

Minutes of
PUBLIC UTILITY DISTRICT NO. 1 OF PEND OREILLE COUNTY
April 30, 2019
CUTTER THEATRE, METALINE FALLS, WA

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, Chief Legal, Generation &
Regulatory/Government Affairs Officer
Karen Willner, Clerk of the Board

Others: Nine Members of the Public

Following a tour of Mill Pond, Sullivan Lake, Box Canyon Upstream Fish Passage and a working dinner, the evening portion of the meeting was called to order at 5:30 p.m. by Curtis J. Knapp, President.

CONSENT AGENDA:

The minutes from the April 9, 2019 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, April 30, 2019, the Board, upon motion by Commissioner Larson and seconded by Commissioner Onley approved the following:

- The minutes of April 9, 2019 meeting and the agenda for April 30, 2019.
- Payment of those vouchers, included in the list referred to above and further described as follows: Voucher Nos. 2750 through 2848 in the total amount of \$858,416.49; ACH payments in the total amount of \$465,212.21; Wire Transfers in the total amount of \$1,443,409.38; and ACH payroll transactions in the total amount of \$215,844.72 for the payroll ending April 15, 2019.

INTRODUCTIONS:

The Board and District staff introduced themselves to the meeting attendees. Colin Willenbrock, District General Manager provided an overview of the townhall meeting format and noted difference between regular meetings and tonight's meeting in addition special presentations.

SAFETY SPOTLIGHT:

Mr. Willenbrock reported the District went through a strategic planning process and safety remains the number one core value. The Board wants employees and customers to go home safe every day and they believe that safety starts with the top. He explained the District is focused on creating a safety culture of open communication.

CUSTOMER SPOTLIGHT:

Commissioner Knapp reported he received two phone calls this week. One was with a customer and one was with an employee.

Mr. Willenbrock reported the District has prioritized keeping rates and costs down, while also looking for way to make our customers lives easier. The District's SmartHub electronic bill pay and account monitoring system allows customers to manage their accounts remotely. The District is also looking into putting a payment kiosk at Box

Canyon Visitors Center that would allow potentially 24 hour account management access.

COMMISSION REPORT:

The Board of Commissioners attended a Community Leaders Roundtable meeting on April 26 in Dalkena. Commissioner Larson provided an overview of the topics discussed at the meeting.

Commissioner Onley attended Washington Public Utility Districts Association (WPUDA) meetings on April 17 – 19 in Olympia and provided an overview of the new commissioner training. He attended a Kalispel Tribe of Indians Casino Grand Opening on April 10 in Cusick.

Commissioner Knapp attended the above listed WPUDA meetings and grand opening. He also attended an Energy Northwest meeting on April 23 – 25 in Kennewick and provided an overview.

COMMISSION BUSINESS:

Commissioner Larson will attend a North Pend Oreille County Chamber of Commerce meeting on May 6 at the Cutter Theatre.

Commissioner Onley will attend a meeting with Jamie Wyrobek, Director of Pend Oreille County Economic Development Council tomorrow in Newport. He will attend a Northwest Wholesale Power Markets meeting on May 15 in Portland.

DISTRICT HYDROELECTRIC LICENSING UPDATE:

Tyler Whitney, District Chief Legal, Generation & Regulatory/Government Affairs Officer provided a powerpoint presentation on the District's hydroelectric Federal Energy Regulatory Commission (FERC) licensed facilities, Box Canyon Dam and Sullivan Lake Dam. Lloyd Dixon, Seattle City Light provided Mill Pond Dam removal project details.

Questions from the public included projects that fall under cultural resources and State versus FERC licensing.

DISTRICT HYDROELECTRIC RESOURCES & RATES UPDATE:

April Owen, District Chief Audit, Financial & Power Supply Officer provided a powerpoint presentation on the District's hydroelectric resources and rates as they relate to the electric system.

A member of the public inquired about generation.

BOX CANYON HYDROELECTRIC PROJECT REMARKETING UPDATE:

Mr. Willenbrock welcomed everyone again and thanked them for attending. He provided a powerpoint presentation on Box Canyon power remarketing with a focus on keeping rates low.

A member of the public inquired if the District would need to connect its lines with PGE. Mr. Willenbrock responded that the District would need to connect.

COMMUNITY NETWORK SYSTEM & WIRELESS PROJECTS UPDATE:

Sarah Holderman, District Chief Treasury, Broadband & Strategic Planning Officer and Robert Fritz, District Community Network System (CNS) Supervisor provided an overview of the District's wireless program.

A member of the public inquired how the costs are calculated.

A member of the public inquired what the cost would be to bring fiber to the area. Ms. Holderman explained there are grant and loan options but CNS is still considered a startup company and needs to pay down its current debt before taking on any new debt. She reported the goal is to have six months of cash on hand. Commissioner Knapp added the Board does not want any department to take on additional debt at this time.

Ms. Holderman provided a CNS financial update that included number of broadband end users, number of wireless end users, cash balance and debt balance.

Q&A WITH COMMISSIONERS/GENERAL MANAGER/STAFF:

Commissioner Knapp opened the meeting for any questions or further discussion with staff. There were no further questions or discussion. He thanked the members in attendance for attending the meeting and for good discussion.

There being no further discussion to come before the Board, the meeting adjourned at 7:53 p.m.

President

ATTEST:

Secretary

General Counsel
Approved as to Form