

Minutes of
PUBLIC UTILITY DISTRICT NO. 1 OF PEND OREILLE COUNTY
April 7, 2026
NEWPORT CONFERENCE ROOM, NEWPORT, WA AND
VIRTUAL VIA MICROSOFT TEAMS

Present: Curtis J. Knapp, President
Dave Rick, Vice President
J. Troy Moody, Secretary

Staff Present: Chris Jones, General Manager
Management/District Staff
Karen Willner, Clerk of the Board

Others: Three Members of the Public

The meeting was called to order at 8:30 a.m. by Commissioner Curtis J. Knapp, President, followed by the Pledge of Allegiance.

RECOGNITION OF SHEENA THOMPSON'S COLLEGE DEGREE ACHIEVEMENT:

Katie Pfitzer, District Director of Administrative Services, recognized and commended Sheena Thompson, District HR Generalist, for achieving her Bachelor's Degree in Human Resource Management. Ms. Thompson provided background information. The Board congratulated Ms. Thompson on her achievement.

APPROVAL OF CONSENT AGENDA:

The minutes from the March 31, 2026 meeting, today's agenda, and the vouchers were reviewed. Commissioner Moody requested an executive session to review the performance of a public employee at the end of today's meeting.

As of this date, April 7, 2026, the Board, upon motion by Commissioner Moody and seconded by Commissioner Rick, approved the following:

- The revised agenda for April 7, 2026 meeting, and the minutes of the March 31, 2026 meeting.
- Vouchers audited and 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. 11531 through 11558 in the total amount of \$17,967.22; and ACH payments in the total amount of \$80,157.97.

The motion passed unanimously.

SAFETY SPOTLIGHT:

Nicole Woitel, District HR Generalist, reported on employee core value safety awards. She reported it's been 448 days since our last incident. This month's safety trainings include mental health, lock out tag out, and crane training. Upcoming safety trainings include radio etiquette and harness inspections. Discussion was held.

CUSTOMER SPOTLIGHT:

Shannon Johnston, District Customer Service Supervisor, reported April is National Safe Digging month and state law requires you to call 811 two days before you dig one foot or more so that the utility can locate any underground lines.

COMMISSION REPORT:

Commissioner Knapp attended virtual Public Power Council and Pacific Northwest Utilities Conference Committee meetings on April 1 – 3 and provided an overview. Discussion was held.

BUSINESS FROM THE PUBLIC/OPEN COMMENT PERIOD:

Commissioner Knapp provided the guidelines for this session and asked if there was any business or comments from the public. There were no comments.

Commissioner Knapp thanked everyone for attending.

COMMISSION BUSINESS:

Commissioner Moody will attend a Pend Oreille County Historical Society meeting on April 15 in Newport.

Following a short recess, the meeting resumed.

GENERAL MANAGER REPORT:

Chris Jones, District General Manager, reported that labor negotiations with the IBEW will continue Monday. Discussion was held.

He reported that a couple of years ago the Board declared our Oldtown real property as surplus. We needed to wait to sell it due to Avista placing a pole on the property. The pole has been placed so we will be advertising the property for sale. Discussion was held.

He reported that 35 years ago we took over all the Inland Power and Light Company facilities in the county. We are close to signing a letter with Inland which will be sent to

seven Inland customers letting them know that we are taking over their service. Discussion was held.

He reported that the Washington State Department of Commerce awarded \$60,000,000 for grid resilience and solar grants. We applied for and received \$630,000 in grant funds that we will use to move lines from overhead to underground at Abercrombie in north county. Discussion was held.

PUBLIC HEARING – PROPOSED 2026 WATER SYSTEM RATE ADJUSTMENTS:

Pursuant to notice given to the Newport Miner, a public hearing to discuss the proposed 2026 Water System Rate Adjustments commenced at 9:30 a.m. There were three members of the public in attendance.

Sarah Holderman, District Director of Customer Services, provided a presentation and reported the Board has authority to set rates but takes staff and public comment into account before staff asks for approval. All water system customer meetings were held in March.

She reviewed the Granite/Sacheen Water System customer count, cash balance, and proposed inflationary rate adjustment from \$92 to \$95 a month. She reviewed graphs for the revenues and expenses, cash balance, and debt payment update.

She reviewed the Greenridge Water System customer count, cash balance, and proposed inflationary rate adjustment from \$100 to \$105 a month. She reviewed graphs for the revenues and expenses and cash balance.

She reviewed the Holiday Shores Water System customer count, cash balance, and proposed rate adjustment from \$65 to \$75 a month. She reviewed graphs for revenues and expenses and cash balance. Discussion was held.

She reviewed the Lazy Acres Water System customer count, cash balance, and proposed inflationary rate adjustment from \$70 to \$75 a month. She reviewed graphs for revenues and expenses and cash balance.

She reviewed the Riverbend Water System customer count, cash balance, and proposed inflationary rate adjustment from \$105 to \$110 a month. She reviewed graphs for revenues and expenses and cash balance.

She reviewed the Riverview Water System background history, customer count, cash balance, and proposed rate adjustment from \$100 to \$115 a month. She reviewed graphs for revenues and expenses, cash balance, and debt update. She has contacted various agencies for grant opportunities. Discussion was held.

She reviewed the Sunvale Water System customer count, cash balance, and proposed rate adjustment from \$80 to \$90 a month. She reviewed graphs for revenues and expenses, cash balance, and debt update. Discussion was held.

She reviewed the Metaline Falls Water System customer count, cash balance, and proposed inflationary rate adjustment from \$85 to \$90 a month. She reviewed graphs for revenues and expenses, cash balance, and rate summary.

She provided a water systems summary and reported the next steps are for the Board to take staff and public comment into account and have the Board adopt the rates on April 21. Discussion was held. Commissioner Knapp commended Rusty Gill, District Lead Water Systems Operator, and Andrew Crawford, District Water Systems Operator, for the work they do for our water systems and our water systems customers.

The public hearing ended at 10:10 a.m.

Ms. Pfitzer reviewed the District's Accident Prevention Plan and reported that Labor and Industries (L&I) had given us a \$280 citation due to our plan being incomplete. We appealed our citation and she and Mr. Jones attended a hearing where the judge affirmed the citation. She reported that she sent our plan to L&I, our plan has been published, our citation has been corrected, and all staff have been trained. Discussion was held. The Board commended Ms. Pfitzer and her team for their efforts.

FINANCIAL REVIEW:

April Owen, District Director of Finance, shared her screen and navigated to the Board's SharePoint site for the District's financial reports.

She provided a 2026 Financials Report through February presentation that included inflation; interest income; cash and investments; capital projects; Electric System revenues, customer usage and consumption, and debt service coverage ratio; Box Canyon revenues and expenses, generation, Clark revenue versus Box Canyon cost, and PM&E expenses; Community Network System revenues and expenses and fiber and wireless users; and Water Systems revenues and expenses and customer count and intercompany balances. Discussion was held. The Board thanked Ms. Owen for her information.

Commissioner Knapp announced that following a short recess, a 35-minute executive session to review the performance of a public employee will begin at 11:25 a.m. and end at 12:00 p.m. If the executive session needs to be extended he will rejoin the open session to publicly announce an extension. No final action will be taken during the executive session. Following the executive session, he and the Board will rejoin the open session to resume or adjourn the meeting.

EXECUTIVE SESSION – REVIEW PERFORMANCE OF A PUBLIC EMPLOYEE:

A 35-minute executive session to review the performance of a public employee commenced at 11:25 a.m. The following were in attendance: Board of Commissioners. The executive session ended at 12:00 p.m. and the Board returned to open session. No final action was taken during the executive session.

Commissioner Knapp asked if there was any further business for the good of the order.

Ms. Willner reported that the next regular meeting is scheduled for Tuesday, April 21, 2026, starting at 8:30 a.m., in the Newport Conference Room, in Newport and via Microsoft Teams.

Commissioner Knapp adjourned the meeting at 12:01 p.m.

President

ATTEST:

Secretary

General Counsel
Approved as to Form