

Minutes of
PUBLIC UTILITY DISTRICT NO. 1 OF PEND OREILLE COUNTY
January 15, 2019
NEWPORT CONFERENCE ROOM, NEWPORT, WA

Present: Curtis J. Knapp, Vice President
Richard A. Larson, Secretary
Joseph B. Onley, Newly-elected PUD Commissioner

Staff Present: F. Colin Willenbrock, General Manager
Management/District Staff
Tyler R. Whitney, General Counsel/Director of Regulatory &
Governmental Affairs
Karen Willner, Clerk of the Board

Others: Russ Pelleberg, Newport City Administrator
Dan Peterson, Member of the Public
Don Gronning, Newport Miner
Jamie Wyrobek, Director, Economic Development Council

The meeting was called to order at 8:30 a.m. by Curtis J. Knapp, Vice President.

CONSENT AGENDA:

The minutes from the December 18, 2018 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, January 15, 2019, the Board, upon motion by Commissioner Larson and seconded by Commissioner Onley approved the following:

- The minutes of December 18, 2018 meeting and the agenda for January 15, 2019.
- Payment of those vouchers, included in the list referred to above and further described as follows: Voucher Nos. 2299 through 2436 in the total amount of \$748,367.93; ACH payments in the total amount of \$1,625,206.40; Wire Transfers in the total amount of \$16,551,236.72; ACH payroll transactions in the total amount of \$237,708.81 for the payroll ending December 15, 2018; and ACH payroll transactions in the total amount of \$244,092.14 for the payroll ending December 31, 2018.

ELECTION OF BOARD OFFICERS FOR 2019 AND 2020:

Colin Willenbrock, District General Manager provided an overview. A motion was made by Commissioner Larson and seconded by Commissioner Onley to elect Commissioner Curt Knapp as President; Commissioner Rick Larson as Vice President; and Commissioner Joe Onley as Secretary. The motion passed unanimously.

GENERAL MANAGER'S REPORT:

Mr. Willenbrock provided an overview of the Board meeting structure and commissioner salary and per diem structure. Discussion was held. The Board's consensus was that full mileage should be provided to all commissioners from their home to the point of any District meeting and back; that full statutory per diem should be provided for all noted/public meetings or official meetings that have been discussed at a prior board meeting, and that per diem should not be taken for days in which merely incidental conversations or telephone calls/emails occur; that the commissioners should not receive any reimbursement for home office or business expenses, and that the District will provide all technology and office supplies needed for commission business (e.g., iPad, pens, notepads, printer ink, etc.); and that meals will be provided per current District travel policies. A draft policy revision will be provided for the Board's consideration at a

February Board meeting in conjunction with consideration of an Employee Handbook currently being developed.

SAFETY SPOTLIGHT:

Lloyd Clark, District Director, Safety and Human Resources explained the importance of simplicity and following daily simple procedures for increased safety awareness.

Mr. Willenbrock provided an explanation of why we have the safety spotlight session and reported that safety starts at the top with the Board in ensuring staff has the necessary tools and equipment to do their jobs safely and efficiently. Safety discussions are brought to the Board meetings as open communication about the District's safety culture.

He provided a review of the customer spotlight session and reported this allows the Board and staff to have open communication with the focus on our customers.

Commissioner Onley noted a safety concern at the Box Canyon Viewpoint site and the need to have a stop sign installed where you enter the highway.

Commissioner Larson had a conversation with a member of the public regarding safety training for snow survival when crews are working with equipment on the mountains. Mr. Clark will follow up.

CUSTOMER SPOTLIGHT:

Libbey Bartel, District Customer Service Manager reported the customer service focus is on our neighbors in need particularly during the winter months. A fundraiser for the month of February has been scheduled with a goal to raise \$5,000 for our Neighbors in Need Low Income Assistance Program. A PUD keychain will be given to anyone who donates \$5 or more during February. More fundraisers will be scheduled during the year.

Commissioner Knapp welcomed Commissioner Onley to the District and staff provided introductions.

COMMISSION REPORT:

The Board of Commissioners attended a Citizens Against Newport Silicon Smelter Summary Judgment Hearing on January 11 in Spokane.

Commissioner Larson attended Economic Development Council Study Group meetings on January 3 and 9 in Newport and provided an overview.

Commissioner Onley met with District staff for onboarding on January 7 at the District.

COMMISSION BUSINESS:

- 2019 Board/District Organization Representation. Discussion was held. A motion was made by Commissioner Larson and seconded by Commissioner Onley to approve the representation with changes. The motion passed unanimously.

Commissioner Knapp will attend Washington Public Utility Districts Association (WPUDA) meetings on January 16 – 17 in Olympia and an Energy Northwest meeting on January 22 – 24 in Olympia.

Commissioner Larson will attend WPUDA meetings on January 16 – 18 in Olympia and a North Pend Oreille County Chamber of Commerce meeting on January 23 in Metaline Falls.

Commissioner Onley will attend WPUDA meetings on January 16 – 18 and a Tri-County Economic Development District meeting on January 23 in Colville.

ACTION ITEMS:

- Appointment of District Staff to Area Service Clubs. Discussion was held. A motion was made by Commissioner Larson and seconded by Commissioner Onley to appoint District staff as presented. The motion passed unanimously.
- Extend DO&E Insurance for District Staff in Such Outside Activities Allowed Under PURMS Self-Insurance Agreement. A motion was made by Commissioner Larson and seconded by Commissioner Onley to extend the DO&E Insurance coverage with changes discussed earlier per District representation. The motion passed unanimously.

OPEN GOVERNMENT TRAINING:

Tyler Whitney, District General Counsel/Director, Regulatory & Governmental Affairs provided a powerpoint presentation on the Open Public Meetings Act, the Public Records Act and Records Management & Retention. Discussion was held.

ACTION ITEMS (continued):

- Declaration of Surplus Property – Fleet Assets #103, #104 and #230. Chris Jones, District Director, Operations/Line Superintendent explained the details. Based on staff recommendation, a motion was made by Commissioner Larson and seconded by Commissioner Onley to declare the fleet assets as being no longer necessary, material to, or useful in the operations of the District and, therefore, surplus to the needs of the District. The fleet assets will be taken to auction. The motion passed unanimously. The staff will proceed as appropriate.
- Extension of Interlocal Agreement with Town of Cusick for Water Treatment Plant Operations. Mr. Whitney provided the details. Discussion was held. A motion was made by Commissioner Larson and seconded by Commissioner Onley to authorize the general manager to execute the extended agreement. The motion passed unanimously.
- Revised Governance Policy. This item was tabled until later today.
- Revised Progressive Discipline Policy. Mr. Whitney and Mr. Willenbrock explained the details. Discussion was held. A motion was made by Commissioner Larson and seconded by Commissioner Onley to approve the revised policy. The motion passed unanimously.
- Revised Electric Service, Rates & Credit Policy. Ms. Bartel provided the details. A motion was made by Commissioner Onley and seconded by Commissioner Larson to approve the revised policy. The motion passed unanimously.

BREAK/BUSINESS FROM THE PUBLIC:

Following a 10-minute break and no business from the public, the meeting resumed.

GOVERNANCE POLICY REVIEW:

Mr. Willenbrock provided a powerpoint presentation on the Governance Policy. Mr. Whitney reviewed the revised Governance Policy. Discussion was held.

ACTION ITEMS (continued):

- Revised Governance Policy. Discussion was held. This item was tabled until the January 29 Board meeting to allow for further review.

Following a working board lunch, the meeting resumed.

HARASSMENT TRAINING:

Mr. Clark provided a powerpoint presentation on Harassment Training. Discussion was held.

EXECUTIVE SESSION – PENDING AND/OR POTENTIAL LITIGATION:

A 2-hour executive session on pending and/or potential litigation commenced at 12:15 p.m. The following were in attendance: Board of Commissioners; F. Colin Willenbrock, General Manager; and Tyler Whitney, General Counsel/Director, Regulatory & Governmental Affairs. The executive session adjourned at 2:00 p.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 2:01 p.m.

President

ATTEST:

Secretary

General Counsel
Approved as to Form