

Minutes of
PUBLIC UTILITY DISTRICT NO. 1 OF PEND OREILLE COUNTY
March 30, 2021
TELECONFERENCE AND IN-PERSON MEETING
BOX CANYON DAM

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: Olga Darlington, CPA/Partner, Moss Adams

The meeting was called to order at 3:33 p.m. by Curtis J. Knapp, President.

Colin Willenbrock, District General Manager announced this is our spring townhall meeting and he and a few staff members are meeting in person at Box Canyon as long as we can meet the Phase 3 guidelines per Governor Jay Inslee's recovery plan, maintain social distance and stay at 50% occupancy. He reported we are pleased where our county is headed and it is nice to meet in person.

A roll call was taken by Karen Willner, Clerk of the Board.

CONSENT AGENDA:

The minutes from the March 16, 2021 meeting and today's agenda were reviewed.

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. As of this date, March 30, 2021, the Board, upon motion by Commissioner Knapp and seconded by Commissioner Onley approved the following:

- The minutes of March 16, 2021 meeting and the agenda for March 30, 2021.

As of this date, March 30, 2021, the Board, upon motion by Commissioner Larson and seconded by Commissioner Onley approved the following:

- Payment of those vouchers, included in the list referred to above and further described as follows: Voucher Nos. 5503 through 5549 in the total amount of \$333,563.60; ACH payments in the total amount of \$296,649.69; Wire Transfers in the total amount of \$233,281.93; and ACH payroll transactions in the total amount of \$215,788.14 for the payroll ending March 15, 2021.

BOARD WORKSHOP:

Olga Darlington, CPA/Partner with Moss Adams reported a successful audit was completed. She reviewed the auditor's report on financial statements, areas of audit internal controls, capital assets, receivables and revenue, bond activity and disclosures of supplemental information. She explained Moss Adams responsibility under auditing standards and reviewed the upcoming GASB accounting pronouncements. She reported the audit is a rigorous process and this year was entirely done virtually. She commended the Commissioners and District leadership for their support and assistance. She thanked April Owen, District Director, Audit, Finance & Power Supply; Mr. Willenbrock and their team.

Ms. Owen thanked Ms. Darlington and reported they are a great resource and that she and her team are always great to work with.

She reported the draft financials and annual report should soon be posted to our website. She thanked Amber Gifford, District Communications, Contracts & Conservation Manager; Sarah Holderman, District Director Treasury, Broadband & Strategic Planning; John Bricher, District Finance Manager; and Megan Malone, District Accounts Payable Analyst for their work on the audit.

Mr. Willenbrock thanked Ms. Owen and her team and reported that a clean audit is a big deal and we are proud of our team and the work they do to keep our finances straight.

SAFETY SPOTLIGHT:

Adam Wiltse, District Safety Manager provided some information regarding COVID-19 vaccines.

Kevin Conway, District Director, Compliance, Safety, Engineering & Technology reported he got in contact with the Kalispel Tribe of Indians Camas Health Center and provided information to staff on available times to receive the vaccine and that we estimate about 20% of our employees were vaccinated with the first shot as of last weekend.

Commissioner Onley inquired if there was a list of vaccinated employees the District is keeping. Tyler Whitney, District General Counsel & Assistant General Manager reported we aren't keeping a list of vaccinated employees.

Commissioner Onley thanked the Camas Wellness Center for providing vaccinations.

CUSTOMER SPOTLIGHT:

Ms. Gifford provided an update on energy efficiency kits and reported 7,300 kits will be delivered via the U.S. Postal Service to customers starting April 12. The kit contains four 11-watt general purpose LEDs. The program is funded by conservation dollars allocated to the District through the Bonneville Power Administration (BPA) and the incentive dollars from the kits will be utilized in our energy conservation budget.

She reported on the recent outage due to last Sunday's wind event where 3,000 customers were without power starting around 3:30 p.m. Most customers were restored late Sunday evening and a handful of customers were out of power until today due to damage to their systems. She commended the customer service representatives, system operators, and line and fiber crews. She reviewed the process the District takes when an outage happens during normal business hours and after business hours. She explained using Microsoft Teams to communicate between staff. She reminded everyone to stay clear of downed power lines and never attempt to remove downed trees from power lines.

Commissioner Onley inquired about the fiber outages. Mr. Willenbrock provided a fiber outages update.

Commissioner Larson inquired if we do an analysis after a storm outage of what was done right and what was done wrong. Mr. Willenbrock reported we do tabletop exercises after major storm power outages.

COMMISSION REPORT:

Commissioner Larson attended a virtual Economic Development Council meeting on March 17 where discussion was held on the strategic work plan. He inquired about the status of the Early Learning & Child Care Center grant. Mr. Willenbrock reported we received a Department of Commerce grant for \$50,000 and another \$50,000 matching grant award from the Seattle Foundation for the feasibility study. He named the stakeholders and reviewed the business plan, curriculum and structure needed.

Commissioner Larson attended a virtual Tri-County Economic Development District (TEDD) meeting on March 24 and reported the Tri-County Health District is asking for

help in getting COVID vaccines in people's arms and TEDD has done a national advertisement to get the word out. He participated in a Washington Public Utility Districts Association (WPUDA) legislative update call on March 25.

Commissioner Onley attended a virtual WPUDA New Commissioners Training on March 17 and provided an overview. He attended a virtual WPUDA Telecom Committee meeting on March 18 and reported he threw his hat in to be nominated as vice-chair of the telecom committee. He attended a virtual WPUDA Legislative Luncheon with Commissioner Larson and Ms. Gifford on March 23 and provided an overview. He attended a virtual WPUDA Water Committee Workshop on March 25 and provided an overview.

Commissioner Knapp attended the virtual WPUDA meetings on March 17 – 19 and provided an overview. He attended a virtual Energy Northwest meeting on March 23 and provided an overview.

COMMISSION BUSINESS:

- Pre-Approval of Commission Travel or Meeting Attendance. The Board of Commissioners were in agreement with the April meetings schedule.

Mr. Willenbrock reported there will be a virtual Northwest Open Access Network Special Board meeting to interview a CEO candidate on April 7. The interview will be conducted in executive session.

Following a 5-minute recess, the meeting resumed.

STATE OF THE PUD:

Mr. Willenbrock explained we are doing these afternoon and evening townhall meetings as a service in providing more opportunities for our customers to join us. We do a spring meeting in north county and a fall meeting in south county. He explained the normal meeting agenda structure.

He reported we have been planning for the Ponderay Newsprint Company (PNC) closure for some time. He provided an overview of our services and investments we have made over the years. He noted our Portland General Electric agreement, Shell Energy agreement and Seattle City Light agreement relating to the Boundary Project.

He noted the costs of Box Canyon and finding someone to cover those costs. He explained that we need to cover our costs, mitigate risks, make sure we have adequate and reliable resources for our customers and manage load growth. We are participating in discussions about the former PNC site.

We continue to be strong financially, have dedicated and valuable employees and continue to be as flexible and nimble as possible as we work through this transition.

We have been engaged in a strategic discussion and plan to publish our draft strategic plan on our website. We will have a scheduled April 27 meeting for public comment.

BUSINESS FROM THE PUBLIC (Q&A WITH COMMISSION):

There was no business from the public or questions for the commission.

Commissioner Knapp reported our April meetings are the 13 and 27. The next meeting is April 13 and will be held virtually.

There being no further discussion to come before the Board, the meeting adjourned at 5:30 p.m.

President

ATTEST:

Secretary

General Counsel
Approved as to Form