

Minutes of  
PUBLIC UTILITY DISTRICT NO. 1 OF PEND OREILLE COUNTY  
March 4, 2025  
NEWPORT CONFERENCE ROOM, NEWPORT, WA AND  
VIRTUAL VIA MICROSOFT TEAMS

Present: David W. Rick, President  
Curtis J. Knapp, Vice President  
Troy J. Moody, Secretary

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

Others: Gretchen Koenig, Member of the Public  
Joe Onley, Member of the Public

The meeting was called to order at 8:30 a.m. by Commissioner Dave Rick, President.

ACTION ITEM:

- Confirmation of Resolution No. 1495 – Appointing an Interim General Manager and Establishing Salary. Commissioner Rick read the resolution. A motion was made by Commissioner Moody and seconded by Commissioner Knapp to confirm and adopt the resolution. The motion passed unanimously. The Board and staff congratulated Chris Jones, District Interim General Manager. Mr. Jones expressed his appreciation and commended our great team.

BOARD WORKSHOP:

Destini Parker, District Payroll & Benefits Coordinator, introduced Tim O'Brien, District Journeyman Lineman who started full-time yesterday and reported that he was hired last year as a Temporary Lineman. Mr. O'Brien provided his background and commented that he is excited to continue to work here.

Ms. Parker introduced Corbin Kytan, District Journeyman Tree Trimmer and provided his background. Mr. Kytan provided his background and commented that he is happy to work here.

Ms. Parker introduced Rick Hughes, District Interim Operations Superintendent. Mr. Hughes provided his background and expressed his appreciation of John Janney, former General Manager. He commended Mr. Jones and the team. The Board welcomed Mr. O'Brien, Mr. Kytan, and Mr. Hughes.

#### APPROVAL OF CONSENT AGENDA:

The minutes from the February 18, 2025 meeting, today's agenda, and the vouchers were reviewed.

As of this date, March 4, 2025, the Board, upon motion by Commissioner Knapp and seconded by Commissioner Moody approved the following:

- The agenda for March 4, 2025 meeting, and the minutes of the February 18, 2025 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. 10246 through 10274 in the total amount of \$115,137.30; ACH payments in the total amount of \$96,491.68; Wire transfers in the total amount of \$2,145,307.18; and ACH payroll transactions in the total amount of \$271,671.74 for the payroll ending February 15, 2025.

The motion passed unanimously.

#### SAFETY SPOTLIGHT:

Katie Pfitzer, District Safety Manager, provided safety success highlights and reported Chris Marshall, District Application Specialist, received a Safety Core Award last month. She reported the Box Canyon Fire Alarm System was installed. She reported staff is working on our Safety Management Program and the Newport Administration Building is scheduled for a safety inspection on March 10.

She reported we had a couple safety incidents with District vehicles and explained the importance of doing vehicle walkarounds, making sure the bumper is clear before putting the tailgate down, and placing a cone in the front of garage doors when unexpected things are in the bays. She reported on one recordable injury when an employee slipped on the ice and explained the importance of being aware of your surroundings and the conditions.

She provided an overview of upcoming safety trainings for March and April. Discussion was held regarding a de-escalation training.

#### CUSTOMER SPOTLIGHT:

Shannon Johnston, District Customer Service Supervisor, reported the District is having an 811 Call Before You Dig Art Contest for April's Safe Digging Awareness month. 811 is the National Call Before You Dig number. Art submissions are due March 24 and she

showed a drawing from last year's winner. Commissioner Knapp shared a story of the importance in calling 811 before digging.

BUSINESS FROM THE PUBLIC/OPEN COMMENT PERIOD:

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

Gretchen Koenig, member of the public, is concerned about the Bonneville Power Administration employee firings and inquired if this will affect us. April Owen, District Director of Finance, reported there are disruptions with losing people but we are seeing other people covering and we haven't seen any delays that are affecting us.

Joe Onley, member of the public, commented that the commissioner's job is setting rates and staff recommendations can be wrong. He voted yes on the Clark deal but regrets his decision. He requested that if a rate increase is approved to do it for one year and reevaluate. The Board thanked Mr. Onley for his comments.

Commissioner Rick thanked everyone for attending and for their comments.

INTERIM GENERAL MANAGER REPORT:

Chris Jones, District Interim General Manager, reported that he wants to attend city and county meetings to keep the relationships going that Mr. Janney built and continue to meet with staff.

He is seeing the current federal administration looking at tariffs and reported that our poles come from Canada and the price will probably go up. We have material that comes out of Mexico and we'll need to watch these prices. Stacie Maier, District Director of Engineering and Operations, noted our bidding process.

Mr. Jones reported on a safety concern with a shelf sinking into pavement at the warehouse. Concrete was poured and the shelf was reinstalled. He reported that we are currently good on transformers. Discussion was held on padmount versus pole mount transformers.

PROPOSED POLICY UPDATES:

Sarah Holderman, District Director of Customer Services, provided a Proposed Policy Updates presentation and reviewed our proposed Advanced Meter Opt-Out Program. She explained that if a customer wants to opt out, we need to cover our costs of manually reading their meter and she is proposing a one-time fee of \$100 and a monthly fee of \$45 to cover the costs of manual meter reads six times per year and billing read will be estimated on other months. Discussion was held. She reported a Public Rate Hearing will be held on March 18 and she requested the Board's and customers' input.

She reviewed a proposed Electric Vehicle Charging Rate for District owned and operated chargers. She is proposing a session fee of \$1.00 and an energy usage fee of \$0.47 per kWh to recoup our costs. Discussion was held.

She reviewed a proposed Low-Income Veterans Discount Program. She reported that we currently have a Low-Income Senior Discount Program and is proposing a discount of \$5 per month.

She reviewed our Electric System line extension fees. She is proposing changes to the secondary service connection fees due to updated labor costs, an addition of a meter fee for single phase 400 and 600 amp, and a change to the meter fee for three-phase. She reviewed the proposed changes to the primary service connection and extension fees and additional services costs. Discussion was held.

She reported the next steps are a Public Rate Hearing on March 18 with adoption on April 1.

The Board thanked Ms. Holderman for her presentation.

Following a short recess, the meeting resumed.

#### 2024 FINANCIAL REVIEW:

Ms. Owen reported we are close to finishing our interim audit with Moss Adams auditors and provided Moss Adams background information. She reviewed the major events in 2024 including Cascade Digital Mining, LLC's extended contract – their current contract expires September 30, 2025, receipt of \$3.2M in Climate Commitment Act funds, receipt of \$392,000 in Clean Energy Credit grant funds, and receipt of the final Ponderay Newsprint Company (PNC) Bankruptcy Settlement funds of \$1.4M – we received a total of \$14.8M in PNC Bankruptcy Settlement funds).

She reviewed our earned interest income and reported the average interest rate was 5.4% in 2024 and the rates began to drop in the fourth quarter of 2024 and are currently at 4.4%. She reviewed our capital spending from 2022 and projected through 2026. She reviewed our general service month versus budget revenue, not including Cascade. She reviewed Cascade's revenue and reported they are subject to market pricing because they purchase power in the market.

She reviewed our Box Canyon total costs and annual generation and reported the cost per MWh in 2024 was \$40.97 and our average generation is 50 – 53 MWh. She reviewed our operations and maintenance actual versus budget expenses. She reviewed our Protection, Mitigation, and Enhancement expenses related to our Box Canyon regulatory projects.

She reported that 2024 was a decent year for us and we are looking forward to our 2025 projects. The Board thanked Ms. Owen for her presentation.

## ACTION ITEMS:

- Approval of Resolution No. 1496 – Revised Electric System Rate and Fee Adjustments and Revised Electric Service, Rates and Credit Policy. Ms. Owen reported this is a one-year 4.25% rate increase, and we will reevaluate the rate next year and will provide updates to the Board throughout the year. This increase is across all electric rate classes, and we are looking to adjust only the energy rate. We are expecting to draw down cash over the year and the projected rate is based on our energy usage. Discussion was held. A motion was made by Commissioner Knapp and seconded by Commissioner Moody to approve and adopt the resolution and revised policy. Commissioner Moody expressed his appreciation of the public visits and comments. The motion passed unanimously.
- Approval of Revised District Organization Representation for 2025. Discussion was held regarding the draft document provided in the Board packet. A motion was made by Commissioner Moody and seconded by Commissioner Knapp to appoint the representatives with the changes as discussed and as follows:

WPUDA (Washington Public Utility Districts Association) Managers Committee

Representative: Chris Jones

PPC (Public Power Council) Representative: Chris Jones

PNUCC (Pacific Northwest Utilities Conference Committee) Representative:  
Chris Jones

NWPPA (Northwest Public Power Association) Representative: Chris Jones

The motion passed unanimously.

- Approval of Box Canyon Powerhouse Gantry Crane Repair, Contract No. 25-001. Bryant Kramer, District Director of Power Production, reported the Board approved this work in 2024 and through the bidding process this work has been delayed. The apparent low bidder is DW Excavating, Inc. with a total amount of \$154,872.60 and we're requesting approval so we can get started on the repair. Discussion was held. A motion was made by Commissioner Moody and seconded by Commissioner Knapp to approve the contract. The motion passed unanimously.

## COMMISSION REPORT:

Commissioner Rick had a phone call last Friday with Olga Darlington, Moss Adams regarding our interim audit. He attended the WPUDA/American Public Power Association Legislative Rally on February 24 – 27 in Washington, D.C. and provided an overview.

## COMMISSION BUSINESS:

Commissioner Knapp will attend a PPC Members Forum on March 5 in Portland, a PPC Executive Board meeting on March 6 in Portland, and a virtual PNUCC meeting on March 7. He will be absent for the March 18 meeting.

Commissioner Moody will attend an Economic Development Advisory Committee (EDAC) meeting tomorrow at the Camas Wellness Center in Cusick and a Pend Oreille County Representatives Workshop on March 12 in Newport. He will attend a Greater Newport Area Chamber of Commerce meeting after confirming the date and will try to attend the next meeting or plan a visit to the Historical Society.

Commissioner Rick will attend the EDAC meeting tomorrow at the Camas Wellness Center in Cusick and the Pend Oreille County Representatives Workshop on March 12 in Newport.

Discussion was held regarding the wildfire event that was held on March 1 at the Camas Wellness Center in Cusick.

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

He reported the next regular meeting is scheduled for Tuesday, March 18, 2025, starting at 8:30 a.m., in the Newport Conference Room, in Newport and via Microsoft Teams. He adjourned the meeting at 10:55 a.m.

---

President

ATTEST:

---

Secretary

---

General Counsel  
Approved as to Form