

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

**MINUTES OF THE JUNE 23, 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 June 23, 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; Brian Johnson, Power Manager; and Jessica Marshall, Executive Assistant.

Those who participated from the public via remote technology or in person for all or part of the meeting were Tim Nies, District customer and a member of the public.

OPENING

Commissioner Gordon called the meeting to order at 8:30 a.m. and the pledge of allegiance was recited.

PUBLIC COMMENT

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

COMMISSIONER REPORTS

Commissioner Wright reported that:

- He reviewed two handouts related to the Combustion Turbine (CT) Site, both of which will be included in today's Commission meeting packet. A discussion was held on the history of the CT site and lessons learned. Mr. Nies provided a public comment on history of this subject. Commissioner Wright requested that staff file the two handouts as part of the District's official record.
- There have been some delays with Bigfoot Communications joining NoaNet as a member. He will continue to keep the Commission updated on this process.
- Energy Northwest has called a special Participants Review Board (PRB) meeting and he also noted his plans to attend the Energy Northwest Board of Directors meeting virtually this week. He expressed his appreciation to Commissioner Gordon for his years of service on the Energy Northwest Board of Directors.

Commissioner Torres reported that:

- He participated in a meeting with Mike Pellicciotti, Washinton State Treasurer, and reviewed questions he posed during the meeting.
- He is working with several Commissioners from across Washington state to potentially form a coalition focused on building relationships with legislators. He will continue to keep the Commission updated on this effort.

Commissioner Gordon reported that:

- He will be attending the Energy Northwest Board of Directors' meeting this week.

CONSENT AGENDA

The Commission reviewed the Consent Agenda. Ms. Fulton reviewed questions posed by Commissioner Wright regarding vendor names and reviewed the write-off report which was included in the Commission packet.

A brief discussion was held with Mr. Whitney on vehicles hitting utility infrastructure.

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

MOTION PASSED UNANIMOUSLY.

- 1) To approve the minutes of the May 27, 2026 Regular Commission Meeting.
- 2) To approve payment of expenditures for May 2026 amounting to \$10,862,429.00 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	\$ 591,467.97
Wire Transfers	7,276,028.68
Automated and Refund Vouchers (Checks)	1,202,807.28
Direct Deposits (EFTs)	1,792,267.15
Voids	(142.08)
Total:	\$10,862,429.00

- 3) To approve the Write Offs in substantially the amount listed on the June 2026 Write Off Report including electric accounts in the amount of \$3,936.87 and miscellaneous accounts in the amount of \$13,778.61, for a total write off amount of \$17,715.48.

- 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 \$44,715.95 for work completed by DJ's Electric Inc. under Contract 10115, Miscellaneous Dock Crew Projects Year 3.
- 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 \$12,214.43 for work completed by Schlecht & Sons Inc. under Contract 10663, Mesa Cabinet Electrical Work.

AGENDA ITEM 5, OPENING THE INTEGRATED RESOURCE PLAN PUBLIC HEARING, PRESENTING THE DRAFT 2026 INTEGRATED RESOURCE PLAN PROGRESS REPORT, AND RECESSING THE PUBLIC HEARING

Commissioner Gordon opened the public hearing for the Integrated Resource Plan (IRP) and called for public comment. There was none provided. He called on Ms. Fulton for presentation of the agenda item.

Through her presentation, Ms. Fulton reviewed Washington State IRP requirements, the District's IRP process and 2026 progress report approach, 2024 findings, a 2026 summary of changing conditions since 2024, the long-term load forecast, energy market price forecast, the state's carbon policy compliance requirements, load and resource balance, resource initiatives since 2024, and the progress of 2024 IRP action items. Discussion occurred throughout the presentation.

Motion by Commissioner Wright, seconded by Commissioner Torres recessing the Integrated Public Resource Plan public hearing to the July 28, 2026 regular Commission Meeting.
MOTION PASSED UNANIMOUSLY.

AGENDA ITEM 6, AUTHORIZING THE GENERAL MANAGER/CEO OR HIS DESIGNEE TO APPROVE ADDITIONAL FUNDING FOR CONTRACT 10291 WITH PARAMOUNT COMMUNICATIONS, INC., FOR LABOR ASSOCIATED WITH THE 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. A brief discussion was held on the grant funding for this project.

A question was posed by the Commission on a separate contract with Northwest Open Access Network for fiber-to-the-home inspection services, and Mr. Ferraro provided an update on this project.

Motion by Commissioner Torres, seconded by Commissioner Wright authorizing the General Manager/CEO or his designee to approve an additional \$26,074 in funding for Contract 10291

with Paramount Communications, Inc., for labor associated with the Fiber-to-the-Home Project, for a new total not to exceed amount of \$2,800,673.
MOTION PASSED UNANIMOUSLY.

AGENDA ITEM 7, ADOPTING A RESOLUTION AMENDING RESOLUTION 1448 TO PROVIDE A ONE-TIME CONTRIBUTION OF PERSONAL LEAVE TO THE GENERAL MANAGER/CHIEF EXECUTIVE OFFICER

Mr. Ferraro 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 adopting Resolution 1456 as presented.
MOTION PASSED UNANIMOUSLY.

At 9:32 a.m., Commissioner Gordon called for a recess and reconvened the regular meeting at 9:38 a.m.

AGENDA ITEM 8, APPROVING THE 2026 ORGANIZATION REPRESENTATION LIST

Mr. Fuentes 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 approving the 2026 Organization Representation list as discussed.
MOTION PASSED UNANIMOUSLY.

MANAGEMENT REPORTS

GENERAL MANAGER/CEO

Mr. Fuentes reported that:

- Negotiations with NoaNet staff on the amendments for the Network Coordinated Services Agreement between the District and NoaNet are ongoing. Staff will return to a future Commission meeting with a recommendation for consideration.
- The PPC administration and budget committee was directed by the PPC Executive Committee to issue a 2026 PPC voluntary supplemental assessment to members. This assessment will be used to maintain PPC's ability to actively advocate for Pacific Northwest public power interests in legal proceedings. Mr. Fuentes noted the dues were within his approval authority and have been paid.
- The District is under contract for the surplus property between Argent Road and Interstate 182 in Pasco, WA (Parcel No. 117-250-038).
- Staff will be meeting with Pacific Northwest Waterways Association staff this afternoon.
- He will be attending the APPA National Conference next week.

FINANCE & CUSTOMER SERVICE DIRECTOR

Ms. Fulton reported that:

- The May KPIs were included in the commission packet, and she reviewed pertinent slides from within the report.
- The EIA Renewable Energy Compliance audit is complete. She noted the District received a clean audit for calendar year 2025. She also reported that the District's Federal, Financial, and Accountability audit is currently in progress.
- Staff worked with a consultant to complete an analysis of the District's 2024 bonds. Some of the bonds have not yet been fully utilized due to requirements when using tax exempt bonds, project lead times, and staffing constraints. As a result, excess interest earnings have generated a payment obligation to the Internal Revenue Services (IRS). Ms. Fulton provided an explanation of arbitrage rebate requirements and explained how this situation occurred. She noted that several agencies are experiencing similar issues and wanted to make the Commission aware.
- She hosted the WPUDA finance officers last week, and the group participated in a tour of the Amazon facility.
- The District was allocated direct funding from BPA for three large energy conservation projects. This funding is in addition to existing BPA Energy Efficiency Incentive program support and will allow more funding to be allocated to residential energy services projects. Ms. Fulton thanked Ms. Borchers for her work in securing this funding for the District.
- The Accounting intern is working on a comprehensive inventory audit this summer of the District's small and attractive assets.

ENGINEERING & OPERATIONS DIRECTOR

Mr. Hay reported that:

- He reviewed the May KPIs for Operations and Engineering, which were included in the Commission packet. Staff is auditing outages caused by vehicles hitting utility infrastructure and will return to a future Commission meeting with an update.
- He continues to monitor the District's fuel costs.
- Staff is completing internal audits in the meter shop.

ASSISTANT GENERAL MANAGER

Mr. Ferraro reported that:

- He reviewed the May KPIs for Information Technology and Safety, which were included in the Commission packet.
- He provided brief updates on the carpet upgrade, security system for the Administration and Operations buildings, and power upgrade projects.
- For his audit, staff completed a door access audit and removed inactive participants from the system.

PUBLIC INFORMATION OFFICER

Ms. Viera reported that:

- The summer interns participated in the Amazon tour with the WPUA finance officers' group and attended a "History of Public Power" presentation by Liz Anderson, WPUA's Executive Director. Ms. Anderson presented to 37 District employees. She noted that staff has received positive feedback on the presentation.
- She attended a Department of Commerce grant writing workshop and reviewed takeaways from the workshop.
- She participated in the Inland Ports and Navigation Group (IPNG) Summer Member Meeting and reviewed highlights from the meeting.
- Staff submitted comments to the Department of Commerce regarding the scope of work for the Lower Snake River Dams Replacement Study.
- The Tri-Cities STEM Career Academy began yesterday.
- She continues to meet with Pasco School District staff to develop a career program in which District staff will provide presentations on careers in the electric industry and offer job shadow opportunities. Career presentations are scheduled to begin in the fall and will be done on a quarterly basis.
- She met with Jim White from Chelan PUD, who gave the Student Energy Management presentation at the NWPPA Annual Conference.

For her audit, staff verified that all employees have received public records training. To ensure compliance staff reviewed the new hire list and identified a small number of employees who had not received the training. Training was provided and the summer interns were included.

LEGAL COUNSEL

Mr. Whitney reported that:

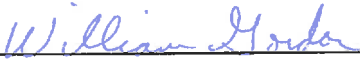
- He provided an update on the Energy Northwest Ruby Flats project.

EXECUTIVE ASSISTANT:

Ms. Marshall reported that:

- She will be out of the office the week of July 6, 2026.

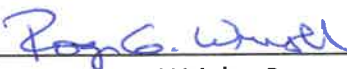
With no further business to come before the Commission, Commissioner Gordon adjourned the regular meeting at 10:28 a.m. The next regular meeting will be July 28, 2026 and begin at 8:30 a.m. The meeting will be at the District's Auditorium located at 1411 W. Clark Street, Pasco, WA. Remote technology options will be provided for members of the public to participate.



William Gordon, President



Pedro Torres, Jr., Vice President



Roger Wright, Secretary