

Minutes of  
PUBLIC UTILITY DISTRICT NO. 1 OF PEND OREILLE COUNTY  
February 17, 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: Gretchen Koenig, Member of the Public  
Kathryn Chitwood, Members of the Public  
Tyler Whitney, Cable Huston, LLP, virtual

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

APPROVAL OF CONSENT AGENDA:

The minutes from the February 3, 2026 meeting, today's agenda, and the vouchers were reviewed and discussed.

As of this date, February 17, 2026, the Board, upon motion by Commissioner Moody and seconded by Commissioner Rick approved the following:

- The agenda for February 17, 2026 and the minutes of the February 3, 2026 meeting.
- 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. Payment of those vouchers, included in the list referred to above and further described as follows: Voucher Nos. 11359 through 11409 in the total amount of \$104,524.19; ACH payments in the total amount of \$759,334.76; Wire transfers in the total amount of \$336,013.54; and ACH payroll transactions in the total amount of \$307,665.62 for the payroll ending January 31, 2026.

The motion passed unanimously.

COMMISSION REPORT:

Commissioner Moody attended the Washington Public Utility Districts Association (WPUDA) meetings and PUD Day on the Hill event on February 11 - 13 in Olympia and provided an overview. Discussion was held.

Commissioner Rick attended the WPUDA meetings and PUD Day on the Hill event on February 11 - 13 in Olympia and provided an overview. April Owen, District Director of Finance, explained how the state auditors look at our Clean Energy Transformation Act (CETA) low-income program requirements and the Department of Commerce's clarification that we need to have two qualifying programs. Discussion was held.

Following a short recess to fix an audio issue, the meeting resumed.

BUSINESS FROM THE PUBLIC/OPEN COMMENT PERIOD:

Commissioner Knapp asked if there were any business or comments from the public and provided the guidelines for the session.

Gretchen Koenig, member of the public, provided public comment. Commissioner Knapp congratulated Ms. Koenig for receiving the Greater Newport Area Chamber of Commerce Citizen of the Year Award at the Annual Gala event.

Kathryn Chitwood, member of the public, read a document and provided public comment.

Commissioner Knapp thanked everyone for attending and for their comments.

COMMISSION REPORT (continued):

Commissioner Knapp attended a Public Power Council (PPC) Members Forum on February 4 in Portland, a PPC Executive Board meeting on February 5 in Portland, and a Pacific Northwest Utilities Conference Committee meeting on February 6 in Portland. He provided an overview of the meetings. He attended the WPUDA meetings and PUD Day on the Hill event on February 11 – 13 in Olympia. Discussion was held. He thanked Joe Hathaway, District Public Information Officer, for attending the PUD Day on the Hill event and for helping with the event.

COMMISSION BUSINESS:

Commissioner Moody will attend the Greater Newport Area Chamber of Commerce meeting on February 24 in Newport.

Commissioner Rick will attend a Tri-County Economic Development District meeting on February 25 in Colville.

Commissioner Knapp will attend an American Public Power Association (APPA) Conference on February 24 – 25 in Washington, D.C. and will have a virtual meeting today with WPUA staff to review the APPA Conference agenda. He will meet with Olga Darlington, Baker Tilley auditors, for an audit conference today in Newport.

- Pre-Approval of Commission Travel or Meeting Attendance. Discussion was held. A motion was made by Commissioner Rick and seconded by Commissioner Moody to approve the Commission travel and meeting attendance for March. The motion passed unanimously.

#### GENERAL MANAGER REPORT:

Chris Jones, District General Manager, reported he and staff met with IBEW Local 77 last week for two days for union negotiations and reported progress has been made. Discussion was held.

#### FINANCIAL FORECAST:

Sarah Holderman, District Director of Customer Services, provided a 10-Year Forecast and Rate Discussion presentation and reported this presentation is with the most current data. She explained our process and milestones and upcoming Cost of Service study. She reviewed our current baseline assumptions with load projections, expected large capital projects, inflation rate of 3%, and 3% annual rate increases. Mr. Jones commended Mike Schleich, District Director of Engineering and Operations, and his team for their work on our future substation.

Ms. Holderman presented different scenarios and explained how revenue was impacted. She provided a summary and reported that staff is recommending a 3% adjustment to revenue. She reviewed the next steps including a March 3 public rate hearing, proposed March 17 rate approval by the Board, and an April 1 effective date for the new rates. Commissioner Rick thanked Ms. Holderman for her work and information. Discussion was held.

#### ACTION ITEMS:

- Approval of Revised Electric Service, Rates and Credit Policy. Ms. Holderman reported we have implemented a new pre-pay billing option to the revised policy and our plan is to do a soft rollout before we do a voluntary sign up option to all our customers. Discussion was held. A motion was made by Commissioner Moody and seconded by Commissioner Rick to approve the revised policy that includes a pre-pay billing option. The motion passed unanimously.

- Approval of Northwest Open Access Network (NoaNet) Restated Interlocal Agreement and Addition to Membership. Ms. Holderman reported the NoaNet Board members voted to add Bigfoot as a member and this action item would give Nik Reed, District Broadband System Network Administrator and NoaNet Member Representative, authority to vote in favor of NoaNet’s resolutions. A motion was made by Commissioner Rick and seconded by Commissioner Moody to authorize Mr. Reed to vote in favor of the resolution to for the restated ILA and addition to membership. The motion passed unanimously.
- Approval of Power Exchange Agreement with Inland Power and Light. Ms. Holderman provided an overview of the process and agreement and reported that per the exchange agreement Inland Power and Light will pay us for the power they owe us. Mr. Jones provided background history. Discussion was held. A motion was made by Commissioner Moody and seconded by Commissioner Rick to authorize the general manager to execute the agreement. The motion passed unanimously.

Commissioner Knapp asked if there was any other business for the good of the order. There was none.

He announced a 2-hour and 45-minute executive session to review the performance of a public employee will begin at 10:15 a.m. in the Riverbend Conference Room and end at 1:00 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 2-hour and 45-minute executive session to review the performance of a public employee commenced at 10:15 a.m. The following were in attendance: Board of Commissioners; and Chris Jones, General Manager. Mr. Jones exited the executive session at 10:30 a.m. Tyler Whitney, Cable Huston, LLP, virtually joined the executive session at 10:45 a.m. and exited the executive session at 11:10 a.m. Mr. Jones joined the executive session at 11:30 a.m. The executive session ended at 1:00 p.m. and the Board returned to open session. No final action was taken during the executive session.

Commissioner Knapp reported the next regular meeting is scheduled for Tuesday, March 3, 2026, starting at 8:30 a.m., in the Newport Conference Room, in Newport, Washington and via Microsoft Teams.

He adjourned the meeting at 1:01 p.m.

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President

ATTEST:

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Secretary

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General Counsel  
Approved as to Form