

Minutes of  
PUBLIC UTILITY DISTRICT NO. 1 OF PEND OREILLE COUNTY  
May 21, 2024  
NEWPORT CONFERENCE ROOM, NEWPORT, WA AND  
VIRTUAL VIA MICROSOFT TEAMS

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

Staff Present: John Janney, General Manager  
Management/District Staff  
Karen Willner, Clerk of the Board

Others: None

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

**BOARD WORKSHOP:**

Discussion was held regarding an Albeni Falls Dam meeting today, fiber map, and a Northwest Open Access Network (NoaNet)/Douglas County PUD invoice and interlocal agreement.

**APPROVAL OF CONSENT AGENDA:**

The minutes from the April 30, 2024 meeting, the minutes from the May 7, 2024 meeting, today's agenda, and the vouchers were reviewed.

As of this date, May 21, 2024, the Board, upon motion by Commissioner Rick and seconded by Commissioner Knapp approved the following:

- The agenda for May 21, 2024 meeting, the minutes of the April 30, 2024 meeting, and the minutes of the May 7, 2024 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. 9339 through 9380 in the total amount of \$249,060.07; ACH payments in the total amount of \$3,057,818.65; Wire transfers in the total amount of \$298,568.30; and ACH payroll transactions in the total amount of \$254,218.03 for the payroll ending April 30, 2024.

The motion passed unanimously.

**CYBER SECURITY POLICY ANNUAL REVIEW:**

Bob Pebles, District Information Technology Manager/CIP Senior Manager, reported the policy is geared towards North American Electric Reliability Corporation standards for cyber security of our critical infrastructure protection assets and areas. He reviewed the policy changes. John Janney, District General Manager, commended Mr. Pebles for staying on top of our cyber security compliance.

**GENERAL MANAGER REPORT:**

Mr. Janney asked management staff to provide department updates.

**MANAGEMENT REPORT:**

Philip Roice, Engineering Manager:

He reported the OPGW project has started and the contractor is working on the Diamond Lake Pole Building water and tie-ins.

Chris Jones, Director of Operations:

He reported the OPGW project is going well. Discussion was held.

He provided an AMI meter replacement project update and reported the Diamond Lake Substation communication equipment will be energized today and they are waiting on wire to arrive to finish the others. Discussion was held.

Amber Gifford, Customer Service and Contracts Manager:

She provided a Sunvale Acres Water System Distribution Line Replacement project update and reported postcards and emails were sent to the customers and information is posted on our website. The contractor will tentatively begin the project on June 3.

She reported our 2023 Annual Report has been published and all the design work was done in-house. The Newport Miner won the bid award for printing the reports. She provided a review of the report as it appears on our website. April Owen, District Director of Finance, reported the report is also sent via email and/or hard copies are mailed to agencies and some are hand delivered to local businesses. Mr. Janney reported this is a big accomplishment for our small utility, is a worthwhile effort, and he commended Ms. Owen, Ms. Gifford, and John Bricher, District Finance Manager for their work.

Sarah Holderman, Director of Customer Services:

She reported the BEAD fiber grant challenge process ended on May 15. She reviewed the process and complimented Jim Cupples, Economic Recovery Corp, who is working with the Port through a grant and the Tri-County Economic Development District (TEDD) on the challenge process. The challenge rebuttal deadline is August 3. Discussion was held.

She attended a NoaNet Board meeting that was held at the District on May 8 and reported the member vote to equalize membership percentages passed unanimously.

John Bricher, Finance Manager:

He and April Owen, District Director of Finance, provided a March 2024 Quarterly Financial Report Results presentation and reviewed the highlights. Mr. Bricher reported we hit a new General Service load peak, (excluding Cascade Digital), of 90.18 MW on January 15. We have an A3 Stable credit rating with Moody's and an A Stable credit rating with Fitch. Ms. Owen reviewed the working capital. Discussion was held. The Board thanked Mr. Bricher and Ms. Owen for their presentation and for the new report format.

Ben Hall, Energy Resources Manager:

He provided a Regulatory Update presentation regarding our Clean Energy Transformation Act audit and reported that all of the testing is completed and we are waiting for the Audit Manager to review.

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. There was no business or comments from the public. He thanked everyone for attending.

MANAGEMENT REPORT (continued):

Mr. Hall continued his Regulatory Updates presentation and reviewed the Climate Commitment Act, carbon pricing, market loads and resources and forecasts, water supply and hydro, gas fundamentals for storage, long term weather, and Mid-C power price trends. The Board thanked Mr. Hall for his presentation and information.

#### 4/10 WORK SCHEDULE PRESENTATION:

Mr. Janney reported that staff have expressed an interest in working a four 10-hour day work schedule. He provided a presentation and explained the nature of our business, how customers depend on us providing essential services, the importance of having highly-skilled and dedicated employees who perform their jobs safely, and having a highly regulated industry. He reported on recent staff turnover due to compensation, work/life balance, flexible work arrangements, and work schedule.

He reported on the results of an employee survey where an overwhelming majority of employees expressed an interest in working a 4/10 schedule. He reviewed research findings from multiple studies across various industries which showed that working a 4/10 schedule increased employee productivity, attendance, happiness, and retention. He reviewed the proposed operations and office schedule, potential customer benefits, ways to help customers adjust to a 4/10 schedule, communication channels, proposed public process, and next steps. Discussion was held.

#### ACTION ITEMS:

- Approval of Revised Cyber Security Policy. A motion was made by Commissioner Rick and seconded by Commissioner Knapp to approve the revised policy. The motion passed unanimously.
- Approval of June Energy Transaction. Mr. Hall requested approval to purchase up to 5MW of power for heavy load hours in the market in June. A motion was made by Commissioner Rick and seconded by Commissioner Knapp to approve the June Energy Transaction as presented. The motion passed unanimously.
- Approval of Unbudgeted Request for Public Information Officer Position. Mr. Janney reported there are new legislation and regulations and this position would help the District to provide more information to our customers and staff and to stay ahead of proposed legislation and/or new regulations. Discussion was held. A motion was made by Commissioner Knapp and seconded by Commissioner Rick to approve the unbudgeted request for a Public Information Officer position. The motion passed unanimously.
- Approval of Interlocal Agreement with WSIPC. Ms. Gifford reported this is similar to the Department of Enterprise Services for purchasing vehicles and provides another source for purchasing. A motion was made by Commissioner Knapp and seconded by Commissioner Rick to authorize the general manager to execute the interlocal agreement in substantially the same form as presented. The motion passed unanimously.

#### COMMISSION REPORT:

Commissioner Onley attended a virtual Greater Newport Area Chamber of Commerce Special meeting on May 14. He and Mr. Janney met with Allrise/Merkle Standard/Cascade Digital on May 7 in Newport and provided an overview.

Commissioner Rick and Mr. Janney attended a meeting with Allrise/Merkle Standard/Cascade Digital on May 8 in Cusick to discuss their future plans. He attended a Metaline Town Council meeting on May 8 in Metaline and provided an overview. He attended a Port/Economic Development Advisory Committee meeting on May 15 in Newport and provided an overview.

Commissioner Knapp attended a NoaNet Board meeting on May 8 in Newport and a Northwest Public Power Association Annual Conference on May 12 – 15 in Salt Lake City.

COMMISSION BUSINESS:

- Pre-Approval of Commissioner Travel or Meeting Attendance. Discussion was held. A motion was made by Commissioner Knapp and seconded by Commissioner Rick to approve the Commissioner Travel or Meeting Attendance for June. The motion passed unanimously.

Commissioner Onley will attend a Washington Public Utility Districts Association Strategic Planning Committee meeting tomorrow in Olympia and a Seattle City Light Fish Hatchery Open House/Tour on May 29 in Usk.

Commissioner Rick will attend an Albeni Falls Dam meeting today in Oldtown, a TEDD meeting on May 22 in Colville, and a Seattle City Light Fish Hatchery Open House/Tour on May 29 in Usk.

Commissioner Knapp will attend a New Health Ribbon Cutting Ceremony tonight in Newport and the Seattle City Light Fish Hatchery Open House/Tour on May 29 in Usk.

Commissioner Onley asked if there was any further business for the good of the order. He reported that following a working lunch, the meeting would be adjourned at 12:30 p.m. He reported the next meeting is scheduled for June 4, 2024, starting at 8:30 a.m., in the Newport Conference Room in Newport and via Microsoft Teams.

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President

ATTEST:

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Secretary

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General Counsel  
Approved as to Form