

Minutes of
PUBLIC UTILITY DISTRICT NO. 1 OF PEND OREILLE COUNTY
September 14, 2021
VIRTUAL VIA MICROSOFT TEAMS

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 Whitney, General Counsel & Assistant General Manager
Karen Willner, Clerk of the Board

Others: Gretchen Koenig, Member of the Public

The meeting was called to order at 8:30 a.m. by Curtis J. Knapp, President. A roll call was taken.

CONSENT AGENDA:

The minutes from the August 31, 2021 meeting, today's agenda, and the vouchers were reviewed.

As of this date, September 14, 2021, the Board, upon motion by Commissioner Onley and seconded by Commissioner Larson approved the following:

- The agenda for September 14, 2021, and the minutes of the August 31, 2021 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. 6036 through 6098 in the total amount of \$71,802.28; ACH payments in the total amount of \$1,060,911.29; Wire Transfers in the total amount of \$103,651.50; and ACH payroll transactions in the total amount of \$234,548.65 for the payroll ending August 31, 2021.

The motion passed unanimously.

BOARD WORKSHOP:

Commissioner Knapp asked if the commissioners had any topics for discussion. The commissioners did not have any topics for discussion.

Colin Willenbrock, District General Manager provided a COVID-19 update and reported the situation is getting worse in Pend Oreille County with 1,200 confirmed positive cases per 100,000 people over the last 14 days, which is significantly higher than what we have seen previously. We are continuing to follow our safety protocols which include wearing masks, social distancing and having daily symptom check in stations. We are seeing continued customer hardships for paying utility bills. Sarah Holderman, District Director, Treasury, Broadband & Strategic Planning and the customer service staff have done an outstanding job in helping our customers and keeping in contact with them for assistance. We have approximately 2,500 past due customers with \$350,000 in arrearages. Ms. Holderman received an official notice yesterday from Pend Oreille County Commissioner John Gentle that we were awarded \$100,000 in assistance funds from the county. We are approaching the end of the moratorium for utility disconnections.

Ms. Holderman explained our COVID-19 Neighbors in Need assistance funding process and reported the Board contributed \$25,000 to the fund last year. Discussion was held. A proposal will be brought before the Board at next week's meeting.

Mr. Willenbrock provided a Ponderay Industries update and reported there is a lot going on with the project on our end and on the customer's end. We are working with the Bonneville Power Administration (BPA) on resource and load calculations and net requirements. BPA is obligated to make a determination on our region's calculations by September 15. They have asked for an extension until September 30. BPA is doing studies on transmission net deliveries. Philip Roice, District Electrical Project Engineer and David Hodder, District Engineering Manager are working with Ponderay Industries. The Blue Moon site is being used as a starting point with power deliveries requested for November. We are working with Ponderay Industries on the amount of load and system upgrades they will need. Discussion was held on how this process works and the ownership of the Blue Moon facility transformer.

Mr. Willenbrock provided a Northwest Open Access Network (NoaNet) update and reported Craig Nelsen is the new CEO. Mr. Nelsen will meet with the commissioners at the September 21 meeting. Commissioner Larson reported there is a downturn on the monthly recurring revenue and grants opportunities with native american tribes. Discussion was held regarding grants.

He provided a City of Newport franchise update and reported there have been good discussions with Mayor Shirley Sands and Attorney Laura McAloon, and Mayor Pro Tem Campbell. We have received a draft franchise agreement that we are reviewing. The city council wants to be the point of contact on all negotiations. We continue to work with the city on finding a solution. Mark "Bubba" Scott, District Water Systems Manager continues to work with Dave North, Public Works Director of the City of Newport and the city on the Cowboy Park project.

SAFETY SPOTLIGHT:

Adam Wiltse, District Safety Manager reported we had a couple positive COVID cases with employees. There are seven ICU beds available in Spokane. He is getting questions from employees on how President Joe Biden's new executive order on requiring a vaccination will affect them. He explained that we are not an Occupational Safety and Health Administration (OSHA) regulated state and we fall under Labor & Industries. Our rules need to be as strict as or stricter than those at the federal level. We have under 100 employees. Washington State needs to follow the rules at a federal level mandate. OSHA has not put out their rule yet. We need to develop our COVID testing for employees program. Discussion was held.

CUSTOMER SPOTLIGHT:

Ms. Holderman reported she, Mr. Scott, Ms. Willner, and Rusty Gill, District Water System Lead Operator met with all nine water system customers last week to give operational and financial updates. All the meetings were held virtually. She will work with Ms. Willner on scheduling a public water rates hearing in October or November.

COMMISSION REPORT:

Commissioner Knapp thanked everyone for a successful Employee Safety Day. He attended the Northwest Public Power Association Annual Conference on September 8 – 10 in Kennewick and provided an overview. He had a conversation with Mr. Willenbrock on Monday.

Commissioner Onley attended a virtual Greater Newport Area Chamber of Commerce meeting on September 7 and reported they are chasing a Community Heart and Soul grant for beautification of the City of Newport and they will work with the Economic Development Council (EDC) and the city on the cost match.

Commissioner Larson attended Employee Safety Day and gave kudos to Amber Gifford, District Communications, Contracts & Conservation Manager and thanked all the employees for attending. He attended a virtual NoaNet Board meeting on September 8.

COMMISSION BUSINESS:

- Pre-Approval of Commission Travel or Meeting Attendance. Commissioner Knapp will attend the virtual PUD Board meetings on October 5 and 19 and Energy Northwest meetings on October 26 - 28 in Tri-Cities. He will attend the virtual Washington Public Utility Districts Association (WPUDA) meetings on September 15 - 17. Commissioner Larson will attend the virtual PUD Board meetings on October 5 and 19, a virtual NoaNet Board meeting on October 13, possibly a virtual Broadband Action Team meeting on October 14, a virtual EDC meeting on October 20, and a virtual Tri-County Economic Development District meeting on October 27. He will attend a virtual EDC meeting tomorrow morning. Commissioner Onley will not be attending the virtual WPUDA meetings on October 13 but would like to attend. He will be attending the virtual WPUDA Budget Committee meeting on October 14. Discussion was held regarding Commissioner Onley's WPUDA Budget Committee meeting attendance. Commissioner Larson voted in favor of Commissioner Onley attending the virtual PUD Board meetings but voted no for him attending the virtual WPUDA Budget Committee meeting. Commissioner Onley voted in favor of attending the virtual PUD Board meetings and WPUDA Budget Committee meeting. Commissioner Knapp wants to allow Commissioner Onley to attend the virtual WPUDA Budget Committee meeting but wants to establish a policy in the future for getting pre-approval prior to a commissioner accepting any committee position. Commissioner Larson was ok with allowing Commissioner Onley to attend the virtual WPUDA Budget Committee meeting on October 14.

A motion was made by Commissioner Larson and seconded by Commissioner Onley to pre-approve the commission travel or meeting attendance for October. The motion passed unanimously.

BUSINESS FROM THE PUBLIC:

Commissioner Knapp asked if there was any business from the public. Gretchen Koenig, member of the public inquired about the Town of Cusick's water system agreement and operations. Tyler Whitney, District General Counsel & Assistant General Manager reported it is going well and we extended the agreement for one year to get a certified water operator. Mr. Scott reported their water operator needs at least two years to get licensed and the water treatment facility is working fine.

Ms. Koenig inquired about the possibility of any Department of Commerce grants to expand the plant. Mr. Scott reported it is up to the town to submit a grant application. Mr. Whitney reported that feasibility funds may become available to study the distribution system. If appropriate at the time, we may apply on behalf of the town for the feasibility funds to identify substantial improvements to the system in order to help the town. We are waiting for funding to become available.

Ms. Koenig inquired if there is any funds available in the federal system. Mr. Whitney reported there is supposed to be money allocated under the federal Public Works Board Trust fund for improvements. Mr. Scott reported he received state drinking water revolving fund information yesterday and \$8M is available to each entity and the application submittal process opens on October 1.

Following a 7-minute recess, the meeting resumed at 10:15 a.m.

MILSOFT PRESENTATION:

Philip Roice, District Electrical Project Engineer provided a Milsoft presentation using MapWise. He simulated a company outage and explained how the program works with our system to show voltages and loads. Discussion was held. The Board thanked Mr. Roice for his presentation.

ACTION ITEM:

- Interlocal Agreement with City of Newport for Cowboy Park. Mr. Whitney provided the details and reported this is not being done as a final mitigation with the Forest Service to help with the overcrowding issue at the Pioneer Park Campground. This gives us a site license to improve the site with the city's contractors. Mr. Scott will be the project manager. We will make the site improvements and then turn it over to the city to maintain and own the site. Discussion was held. A motion was made by Commissioner Larson and seconded by Commissioner Onley to authorize the general manager to execute the agreement in substantially the same form. The motion passed unanimously.

Mr. Willenbrock reported Ms. Holderman received confirmation from Tara Leininger, Mayor of Metaline Falls for the PUD to acquire and install an electric vehicle charging station in Metaline Falls and the town would pay the monthly electricity cost.

He reported the team is working through some supply chain issues for getting quotes with reasonable lead times. He wanted the commissioners to be aware of this as we go through our budget forecast season. Discussion was held on costs and lead times for equipment and supplies.

Commissioner Knapp announced a 1-hour executive session on the review of the performance of a public employee and pending and/or potential litigation. The next meeting is September 21, being held virtually via Microsoft Teams.

EXECUTIVE SESSION – REVIEW OF THE PERFORMANCE OF A PUBLIC EMPLOYEE AND PENDING AND/OR POTENTIAL LITIGATION:

A 1-hour executive session for a review of the performance of a public employee and pending and/or potential litigation commenced at 11:00 a.m. The following were in attendance: Board of Commissioners; Colin Willenbrock, General Manager; and Tyler Whitney, General Counsel & Assistant General Manager. The executive session adjourned at 12:04 p.m. The Board returned to open session. No final action was taken.

There being no further discussion to come before the Board, the meeting adjourned at 12:05 p.m.

President

ATTEST:

Secretary

General Counsel
Approved as to Form