

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

**MINUTES OF THE APRIL 22, 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 April 22, 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 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 Tim Nies, Customer and Rate Advisory Committee Member; Andrew Porter, Executive Director with Tri City Union Gospel Mission; and Aaron Burtner, Men's Director with Tri City Union Gospel Mission.

**OPENING**

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

**PUBLIC COMMENT**

Commissioner Wright called for public comment. Mr. Nies introduced himself and shared that he plans to attend the May 27<sup>th</sup> commission meeting on behalf of the Rate Advisory Committee.

**TRI-CITY UNION GOSPEL MISSION PRESENTATION**

Commissioner Wright welcomed Mr. Andrew Porter, Executive Director and Mr. Aaron Burtner, Men's Director from the Tri City Union Gospel Mission (TCUGM). Mr. Porter and Mr. Burtner introduced themselves and thanked the Commissioners for inviting them to attend today's commission meeting to speak about the TCUGM and assist with answering questions related to safety and homelessness in the area.

Mr. Porter reviewed the history and mission of TCUGM, and reviewed the three types of social services their organization provides: emergency, transition and permanent housing. Mr. Porter reviewed a handout which provided statistics of meals provided and nights lodging from 2009-2024 by the TCUGM.

Commissioner Wright asked how the District can provide a safe workplace to employees with the increased homelessness in the area. Mr. Porter shared rescue cards for distribution and recommended calling the police with loitering concerns.

Commissioner Torres posed questions related to the opioid crisis and availability of detox and recovery services around the area. Mr. Porter noted that currently the only recovery center is in Spokane, but they look forward to the opening of Columbia Valley Center for Recovery in Kennewick. Mr. Nies briefly spoke and informed the Commissioners that he serves on the board for the Benton-Franklin Recovery Coalition and he noted the old KGH Hospital in Kennewick is currently being renovated into a detox and in-patient recovery treatment facility.

The Board of Commissioners thanked Mr. Porter and Mr. Burtner for their attendance at today's commission meeting.

#### **EMPLOYEE MINUTE**

Commissioner Wright welcomed Mr. Dahl and asked general questions about his current position, tasks his position entails, favorite parts of his job, his professional growth at the District and what safety improvements or changes he has seen over the course of his employment.

Mr. Dahl reported that he has been with the District for over a year and briefly described his job duties within the Power Department.

Commissioner Wright reported that the Commission believes strongly in Safety First and asked if there were any improvements that could be made. Mr. Dahl noted that he is a remote employee but does appreciate the support to attend industry meetings via remote attendance during the winter season when the weather conditions may not be favorable for driving.

Commissioner Wright and Ms. Fulton thanked Mr. Dahl for his attendance.

#### **COMMISSIONER REPORTS**

Commissioner Gordon reported that:

- Energy Northwest Board of Directors will vote on a Small Modular Reactor (SMR) project at a future board meeting and will require full board approval. Commissioner Gordon thanked fellow Commissioners and Mr. Fuentes on attending the Energy Northwest Executive board meeting and board member tour.

Commissioner Torres reported that:

- He attended the Energy Northwest Executive board meeting and board member tour and appreciated the opportunity to learn more about Energy Northwest.
- He attended the State Auditor's Office Exit Conference on April 22nd for the District's Energy Compliance.

Commissioner Wright reported that:

- He attended PPC and Energy Northwest board meetings and board member tour. He briefly discussed some of the SMR project background.

### **CONSENT AGENDA**

The Commission reviewed the Consent Agenda. Commissioners Wright and Gordon asked clarifying questions regarding the write offs and wires reports. Ms. Fulton and Mr. Fuentes provided clarification to the questions.

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

**MOTION PASSED UNANIMOUSLY.**

- 1) To approve the minutes of the March 25, 2025 Regular Commission Meeting.
- 2) To approve payment of expenditures for March 2025 amounting to \$9,639,008.13 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	\$ 537,874.68
Wire Transfers	6,061,223.07
Automated and Refund Vouchers (Checks)	1,722,497.89
Direct Deposits (EFTs)	1,317,412.49
Voids	(2,359.77)
<b>Total:</b>	<b>\$9,639,008.13</b>

- 3) To approve the Write Offs in substantially the amount listed on the April 2025 Write Off Report totaling \$36,887.65.
- 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 \$1,502.12 for work completed by Paramount Communications Inc. under Contract 9544,

**2020 Miscellaneous Fiber Dock Crew Projects.**

- 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 \$849.64 for work completed by Paramount Communications Inc. under Contract 9679, 2021 Miscellaneous Fiber Dock Crew Projects.

**Agenda Item 7, District Financial Update Presentation.**

Ms. Fulton provided a District Financial Update Presentation and reviewed unaudited 2024 financials, revenues and expenses, metrics, completed and ongoing capital projects, and provided a look ahead for 2025.

A brief discussion was held on the proposed transmission line tap project with BPA, the 2024 MLK event, and Wheatfield wind farm contract.

**Agenda Item 8, Authorizing the Interim General Manager/CEO or his Designee to Execute a Property and Liability Insurance Policy Renewal with Federated Rural Electric Insurance Exchange.**

Ms. Fulton introduced the agenda item and reviewed the information as reported on the Agenda Item Summary included in the meeting packet. Ms. Fulton reviewed the insurance coverage Commissioners have under Federated.

The District has been insured by Federated for over 40 years and a brief discussion was held on other insurance agencies. Staff will review other potential options prior to renewal in 2026.

Motion by Commissioner Torres, seconded by Commissioner Gordon authorizing the Interim General Manager/CEO or his designee to execute a Property and Liability Insurance Policy Renewal with Federated Rural Electric Insurance Exchange for the period of June 1, 2025 through May 31, 2026 in an amount not to exceed \$430,000.

MOTION PASSED UNANIMOUSLY.

**Agenda Item 9, Authorizing the Interim General Manager/CEO or his Designee to Execute an Agreement with Bonneville Power Administration (BPA) for the Transmission Line Tap to the Railroad Avenue Substation in an amount not to exceed \$1,492.632.**

Mr. Fuentes 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 updated cost estimate which BPA cited was due to design change, outside engineering design, and inflationary cost pressures.

Motion by Commissioner Gordon, seconded by Commissioner Torres authorizing the Interim General Manager/CEO or his designee to execute an agreement with Bonneville Power

Administration (BPA) for the Transmission Line Tap to the Railroad Avenue Substation in an amount not to exceed \$1,492,632.

MOTION PASSED UNANIMOUSLY.

#### **INTERIM GENERAL MANAGER/CEO REPORT**

Mr. Fuentes reported that:

- He and Ms. Fulton met with staff from Big Bend Electric Cooperative at their office in Ritzville and briefly reviewed discussions held on power and resources.
- He is meeting with John Francisco from Big Bend Electric Cooperative and Adam Lincoln from the Port of Pasco regarding the future of Reimann Industrial Park.
- Staff continues to meet with NoaNet and have a Retail Service Provider (RSP) meeting scheduled for April 29<sup>th</sup>.
- The District should have a contract signed on the Cochrane property in the next month.
- He attended the Energy Northwest Executive board meeting and board member tour last week.
- He plans to attend the WPUA annual meeting this week as well as the NWPPA annual meeting in May and APPA national conference in June.

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

Ms. Fulton reported that:

- The March 2025 KPI's were included in the commission packet, and she reviewed pertinent slides from within the report.
- The BP-26 rate case Power rate increase will not exceed 8.3% to the Non-Slice billing determinants and transmission rate case settlement expected is 22%-23%.
- She attended the Franklin County Planning Commission on April 8<sup>th</sup> and spoke in support of the Palouse Junction solar project, following a presentation by the developer. The planning commission approved the project.
- Negotiations on Wheatfield wind farm is in progress.
- California hit a solar generation record on April 11<sup>th</sup>.
- She and Ms. Borchers, Customer Service Manager met with three industrial customers to discuss totalized/de-aggregated billing and the plan to change the billing structure beginning with their January 2026 billing.

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

Mr. Ferraro reported that:

- The glass for the customer service lobby windows should be installed in July, which would complete the lobby remodel project.
- He and Mr. Fuentes attended a Central Washington Public Utilities (CWPU) meeting last month.
- He will be attending an Employee Insurance Advisory Committee (EIAC) meeting next week.
- The Unified Insurance Program (UIP) quarterly meeting is next week.

- The District and the Union have agreed to remove billing from the customer service bargaining group.
- A current bargaining employee is going through a trial period for the open Engineering Assistant position.
- Biometrics screenings need to be completed by the end of this week.
- The District has filled two open positions; Accounting Intern who will start on May 19<sup>th</sup> and a Communication Relations Coordinator who will start on May 12<sup>th</sup>.
- A Retail Service Provider (RSP) is ready to provide fiber to the home for a project in the Connell area.
- Homelessness does not appear to be a problem near at the Operations building location.
- The District currently has 587 transformers in stock.

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

Mr. Rhees reported that:

- Staff plans to bring a resolution for commission consideration to a future commission meeting that would express the District's support for an Energy Northwest's proposed Small Modular Reactor (SMR) project. Mr. Rhees informed the Commissioners that Energy Northwest may request additional resolutions in support of a project in the Fall and then again in 2028. A brief discussion was held on the SMR units, costs, and power resources.

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

Ms. Viera reported that:

- She attended the April Pasco Chamber member luncheon and noted the speaker was City of Pasco's Fire Chief Kevin Crowley. The District will be the advertiser for the May Pasco Chamber luncheon and she is working with the Pasco Chamber to arrange a date for Mr. Fuentes to speak and provide a State of the PUD during a future monthly member luncheon.
- A reminder will be given to customers through the May/June Hotline Newsletter on the upcoming rate increase.
- The April social media campaign focused on lineman appreciation and did very well.
- She and staff attended the CBC career and intern fair on April 3<sup>rd</sup>.
- She and staff attended the Senior Expo at the Southridge Sports & Events Complex and are exploring ways to hold a similar event in Pasco in the future.
- She attended the Northwest RiverPartners (NWRP) monthly member meeting as well as participated on an interview panel with NWRP for their Outreach & Research Manager position.
- NWRP is requesting funding from members to continue their Our Water is Power Campaign. This funding request would be in addition to the annual membership dues. A brief discussion was held on the funding request of \$20,065. Commissioners requested that staff invite Clark Mather, Executive Director for NWRP to attend a

future commission meeting to provide an NWRP update and review the funding request.

#### **GENERAL COUNSEL REPORT**

Mr. Whitney reported that:

- He will be attending the WPUDA Annual Meeting this week.
- He will be speaking at the July WPUDA Manager's meeting to review the Washington State Voting Rights Act.

#### **EXECUTIVE ASSISTANT REPORT**

Ms. Marshall reported that:

- The May 27, 2025 commission meeting will include an afternoon workshop in which Mr. Whitney will provide the Board of Commissioners with a Governance Training. The regular commission meeting will begin at 8:30 a.m., and then will recess and reconvene at 1:00 p.m. for the afternoon workshop.

Commissioner Wright informed the Commissioners that he will attend the July 22<sup>nd</sup> commission meeting via remote attendance. Commissioners Gordon and Torres confirmed there plans to be in person for the July 22<sup>nd</sup> commission meeting.

At 10:50 a.m., Commissioner Wright called for a five-minute break and noted it would be followed immediately by an executive session for 30-minutes. He reported that the purpose of the executive session was to evaluate the qualifications of an applicant for public employment as allowed per RCW 42.30.110(1)(g).

At 10:55 a.m., Commissioner Wright ended the break and immediately called for an executive session to last until 11:25 a.m. He reported that the purpose of the executive session was to evaluate the qualifications of an applicant for public employment as allowed per RCW 42.30.110(1)(g).

At 11:25 a.m. Commissioner Wright ended the executive session and reconvened the regular meeting.

Commissioner Wright reported that Commissioner Gordon left the executive session early due to business travel. A quorum was still present.

Commissioner Wright reported that the District received 24 resumes for the General Manager/CEO position, and nine candidates met the minimum requirements. The Board of Commissioners would like to extend invitations for interviews to candidates #1-3 to be scheduled within a special meeting on Tuesday, May 6<sup>th</sup> beginning at 9:00 a.m. Commissioner Wright noted that individual commissioners could request that HR add additional candidates to the interview list.

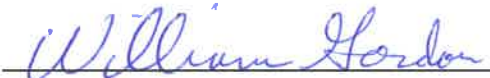
Motion by Commissioner Torres, seconded by Commissioner Wright setting a special meeting for Tuesday, May 6<sup>th</sup> at 9:00 a.m., for the purpose of evaluating the qualifications of an applicant for public employment as permitted by RCW 42.30.110(1)(g), and the potential for the Board of Commissioners to take action on the preferred candidate for the General Manager/CEO position.

MOTION PASSED UNANIMOUSLY.

With no further business to come before the Commission, Commissioner Wright adjourned the regular meeting at 11:27 a.m. The next regular meeting will be May 27, 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