

Minutes of  
PUBLIC UTILITY DISTRICT NO. 1 OF PEND OREILLE COUNTY  
June 20, 2023  
NEWPORT CONFERENCE ROOM, NEWPORT, WA AND  
VIRTUAL VIA MICROSOFT TEAMS

Present: Curtis J. Knapp, President, virtual  
Joseph B. Onley, Vice President  
David W. Rick, Secretary

Staff Present: Sarah Holderman, Co-Interim General Manager  
April Owen, Co-Interim General Manager  
Management/District Staff  
Karen Willner, Clerk of the Board

Others: Tyler Whitney, Cable Huston, LLP, virtual  
Lanie Mycoff, Managing Director, Mycoff Fry Partners, LLC,  
virtual  
Kirk Boxleitner, Newport Miner, virtual  
Gretchen Koenig, Member of the Public  
Sonya Scaufaire, Selkirk Sun, virtual  
M. Fox, Member of the Public, virtual  
Daniel Rees, Member of the Public, virtual  
Andy Armantrout, Member of the Public

The meeting was called to order at 8:30 a.m. by Joseph B. Onley, Vice President.

Commissioner Onley announced a 30-minute executive session to evaluate the qualifications of applicants for public employment will begin at 8:31 a.m., in the Riverbend Conference Room. 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 continue.

EXECUTIVE SESSION – EVALUATION OF THE QUALIFICATIONS OF APPLICANTS FOR PUBLIC EMPLOYMENT:

A 30-minute executive session to evaluate the qualifications of applicants for public employment commenced at 8:31 a.m. The following were in attendance: Board of Commissioners; Suzie Wrbelis, Director of Human Resources, virtual; Lanie Mycoff, Managing Director, Mycoff Fry Partners, LLC, virtual; and Tyler Whitney, Cable Huston, LLP, virtual. The executive session adjourned at 9:01 a.m. and the Board returned to open session. No final action was taken during the executive session.

APPROVAL OF CONSENT AGENDA:

The minutes from the June 6, 2023 meeting, today's agenda, and the vouchers were reviewed.

As of this date, June 20, 2023, the Board, upon motion by Commissioner Rick and seconded by Commissioner Knapp approved the following:

- The agenda for June 20, 2023, and the minutes of the June 6, 2023 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. 8198 through 8262 in the total amount of \$106,296.28; ACH payments in the total amount of \$2,269,935.24; Wire Transfers in the total

amount of \$242,799.58; and ACH payroll transactions in the total amount of \$255,616.40 for the payroll ending May 31, 2023.

The motion passed unanimously.

#### GENERAL MANAGERS' UPDATE:

April Owen, District Co-Interim General Manager, asked for new staff introductions.

Bryant Kramer, District Director of Power Production, introduced Andrew Crawford as our new Water Systems Operator and provided his background. Mr. Crawford is excited to work at the District and thanked the Commissioners for their warm welcome.

Ms. Owen reported commissioner salary rate increases will occur on January 1 instead of July 1. She explained the salary compensation limit is set by the Revised Code of Washington statute and the dollar threshold adjustment is set by the Office of Financial Management. Discussion was held.

She reported there is no update yet on Cascade's letter of credit. Staff will continue to gather information and update the Board as the extension deadline approaches. Sarah Holderman, District Co-Interim General Manager, had a debrief conference with the Washington State Broadband Office regarding our fiber grant application scoring and provided the details and suggestions on ways to improve future applications. Discussion was held. We will continue to bring grant opportunities to the Board for consideration.

Ms. Owen reported she and Ms. Holderman attended Washington Public Utility Districts Association (WPUA) Customer Service and Financial Officers meetings last week in Leavenworth. She provided information on the heat moratorium and reported that we will add the required language to our disconnect notices. She provided a Clean Energy Transformation Act (CETA) compliance update.

Ms. Holderman reported that PUD's are seeing "First Amendment Audits" performed by citizens testing the ability to photograph and video public buildings and facilities. We will work on signage for non-public access areas and provide training for staff and crews. Discussion was held.

#### ACTION ITEMS:

- Bid Awards for Surplus Property – Box Canyon Swim Dock, Fleet Asset #011, a 2008 Yamaha Grizzly 700, Fleet Asset #331, a 2008 Ford F250, Fleet Asset #344, a 1997 Ford F350, and a Short Bed Pickup Box from a 2008 Ford Super Duty Truck. Karen Willner, Clerk of the Board, provided a bid tabulation summary. A motion was made by Commissioner Rick and seconded by Commissioner Knapp to award the bids to the highest bidders, as presented. The motion passed unanimously. Staff will proceed as appropriate.
- Unbudgeted Request for Diamond Lake Fork Lift. Chris Jones, District Director of Operations, provided the details. Discussion was held. A motion was made by Commissioner Rick and seconded by Commissioner Knapp to approve the unbudgeted request for the Diamond Lake Fork Lift. The motion passed unanimously.
- Unbudgeted Request for Box to Pine 115kV Insulators. Chance Foss, District Electrical Engineer, provided the details. Discussion was held. Ms. Owen reported that due to long lead times we want to get the insulators ordered. Ms. Holderman reported this is more of a pre-approval of a budget item for next year. A motion was made by Commissioner Rick and seconded by Commissioner Knapp to approve the pre-approval of the Box to Pine 115kV insulators. The motion passed unanimously.

Following a short recess, the meeting resumed.

#### BUSINESS FROM THE PUBLIC/OPEN COMMENT PERIOD:

Commissioner Onley asked if there was any business or comments from the public.

Andy Armantrout, member of the public, thanked the District for providing WiFi at the Bigfoot Festival. Commissioner Onley thanked him for attending in person to thank the District.

Gretchen Koenig, member of the public, asked for a Cascade update and if any penalties will be assessed to them. Commissioner Onley reported we gave them an extension in securing a qualified bank for their letter of credit and staff is working with them and will alert the Board as needed. Ms. Owen reported we are developing a contingency plan. Ms. Koenig noticed the Juneteenth federal holiday was not listed on the PUD calendar. Ms. Holderman will make sure it is added and reported the omission was not intentional.

ACTION ITEMS (continued):

- Unbudgeted Request for Proportional Valves for Box Canyon Unit Governor Systems. Mr. Kramer provided the details. Discussion was held. A motion was made by Commissioner Rick and seconded by Commissioner Knapp to approve the unbudgeted request for the proportional valves for Box Canyon. The motion passed unanimously.

SAFETY SPOTLIGHT:

Adam Wiltse, District Safety Manager, thanked Suzie Wrbelis, District Director of Human Resources, for hiring hard working summer students.

Sarah Goodman, District Summer Student, provided a safety tip on communications and explained the importance of employees communicating with each other to make sure everyone knows their role and can do the job safely. The Board welcomed her to the District and thanked her for providing her safety tip.

CUSTOMER SPOTLIGHT:

Amber Gifford, District Customer Service & Contracts Manager, reported we are participating in the Newport Rodeo Parade this Saturday and thanked staff for their participation.

Commissioner Onley drove through the rodeo grounds parking lot and commended staff for their work on the Newport RV Park project. Ms. Owen reported Mr. Foss has been working to get the project ready and she thanked the Newport School District for their work on the signage.

MANAGEMENT REPORT:

Kevin Conway, Director of Utility Services:

He reported Rick Hughes, District System Operator, completed all his training and is now a System Operator. Mr. Jones reported James Huling replaced Mr. Hughes as the Line Foreman. Mr. Conway reported Mr. Hughes will take his North American Electric Reliability Corporation certification test tomorrow.

Bob Pebles, Information Technology Manager/CIP Sr. Manager:

He reported staff will roll out Windows 11 to staff and they already have staff who volunteered for a pilot program. Windows 10 is coming to the end of its life in 2028 and we want to be ready.

He reported an iVUE Telecom module launched on June 12 and we are getting staff up to speed and will eventually replace the current Communication Network System portal. Ms. Owen reported this allows us to track more information.

Chance Foss, Electrical Engineer:

He reported the Box to Cusick circuit switcher repairs will now be done in August due to a delay in getting the material parts.

He reported the bathrooms are installed at the Newport RV Park and hydroseeding will be done after the rodeo.

He reported crews are doing the final grading at the Diamond Lake Substation yard.

He reported the Deer Valley transformer purchase order is being sent for approval.

He reported testing on the 130kV to 215kV transformers is being done.

He reported the Highway 31 overhead to underground 3-Phase design bids have been received.

Chris Jones, Director of Operations:

He commended the engineering staff for doing a great job on projects.

He reported the crews are into construction season with line extensions. He reported the line extension for the customer that attended the last meeting has been finished. Crews are currently working on fiber for the Seattle City Light fish hatchery.

He reported the material lead times are terrible and we still haven't received the secondary underground wire that should have been received last week. We will order more material than ordered in the past due to the long lead times. We are out to bid for padmount transformers and underground #2 wire.

Destini Parker, Payroll & Benefits Coordinator:

She provided a summer student powerpoint presentation. She reported our new employees are listed on our internal SharePoint site.

Bryant Kramer, Director of Power Production:

He reported turbine unit #3 maintenance is planned.

He reported crews are working on the Cusick pumps 1 and 4 repairs.

He provided a maintenance projects overview which included the caisson and turbine unit #4 for inspection of the rotor keys. He reported we need to consider purchasing the key keepers at the end of the summer. The summer students have been mowing lawns and picking up garbage around the lakes. He reported the Kalispel Tribe of Indians wants to do a Box Canyon tour and he will get it scheduled.

He reported the water systems operators report to him now. The Metaline Falls pipe replacement project is going well and they are working on the lower Lehigh Hill section now. Mr. Crawford is going through training.

Scott Jungblom, Natural Resources Manager:

He provided a fish ladder update and reported it was shut down for the summer due to the warm river temperatures. They collected 11 different species including 57 trout of various species and three native species. They range in size from 6 inches – 24 inches in length. There has been a record collection of 611 fish compared to 357 from last year at this same time and Tench was the most numerous species collected.

April Owen, Co-Interim General Manager:

She provided a financials presentation and reported they have added some additional information. Ben Hall, District Energy Resources Manager, explained the general service energy sources load percentage chart. Ms. Owen showed a new revenues and expenses graph with budget to actual amounts. She reported we are under budget on the expense side and are on track with our revenue side.

She reported we will be receiving hard copies of our 2022 Annual Report.

#### COMMISSION REPORT:

Commissioner Rick attended an Ione Town Council meeting on June 7 in Ione and provided an overview. He attended the Bigfoot Festival in Metaline Falls and reported it was a great experience with good attendance.

Commissioner Knapp had meetings with Ms. Owen and Ms. Holderman on June 12 and 14, attended virtual Public Power Council (PPC) and Pacific Northwest Utilities Conference Committee meetings on June 7 and 8 and provided an overview. He attended a virtual Energy Northwest Regional Task Force meeting on June 15. He encouraged the other commissioners to attend the PPC meetings.

Commissioner Onley attended a virtual Greater Newport Area Chamber of Commerce meeting on June 7 and provided an overview. He attended a virtual WPUDA Strategic Planning Committee meeting on June 15 and provided an overview.

#### COMMISSION BUSINESS:

- Pre-Approval of Commissioner Travel or Meeting Attendance for July.

Commissioner Knapp will attend the Board meetings on July 6 and 18 in Newport, the WPUDA meetings on July 12 – 14 in Suquamish, a Port-PUD-County Commissioners meeting on July 19 in Usk, a virtual Energy Northwest Regional Task Force meeting on July 24, and Energy Northwest meetings on July 25 – 27 in Tri-Cities.

Commissioner Onley will attend the Board meetings on July 6 and 18 in Newport, a virtual Greater Newport Area Chamber of Commerce meeting on July 5, the WPUDA meetings on July 12 – 14 in Suquamish, and a Port-PUD-County Commissioners meeting on July 19 in Usk.

Commissioner Rick will attend the Board meetings on July 6 and 18 in Newport, the WPUDA meetings on July 12 – 14 in Suquamish, a Port-PUD-County Commissioners meeting on July 19 in Usk, and a Tri-County Economic Development District meeting on July 26 in Colville.

A motion was made by Commissioner Knapp and seconded by Commissioner Rick to approve the commissioner travel or meeting attendance for July, as presented. The motion passed unanimously.

Commissioner Rick will attend a Tri-County Economic Development District meeting on June 28 in Colville.

Commissioner Knapp will attend Energy Northwest meetings this week in Portland.

Commissioner Onley will attend a virtual WPUDA Water Committee meeting on June 29.

Ms. Willner provided a Legislative Luncheon meeting tentative dates update.

Commissioner Onley announced a 30-minute executive session on pending and/or potential litigation will begin at 11:05 a.m., in the Riverbend Conference Room. 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 continue.

EXECUTIVE SESSION – PENDING AND/OR POTENTIAL LITIGATION:

A 30-minute executive session on pending and/or potential litigation commenced at 11:05 a.m. The following were in attendance: Board of Commissioners; Sarah Holderman, Co-Interim General Manager; April Owen, Co-Interim General Manager; and Tyler Whitney, Cable Huston, LLP, virtual. At 11:36 it was announced the executive session would be extended for 15 minutes. The executive session adjourned at 11:52 a.m. No final action was taken during the executive session.

Following lunch, the meeting resumed.

Commissioner Onley announced a 30-minute executive session to evaluate the qualifications of applicants for public employment will begin at 12:30 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 adjourn the meeting.

EXECUTIVE SESSION – EVALUATION OF THE QUALIFICATIONS OF APPLICANTS FOR PUBLIC EMPLOYMENT:

A 30-minute executive session to evaluate the qualifications of applicants for public employment commenced at 12:30 p.m. The following were in attendance: Board of Commissioners; and Suzie Wrbelis, Director of Human Resources. The executive session adjourned at 1:05 p.m. and the Board returned to open session. No final action was taken during the executive session.

Commissioner Onley reported the next meeting is Thursday, July 6, 2023, in the Newport Conference Room, Newport and via Microsoft Teams.

There being no further discussion to come before the Board, the meeting adjourned at 1:06 p.m.

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President

ATTEST:

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Secretary

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General Counsel  
Approved as to Form