

Minutes of  
PUBLIC UTILITY DISTRICT NO. 1 OF PEND OREILLE COUNTY  
August 17, 2021  
HYBRID MEETING – NEWPORT CONFERENCE ROOM, NEWPORT, WA  
& VIRTUAL VIA MICROSOFT TEAMS

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

Others: None

The meeting was called to order at 8:30 a.m. by Curtis J. Knapp, President. A roll call was taken.

CONSENT AGENDA:

The minutes from the August 3, 2021 meeting, today's revised agenda, and the vouchers were reviewed.

At 8:36 a.m., Commissioner Knapp announced there was a power outage at the District and the meeting was suspended until the power is restored. The power was restored at 8:39 a.m., and the meeting resumed. Discussion continued on review of the vouchers.

As of this date, August 17, 2021, the Board, upon motion by Commissioner Larson and seconded by Commissioner Onley approved the following:

- The revised agenda for August 17, 2021, and the minutes of the August 3, 2021 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. 5940 through 6004 in the total amount of \$255,753.62; ACH payments in the total amount of \$1,312,424.02; Wire Transfers in the total amount of \$215,009.64; and ACH payroll transactions in the total amount of \$225,856.18 for the payroll ending July 31, 2021.

The motion passed unanimously.

BOARD WORKSHOP:

Commissioner Knapp asked if the commissioners had any topics for discussion. Commissioner Knapp asked for an update on the Ponderay Newsprint Company (PNC) bankruptcy and funding. Discussion was held.

Colin Willenbrock, District General Manager reported on COVID-19 trends and new requirements. We will continue with symptom check-in stations and safety protocols. Discussion was held.

He reported the Fitch Ratings affirmed the District's 'A-' credit rating and upgraded the outlook to "positive," noting that the rating agencies have acknowledged the actions the District has taken to hedge and mitigate our risk, with thanks given to our Board. We are exploring other opportunities to further enhance our financial position and are expecting to soon hear from Moody's Rating Agency.

He and staff are working with Ponderay Industries and have had a series of meetings regarding the project. Discussion was held.

He met with Dave North, Public Works Director at the City of Newport last week and will work with the city to complete work at the Cowboy Park. The city still has some items to do and we will bid these items and check with the Forest Service on our recreation mitigation efforts. He reported Mr. North has been appreciative of our help to get the project done. Discussion was held.

He provided an early learning center grant update and reported he and staff joined Tom Wilbur, CEO of the Newport Hospital and Dave Smith, Superintendent of the Newport School District on a call and that both are supportive of the project. We will continue to look for funding opportunities.

He provided a Northwest Open Access Network Board meeting update and reported they are starting to see broadband monies funneling in and are seeing a lot of new commercial customer business. The fiber broadband market is evolving and changing and they are working to see what role they will play in retail authority.

He and Tyler Whitney, District General Counsel & Assistant General Manager met with Jamie Wyrobek and Laura Verity of the Economic Development Council to discuss the community survey for new industry. Ms. Wyrobek and Ms. Verity are meeting with the community stakeholders to identify target industries. He reported the District and other community agencies had Ady Advantage do a similar study to identify those sectors. He reported we are supportive in this process.

#### SAFETY SPOTLIGHT:

Adam Wiltse, District Safety Manager reported on COVID-19 hospitalizations and updated data. He shared his screen to show Washington trends of COVID-19 positive cases, hospitalizations and Pend Oreille County numbers. He reported there was a 77% increase in hospitalizations over a 14-day average. The Newport Hospital had 15 individuals from Pend Oreille County hospitalized yesterday. Discussion was held.

#### CUSTOMER SPOTLIGHT:

Sarah Holderman, District Director, Treasury, Broadband & Strategic reported the Community Network System (CNS) crew set up a wireless hotspot at the Cusick Fairgrounds for the Pend Oreille County Fair this week.

She provided an electric vehicle charging station update and reported the Greater Newport Area Chamber of Commerce agreement to sponsor this program expires at the end of September and they have agreed to sponsor it for another year. An extended agreement will be done. This is great news and we appreciate their partnership.

#### COMMISSION REPORT:

Commissioner Knapp attended a virtual Washington Public Utility Districts Association (WPUDA) Education Steering Committee meeting on August 11, met with Mr. Willenbrock on August 12, attended a virtual Broadband Action Team meeting on August 12, attended a Pend Oreille County Commissioner Candidate Night on August 12 at the Usk Community Center, and spoke yesterday with Don Gronning, of the Newport Miner regarding our budget timeline. He provided an overview of the meetings.

Commissioner Larson reported on a power outage at his property and commended Jim Reed, District Serviceman in Ione and Ben Huntley, District Serviceman II in Newport for their quick response.

Commissioner Onley attended a Greater Newport Area Chamber of Commerce meeting on August 10 and provided an overview. Discussion was held regarding the number of chamber members.

Discussion was held regarding the possibility of the District installing an electric vehicle charging station in Metaline Falls.

COMMISSION BUSINESS:

The Board of Commissioners will attend the Pend Oreille County Fair during August 19 – 22.

Commissioner Knapp will attend an Energy Northwest Strategic Planning meeting on August 25 – 27 in the Tri-Cities.

Commissioner Larson will attend a virtual Tri-County Economic Development District meeting on August 25.

ACTION ITEM:

- Reimbursement Agreement with Commissioner Onley. A motion was made by Commissioner Knapp and seconded by Commissioner Larson to authorize the general manager to execute the agreement. The motion passed. Commissioner Onley abstained.

Following a 3-minute recess, the meeting resumed.

MANAGEMENT REPORT:

April Owen, Director, Audit, Financial & Power Supply:

She explained the power supply purchases and sales process. She reported on the purchases and sales for July and August.

BUSINESS FROM THE PUBLIC:

Commissioner Knapp asked if there was any business from the public. There was no business from the public.

MANAGEMENT REPORT (continued):

April Owen, Director, Audit, Financial & Power Supply (continued):

Commissioner Larson inquired if finance looks at weather patterns when doing load forecasts. Ms. Owen reported that they look at historic and future reports and trends in the weather.

John Bricher, Finance Manager:

He reported staff is in the final stage of the Washington State Accountability Audit and he is working to schedule exit meetings with the auditor and Mr. Willenbrock and a Commissioner.

He is working on mid-year reconciliations and July financial reports.

Amber Gifford, Communications, Contracts & Conservation Manager:

She reported we have a good group of volunteers for the District's fair booth. It will be staffed Friday and Saturday all day and Sunday partial day. We will have a photo booth for kids and adults to have their picture taken, handouts, informational brochures and fiber information.

She reported the bid for the Box Canyon asphalt paving contract closes on September 9. The project should be completed no later than November 1.

Tyler Whitney, General Counsel & Assistant General Manager:

He reported on the Calispell Powerhouse caretaker facility drawing. Jeremy Byrd, District Journeyman Lineman, Newport was the only bidder and will take over the caretaker responsibilities.

Bryant Kramer, Power Production Manager:

He reported the river flows have increased from 8,000 to 11,000cfs. Crews are working on the fish ladder operational items. Wildfire smoke has been thick and made it challenging to work outside.

He met with Chris Humphrey, Federal Energy Regulatory Commission Dam Safety Inspector and reported they had a good discussion on the Calispell Dike.

He reported a fish ladder tour with the Army Corps of Engineers will occur on August 27.

He reported a Box Canyon site visit with the paving contractor will occur on August 26.

Commissioner Larson inquired about the Campbell Park usage. Mr. Kramer reported the campground was shut down for overnight camping but they have had a few campers during the day.

David Hodder, Engineering Manager:

He reported staff has developed its quality assurance and quality control process. They will drive through various sites to check for clearance.

He is working with BPA on the transmission side for Ponderay Industries. The Blue Moon redesigns are finished.

He reported staff continues to do the Milsoft software modeling for the distribution system to give scenarios of when we lose a facility during outages.

He reported staff is troubleshooting some AMR meter and data collection and 115kV transmission lines.

He reported staff is doing a McCloud Creek redesign and working on a Telephone Road reconfigure and rebuild of the system.

He reported we have hired Paul Stewart as our Staking Engineer and he will be starting next month. He will be cross-training with Lauren Naccarato, District Fiber Staking Field Engineer.

He reported crews are working on the OPGW, Diamond Lake Substation tap, and the river crossing up north projects.

Sarah Holderman, Director, Treasury, Broadband & Strategic Planning:

She explained the AMR turtle read collection process.

She reported CNS staff met with the CNS dock crew today to discuss the CNS line extension fiber builds and reported they will be working with our crew. We are waiting on fiber optic lines and materials.

She reported we have two new customers who signed up for our Standard Plus CNS offering. One customer is WSDOT service at Ruby Mountain and one customer is iFiber in Metaline Falls, who is doing a wireless mesh network.

Bob Pebles, Information Technology Manager/CIP Senior Manager:

He reported staff is doing server upgrades in Dispatch, on our corporate network, and on certificate servers.

He reported staff has done some meter work at Box Canyon.

He reported Frank Pisano, District Network Supervisor is working with the system operators on the Pi data collector system.

He reported the District is seeing less spam emails.

Mark Scott, Water Systems Manager:

He is working on the Box Canyon asphalt paving project with Mr. Kramer, Ms. Gifford and Mr. Whitney.

He reported the water systems customer meetings are scheduled for September 8 – 10. These will be virtual meetings and meeting invite postcards are being mailed to the customers.

He reported the milfoil has been cut in north and south county at least once and crews are working at the Panhandle Campground today and are working their way back through the entire list of sites to be cleared.

Mr. Whitney explained the water meetings postcard process.

Discussion was held about cutting milfoil at the Skookum Rendezvous boat launch. This is part of the Lenora Water System and is private, so we do not cut the milfoil there.

Scott Jungblom, Natural Resources Manager:

He reported the summer field work is being done per our Wildlife Management Plan and staff is hauling water to Tacoma Creek for new plantings. Contractors have started weed control and surveys to monitor the weeds have been done. The monitoring season is starting soon with the 3-year erosion survey which included both a hydrologic and physical survey of around 20 reference sites. The trout habitat restoration program includes effectiveness monitoring starting in early September at Winchester Creek and Smalle Creeks, and the Aquatic Plant Management Plan monitoring will be completed by late September.

He; Ms. Gifford; and Jamie Dunn, District Administrative Assistant at Box Canyon are working with the Forest Service to revamp our recreation campground maps. The maps are being printed.

Mr. Willenbrock reported we are trying to do a grand opening of the fish ladder during Public Power Week in October. We will invite a number of stakeholders and do some informational signage.

He provided a recruiting update and reported we will be interviewing this week for the open vacancy meter reader job position. We have a couple of internal candidates and some external candidates. We will be posting for the hydro operator job position.

Following a 5-minute break, the meeting resumed.

Commissioner Knapp announced there will be two executive sessions. One will be a 15-minute executive session on pending and/or potential litigation which will begin at 11:50 a.m. Followed by an executive session on a mid-year performance evaluation of a public employee which is not to last past 1:00 p.m. The Board will return to open session following the last executive session.

EXECUTIVE SESSION – PENDING AND/OR POTENTIAL LITIGATION:

A 15-minute executive session on pending and/or potential litigation commenced at 10:50 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 11:05 a.m.

EXECUTIVE SESSION – MID-YEAR PERFORMANCE EVALUATION OF A PUBLIC EMPLOYEE:

A 2-hour executive session on a mid-year performance evaluation of a public employee commenced at 11:06 a.m. The following were in attendance: Board of Commissioners; and Colin Willenbrock, General Manager. The executive session adjourned at 12:55 p.m. The Board returned to open session.

Discussion was held on the Board’s travel and meeting attendance. Commissioner Larson referenced the approved March 16, 2021 Board Minutes and is requesting that the Board consider reinstating the preapproval process for commission travel and allowing only one commissioner to attend meetings on behalf of and paid for by the PUD. Commissioner Onley had no comment. Commissioner Knapp reported he has no problem with getting pre-approval before attending a meeting. The matter will be discussed again at the August 31 Board Meeting or a subsequent meeting.

There being no further discussion to come before the Board, the meeting adjourned at 1:10 p.m.

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President

ATTEST:

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Secretary

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General Counsel  
Approved as to Form