

Minutes of
PUBLIC UTILITY DISTRICT NO. 1 OF PEND OREILLE COUNTY
May 18, 2018
NEWPORT CONFERENCE ROOM, NEWPORT, WA

SPECIAL MEETING

Present: Daniel L. Peterson, President, via teleconference
Curtis J. Knapp, Vice President
Richard A. Larson, Secretary, via teleconference

Staff Present: F. Colin Willenbrock, General Manager, via teleconference
April Owen, Director, Finance/Auditor
Tyler Whitney, Director, Regulatory & Governmental
Affairs/General Counsel
Karen Willner, Clerk of the Board

Others: C. Matthew Andersen, Winston & Cashatt Lawyers, via
teleconference
Don Gronning, Newport Miner

Pursuant to notice given to the Newport Miner, a Special Meeting for the purpose of having an executive session on pending and/or potential litigation was called to order at 10:00 a.m. by Curtis Knapp, Vice President and acting chair.

EXECUTIVE SESSION – PENDING AND/OR POTENTIAL LITIGATION:

A 30-minute executive session on pending and/or potential litigation commenced at 10:01 a.m. The following were in attendance: Commissioner Peterson, via teleconference; Commissioner Larson, via teleconference; Commissioner Knapp; F. Colin Willenbrock, General Manager, via teleconference; April Owen, Director, Finance/Auditor; Tyler Whitney, Director, Regulatory & Governmental Affairs/General Counsel; C. Matthew Andersen, Winston & Cashatt Lawyers, via teleconference; and Karen Willner, Clerk of the Board. Ms. Willner left the executive session. Following an announcement by Commissioner Knapp, the executive session was extended for 15 minutes to 10:45 a.m. The executive session adjourned at 10:45 a.m. and the Board returned to open session.

ACTION ITEM:

- Andritz Settlement Offer Agreement. A motion was made by Commissioner Peterson and seconded by Commissioner Larson for the Commissioners of Public Utility District No. 1 of Pend Oreille County to authorize the District's general manager to make a settlement offer to Andritz Hydro Corp. in an amount not to exceed \$10,917,235.61 to resolve all claims in the pending litigation between the parties, and to execute a settlement agreement in substantial form as presented. The motion passed unanimously.

The Board of Commissioners thanked District staff for their efforts to settle this matter.

There being no further discussion to come before the Board, the meeting adjourned at 10:50 a.m.

President

ATTEST:

Secretary

General Counsel
Approved as to Form