

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

MINUTES OF THE JULY 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 July 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 included Commissioner Roger Wright, President; Commissioner Bill Gordon, Vice President; Commissioner Pedro Torres, Secretary; Victor Fuentes, 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; Tyler Whitney, General Counsel; Mitch Sumner, Community Relations Coordinator; Jared Farias, Engineering Intern; and Jessica Marshall, Executive Assistant.

OPENING

Commissioner Wright asked Commissioner Gordon to preside over today's Commission meeting as he participated via remote technology.

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

PUBLIC COMMENT

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

INTERN SPOTLIGHT

Commissioner Gordon welcomed Mr. Farias, who has returned to the District for a second year as an Engineering Intern. Mr. Farias shared his insights on the benefits of the internship program and reported that this internship has allowed him to gain experience outside of school and has been very beneficial.

Staff presented a video highlighting Mr. Farias' internship opportunity.

The Commissioners thanked Mr. Farias for attending today's meeting.

A brief recess was done for photos with the Commission and staff.

A discussion was held on the value of the District's internship program. Mr. Fuentes reported

that the District's Accounting Intern will attend the August 26, 2025 Commission Meeting.

COMMISSIONER REPORTS

Commissioner Wright did not have anything to report under Commissioner Reports.

Commissioner Torres reported that:

- He had a phone call with Ms. Shiloh Costello from Sacramento Municipal Utility District (SMUD) and reviewed notes from that meeting.
- He attended the July 10, 2025 Tri-City Regional Chamber of Commerce Business after-hours event held at the Children's Developmental Center.
- He attended the City of Pasco's City Manager Finalists Meet & Greet on July 13, 2025.
- He attended the July WPUDA association meetings and reviewed notes from the meetings. He thanked Mr. Whitney for providing a presentation on the Washington State Voting Rights.

Commissioner Gordon reported that:

- He reviewed an article from China Daily "Chang'e 6 reveals moon's asymmetry".

CONSENT AGENDA

Mr. Fuentes reviewed questions received from Commissioners related to payments and write-offs included in the consent agenda.

Mr. Ferraro reviewed the process for purchasing tires for District vehicles as well as the District's tree trimming contract with Boyd's Tree Service.

Mr. Fuentes reviewed the two larger dollar write-offs included in the Write Off Report. Ms. Fulton reviewed the process for collection and cleanup of these accounts.

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

MOTION PASSED UNANIMOUSLY.

- 1) To approve the minutes of the June 24, 2025 Regular Commission Meeting.
- 2) To approve payment of expenditures for June 2025 amounting to \$8,494,267.09 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:

Expenditure Type:	Amounts:
Direct Deposit Payroll – Umpqua Bank	\$ 606,127.50
Wire Transfers	5,721,003.78
Automated and Refund Vouchers (Checks)	616,933.34
Direct Deposits (EFTs)	1,550,275.86
Voids	(73.39)
Total:	\$8,494,267.09

- 3) To approve the Write Offs in substantially the amount listed on the July 2025 Write Off Report totaling \$16,309.15.

AGENDA ITEM 6, APPROVING CHANGES TO DISTRICT ADMINISTRATIVE POLICY 16 – PURCHASING APPROVAL AND PAYMENT AUTHORITY

Ms. Fulton introduced the agenda item and reviewed the information as reported on the Agenda Item Summary included in the meeting packet. Staff has incorporated language meeting the federal requirements into the policy, provided as an attachment in the Commission packet. The State Auditor's Office (SAO) has also reviewed the incorporated changes to the policy.

Commissioner Wright reported on his attendance during the SAO's Exit Conference last week. The District did submit an entity response which will be included in the SAO's audit finding.

Motion by Commissioner Wright, seconded by Commissioner Torres approving District Administrative Policy 16 – Purchasing Approval and Payment Authority with the revisions presented.

MOTION PASSED UNANIMOUSLY.

AGENDA ITEM 7, AUTHORIZING THE GENERAL MANAGER/CEO OR HIS DESIGNEE TO EXECUTE AN INTERLOCAL AGREEMENT BETWEEN THE DISTRICT AND THE PORT OF PASCO TO NEGOTIATE THE PURCHASE OR EXCHANGE OF LAND

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

The Port of Pasco will review this ILA during their next Commission meeting. A brief discussion was held on the site location and the potential project.

Motion by Commissioner Torres, seconded by Commissioner Wright authorizing the General Manager/CEO or his designee to execute an Interlocal Agreement between the District and the Port of Pasco to negotiate the purchase and/or exchange of land.

MOTION PASSED UNANIMOUSLY.

AGENDA ITEM 8, PRESENTING A SOCIAL MEDIA UPDATE PRESENTATION

Ms. Viera gave a Social Media Update Presentation.

Commissioner Gordon asked a question on the ability for staff to respond to questions posted on social media platforms. The Public Affairs team do read the questions and comments posted and formulate a response back if necessary.

The Commission was provided an annual reminder of District Policy 34, Use of District Communication Tools; reminding the Commissioners that receiving or making posts or comments regarding quasi-judicial matters via social media accounts may violate the Appearance of Fairness Doctrine, RCW 42.36.

AGENDA ITEM 9, PROVIDING AN UPDATE ON THE 2024-2025 OPERATING PLAN (QUARTER 1 AND QUARTER 2 YEAR 2025)

Mr. Fuentes introduced the agenda item and reviewed the information as reported on the Agenda Item Summary and Attachment included in the meeting packet. Mr. Fuentes highlighted four tactics from the 2024-2025 Operating Plan. Staff will begin working on the 2026-2027 Operating Plan, which will be brought to a future Commission meeting for review and consideration.

AGENDA ITEM 10, APPROVING A REVISED 2025 ORGANIZATION REPRESENTATION LIST

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

Motion by Commissioner Torres, seconded by Commissioner Wright approving a revised 2025 Organization Representation List as discussed.

MOTION PASSED UNANIMOUSLY.

MANAGEMENT REPORTS

GENERAL MANAGER/CEO REPORT

Mr. Fuentes reported that:

- He attended the City of Pasco's City Manager Finalists Meet & Greet on July 13, 2025. A resolution was adopted during the July 21, 2025 Pasco City Council meeting selecting Mr. Harold Stewart as the City Manager. Mr. Stewart is currently the City Manager in Minot, North Dakota. A brief discussion was held.
- The District's three Broadband employees have transitioned to NoaNet effective June 30, 2025. Staff have been available to meet with NoaNet and assist with questions during the transition.
- The Operations Manager and Engineering & Operations Director positions have been posted.
- He is aware of three other utilities that have chosen BPA Block with Shaping Capacity contracts.
- CWPU negotiation meetings are beginning to take place.

FINANCE & CUSTOMER SERVICE DIRECTOR REPORT

Ms. Fulton reported that:

- The June 2025 KPI's were included in the Commission packet, and she reviewed pertinent slides from within the report. A brief discussion was held on water year conditions and the District's BPA product choice selection.
- During the June 24, 2025 Commission meeting, the Commission adopted Resolution 1436, Approving Revised Rules and Regulations for Electric Service (which was included as an exhibit and attached to the Resolution). Going forward and to streamline processes, staff will bring the rules and regulations and rate schedules together as one item, similar to what was done during the June 24th Commission meeting. Staff are recommending the Commission propose a motion clarifying staff's intent with Resolution 1436 was to supersede all prior Resolutions related to rules and regulations and rate schedules.

Motion by Commissioner Torres, seconded by Commissioner Wright confirming Resolution 1436 was intended to supersede all prior resolutions related to Rules and Regulations and Rate Schedules.

MOTION PASSED UNANIMOUSLY.

- The Wheat Field resource will provide the District with extra length in supply position during the winter months. Staff are meeting with another utility that has a need during the winter months, which provides an opportunity for the District to remarket the resource to them during those months. Staff will return to a future Commission meeting if an agreement can be reached to present information about the agreement. A brief discussion was held on the Wheat Field capacity and current agreement in place with Snohomish PUD.
- She recently attended a workshop on the BPA Grid Access Transformation process and staff will continue to participate in the process.
- Staff are working to reinstate the Key Accounts program.
- Powerex staff members will be in town this week to meet with District staff.
- She performed an invoice audit on a line item from the June 2025 expenditure report. Commissioner Wright thanked staff for providing this monthly audit.

ASSISTANT GENERAL MANAGER REPORT

Mr. Ferraro reported that:

- The glass has been installed in the Customer Service lobby and noted the Customer Service lobby remodel project is complete.
- He and staff continue to meet with NoaNet during the broadband transition.
- Staff are working on the 2026 budget process.

- The Operations Manager and Engineering & Operations Director positions have been posted. He noted the importance of the District's Internship program as a great opportunity for future employment with the District.
- The bargaining group will begin meeting on Monday, July 28, 2025.
- Wildfire mitigation meetings have been occurring.
- The District's safety luncheon was held on July 9, 2025 and was well attended by staff. The WA State Patrol attended and gave a brief safety presentation and were available for questions. Mr. Ferraro thanked staff for their efforts in coordinating the luncheon.

Commissioner Wright thanked Mr. Ferraro for his assistance with a recent customer question related to power outages.

PUBLIC INFORMATION OFFICER REPORT

Ms. Viera reported that:

- She attended the CREATE Meeting last week and reported that Sageview High School will open on August 18, 2025, and the Pasco School District is planning an open house event. Orion High School, a new vocational school in Pasco, will open fall 2025 as well.

DIRECTOR OF EXECUTIVE ADMINISTRATION

Mr. Rhees reported that:

- BPA has been complimentary of District staff during the Product of Choice contract process.
- He continues to work on projects with Mr. Fuentes and members of the Management team.

Commissioner Torres informed the Commission of his plans to attend the Energy Northwest Board Meetings this week.

EXECUTIVE SESSION

At 10:15 a.m., Commissioner Gordon called an executive session to last until 10:25 a.m. He reported that the purpose of the executive session was to discuss with legal counsel representing the agency litigation or potential litigation to which the agency, the governing body, or a member acting in an official capacity is, or is likely to become, a party, when public knowledge regarding the discussion is likely to result in an adverse legal or financial consequence to the agency as allowed per RCW 42.30.110(1)(i).

At 10:25 a.m., Commissioner Gordon extended the executive session to last until 10:30 a.m.

At 10:30 a.m., Commissioner Gordon ended the executive session and reconvened the regular meeting.

AGENDA ITEM 13, AUTHORIZING THE GENERAL MANAGER/CEO OR HIS DESIGNEE TO SIGN A LETTER OF INTENT (LOI) TO ENERGY NORTHWEST (EN) FOR THE RUBY FLATS SOLAR PROJECT IN ADDITION TO ACCEPTING UP TO THE MAXIMUM RESERVATION WITHIN FORTY-EIGHT (48) HOURS FROM RECEIPT OF NOTICE BY EN DURING THE EFFECTIVE PERIOD OF THE LOI AND MAKING PAYMENT FOR THE RESERVATION PREMIUM BY NOVEMBER 1, 2025

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

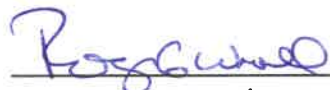
Since the June 24, 2025 Commission meeting, staff sent a letter to EN in response to the LOI. The District received a revised LOI and a site visit with EN staff in response to the District's letter.

Staff recommends the Commission authorize the General Manager/CEO or his designee to sign the LOI to EN for the Project in addition to accepting a minimum of 25MW up to the Maximum Reservation of 50MW within forty-eight (48) hours from receipt of notice by EN during the effective period of the LOI and making payment for the Reservation Premium by November 1, 2025. A brief discussion was held on provisions of the reservation.


Motion by Commissioner Wright, seconded by Commissioner Torres authorizing the General Manager/CEO or his designee to sign the LOI to EN for the Project in addition to accepting up to the Maximum Reservation within forty-eight (48) hours from receipt of notice by EN during the effective period of the LOI and making payment for the Reservation Premium by November 1, 2025.

MOTION PASSED UNANIMOUSLY.


With no further business to come before the Commission, Commissioner Gordon adjourned the regular meeting at 10:34 a.m. The next regular meeting will be August 26, 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