

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

MINUTES OF THE APRIL 28, 2026
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 28, 2026 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 Bill Gordon, President; Commissioner Pedro Torres, Vice-President; Commissioner Roger Wright, Secretary; Victor Fuentes, General Manager/CEO; Steve Ferraro, Assistant General Manager; Katrina Fulton, Finance and Customer Service Director; Rosario Viera, Public Information Officer; Mark Hay, Engineering & Operations Director; Tyler Whitney, Legal Counsel; and Jessica Marshall, Executive Assistant.

Those who participated from the Public via remote technology or in person for all or part of the meeting included Tim Nies, District customer.

OPENING

Commissioner Gordon called the meeting to order at 8:30 a.m. and Ms. Fulton led the Pledge of Allegiance.

PUBLIC COMMENT

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

COMMISSIONER REPORTS

Commissioner Wright reported that:

- He and Commissioner Torres attended the NoaNet Board meeting and reviewed key takeaways from the meeting. He noted that he invited Ariane Schmidt, Executive Director with Broadlinc to attend a future Commission meeting. Ms. Marshall will coordinate with Ms. Schmidt for attendance at a future Commission meeting.
- He recognized Commissioner Gordon on his 20-years of service on the Energy Northwest Board of Directors and eight years of service on the Executive Board.

Commissioner Torres reported that:

- He attended the NoaNet Board meeting with Commissioner Wright.

Commissioner Gordon reported that:

- He provided an update on the Energy Northwest Executive Board, including the appointment of a new Executive Board member, who is a local representative. A brief discussion was held regarding Energy Northwest member attendance at meetings.

Mr. Fuentes informed the Board of Commissioners that there is a walk-in agenda item for today's Commission meeting. Commissioner Gordon recommended the agenda be amended to add this item to the end of the business agenda, following agenda item 11. Fellow Commissioners concurred with Commissioner Gordon's recommendation.

CONSENT AGENDA

Mr. Ferraro provided additional information on the miscellaneous account write-offs included in the write-off report.

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

MOTION PASSED UNANIMOUSLY.

- 1) To approve the minutes of the March 24, 2026 Regular Commission Meeting.
- 2) To approve payment of expenditures for February 2026 amounting to \$9,320,105.16 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 – Columbia Bank	\$ 532,284.99
Wire Transfers	6,226,522.38
Automated and Refund Vouchers (Checks)	1,052,188.68
Direct Deposits (EFTs)	1,514,771.91
Voids	(5,662.80)
Total:	\$9,320,105.16

- 3) To approve the Write Offs in substantially the amount listed on the April 2026 Write Off Report including electric accounts in the amount of \$2,596.79 and miscellaneous accounts in the amount of \$35,548.94, for a total write off amount of \$38,145.73.

AGENDA ITEM 5, ADOPTING A RESOLUTION CONTINUING THE LOW-INCOME SENIOR CITIZEN AND LOW-INCOME DISABLED PERSON DISCOUNT PROGRAMS AND SUPERSEDING RESOLUTION 1430

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

A brief discussion was held regarding federal poverty guidelines and House Bill 1903, which was recently signed by the Governor but is not currently funded.

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. 1430.

Motion by Commissioner Wright, seconded by Commissioner Torres adopting Resolution 1449 as presented.

MOTION PASSED UNANIMOUSLY.

AGENDA ITEM 6, ADOPTING A RESOLUTION AUTHORIZING THE GENERAL MANAGER/CEO OR HIS DESIGNEE TO EXECUTE AN AMENDMENT TO THE INTERNATIONAL SWAPS AND DERIVATVES ASSOCIATION (ISDA) MASTER AGREEMENT WITH MACQUARIE ENERGY LLC (MACQUARIE) AND SUPERSEDING RESOLUTION 1206

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

Motion by Commissioner Torres, seconded by Commissioner Wright adopting Resolution 1450 authorizing the General Manager/CEO to execute an amendment to the International Swaps and Derivatives Association (ISDA) Master Agreement with Macquarie Energy LLC (Macquarie) and superseding Resolution 1206.

MOTION PASSED UNANIMOUSLY.

AGENDA ITEM 7, AUTHORIZING THE 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 background information as reported in the Agenda Item Summary included in the meeting packet. Staff evaluated other insurance providers; however, at this time, Federated continues to provide strong service, consistency with claims, and competitive pricing.

Motion by Commissioner Wright, seconded by Commissioner Torres authorizing the 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, 2026 through May 31, 2027, for a total not to exceed amount of \$450,000.

MOTION PASSED UNANIMOUSLY.

AGENDA ITEM 8, DISTRICT FINANCIAL UPDATE PRESENTATION

Ms. Fulton gave a District Financial Update Presentation and reviewed the unaudited 2025

financials, revenues and expenses, metrics, completed and ongoing capital projects, and provided a look ahead for 2026.

Throughout the presentation, discussions were held regarding pension liabilities and days cash on hand. Mr. Nies provided a public comment on the history of the District's financials, and the Commission thanked him for his comments.

AGENDA ITEM 9, AUTHORIZING THE GENERAL MANAGER/CEO OR HIS DESIGNEE TO EXECUTE A CONTRACT FOR THE PURCHASE OF 115KV CIRCUIT SWITCHERS

Mr. Hay introduced the agenda item and reviewed the background information as reported in the Agenda Item Summary included in the meeting packet. A brief discussion was held on the two bids received.

Motion by Commissioner Wright, seconded by Commissioner Torres finding the bid submitted by General Pacific/Siemens non-responsive and authorizing the General Manager/CEO or his designee to execute a contract with Wesco/Anixter/S&C, the lowest responsive bidder, for the purchase of 115kV circuit switchers, for a total not to exceed amount of \$292,438.

MOTION PASSED UNANIMOUSLY.

AGENDA ITEM 10, AUTHORIZING THE GENERAL MANAGER/CEO OR HIS DESIGNEE TO EXECUTE A CONTRACT FOR THE PURCHASE OF 15.5KV VACUUM CIRCUIT BREAKERS

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

Motion by Commissioner Torres, seconded by Commissioner Wright finding the bids submitted by General Pacific/Siemens and JST Power Equipment non-responsive and authorize the General Manager/CEO or his designee to execute a contract with Wesco/Anixter/ABB, the lowest responsive bidder, for the purchase of 15.5kV vacuum circuit breakers, for a total not to exceed amount of \$164,435.

MOTION PASSED UNANIMOUSLY.

AGENDA ITEM 11, AUTHORIZING THE GENERAL MANAGER/CEO OR HIS DESIGNEE TO EXECUTE A CONTRACT FOR FIBER-TO-THE-HOME INSPECTION SERVICES REQUIRED FOR THE CONNELL AND BASIN CITY FIBER-TO-THE-HOME PROJECT

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

Motion by Commissioner Wright, seconded by Commissioner Torres authorizing the General Manager/CEO or his designee to execute a contract with Northwest Open Access Network, the most qualified consultant, for fiber-to-the-home inspection services, for a total not to exceed amount of \$37,125.

MOTION PASSED UNANIMOUSLY.

ADOPTING A RESOLUTION AUTHORIZING THE GENERAL MANAGER/CEO OR HIS DESIGNEE TO EXECUTE A 2026-2029 COLLECTIVE BARGAINING AGREEMENT AND SUPERSEDING RESOLUTIONS 1328 AND 1352.

Mr. Fuentes presented this agenda item and reviewed the background information as reported in the Agenda Item Summary. He noted the meeting packet would be amended to include a copy of the agenda item and updated on the District's website.

As outlined in the Agenda Item Summary, Mr. Fuentes reviewed the provisions agreed to by the Union and the District, which include a general wage increase (GWI) of 12 percent over three years for all bargaining positions; market adjustments over three years for apprenticeable craft positions; market adjustments for warehouse and fleet positions; observed holiday trade; the use of electronic signatures and other administrative cleanup items that have no substantive changes to the contract.

Mr. Fuentes reported that the District was notified last week that the Union membership passed the Tentative Agreement.

Staff recommended that the Commission adopt Resolution 1451, authorizing the General Manager/CEO or his designee to execute a 2026-2029 Collective Bargaining Agreement and Superseding Resolutions 1328 and 1352.

The Commission thanked staff for their work on this process.

Motion by Commissioner Torres, seconded by Commissioner Wright adopting Resolution 1451 as presented.

MOTION PASSED UNANIMOUSLY.

At 9:50 a.m., Commissioner Gordon called for a recess and reconvened the regular meeting at 9:53 a.m.

MANAGEMENT REPORTS

GENERAL MANAGER/CEO

Mr. Fuentes reported that:

- He provided updates related to the District's 2026-2027 Operating Plan.
- The Washington PUD Association (WPUDA), in conjunction with the Washington Port Association, is discussing travel to Denmark to observe an operating industrial symbiosis project and is seeking member representation to attend. Mr. Fuentes noted that the Port of Pasco has secured funding through the Washington Climate Commitment Act to fund a market analysis for a similar industrial symbiosis park. The Port of Pasco is one of two pilot locations in Washington studying this concept. The Commission expressed support for his participation in the travel, as well as their support to the City of Pasco and the Port of Pasco in economic development efforts.

- He and Mr. Whitney provided an update on the Ruby Flats project, and a brief discussion was held.
- He reviewed discussions with NoaNet staff regarding the current Network Coordinated Services Agreement between the District and NoaNet. He recommended that District staff continue working with NoaNet to negotiate terms to amend the existing agreement or develop a new network coordinated services agreement. The Commissioners concurred with staff's recommendation to continue negotiations with NoaNet and return to a future Commission meeting with a recommendation for consideration.
- The WPUDA building requires repairs due to water damage. Mr. Fuentes reported that there may be an additional membership allocation requested to assist with repair costs. Additional discussions may occur during the WPUDA Annual meeting, and he will keep the Commission updated.
- He hosted an All-PUD General Managers meeting at the District on March 25, 2026.

A brief discussion was held regarding facility planning for both the administration and operations buildings.

FINANCE & CUSTOMER SERVICE DIRECTOR

Ms. Fulton reported that:

- The March KPIs were included in the commission packet, and she reviewed pertinent slides from within the report.
- The Department of Retirement Services (DRS) completed a compliance review, and she reviewed key takeaways from the exit conference. The compliance report is expected to be released today, and Commissioners should receive a copy via their District email.
- The Washington State Auditor's Office audit is scheduled to begin in May.
- Mr. Dahl met with Key Accounts customers last week, and she noted that customers had expressed appreciation for the program.
- Staff have begun working on the 2026 COSA Update.
- Staff have completed an audit on meter locations for taxation purposes. No exceptions were noted. She reviewed the bi-annual meter audit process.
- Staff are evaluating whether a small amount of BPA Tier Two power could be incorporated into the District's portfolio. Staff will return to a future Commission meeting to provide more information regarding this matter.
- The Accounting Summer Intern will begin with the District on May 26, 2026.
- Staff and The Energy Authority (TEA) staff held a brainstorming session regarding the BPA transmission contract. Staff plan to return to a future Commission meeting with a transmission workshop presentation.
- For her audit, staff reviewed the taxation of fringe benefits specifically District provided vehicles. She reviewed the audit process and identified updates that were necessary. The audit revealed one employee was impacted. Due to this, the

Commission directed staff to review any potential financial impact on affected staff and return with a recommendation to a future Commission meeting, if needed.

ENGINEERING & OPERATIONS DIRECTOR

Mr. Hay reported that:

- He reviewed the March KPIs for Operations and Engineering which were included in the Commission packet.
- Interviews are currently underway for the open Engineering Intern position.
- Three positions have been filled within the Engineering and Operations departments; the Electrical Engineer position, the Distribution & Transmission Designer position, and the backfill of the Meter Shop Foreman position.
- Staff continue to work on the fuel audit.
- Staff are currently completing a CT meter audit and will return to a future Commission meeting to report on this audit.

ASSISTANT GENERAL MANAGER

Mr. Ferraro reported that:

- Carpet repairs and additional updates are underway in the administration building.
- A representative from MissionSquare Retirement was onsite on April 13 and 16, 2026.
- Biometrics screening kits are due by May 1, 2026.
- Union contract negotiations have been completed.
- He reviewed the broadband outage that was discussed during the March Commission meeting.
- For his audit, he reviewed the status of the security system replacement currently in progress for both the administration and operations buildings.

A brief discussion was held on the Fiber-To-The-Home KPI slide which was included in the Commission packet.

PUBLIC INFORMATION OFFICER

Ms. Viera reported that:

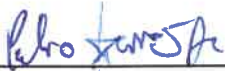
- She attended the Northwest RiverPartners meeting and reviewed updates from the meeting.
- As a follow-up to this year's STEM Career Academy, she noted that the program has availability for 25 students and that there are 23 applications that have met the eligibility requirements to date. She noted that the Tri-Cities Foundation for Water & Energy Education (FWEE) supports the idea of surveying past attendees and will send a survey out.
- She received notice that both the WPUDA nominations submitted for the education scholarship and lifetime achievement award nominations were not selected. Ms. Viera expressed appreciation for the two students who submitted applications for the education scholarship.

- The Public Affairs department is working to develop a career academy and has met with the Pasco School District (PSD) to explore future collaboration opportunities and potential classroom engagement. She will continue discussions with PSD. She provided additional information about the Gesa Credit Union program in the schools.
- The Public Affairs department hosted a “Today I learned Series” on Thursday, April 23rd. Eleven employees’ children, ages five to fourteen, toured the operations building, yard, and received a tabletop safety demonstration. The series will be featured as part of the May National Electrical Safety Month social media campaign.
- Mr. Fuentes will be presenting at the NWPPA Annual Conference.
- For her audit, staff reviewed the District’s website functionality and verified that pages and links are working properly on tablets and smartphones.

With no further business to come before the Commission, Commissioner Gordon adjourned the regular meeting at 10:57 a.m. The next regular meeting will be May 27, 2026 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.



William Gordon, President



Pedro Torres, Jr., Vice President



Roger Wright, Secretary