

Minutes of
PUBLIC UTILITY DISTRICT NO. 1 OF PEND OREILLE COUNTY
February 3, 2026
NEWPORT CONFERENCE ROOM, NEWPORT, WA AND
VIRTUAL VIA MICROSOFT TEAMS

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

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

Others: Kathryn Chitwood, Member of the Public

The meeting was called to order at 8:30 a.m. by Commissioner Dave Rick, Vice President followed by the Pledge of Allegiance.

APPROVAL OF CONSENT AGENDA:

The minutes from the January 20, 2026 meeting, today's revised agenda, and the vouchers were reviewed.

As of this date, February 3, 2026, the Board, upon motion by Commissioner Moody and seconded by Commissioner Knapp approved the following:

- The revised agenda for February 3, 2026 meeting, and the minutes of the January 20, 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. 11311 through 11358 in the total amount of \$352,041.47; ACH payments in the total amount of \$922,869.29; Wire transfers in the total amount of \$488,989.42; 2026 Climbing Allowances in the total amount of \$36,972.59; and ACH payroll transaction in the total amount of \$307,751.84 for the payroll ending January 15, 2026.

The motion passed unanimously.

SAFETY SPOTLIGHT:

Nicole Woitel, District HR Generalist, reviewed and congratulated our Safety Core Value Award recipients.

She reported the District has had 231 days without any safety incidents.

She reported last month's safety training included fire extinguisher use and hydraulic injection injuries. This month's safety training includes incident reporting and job briefings. Future safety training includes CPR/First Aid.

CUSTOMER SPOTLIGHT:

Shannon Johnston, District Customer Services Supervisor, reported the customer service representatives are having a February contest that encourages customers to donate to the District's Neighbors in Need program. She reviewed the ways to donate which are a one-time donation, join our Operation Round Up program, or set up recurring donation amounts to your bill. If customers donate at the Newport Admin Building during the month of February they will receive a free PUD logo tote bag.

COMMISSION REPORT:

Commissioner Knapp attended Energy Northwest meetings on January 21 – 22 in Olympia and participated in a Washington Public Utility Districts Association (WPUDA) Legislative call on January 29.

Commissioner Moody attended a Pend Oreille County Historical Society meeting on January 21 in Newport and encouraged Chris Jones, District General Manager, to visit and review our District items. He reported they are looking for postcards from all the cities/towns in the county.

Commissioner Rick attended a Tri-County Economic Development District meeting on January 28 in Colville and reported they are restarting the Curlew gold mine with a goal to hire local people. He reported the Port was awarded a \$1M Community Economic Revitalization Board grant to conduct a feasibility study for the railroad. He reported Stevens County received a grant to reduce landfill methane emissions. He provided a state unemployment rates overview. Discussion was held.

COMMISSION BUSINESS:

Commissioner Knapp will attend Public Power Council and Pacific Northwest Utilities Conference Committee meetings on February 4 – 6 in Portland and WPUDA meetings and PUD Day on the Hill event on February 11 – 13 in Olympia.

Commissioner Moody will attend a Greater Newport Area Chamber of Commerce Gala on February 7 in Priest River and the WPUDA meetings and PUD Day on the Hill event on February 11 – 13 in Olympia.

Commissioner Rick will attend the WPUDA meetings and PUD Day on the Hill event on February 11 - 13 in Olympia.

GENERAL MANAGER REPORT:

Mr. Jones reported the bids for the feasibility study on our District facilities closed last week and we received six bids that staff are reviewing. When the bid is awarded the winning bidder will look at our facilities and give us options to make good decisions for the District and our customers. We will provide a presentation to the Board in August.

He reported that we've begun local negotiations with the IBEW Local 77 and they will continue on February 11 and 12. We are continuing to work through the negotiation process as are all of the Central Washington Public Utilities. We have great employees and want to work together.

April Owen, District Director of Finance, reported the finance staff is working to complete the December 2025 and January 2026 financials. Our audit starts next week and staff is preparing. She provided a Clark revenue review. Discussion was held. She reported the environmental adder amount will change each month depending on what Box Canyon Dam generates. Commissioner Rick thanked Ms. Owen for the education.

BUSINESS FROM THE PUBLIC/OPEN COMMENT PERIOD:

Commissioner Rick read a summary format of the session and reported each person has a three-minute time limit. The Clerk of the Board will keep track of the time and let the person know when their time limit expires. He asked if there was any business or comments from the public.

Kathryn Chitwood, member of the public, handed documents to the Clerk and reported that she sent emails to individuals. She is requesting the general manager's resignation if he doesn't sign her integrity ledger document. She read a liability bond document and commented that the District is responsible for the well-being of the community.

Commissioner Rick thanked Ms. Chitwood for her comments.

Following a 10-minute recess, the meeting resumed.

FINANCIAL REVIEW:

Ms. Owen provided a Moody's overview and reported that they want to make sure our bonds are secure. She reported that when the Ponderay Newsprint Company closed Moody's lowered our credit rating. She commended our new Moody's rating analyst for advocating for us and working with us. She reported we are now at an A2 credit rating from Moody's and that Moody's looks at the following variables when setting our credit rating: our Clark deal, our Merkle contract, our good management, and our Board for their willingness to raise rates when needed. Discussion was held. She reported Moody's will send out a more detailed report.

She reviewed our Electric System, Community Network System, and Water Systems revenue actual versus budget for last year. Discussion was held. Commissioner Knapp commended the finance team for coming within 2 – 2.5% of the budget. Commissioner Moody commended the finance team for their rate analysis work compared to other public utility districts across the state. Mr. Jones reported that a lot of utilities are reliant upon the Bonneville Power Administration and we are at an advantage and in a good position. Commissioner Rick reported that our staff does a great job working with things such as inflation that are outside of our control.

Commissioner Rick announced that following a short recess, a 30-minute executive session to review the performance of a public employee will begin at 10:00 a.m. in the Riverbend Conference Room and end at 10:30 a.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 30-minute executive session to review the performance of a public employee commenced at 10:00 a.m. The following were in attendance: Board of Commissioners. The executive session ended at 10:30 a.m. and the Board returned to open session. No final action was taken during the executive session.

Commissioner Rick asked if there was any further business for the good of the order. There was none.

He reported the next regular meeting is scheduled for Tuesday, February 17, 2026, starting at 8:30 a.m., in the Newport Conference Room, in Newport and via Microsoft Teams. He adjourned the meeting at 10:31 a.m.

President

ATTEST:

Secretary

General Counsel
Approved as to Form