

Minutes of  
PUBLIC UTILITY DISTRICT NO. 1 OF PEND OREILLE COUNTY  
April 10, 2018  
NEWPORT CONFERENCE ROOM, NEWPORT, WA

Present: Daniel L. Peterson, President  
Curtis J. Knapp, Vice President  
Richard A. Larson, Secretary

Staff Present: F. Colin Willenbrock, General Manager  
Management/District Staff  
Karen Willner, Clerk of the Board

Others: Olga Darlington, Moss Adams, via WebEx

The meeting was called to order at 8:30 a.m. by Daniel L. Peterson, President.

CONSENT AGENDA:

The minutes from the March 20, 2018 meeting and today's revised 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, April 10, 2018, the Board, upon motion by Commissioner Knapp and seconded by Commissioner Larson approved the following:

- The minutes of March 20, 2018 meeting and the revised agenda for April 10, 2018.
- Payment of those vouchers, included in the list referred to above and further described as follows: Voucher Nos. 1098 through 1190 in the total amount of \$632,138.95; ACH payments in the total amount of \$1,073,825.90; Wire Transfers in the total amount of \$2,373,210.42; ACH payroll transactions in the total amount of \$235,365.21 for the payroll ending March 15, 2018; and ACH payroll transactions in the total amount of \$239,596.60 for the payroll ending March 31, 2018.

BOARD WORKSHOP/GENERAL MANAGER'S REPORT:

- Energy Northwest Upcoming Election. Commissioner Knapp explained the details and reported five new executive board positions will be up for election. Discussion was held.
- Information Technology (IT) Department – Surplus Items. Bob Pebles, District IT Manager explained the details and reported staff solicited all Pend Oreille County school districts and only Newport School District was interested in a couple of items. Discussion was held.

ACTION ITEM:

- Declaration of Surplus Property – IT Items. Based on staff recommendation, a motion was made by Commissioner Knapp and seconded by Commissioner Larson to declare the IT items as being no longer necessary, material to, or useful in the operations of the District and, therefore, surplus to the needs of the District. The motion passed unanimously. The staff will proceed as appropriate.

F. Colin Willenbrock, District General Manager provided an overview for tomorrow's Northwest Open Access Network (NoaNet) Board meeting and a District/NoaNet meeting following that board meeting. Discussion was held.

He reported that Zhone Technologies, contracted for the Community Network System (CNS) Fiber Broadband project, gave the District some faulty equipment. Zhone staff will attend a meeting with District staff on April 25 to discuss a solution. He commended Robert Fritz, District CNS Supervisor and Dario Nila, District CNS System Specialist on the great job and work they have done regarding this matter. Discussion was held.

He provided a status update for the Box Canyon Upstream Fish Passage project. Discussion was held.

Mark Cleveland, District Director, Power Production reported Seattle City Light will also have their boat launches closed for projects and suggested a public notice be posted for the District's boat launch closure.

He reported entrance one of the upstream fish passage cofferdam will need to be dewatered. Discussion was held.

#### SAFETY SPOTLIGHT:

Paul Kiss, District Safety Coordinator provided a safety message. He explained the importance of taking safety precautions and the value of making others aware of safety concerns.

Discussion was held regarding how employee morale plays a major part with safety. Lloyd Clark, District Director, Safety & Human Resources provided an overview of what safety measures the District has put in place and how educating and providing information to employees is valuable.

#### CUSTOMER SPOTLIGHT:

Discussion was held regarding a Tri Town Events request for donation of CNS wireless services. A resolution will be considered today.

#### ACTION ITEMS (continued):

- Resolution No. 1408 – Donation of Wireless Services and Associated Value to Tri Town Events. A motion was made by Commissioner Larson and seconded by Commissioner Knapp to adopt the resolution. The motion passed unanimously. Staff will follow up with the Tri Town Events coordinator.

#### COMMISSION REPORT:

Commissioner Larson attended a Tri-County Economic Development District meeting on March 28 in Colville and reported Congresswoman Cathy McMorris Rodgers attended and discussion was held regarding broadband expansion. Mr. Willenbrock noted Grant County PUD has scrapped its wireless services and may be declaring equipment as surplus. Commissioner Larson attended an Economic Development Council (EDC) meeting on March 21 in Ione and provided an overview; the job fair will be held next fall.

The Board of Commissioners attended a Community Leaders Roundtable meeting on March 23 in Usk and Commissioner Peterson and Mr. Willenbrock provided an overview. Discussion was held.

#### COMMISSION BUSINESS:

- Angel Paws Golf Tournament Funding Request. Discussion was held. No action was taken due to lack of a motion.

Commissioner Larson will attend a NoaNet Board meeting tomorrow in Spokane and an EDC meeting on April 18 in Newport.

Commissioner Knapp will attend a PUD Breakfast meeting on April 13 at the District. The topic is outage restoration. He will attend the Washington Public Utility Districts Association (WPUDA) meetings on April 18 - 20 at Skagit County PUD.

Commissioner Peterson will attend a Newport/Oldtown Chamber of Commerce Member Breakfast meeting on April 17 and the WPUDA meetings on April 18 - 20 at Skagit County PUD.

BUSINESS FROM THE PUBLIC:

There was no business from the public.

ACTION ITEMS (continued):

- Revised Electric Service, Rates and Credit Policy. Sarah Holderman, District Treasurer provided the revisions for the industrial customers billing. Discussion was held. A motion was made by Commissioner Larson and seconded by Commissioner Knapp to approve the revised policy. The motion passed unanimously.
- Declaration of Surplus Property – Miscellaneous Furniture and Truck Canopy. Based on staff recommendation, a motion was made by Commissioner Larson and seconded by Commissioner Knapp to declare the miscellaneous furniture and truck canopy as being no longer necessary, material to, or useful in the operations of the District and, therefore, surplus to the needs of the District. The motion passed unanimously. The staff will proceed as appropriate.
- Agreement for Purchase of Power – Newport Hospital and Health Services, River Mountain Village Facility. Chris Jones, District Director, Operations/Superintendent explained the line extension process. Kim Gentle, District Director, Power & Risk Management provided the details on the agreement to provide power to the new hospital facility. Discussion was held. A motion was made by Commissioner Knapp and seconded by Commissioner Larson to approve the agreement and authorize the general manager to execute the agreement. The motion passed unanimously.

MOSS ADAMS 2017 DISTRICT AUDIT PRESENTATION:

April Owen, District Director, Finance/Auditor introduced Olga Darlington, Moss Adams and provided an overview of the audit.

Ms. Darlington, via WebEx, provided a District 2017 audit presentation and reported the District had a successful and clean audit. The Board thanked District staff and Ms. Darlington and her staff for their work on the District's audit. Ms. Darlington ended her WebEx call. Ms. Owen commended her team for their efforts and time spent on the audit.

ACTION ITEMS (continued):

- Damage Claim DC12292017\_2. Amber Orr, District Director, Engineering reported this is an amendment to a previous customer damage claim and provided the details. Based on staff recommendation, a motion was made by Commissioner Larson and seconded by Commissioner Peterson to approve the damage claim in the total amount of \$166.39. The motion passed unanimously.
- Damage Claim DC01092018. Ms. Orr provided the details. Based on staff recommendation, a motion was made by Commissioner Larson and seconded by Commissioner Knapp to deny the damage claim. The motion passed unanimously.
- Damage Claim DC01162018. Ms. Orr provided the details. Based on staff recommendation, a motion was made by Commissioner Larson and seconded by Commissioner Knapp to deny the damage claim. The motion passed unanimously.

- Unbudgeted Item – Supervisory Control and Data Acquisition Surveillant Operator Training. Mr. Willenbrock provided the details. A motion was made by Commissioner Knapp and seconded by Commissioner Larson to approve the item training in the total amount of \$13,500. The motion passed unanimously.
- Unbudgeted Item – Safety Coordinator Position. Mr. Willenbrock reported this is a follow up to a resource item from the Safety Coordinator job position. A motion was made by Commissioner Knapp and seconded by Commissioner Larson to approve the item. The motion passed unanimously.
- Unbudgeted Item – Website Refresh. Mr. Willenbrock provided the details and reported this is a cost efficient option in building a user-friendly website platform. A motion was made by Commissioner Knapp and seconded by Commissioner Larson to approve the item in the total amount of \$32,000. The motion passed unanimously.

BOX CANYON TURBINE UPGRADE:

Mr. Willenbrock provided an overview on the Box Canyon Dam Turbine Generator Upgrade project. Discussion was held.

Following a 30-minute working lunch, the meeting resumed.

EXECUTIVE SESSION – PERSONNEL:

A 4 ½ hour executive session on personnel to interview the applicants for public employment commenced at 12:00 p.m. The following were in attendance: Board of Commissioners; F. Colin Willenbrock, General Manager; April Owen, Director, Finance/Auditor; Lloyd Clark, Director, Safety & Human Resources; and Karen Willner, Clerk of the Board. The executive session adjourned at 4:05 p.m. and 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 4:06 p.m.

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President

ATTEST:

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Secretary

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General Counsel  
Approved as to Form