

Minutes of the Regular Commission Meeting of Public Utility District No. 1 of Chelan County, Washington September 2, 2025

The regular meeting of the Commission, of Public Utility District No. 1 of Chelan County, Washington, was held in the office of the District, 203 Olds Station Road, Wenatchee, Washington, on September 2, 2025, at the hour of 10:00 am, pursuant to proper notice.

Commissioners present: Steve McKenna, President
Garry Arseneault
Kelly Allen
Randy Smith
Carnan Bergren

Staff present: Kirk Hudson, General Manager
Erik Wahlquist, General Counsel
Rebekah Neumann, Clerk of the Board
Various staff

Call to Order

- President McKenna called the meeting to order at 10:01am

Pledge of Allegiance and Safety/H&OP Minute

- Jenny Conrad, Safety & Health Technical Advisor, led the pledge and provided information on back-to-school driving safety

Agenda

- The agenda was approved as presented

Quarterly System Growth Update

- Lyle Moore, Customer Service Engineering Supervisor, and David Lodge, Project Delivery Manager, reviewed third quarter updates
- Public Power Benefit (PPB) overall broadband targeted to be at 95% completion after 2025
- Electric and water meter connections and installs are projected at 1.4% growth by years end
- Development and multi-dwelling unit construction continuing
- Load requests and inquiries continue to be diverse
- Planned substation investments are positioned to meet traditional residential and commercial growth

Consent Agenda

President McKenna presented the consent agenda, which included the following items:

- Minutes of the August 18, 2025 Regular Meeting
- Vouchers: Accounts Payable Summary Report dated August 26, 2025:
 - Vouchers totaling \$20,847,192.74;
 - Approval of Customer Deposit Returns and Conservation Incentive payments for the period August 12, 2025 through August 25, 2025 in the amount of \$38,612.36.

- Approval of the net Payroll, Warrant Nos. 238822 through 238830 and Advice Nos. 805454 through 806330 for the pay period ending August 10, 2025 in the amount of \$3,061,445.13.
- Approval of Warrant Nos. 33517 through 33558 totaling \$39,145.50 for claim payments from the workers' compensation self-insurance fund for the period ending August 25, 2025.
- Approval of Parks Reservation System customer refunds for the period July 29, 2025 through August 20, 2025 in the amount of \$5,845.00.
- Resolution 6. RESOLUTION NO. 25-15024 RATIFYING CHANGE ORDER NO. 1, AUTHORIZING FINAL ACCEPTANCE OF WORK PERFORMED UNDER BID NO. 24-13782 WITH RIDGELINE CUSTOM BUILDERS LLC OF WENATCHEE, WA AND AUTHORIZING PAYMENT OF RETAINAGE

MOTION

Moved by: Commissioner Smith

Seconded by: Commissioner Arseneault

To approve the consent agenda as presented

Approved: Unanimously

Resolution 7

- Larry Cordes, Senior Civil Engineer III, presented Resolution 7
- Resolution 7. RESOLUTION NO. 25-15025 AUTHORIZING AMENDMENT NO. 8 TO SERVICES AGREEMENT (SA NO. 19-086) WITH MEAD & HUNT, INC. TO PROVIDE ENGINEERING SERVICES FOR THE LAKE CHELAN POWER TUNNEL ISOLATION SYSTEM

Resolution 8

- Toby Tarzwell, Senior Project Manager (Fiber), presented Resolution 8
- Resolution 8. RESOLUTION NO. 25-15026 APPROVING CHANGE ORDER NO. 1 FOR BID NO. 24-13602 WITH MOE ASPHALT PATCHING & SEALCOATING, INC. OF WENATCHEE, WASHINGTON FOR UNIT PRICE ASPHALT & CONCRETE SERVICES

MOTION

Moved by: Commissioner Smith

Seconded by: Commissioner Allen

To approve Resolutions 7 and 8 as presented

Approved: Unanimously

Manager Items

- Whitney Machado, Wildfire Program Manager, provided an update on fire mitigation efforts
 - River Road utilities – 1.7 miles have been moved underground; discussed criteria for undergrounding lines
 - Reviewed location of Lower Sugarloaf fire relative to District infrastructure
- Rachel Hansen, Senior Communications Strategist, shared the Public Safety Power Shutoff video; this is being shared across multiple media channels to provide information to the public
- Kirk Hudson, General Manager, reminded Commissioners that updated Board policies are ready for feedback

Commissioner Travel

- Lisa Sanders, Legal Office Administrator, reviewed upcoming event and travel details with the Commissioners

Commission Items

- Special Meeting

MOTION

Moved by: Commissioner Allen

Seconded by: Commissioner Arseneault

To set a special meeting on Tuesday, October 14, 2025 @ 5:30pm at Crazy Lady Kitchen & Catering, 101 E Street Southeast, Quincy, WA, for the purpose of a Mid-C General Managers and Commissioners Meeting

Approved: Unanimously

- Commissioner McKenna
 - Commissioners McKenna and Arseneault along with Kirk Hudson and Drew Thompson, Energy Efficiency Advisor, received a plaque from Wenatchee School District in recognition of our partnership with Advanced Energy Management Team students
 - The PUD recently hosted the Wenatchee State Association of Counties with tours at Rocky Reach and Rock Island dams
- Commissioner Bergren
 - Noted an earthquake recently, of which Chelan Falls was the epicenter
 - Noted that Powerhouse park is very popular on hot days; requested that staff consider adding sand to the beach area to support use, along with upgrading the pickleball court painting
- Commissioner Arseneault recognized staff for all generators running during his recent Rocky Reach visit
 - It has been 11 years since all generator units were running simultaneously
- Commissioner Smith noted Bob Bauer's recent retirement, which was well-attended

Follow up on Delegation of Action Items from 8/18/25 Board meeting

- None

Follow up on Delegation of Action Items from Previous Board meetings

- Justin Erickson will investigate whether there is an American flag on display at Chelan Falls Powerhouse Park – working to install a flag before winter as well as install a flag near the powerhouse
- Resolved via email on 8/28/25
 - Justin Erickson will review options for Dryden landowners to purchase water right shares over time
 - Justin Erickson will provide information status of the Ravenwing property
 - Rebekah Neumann will set up a system to track Commissioner's recommendations on training events for future consideration
 - John Stoll and Justin Erickson will investigate upgrades to the Chelan office to support community's use of Auditorium as well as staff needs
 - Justin Erickson will investigate who is representing the State of Washington in the Columbia River System Operation Settlement agreement negotiations
 - Kelli Scott to report on:
 - How state funding is distributed to local governments for installing electric vehicle charging stations
 - Whether there is additional funding for electricity usage for vehicle charging stations
 - Justin Erickson will provide information on future plans for the mature Rock Island facilities
 - Janet Jaspers will provide information on Energy Resources including cost of hydrogen and its connection to converting coal-fired plants to natural gas

Delegation of Action Items

- None

Executive Session

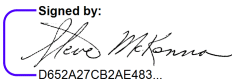
President McKenna convened an executive session at approximately 11:20am to discuss with legal counsel agency enforcement actions, litigation, potential litigation to which the District or its board is, or is likely to become, a party, and/or legal risks, as authorized by RCW 42.30.110(1)(i), to review the performance of a public

employee, as authorized by RCW 42.30.110(1)(g), to consider the selection of a site or the acquisition of real estate by lease or purchase when public knowledge regarding such consideration would cause a likelihood of increased price, as authorized by RCW 42.30.110(1)(b), and to consider information regarding the infrastructure and security of computer and telecommunications networks, security and service recovery plans, security risk assessments and security test results to the extent that they identify specific system vulnerabilities pursuant to RCW 42.30.110(1)(a)(ii) for approximately 90 minutes.

Regular Session Reconvened at 12:54pm

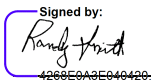
President McKenna confirmed no votes were taken and no decisions were made during Executive Session

There being no other business, the meeting was adjourned at 12:54pm

Signed by:

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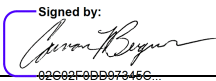
President

Vice President

Signed by:

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Commissioner

Secretary

Signed by:

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Commissioner