May 19, 2020 meeting and today's agenda were reviewed.

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. As of this date, June 4, 2020, the Board, upon motion by Commissioner Onley and seconded by Commissioner Larson approved the following:

- The minutes of May 19, 2020 meeting and the agenda for June 4, 2020.
- Payment of those vouchers, included in the list referred to above and further described as follows: Voucher Nos. 4415 through 4446 in the total amount of \$145,617.72; ACH payments in the total amount of \$588,710.47; Wire Transfers in the total amount of \$782,157.51; and ACH payroll transactions in the total amount of \$219,204.49 for the payroll ending May 15, 2020.

BOARD WORKSHOP – COVID-19 UPDATE:

Colin Willenbrock, District General Manager provided a COVID-19 update. He reported all District operations and facilities have been closed down since mid-March. We have 74 of 83 employees authorized to come back to work with some employees still working remotely. An employee survey was deployed and he has received the results which he will review later today. There are symptom check in stations in the Newport Administrative Building, Newport Warehouse and Box Canyon Visitors Center. Employees in open air offices have been moved to more secure locations. Our current plan is to have all employees return to the office by June 15 and open facilities to the public the following week or by the end of June. The number of individuals allowed in our facilities for the safety and health of our employees and community will be defined. The drive through window in Newport has remained open. Per commissioner direction, we have accelerated our summer student program and have brought back field summer students on Monday of this week. The office students will start on June 15 or June 22. Sarah Holderman, District Director, Treasury, Broadband & Strategic Planning has applied for an assistance grant through the Federal Emergency Management Agency for reimbursement in the first round of roughly \$7,000. He inquired if there were any questions on the general status.

He reviewed the results of the employee survey and reported there was a 90% approval of the PUD response which is good but he is more concerned with the 10%. He wants to make sure employees feel safe returning to work and have the necessary tools and equipment they need to feel productive. There was a 54% participant rate with over 45 out of 83 employees participating. He can see how seriously staff is taking this pandemic and noted there were a number of questions geared toward social distancing. 93% of employees said they are taking it seriously and are social distancing and 53% of employees are comfortable in returning to work. Overall we have met the mark in making technological deployments work for employees working from home with thanks to Bob Pebles, District Information Technology Manager and his staff. Employees provided positive feedback on virtual team meetings.

85% of employees were satisfied with current communications with thanks to Amber Gifford, District Communications, Contracts & Conservation Manager. There are always opportunities to improve and work on transparency. Our employees are critical to what we do. We are always looking at what we have not thought of and if we missed anything. He inquired if there were any questions on the survey.

Commissioner Larson commented that it was a great idea to take employees thoughts and put them into force. Commissioner Onley applauded Mr. Willenbrock and his team to have the foresight to do a survey and to take action. Commissioner Knapp referenced the specific updates to the existing policies. Commissioner Onley inquired about the copay process. Mr. Willenbrock reported if an employee needs to be tested for COVID-19 the copays and treatment would be covered.

Gretchen Koenig, member of the public referenced a quarter of the employees who are interested in in-house childcare and inquired what it entails. Mr. Willenbrock reported that we will continue to evaluate options. Ms. Koenig inquired if the District was aware of other entities who have done a survey regarding childcare. Mr. Willenbrock did not know. She commented that childcare is a main issue and encouraged the District to look into this with other entities. Mr. Willenbrock appreciated her comments and reported it is not just in this area but also in outlying areas. Commissioner Knapp reported childcare is a great program to look into as schools play a big role in taking care of our children and they are currently closed. He applauded Mr. Willenbrock for looking into this.

Commissioner Onley inquired if Mr. Willenbrock could comment on the District's new billing. Mr. Willenbrock reported the new utility bills went out last week and the District has gotten great feedback. The goal or intent was to make it easier for customers to understand and to have access to more information. He commended the customer service representatives (CSRs) for doing a great job in working with the customers on this new bill.

He reported crews were working on the river crossing on Herbs Drive. He explained it was a reconductoring line job and crews installed marker balls on the overhead transmission line. He commended Syd Maurer, District Wildlife & Habitat Specialist for being on safety watch on the boat in the river and Chris Jones, District Director, Operations for doing a great job in planning the work. He reported the west side of the river is done and there is another piece to do on the LeClerc Road side of the river.

He reported Governor Jay Inslee has extended his moratorium on customer late fees and disconnects and we have ramped up our efforts to do one calls, door hangers and have directed customers to available assistance programs. He reported the District has roughly \$350,000 in payment delinquencies for about 3,000 customers. The proposal is that we continue our robust efforts to get customers on payment plans and refer them to available assistance programs. We can look into increasing our Neighbors in Need Low Income Assistance program and our Covid-19 Customer program. The Governor is requiring that we formalize our program which we will review and have an action item on the June 16 Board Agenda. He commended the CSRs for doing a great job in helping the customers, but noted that it is also important to let customers know they are still responsible for paying their bills.

He provided an overview on District revenues and reported some high density load customers have requested load reductions which are allowed under their contracts. We have seen generation reductions due to the high river flows but things are looking stable for revenue. The District will keep an eye on the \$350,000 delinquent amount that we need to collect from customers. The CSRs are doing a great job month after month in whittling down the amount by working with the customers.

He reported safety is a big issue for him and the team. Earlier this year the International Brotherhood of Electrical Workers, the Director of Operations, and the three linemen foremen committed to incident reporting and safety steering committee meetings in a safety commitment program Agreement. Our goal is to have our safety communications go further to continue to create a robust safety culture. He reported the District has hired Adam Wiltse as our new Safety Manager. He provided his background and reported he will start in early July. Commissioner Knapp thanked Mr. Willenbrock and staff for getting Mr. Wiltse on board.

BUSINESS FROM THE PUBLIC:

Phyllis Kardos, a Governor for Responsible Growth NE Washington, thanked the District for its diligence and concern for protecting its employees which in turn protects our community. She then read a statement regarding her disapproval of the community efforts to create an economic development marketing plan for the county. More specifically, she stated that an outside consultant should not be used to determine what is best for Pend Oreille County and that the citizens should be left to figure it out on their own. She then thanked the District for being invited to participate in the process of creating the plan. She inquired why the District is hiring an outside consultant, what the strengths and weaknesses are in doing things this way, how it benefits the ratepayers, and why this is the best scenario of helping the county. She thanked the commissioners for their time.

Ms. Koenig, representative of Citizens Against Newport Silicon Smelter, seconded Ms. Kardos's statement.

Mr. Willenbrock responded to Ms. Kardos's questions and explained that the District is required to actively remarket power at the request of Ponderay Newsprint Company and bringing new electric load into the County is one way to do that. That is why the District, the County, the City of Newport, the EDC, the Kalispel Tribe, the Port and others are engaged in the collaborative remarketing process with Ady Advantage. The District took the lead out of necessity and is looking for support for the process. He expressed disappointment that there continues to be isolated opposition to any formal efforts to help improve the local economy. Ms. Kardos thanked Mr. Willenbrock for his candor and hopes they can continue to discuss.

Sheryl Miller, member of the public inquired how much the District is contributing and paying for Ady Advantage. Mr. Willenbrock reported the total cost is approximately \$75,000 and the District's contribution is roughly \$10,000 - \$15,000. She inquired if this information could be provided at the next meeting. Mr. Willenbrock invited her to submit a public records request. She thanked Mr. Willenbrock.

Don Gronning, Newport Miner inquired if the \$350,000 in delinquent payments is late fees. Mr. Willenbrock reported it is not but is an accumulative of 30/60/90 days past due.

ACTION ITEM:

- GenerLink Meter Device. Mr. Willenbrock provided background information and gave three options in going forward. He reported the original direction from the Board was to remove the devices and give a \$250 stipend/billing credit to the existing GenerLink customers. He noted there are other alternatives and we need clear direction from the Board. Staff recommendation and best safety approach is to remove the devices and offer a stipend. Discussion was held. Commissioner Onley noted the meter collars need to be inspected and he is not excited about any of the options. Commissioner Larson inquired about inspecting the meter collars

and if they fail frequently. A motion was made by Commissioner Knapp to increase the reimbursement amount from \$250 to \$450 to the existing GenerLink meter device customers. Commissioner Larson seconded the motion. Discussion was held. Commissioner Onley opposed the motion. The motion passed.

Commissioner Larson requested a future discussion and Board and staff thoughts on the customer unpaid bills and collections going forward. Mr. Willenbrock agreed. He provided an overview on Governor Inslee's moratorium.

COMMISSION REPORT:

Commissioner Larson reminded everyone that the river is running hard and high. He attended a virtual North Pend Oreille County Chamber of Commerce meeting on June 1 and reported it was more of a candidates forum.

Commissioner Onley attended a virtual Economic Development Council meeting on May 20 and reported a quorum was never achieved. He reported Fred Willenbrock attended and provided an overview of the Ady report process. He met with PUD Commissioner Candidate, Luke Smith per a request from Richard Bevans, member of the public to discuss details in running for commissioner. He encouraged Commissioner Larson to meet with him as well.

Commissioner Knapp attended the virtual North Pend Oreille County Chamber of Commerce meeting on June 1 and seconded Commissioner Larson's comment. He had a call with a third-party retail service provider.

COMMISSION BUSINESS:

Commissioner Larson will attend a virtual Northwest Open Access Board meeting on June 10.

Commissioner Knapp will attend a virtual Washington Public Utility Districts Association Special Board of Directors meeting on June 12. Mr. Willenbrock may also attend.

EXECUTIVE SESSION – PENDING AND/OR POTENTIAL LITIGATION:

A 1-hour executive session on pending and/or potential litigation commenced at 10:20 a.m. The following were in attendance: Board of Commissioners; Colin Willenbrock, General Manager; and Tyler Whitney, General Counsel & Assistant General Manager. The executive session adjourned at 11:20 a.m. and the Board returned to open session. No final action was taken.

There being no further discussion to come before the Board, the meeting adjourned at 11:21 a.m.

President

ATTEST:

Secretary

General Counsel
Approved as to Form