

Minutes of
PUBLIC UTILITY DISTRICT NO. 1 OF PEND OREILLE COUNTY
August 12, 2019
NEWPORT CONFERENCE ROOM, NEWPORT, WA

SPECIAL BOARD MEETING

Present: Curtis J. Knapp, President
Richard A. Larson, Vice President
Joseph B. Onley, Secretary

Staff Present: Tyler R. Whitney, Chief Legal, Generation &
Regulatory/Government Affairs Officer
Mark Scott, Water Systems Manager
Robert Fritz, Community Network System Supervisor

Others: Cusick Town Council and Mayor Chris Evers
Don Gronning, Newport Miner
Jon Galow, Washington State Department of Commerce
Approximately 15 Members of the Public

The meeting was called to order at 6:00 p.m. by Board President Curt Knapp.

Pursuant to notice given to the Newport Miner, the Board of Commissioners attended a Cusick Town Council meeting to discuss and ask questions regarding the potential acquisition of the Town of Cusick's Water Treatment Plant ("WTP").

Discussion was held beginning at 6:45 p.m. regarding the District's potential acquisition of the WTP. Mr. Whitney provided an overview of the District's involvement with the WTP to date, and asked that the Town express its clear direction on whether the Town was interested in the District acquiring the WTP. Mr. Whitney also provided a detailed description of a potential funding opportunity through the Washington State Department of Health, Drinking Water State Revolving Fund, for a \$660,000 loan with 100% principal forgiveness if the District acquires the WTP from the Town. Discussion was held regarding the funding terms and need for acquisition. The Mayor and the majority of the Town Council (4-1) expressed their desire for the District to acquire the WTP. The Town Council also authorized Mayor Evers to form a subcommittee to negotiate and finalize the WTP acquisition, should the District's Board of Commissioners authorize the acquisition at its August 20, 2019 meeting. Mayor Evers committed to providing the District with the information and records it has requested for some time now.

No final action was taken by the District's Board of Commissioners.

There being no further discussion to come before the Board, the meeting adjourned at 7:30 p.m.

President

ATTEST:

Secretary

General Counsel
Approved as to Form