

Minutes of
PUBLIC UTILITY DISTRICT NO. 1 OF PEND OREILLE COUNTY
August 31, 2021
VIRTUAL VIA MICROSOFT TEAMS

Present: Curtis J. Knapp, President
Richard A. Larson, Vice President, at Box Canyon
Joseph B. Onley, Secretary

Staff Present: F. Colin Willenbrock, General Manager, at Box Canyon
Management/District Staff
Tyler Whitney, General Counsel & Assistant General Manager, at
Box Canyon
Karen Willner, Clerk of the Board

Others: None

The meeting was called to order at 9:00 a.m. by Curtis J. Knapp, President. A roll call was taken.

CONSENT AGENDA:

The minutes from the August 17, 2021 meeting, today's agenda, and the vouchers were reviewed.

As of this date, August 31, 2021, the Board, upon motion by Commissioner Larson and seconded by Commissioner Onley approved the following:

- The agenda for August 31, 2021, and the minutes of the August 17, 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. 6005 through 6035 in the total amount of \$148,782.53; ACH payments in the total amount of \$345,137.00; Wire Transfers in the total amount of \$94,561.52; and ACH payroll transactions in the total amount of \$218,188.52 for the payroll ending August 15, 2021.

The motion passed unanimously.

BOARD WORKSHOP:

Commissioner Knapp asked if the commissioners had any topics for discussion. Commissioner Larson asked for discussion on the commission travel and per diem, Employee Safety Day, customer past due accounts, and COVID funding assistance from the county. Commissioner Onley asked for a future discussion on how we can explore customers time-of-use incentives, additional financial dashboard information, and the process for tracking timesheet hours.

Colin Willenbrock, District General Manager apologized for the disrupted structure of today's meeting and the need to go back to a virtual meeting structure.

He reported on customer past due accounts and reported there are over \$400,000 in total delinquent payments.

He reported the county awarded \$100,000 in COVID assistance funds to the District per a Newport Miner article but we have not received a formal notice. These funds will help with our customer payment arrearages.

He reported Employee Safety Day will continue on Thursday but the event has been shortened and masks are required. He provided an overview of the event.

Commissioner Larson requested a formal commission travel policy to justify paying per diem and wants the commission to approve all per diem travel decisions. Commissioner Onley read a commission travel summary and provided suggestions. He wants to stay with the motion from the approved March 16, 2021 minutes. Commissioner Knapp explained that travel and meeting agendas can change at any given time. He was supportive that commission travel be pre-approved for meeting attendance and paying per diem. He was not supportive of having a set amount of days per the Washington State legislature.

Commissioner Larson made a motion that starting tomorrow and for the remainder of 2021 and beyond, all commission per diem travel days be approved by a majority of the commission and that travel be limited to one commissioner per meeting and be paid per diem which includes meals and travel. Commissioner Knapp seconded the motion. Discussion was held. The motion passed. Commissioner Onley opposed.

Mr. Whitney will prepare a draft independent commission per diem travel policy. Commissioner Larson clarified that the motion starts tomorrow, September 1, 2021. Commissioner Knapp was in agreement with that start date and his second to the motion. Discussion was held regarding the pre-approval process.

Commissioner Onley made a motion to have two signatures on each commissioner's timesheet. Discussion was held. Commissioner Onley revised his motion to have two commissioners sign off and/or approve a commissioner's submitted and signed timesheet. Discussion was held on the commissioners timesheet submittal and approval process. There was no second to Commissioner Onley's motion and the motion died.

Mr. Willenbrock reported staff had a meeting with Allrise yesterday and they are working with the Bonneville Power Administration (BPA) to determine system studies to re-energize the former Ponderay Newsprint Company site. Staff met with BPA who said the first step is to get an agreement in place. The District has received that funding agreement for interconnection. Staff is now working on the transmission load capacity and the power supply third party provider. Allrise is targeting a year-end timeline for the initial startup.

He and Commissioner Knapp met yesterday with Mayor Shirley Sands, City of Newport to discuss the campground/RV park project with the hope that it is done before June 2022. He inquired about the status of the District's franchise with the city and reported we have not seen a draft franchise from the city. She reported the city does not intend to move forward in forming its own utility and should have a draft soon.

BUSINESS FROM THE PUBLIC:

Commissioner Knapp asked if there was any business from the public. There was no business from the public. Commissioner Knapp thanked the public members for attending.

BOARD WORKSHOP (continued):

Mr. Willenbrock met with Dave North, Public Works Director at the City of Newport and reported work continues on the Cowboy Park project.

SAFETY SPOTLIGHT:

Adam Wiltse, District Safety Manager shared his screen and provided a COVID-19 update as of today. He reported the new case count state-wide was a record with 8,300 new cases reported. Yesterday in Pend Oreille County there were 29 new confirmed cases and the positive test rate is close to 20%. He provided ICU bed availability information for the Spokane area. He reported on the percentage of vaccinated versus unvaccinated people in the county. Discussion was held.

CUSTOMER SPOTLIGHT:

Sarah Holderman, District Director, Treasury, Broadband & Strategic reported there is an influx of electric and fiber line extensions applications. She received a customer thank you to Lisa Curry, District Customer Service Representative II and Laura Smith, District Administrative Assistant, Operations/CSR III for their assistance with the customer's electric and fiber line extensions. She provided an overview of the customer paid electric and fiber line extensions compared to last year's numbers.

She reported the fiber dock crew is moving along and commended Mike Reed, District Community Network System Lead Technician for keeping them on track and for doing a great job in working with them.

COMMISSION REPORT:

Commissioner Knapp attended the Pend Oreille County Fair on August 20 and 21 in Cusick, a Washington State Auditor exit teleconference on August 23 and an Energy Northwest Strategic Planning on August 25 – 27 in Snoqualmie. He provided an overview. He and Mr. Willenbrock met with City of Newport Mayor Shirley Sands on August 30 in Newport. He met with Don Gronning, Newport Miner on August 30 in Newport and he spoke with a customer regarding a logging deck.

Mr. Willenbrock provided an overview on the Washington State audit report and reported the District received a clean audit and recommended a few changes to our cost allocations procedures. He commended April Owen, District Director, Audit, Financial & Power Supply and John Bricher, District Finance Manager for their work on the audit.

Commissioner Larson attended the Pend Oreille County Fair on August 20 in Cusick and a virtual Tri-County Economic Development District (TEDD) meeting on August 25 in Colville. He provided an overview.

Mr. Willenbrock commended Amber Gifford, District Communications, Contracts & Conservation Manager for her work on the District's fair booth and for having the booth staffed during certain times.

Commissioner Onley thanked Commissioner Larson for covering for him at the Pend Oreille County Fair.

COMMISSION BUSINESS:

- Pre-Approval of Commission Travel or Meeting Attendance and Policy Discussion.

Commissioner Knapp will attend Employee Safety Day on September 2 in Cusick, a Northwest Public Power Association Annual meeting on September 7 - 10 in Kennewick, the virtual PUD Board meetings on September 14 and 21, and the virtual WPUDA meetings on September 15 - 17.

Commissioner Larson will attend the virtual PUD Board meetings on September 14 and 21, Employee Safety Day on September 2 in Cusick, a virtual Economic Development Council (EDC) meeting on September 15, a virtual Northwest Open Access Network Board meeting on September 8, and a virtual Tri-County Economic Development District (TEDD) meeting on September 29.

Commissioner Onley will attend a virtual Greater Newport Area Chamber of Commerce meeting on September 7, Employee Safety Day on September 2 in Cusick, the virtual PUD Board meetings on September 14 and 21, a virtual WPUDA Telecom Committee meeting on September 16, and a virtual WPUDA Water Workshop on September 22 - 24.

A motion was made by Commissioner Larson and seconded by Commissioner Onley to approve the Board's September travel and meeting attendance. The motion passed unanimously.

BOX CANYON UPDATE:

Ms. Owen shared her computer screen. Mr. Willenbrock provided a financial overview on the Box Canyon current and forecasted costs and projects for 2021-2055. Ms. Owen provided an overview of the capital project costs and the mill rate. Mr. Willenbrock explained the mill rate.

Mr. Whitney provided an update on the Off-license Settlement Agreement and Amended Settlement Agreement. He reported the Army Corps of Engineers took a tour of our Box Canyon fish passage facility last Friday. He provided an update on our Trout Habitat and Restoration Program for our Federal Energy Regulatory Commission license. He provided an overview of our Protection, Mitigation & Enhancement projects which includes our Erosion Control Program on federal lands.

Bryant Kramer, District Power Production Manager provided an update on recurring maintenance at Box Canyon and reported on a roof leak, spillway gate seal, erosion on the downstream seal of the spillway, Calispell Creek Dike pumps, and the Cusick pumps stay vane. He reviewed the capital improvement projects, deferred maintenance plans, and future operational adjustments which include asphalt paving, spillway crane, log booms, Campbell Park, Visitors Center, and upgrade to the plant control room. Mr. Whitney reported we are working with McMillen Jacobs Associates on the Calispell Creek Dike. Discussion was held.

Mr. Willenbrock reported that Box Canyon Dam is a great resource with thanks to many staff and it is up to the Board to decide where they want to take it in the future.

Mr. Whitney reported he sent a draft city utility franchise to the Board. The Board was in agreement to share the draft with the City for consideration.

Commissioner Larson reported he also attended a virtual EDC meeting on August 18 and provided an overview.

Commissioner Knapp reported the next meeting is September 14, being held virtually.

There being no further discussion to come before the Board, the meeting adjourned at 11:26 a.m.

President

ATTEST:

Secretary

General Counsel
Approved as to Form