

Minutes of
PUBLIC UTILITY DISTRICT NO. 1 OF PEND OREILLE COUNTY
December 17, 2019
NEWPORT CONFERENCE ROOM, NEWPORT, WA

Present: Curtis J. Knapp, President, via teleconference
Richard A. Larson, Vice President
Joseph B. Onley, Secretary

Staff Present: F. Colin Willenbrock, General Manager
Management/District Staff
Tyler R. Whitney, Chief Legal, Generation &
Regulatory/Government Affairs Officer
Karen Willner, Clerk of the Board

Others: Gretchen Koenig, Member of the Public
Don Gronning, Newport Miner
Jared Horton, Pastor of Real Life Newport

The meeting was called to order at 8:02 a.m. by Richard A. Larson, Vice President.

BOARD WORKSHOP:

- Rotary and Historical Society Update. Tommy Petrie, District Wildlife & Habitat Specialist thanked the Board for allowing him to be the District's representative for the service clubs. He provided a Rotary fundraising summary. Discussion was held. He provided a Historical Society background and a summary of upcoming projects.

Suzie Thompson, District Human Resources Manager introduced newly-hired Payroll & Benefits Coordinator, Erin Cunningham and reported she started on December 10. Ms. Cunningham provided her background and the Board welcomed her to the District.

Libbey Bartel, District Chief Customer Service & Metering Officer introduced newly-hired Customer Service Representative, Arletta Hogan and reported she started yesterday. The Board welcomed her to the District.

CONSENT AGENDA:

The minutes from the December 3, 2019 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, December 17, 2019, the Board, upon motion by Commissioner Onley and seconded by Commissioner Knapp approved the following:

- The minutes of December 3, 2019 meeting and the revised agenda for December 17, 2019.
- Payment of those vouchers, included in the list referred to above and further described as follows: Voucher Nos. 3770 through 3864 in the total amount of \$737,998.87; ACH payments in the total amount of \$499,806.79; Wire Transfers in the total amount of \$180,793.38; and ACH payroll transactions in the total amount of \$216,689.05 for the payroll ending November 30, 2019.

PRE-APPROVAL OF COMMISSION TRAVEL FOR JANUARY 2020:

The Board of Commissioners will attend the Washington Public Utility Districts Association (WPUDA) meetings on January 15 – 17 in Olympia. Commissioner Knapp will attend an Energy Northwest meeting on January 21 – 23 in Kennewick.

ACTION ITEM:

A motion was made by Commissioner Onley and seconded by Commissioner Knapp to approve the commission January travel. The motion passed unanimously. Commissioner Larson reminded the Board members of their individual \$15,000 travel budget for 2020 and not to go over budget.

BOARD WORKSHOP (continued):

- Utility Services Policy Discussion. Colin Willenbrock, District General Manager provided background information and reported this is an initial draft to review and discuss. Ms. Bartel explained the policy sections. Discussion was held.

Mr. Willenbrock provided a vehicle maintenance building project update and reported the project went out to bid. Bids were received but all were over 15% of the engineer's estimate. Staff had a meeting with the engineer, Cortner Architectural Company. Discussion was held and will continue in January.

SAFETY SPOTLIGHT:

Kevin Conway, District Chief Compliance, Engineering & Technology Officer noted the weather is changing, temperatures are getting colder and winter is here. He reported Jason Pimental, District Safety Coordinator is working with the crews in the field on safety needs and requirements.

He was contacted by Elizabeth King, Director of Energy Emergency Management for Washington State Energy Office on doing a Cascadia Rising 2020 emergency management drill. The District is interested in participating.

CUSTOMER SPOTLIGHT:

Ms. Bartel reported the payment kiosk at the Box Canyon Visitors Center is live. Commissioner Larson requested a usage report be provided to the Board in the summer/fall.

Following a 5-minute break, the meeting resumed.

BUDGET, RATES AND LABOR DISCUSSION:

Ms. Thompson provided a presentation on the District's labor which included employee count, tuition reimbursement, student helper program, labor expense, and salary adjustments and structure. Discussion was held.

BUSINESS FROM THE PUBLIC:

Jared Horton with Real Life Newport appeared before the Board to request funding for a Happy Feet Campaign. He explained the community outreach program and reported they are also reaching out to the north part of the county.

ACTION ITEMS (continued):

- Real Life Newport Happy Feet Campaign. A motion was made by Commissioner Onley and seconded by Commissioner Larson to contribute \$250 to the program. The motion passed unanimously. The Board thanked Mr. Horton for coming today.

Gretchen Koenig, member of the public inquired if a termination letter went out to PacWest. Mr. Willenbrock reported a letter and refund check were mailed to PacWest last week. She inquired about the status of the Cusick Water Treatment Plant acquisition. Tyler Whitney, District Chief Legal, Generation & Regulatory/Government Affairs Officer provided an update and reported the District is looking at the end of quarter one next year to finalize.

BUDGET, RATES AND LABOR DISCUSSION (continued):

Sarah Holderman, District Chief Treasury, Broadband & Strategic Planning Officer reported in the 2019 Budget, we had bucket trucks budgeted that are not going to be here this year. She wants to start the procurement process for two bucket trucks as part of the fleet management plan that will be here in 2021.

ACTION ITEMS (continued):

- Approval of 2021 Budget Item – Two Bucket Trucks. Based on staff recommendation, a motion was made by Commissioner Onley and seconded by Commissioner Knapp to approve a 2021 budget item for two bucket trucks. The motion passed unanimously. Staff will proceed as appropriate.
- Early Closure on December 24, 2019. Discussion was held. A motion was made by Commissioner Knapp and seconded by Commissioner Onley to close District offices at 2:00 p.m. on December 24. The motion passed unanimously.
- Community Network System (CNS) Broadband Feasibility Study. Ms. Holderman provided the details. Discussion was held. Based on staff recommendation, a motion was made by Commissioner Onley and seconded by Commissioner Knapp to approve moving forward with the study. The motion passed unanimously.

Bob Pebles, District Information Technology (IT) Manager provided a powerpoint presentation on the past and upcoming IT projects. He explained the current projects which included the National Information Solutions Cooperative modules, MapWise mapping, Outage Management System, Geographic Information System, physical Electric System inventory, and Supervisory Control and Data Acquisition rework. He explained other projects including desktop, laptop, tablet and phone technology updates and phasing out of the in-house developed software applications. Discussion was held.

ACTION ITEMS (continued):

- Resolution No. 1432 – Budget for 2020. A motion was made by Commissioner Onley and seconded by Commissioner Knapp to adopt the resolution and approve the budget for 2020. The motion passed unanimously.
- Resolution No. 1433 – Electric System Rates for 2020. A motion was made by Commissioner Onley and seconded by Commissioner Knapp to adopt the resolution with a 0.7% rate increase and approve the Electric Service, Rates and Credit Policy, as amended for 2020. The motion passed unanimously.
- Resolution No. 1434 – PUD Pole Attachment Rates. A motion was made by Commissioner Onley and seconded by Commissioner Knapp to adopt the resolution and approve the pole attachment rates. The motion passed unanimously.
- District Organization Representation for 2020. This item was tabled until the January 7 meeting.
- Appointment of Staff to Area Service Clubs. This item was tabled until the January 7 meeting.

COMMISSION REPORT:

Commissioner Knapp attended the Annual WPUDA meeting on December 4 – 6 in Vancouver and an Energy Northwest meeting on December 10 – 11 in Tri Cities. He provided an overview of the meetings.

Commissioner Onley attended the Annual WPUDA meeting on December 4 – 6 in Vancouver and provided an overview.

Commissioner Larson attended a Northwest Open Access Network Board and Annual meeting on December 11 in Spokane and commended Robert Fritz, District CNS Supervisor on his member report. He provided a meeting overview.

Ms. Holderman reported she and her team will attend a Public Works Broadband Stakeholder Workshop on Wednesday in Spokane.

COMMISSION BUSINESS:

Commissioner Onley will attend a change of venue meeting tomorrow.

Commissioner Larson will attend a holiday gathering at Box Canyon on December 20.

EXECUTIVE SESSION – PENDING AND/OR POTENTIAL LITIGATION:

A 30-minute executive session on pending and/or potential litigation commenced at 11:35 a.m. The following were in attendance: Commissioner Knapp, via teleconference; Commissioner Larson; Commissioner Onley; Colin Willenbrock, General Manager; and Tyler Whitney, Chief Legal, Generation & Regulatory/Government Affairs Officer. The executive session adjourned at 12:05 p.m. and the Board returned to open session. No final action was taken.

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

There being no further discussion to come before the Board, the meeting adjourned at 12:35 p.m.

President

ATTEST:

Secretary

General Counsel
Approved as to Form