

**THE BOARD OF COMMISSIONERS  
OF  
PUBLIC UTILITY DISTRICT NO. 1 OF FRANKLIN COUNTY, WASHINGTON**

**MINUTES OF THE MARCH 25, 2025  
REGULAR COMMISSION MEETING**

The Board of Commissioners of Public Utility District No. 1 of Franklin County, Washington held a regular meeting at 1411 W. Clark St., Pasco, WA, on March 25, 2025, at 8:30 a.m. Remote technology options were provided for the public to participate.

Those who participated from the District via remote technology or in person for all or part of the meeting were Commissioner Roger Wright, President; Commissioner Bill Gordon, Vice President; Commissioner Pedro Torres, Secretary; Victor Fuentes, Interim General Manager/CEO; Steve Ferraro, Assistant General Manager; Katrina Fulton, Finance and Customer Service Director; Rosario Viera, Public Information Officer; Scott Rhees, Director of Executive Administration, and Tyler Whitney, General Counsel.

Additional staff that participated in person or via remote technology for all or part of the meeting was Clint Williamson, Journeyman Meterman; Anaavel Zamorano, Materials Buyer; Brian Johnson, Power Manager; Enoch Dahl, Senior Power Analyst; and Jessica Marshall, Executive Assistant.

Public participating in person or via remote technology for all or part of the meeting was William Rimmer, Account Executive with BPA.

**OPENING**

Commissioner Wright called the meeting to order at 8:30 a.m. and asked Mr. Williamson to lead the Pledge of Allegiance.

**PUBLIC COMMENT**

Commissioner Wright called for public comment and no public was present.

**RECOGNITION AWARD**

Mr. Ferraro recognized Clint Williamson on completing his Meterman apprenticeship program and passing his Journeyman test. A brief recess was taken for photos with staff and Commissioners.

**EMPLOYEE MINUTE**

Commissioner Wright welcomed Ms. Zamorano and asked general questions about her current position, tasks her position entails, favorite parts of her job, her professional growth at the District and what safety improvements or changes she has seen over the course of her

employment.

Ms. Zamorano reported that she has been with the District for over 15 years and briefly described her job duties within the Purchasing Department.

Commissioner Wright reported that the Commission believes strongly in Safety First and asked if there were any improvements that could be made. Ms. Zamorano noted the customer lobby improvements and bush trimmings around the building have improved safety at the District.

Commissioner Wright thanked Ms. Zamorano for her attendance.

### **COMMISSIONER REPORTS**

Commissioner Gordon reported that:

- He attended the APPA Legislative Rally in Washington DC with fellow Commissioner Torres. He reported on a meeting with Senator Cantwell and her involvement with the Columbia River Treaty.

Commissioner Torres reported that:

- He also attended the APPA Legislative Rally in Washington DC and noted the unity of all the Public Utility District's and common themes.
- He attended the March WPUDA Monthly meetings last week.

Commissioner Wright reported that:

- He attended the NoaNet Board meeting this month and will speak more about the meeting under Mr. Fuentes' staff report.
- He also attended the March WPUDA Monthly meetings last week and reported on the WPUDA Board of Directors open positions, the medical coverage provided to WPUDA employees, PacifiCorp's decision to choose California ISO's EDAM, and small modular reactors (SMRs) approval needed by the full Energy Northwest Board of Directors.
- He would like to hear more about the potential BP26 rate increases.

### **CONSENT AGENDA**

The Commission reviewed the Consent Agenda. Motion by Commissioner Torres, seconded by Commissioner Gordon approving the Consent Agenda as follows.

**MOTION PASSED UNANIMOUSLY.**

- 1) To approve the minutes of the February 11, 2025 Regular Commission Meeting.
- 2) To approve payment of expenditures for February 2025 amounting to \$12,460,519.10 as audited and certified by the auditing officer as required by RCW 42.24.080, and as reviewed/certified by the General Manager/CEO as required by RCW 54.16.100, and expense reimbursement claims certified as required by RCW 42.24.090 and as listed in the

attached registers and made available to the Commission for inspection prior to this action as follows:

<b>Expenditure Type:</b>	<b>Amounts:</b>
Direct Deposit Payroll – Umpqua Bank	\$ 548,081.21
Wire Transfers	9,268,735.33
Automated and Refund Vouchers (Checks)	1,148,702.48
Direct Deposits (EFTs)	1,495,455.14
Voids	(455.06)
<b>Total:</b>	<b>\$12,460,519.10</b>

- 3) To approve the Write Offs in substantially the amount listed on the March 2025 Write Off Report totaling \$2,556.55.
- 4) To declare final acceptance of the work completed as inspected by the District; to authorize release of available retainage; and to approve final payment in the amount of \$7,805.19 for work completed by ESF Development LLC under Contract 10433, Sidewalk Repairs.
- 5) To declare final acceptance of the work completed as inspected by the District; to authorize release of available retainage; and to approve final payment in the amount of \$30,624.31 for work completed by Paramount Communications Inc. under Contract 10303, Miscellaneous Fiber Dock Crew Projects 2024.
- 6) To declare final acceptance of the work completed as inspected by the District; to authorize release of available retainage; and to approve final payment in the amount of \$109,546.38 for work completed by DJ's Electrical Inc. under Contract 10115, Miscellaneous Dock Crew Projects Year 2.
- 7) To declare final acceptance of the work completed as inspected by the District; to authorize release of available retainage; and to approve final payment in the amount of \$36,520.85 for work completed by DJ's Electric Inc. under Contract 10262, Railroad Ave. Double Circuit.
- 8) To declare final acceptance of the work completed as inspected by the District; to authorize release of available retainage; and to approve final payment in the amount of \$8,745.78 for work completed by John's Excavating & Paving under Contract 10463, Asphalt Repair and Improvements.

**Agenda Item 7, Presenting the Initial BPA Product Options.**

Ms. Fulton and Mr. Johnson provided an overview presentation on BPA Product Choice and reviewed the District's Power Portfolio, Provider of Choice Timeline, Strategic Focus, Current

Product Refresher, Three BPA Product Offerings, Risk versus Control Analysis, Load Resource Balance, Pros and Cons for the Product Offerings, Product Cost Comparison, and staff's recommendation. Staff's initial recommendation to the Commission is the Block with Shaping Capacity plus PLVS product and informed the Commissioners that BPA is offering a one-time off ramp if the District decides to choose a different product offering after the contract is signed.

Discussions were held with Commissioners on the differences between the three BPA product offerings, cost for each product choice, and comparison with the current product offering. Mr. William Rimmer thanked staff for their involvement in this process. Commissioners concurred with staff's initial recommendations.

Commissioner Wright posed a question to Mr. William Rimmer regarding the BP-26 Rate Case and proposed transmission increases. Additional discussions will occur later in the meeting.

**Agenda Item 8, Adopting a Resolution Continuing the Low-Income Senior Citizen and Low-Income Disabled Person Discounts Person Discount Programs and Superseding Resolution 1408.**

Ms. Fulton introduced the agenda item and reviewed the information as reported on the Agenda Item Summary included in the meeting packet. Commissioner Wright provided a comment on the cost impact to all customers with this program.

Staff recommended that the Commission adopt Resolution No. 1430, continuing the Low-Income Senior Citizen and Low-Income Disabled Person Discount Programs, and superseding Resolution No. 1408.

Motion by Commissioner Gordon, seconded by Commissioner Torres adopting Resolution No. 1430 as presented.  
MOTION PASSED UNANIMOUSLY.

**Agenda Item 9, Approving Changes to District Administrative Policy 16 - Purchasing Approval and Payment Authority, and Adopting a Resolution Authorizing the Interim General Manager/CEO or his Designee to Procure Items and Services, Maintain a Purchasing Approval Policy and Superseding Resolution 1240.**

Ms. Fulton introduced the agenda item and informed the Commissioners that District staff reviewed and incorporated recommended changes as discussed during the February 11, 2025 commission meeting to Administration Policy 16, Purchasing Approval and Payment Authority.

Motion by Commissioner Torres approving District Administrative Policy 16, Purchasing Approval and Payment Authority. Staff reviewed the recommended motion with the Commissioners to approve both the District Administrative Policy 16, Purchasing Approval

and Payment Authority and adopt Resolution 1431 as presented. Mr. Whitney provided assistance with the recommended motion.

An amended motion was made by Commissioner Torres, seconded by Commissioner Gordon approving District Administrative Policy 16, Purchasing Approval and Payment Authority and adopt Resolution 1431, as presented.

MOTION PASSED UNANIMOUSLY.

**Agenda Item 10, Authorizing the Interim General Manager/CEO or his Designee to Execute a Power Purchase Agreement with Snohomish County Public Utility District (Snohomish PUD) for energy generated by the Wheat Field Wind Farm in Arlington, Oregon.**

Ms. Fulton introduced the agenda item and reviewed the information as reported on the Agenda Item Summary included in the meeting packet. A brief discussion was held on the wind source nameplate capacity.

Motion by Commissioner Torres, seconded by Commissioner Gordon authorizing the Interim General Manager/CEO or his designee to execute a Power Purchase Agreement with Snohomish County Public Utility District for energy generated by the Wheat Field Wind Farm.

MOTION PASSED UNANIMOUSLY.

**Agenda Item 11, Authorizing the Interim General Manager/CEO or his Designee to Execute an Interlocal Cooperative Agreement Between the District, Benton Conservation District, Franklin Conservation District, City of Richland, Benton PUD, Energy Northwest, Kennewick School District, and ESD 123, to Hold the Tri-Cities Foundation for Water & Energy Education (FWEE) Science Technology, Engineering and Mathematics (STEM) Career Academy.**

Ms. Viera introduced the agenda item and reviewed the information as reported on the Agenda Item Summary included in the meeting packet. A brief discussion was held on the program's history and student involvement.

Motion by Commissioner Gordon, seconded by Commissioner Torres authorizing the Interim General Manager/CEO or his designee to execute the Interlocal Agreement between the District, Benton Conservation District, Franklin Conservation District, City of Richland, Benton PUD, Energy Northwest, Kennewick School District, and ESD 123, to hold the FWEE STEM Career Academy.

MOTION PASSED UNANIMOUSLY.

**Agenda Item 12, Authorizing the Interim General Manager/CEO or his Designee to Execute an Extension to the Vehicle Fuel Contract.**

Mr. Ferraro introduced the agenda item and reviewed the information as reported on the Agenda Item Summary included in the meeting packet.

Motion by Commissioner Gordon, seconded by Commissioner Torres authorizing the Interim General Manager/CEO or his designee to execute the third and final extension to the vehicle fuel contract with Coleman Oil Company, LLC, for twelve months, starting May 1, 2025 and ending April 30, 2026, in an amount not to exceed the weekly OPIS Rack Average cost plus the markup rate of \$0.040 (4 cents) per gallon and all applicable taxes.

MOTION PASSED UNANIMOUSLY.

**Agenda Item 13, Authorizing the Interim General Manager/CEO or his Designee to Execute a Contract for the Purchase of Single-Phase Transformers.**

Mr. Ferraro introduced the agenda item and reviewed the information as reported on the Agenda Item Summary included in the meeting packet.

Motion by Commissioner Torres, seconded by Commissioner Gordon finding the bids submitted by ULS Corporate and United TRS Electric non-responsive and authorizing the Interim General Manager/CEO or his designee to execute two (2) contracts with General Pacific/ERMCO and Wesco/Anixter/Cooper as listed below for the purchase of single-phase transformers for a total not to exceed \$880,945.

#	Bidder	Award Amount
1	General Pacific/ERMCO	\$ 719,785
2	Wesco/Anixter/Cooper	\$ 161,160
	<b>Total:</b>	<b>\$ 880,945</b>

MOTION PASSED UNANIMOUSLY.

**Agenda Item 14, Authorizing the Interim General Manager/CEO or his Designee to Execute a Contract for the Purchase of Three Phase Transformers.**

Mr. Ferraro introduced the agenda item and reviewed the information as reported on the Agenda Item Summary included in the meeting packet. A brief discussion was held on the bid process.

Motion by Commissioner Torres, seconded by Commissioner Gordon finding the bids submitted by ULS Corporate and United TRS Electric non-responsive and authorizing the Interim General Manager/CEO or his designee to execute two (2) contracts with General Pacific/ERMCO and Wesco/Anixter/Cooper as listed below for the purchase of three phase transformers for a total not to exceed \$773,122.

#	Bidder	Award Amount
1	General Pacific/ERMCO	\$ 447,966
2	Wesco/Anixter/Cooper	\$ 325,156
	<b>Total:</b>	<b>\$ 773,122</b>

MOTION PASSED UNANIMOUSLY.

**Agenda Item 15, Authorizing the Interim General Manager/CEO or his Designee to Execute an Interlocal Agreement between the District and Port of Warden for Utility Relocation Costs. Presenter: Steve Ferraro, Assistant General Manager**

Mr. Ferraro introduced the agenda item and reviewed the information as reported on the Agenda Item Summary included in the meeting packet. A brief discussion was held on the timeline of this project.

Motion by Commissioner Gordon, seconded by Commissioner Torres authorizing the Interim General Manager/CEO or his designee to execute an Interlocal Agreement between the District and the Port of Warden for Utility Relocation Costs.

MOTION PASSED UNANIMOUSLY.

**Agenda Item 16, Adopting a Resolution Finding District Property Surplus and Authorizing the Disposal of the Surplus Property. Presenter: Steve Ferraro, Assistant General Manager**

Mr. Ferraro introduced the agenda item and reviewed the information as reported on the Agenda Item Summary included in the meeting packet.

Motion by Commissioner Torres, seconded by Commissioner Gordon adopting Resolution No. 1432 as presented.

MOTION PASSED UNANIMOUSLY.

Commissioner Wright asked Mr. Rimmer for an update regarding BPA matters. Mr. Rimmer provided updates on BPA's Product of Choice, proposed BP-26 rate case increases, and transmission studies challenges. Mr. Rimmer reported that the transmission team is aware of the challenges and is working on expediting the process. The Commissioners posed questions to Mr. Rimmer regarding the tentative rate increase on transmission. Commissioners requested Mr. Rimmer send staff a heat map of the transmission projects and timelines.

At 10:30 a.m., Commissioner Wright called for a 10-minute break.

At 10:40 a.m., Commissioner Wright reconvened the commission meeting.

**INTERIM GENERAL MANAGER/CEO REPORT**

Mr. Fuentes reported that:

- Jessica Marshall, Executive Assistant with Franklin PUD, will assist with commission meetings going forward. Brief introductions were done.
- The NoaNet convergence agreement has been signed and staff is working towards the transition of these services. He noted that NoaNet and District staff are coordinating a meeting with the Retail Service Providers (RSPs) to listen to their concerns. Commissioner Wright reviewed a few PowerPoint slides from the most recent NoaNet Board meeting presentation and provided brief updates. Commissioner Wright reported on NoaNet's plan to target new associate members. No concerns were expressed by fellow Commissioners on this proposal from the NoaNet board.

- He continues to monitor federal updates and the District continues to be supportive of BPA and their staff.
- Michael Deen, Policy Director for PPC, has announced his plans to leave PPC at the end of the month and has accepted a position at Northern Wasco PUD.
- PNUCC plans to provide an updated Northwest Regional Forecast during the April PNUCC board meeting. BPA impacts were also discussed during the March PNUCC board meeting.
- The Rate Advisory Committee met earlier this month to review the proposed Net Metering rate change for new Net Metering customers and noted that staff affirmed the need for the approved overall rate revenue increase of three percent for 2025. Legacy Net Metering customers would not be impacted by the Net Metering rate change. Staff plans to return to a future commission meeting with an agenda item for commission consideration. A brief discussion was held on what other PUD's are doing with Net Metering accounts.
- He continues discussions with Big Bend Electric Cooperative staff on future projects.

#### **FINANCE & CUSTOMER SERVICE DIRECTOR REPORT**

Ms. Fulton reported that:

- The January/February 2025 KPI's were included in the commission packet and she reviewed pertinent slides from within the report.
- Staff are monitoring Energy Tariffs. Ms. Fulton and Mr. Johnson are visiting PowerEx next month and will provide an update during a future commission meeting.
- Staff met with the Port of Pasco this week to discuss a possibility of a battery storage project within the District's service territory. Staff will continue to keep commissioners updated on the project.
- Staff will continue to monitor the BP-26 rate case.
- Senate House Bill 1903, Establishing a statewide low-income energy assistance program, did not pass through committee.
- She has been appointed as a WPUDA representative to the Local Government Advisory Committee for a two-year term ending December 31, 2027. This committee makes recommendations to Legislature when they are considering policies that affect budgeting and accounting for local governments and how those are applied.
- She, Mr. Johnson and Mr. Dahl toured the Local Bounti facilities.

#### **ASSISTANT GENERAL MANAGER REPORT**

Mr. Ferraro reported that:

- The customer service lobby remodel is nearing completion, and he reported on additional painting projects within the administration building.
- Biometrics screenings are being done for employees and commissioners. The Commissioners may reach out to Human Resources if interested.

- He and Mr. Fuentes will attend CWPU Bargaining Guidelines and Joint Negotiations Kick off Meeting at Douglas PUD tomorrow. The CWPU contract will enter its final year of the three-year contract on April 1, 2025.
- Broadband experienced a minor outage, and he provided more information on the matter.
- The District' mechanics shop will begin the quarterly inspections for vehicles.
- Staff was provided an active shooter training.

Commissioner Wright posed a question to staff regarding homelessness, building security, and District facilities. A discussion was held on facility planning and Commissioner Wright requested staff budget for facility planning in the 2026 budget. Commissioner Torres requested staff invite a speaker familiar with the downtown Pasco area to a future commission meeting for further discussion.

#### **PUBLIC INFORMATION OFFICER REPORT**

Ms. Viera reported that:

- The 2024 general election cost to the District totaled \$41,804.21, which was higher than the 2024 budgeted amount of \$26,000. She explained that pricing increase was a result of additional staff in the elections department as well as equipment replacement fees. In total 46,375 ballots were processed in the 2024 election.
- The District has contributed articles in various publications.
- The Commissioners page on the District's website has been updated with an updated map of commissioner boundaries. Ms. Viera noted the updated map includes some street names to assist customers in identifying the Commissioners and each district boundary.
- She attended the Northwest RiverPartners Monthly Meeting and reviewed agenda items from the meeting.
- The District and Energy Northwest submitted a combined nomination for Stu Nelson for the WPUDA Lifetime Achievement Award.
- The District is recruiting for three Summer internships this year; one is a returning intern in Engineering, and the other two will be in Accounting and Communications.

#### **DIRECTOR OF EXECUTIVE ADMINISTRATION**

Mr. Rhees reported that:

- Energy Northwest will require their board of directors' full approval in order to move forward with small modular reactors (SMRs). A brief discussion was held on the timeline of the first four units. He noted that at this time staff would recommend to not move forward with the first phase but would recommend potential consideration for units 5-12. He reported that Energy Northwest plans to attend a future commission meeting to present a draft resolution that would express the District's continued support for nuclear.

A brief discussion was held with General Counsel Mr. Tyler Whitney on the Washington Voting Rights Act.

**CLOSING OF MEETING – ADJOURNMENT**


With no further business to come before the Commission, Commissioner Wright adjourned the regular meeting at 11:52 a.m. The next regular meeting will be April 22, 2025, and begin at 8:30 a.m. The meeting will be at the District's Auditorium located at 1411 W. Clark Street, Pasco, WA. Remote technology options will be provided for members of the public to participate.



Roger Wright, President



William Gordon, Vice President



Pedro Torres, Jr., Secretary