

Minutes of the Regular Commission Meeting of Public Utility District No. 1 of Chelan County, Washington September 21, 2026

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 21, 2026, at the hour of 10:00 am, pursuant to proper notice.

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

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

Guests present: Pat McCarthy, Thomas Bernard, Cinthya Medina, Janel Roper, Jake Santistevan, Tina Watkins, Colleen Frei, Aaron Young, Dave Brown

Call to Order

President Allen called the meeting to order at 10:00am

Pledge of Allegiance and Safety/H&OP Minute

- Matt Treat, Journeyman Mechanic, led the pledge and provided information on the importance of planning ahead before heading outdoors

Agenda

- The agenda was approved as presented

State Auditor Stewardship Award Presentation

- Pat McCarthy, Washington State Auditor, presented the District with the State Auditor's Stewardship Award
- This award reflects the District's consistent record of clean audits for both accountability and energy conservation programs (CETA and EIA-I-937)
- The State Auditor's Office specifically noted the District's commitment to accountability, transparency, and strong internal controls, as well as professional and dedicated staff who support our audit environment year after year
- Erik Wahlquist, General Counsel, recognized Stacey Jagla, Internal Audit Manager/Auditor, as she retires after 25 years of service
- Commissioners thanked Stacey for her service and presented a years of service award
- Commissioners thanked State Auditors for their collaborative approach

- Erik reviewed the process for appointing the next Auditor and noted Matt Boles would serve as the Acting Auditor in the interim

Hydro Modernization Update, Part 2

- Maura Gillin, Generation Asset Management Manager, and Michelle Jordan, Generation and Planning Manager, provided additional information on the hydro modernization program; this program:
 - Provides a systematic approach to managing assets
 - Tracks asset condition
 - Allows long term planning for capital and O&M work
 - Optimizes outage planning
 - Reduces the risk of forced outages
- Kirk Hudson, General Manager, noted that while the District has always been committed to maintaining assets, this is a more data-driven approach

Chelan County Interlocal Agreement

- Justin Erickson, Chief Strategy & Stakeholder Officer, and Dan Koch, Chief Operating Officer, reviewed a draft resolution and interlocal agreement with Chelan County, which will be presented at the October 5 board meeting for consideration
- Reviewed key terms and conditions
- Commissioners recognized the work that went into developing this agreement; Commissioner Bergren noted his opposition to taxation through this mechanism

Consent Agenda

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

- Minutes of the September 8, 2026 Regular Meeting
- Vouchers: Accounts Payable Summary Report dated September 15, 2026:
 - Vouchers totaling \$19,149,861.96;
 - Approval of Customer Deposit Returns and Conservation Incentive payments for the period September 01, 2026 through September 14, 2026 in the amount of \$47,332.60.
 - Approval of the net Payroll, Warrant Nos. 239035 through 239038 and Advice Nos. 829621 through 830508 for the pay period ending September 06, 2026 in the amount of \$3,184,605.88.
 - Approval of Warrant Nos. 35184 through 35227 totaling \$13,329.28 for claim payments from the workers' compensation self-insurance fund for the period ending September 14, 2026.

MOTION

Moved by: Commissioner Smith

Seconded by: Commissioner Arseneault

To approve the consent agenda as presented

Approved: Unanimously

Resolution 9

- Casey Hall, Project Delivery Manager, presented Resolution 9
- Resolution 9. RESOLUTION NO. 26-15102 AUTHORIZING CHANGE ORDER NO. 1 TO PRECONSTRUCTION NO. 2.0 TO KUNEY-BRENNAN JOINT VENTURE OF SPOKANE, WA UNDER CONTRACT NO. 24-13848 FOR THE ROCK ISLAND SPILLWAY

Resolutions 10 and 11

- Kelly Cordell, Senior Wildlife Biologist, presented Resolutions 10 and 11

- Resolution 10. RESOLUTION NO. 26-15103 AUTHORIZING THE GENERAL MANAGER TO ENTER INTO INTERLOCAL AGREEMENT NO. 26-15133 WITH THE WASHINGTON DEPARTMENT OF FISH AND WILDLIFE FOR ROCKY REACH LICENSE WILDLIFE HABITAT IMPLEMENTATION
- Resolution 11. RESOLUTION NO. 26-15104 AUTHORIZING THE GENERAL MANAGER TO ENTER INTO INTERLOCAL AGREEMENT NO. 26-15138 WITH THE BUREAU OF LAND MANAGEMENT FOR ROCKY REACH LICENSE WILDLIFE HABITAT IMPLEMENTATION

Resolution 12

- Chad Rissman, Director District Asset Management, and Becky Jaspers, Real Estate Specialist III, presented Resolution 12
- Resolution 12. RESOLUTION NO. 26-15105 AUTHORIZING THE PURCHASE OF 8.15 ACRES OF REAL PROPERTY LOCATED IN MALAGA, WASHINGTON, FROM WATER WORKS PROPERTIES LLC

MOTION

Moved by: Commissioner McKenna

Seconded by: Commissioner Smith

To approve Resolutions 9, 10, 11, and 12 as presented

Approved: Unanimously

Manager Items

- Kirk Hudson noted that quarterly project updates were included in the Commissioner packets
- Matt Shales, Parks & Lands Superintendent, provided an update on the Chelan River whitewater rafting event held over the weekend
 - Federal Energy Regulatory Commission (FERC) license requirement to provide flows over two consecutive days on the third weekend of September
 - The event drew 10 boaters on Saturday and 5 boaters on Sunday
- Sarah DeLozier, Customer Service & Dispatch Supervisor, provided an overview of upcoming events in celebration of Public Power Week, October 5-9
 - Oct 5 – Stewardship – focus on Parks
 - Oct 6 – Trust – focus on customer bill assistance programs and conservation
 - Oct 7 – Safety – kids day with demonstration trailer and touch a truck
 - Oct 8 – Collaboration – focus on water and wastewater services
 - Oct 9 – Courage – self-guided tours to learn about past, present, and future

Upcoming Learning Opportunities

- Commissioner Smith noted that the Energy Northwest Member Forum will be held in late October; Commissioner Smith will be attending the Energy Northwest meeting later this week

Commissioner Items

- Commissioner Arseneault recently participated in Fiestas Mexicanas
- Commissioner Bergren attended Salmon Fest last weekend and the blessing ceremony
 - The team that put the event on did a great job; special thanks to Kristin Lodge
- Commissioner Smith was in New York last week as part of his work on the Energy Northwest Executive Board
- Commissioner Allen noted that she and Commissioner Arseneault attended Washington PUD Association (WPUDA) meetings in Olympia last week; Commissioner Bergren attended online
 - Commissioner Arseneault noted that ~6 WPUDA past presidents are retiring across the state
- Commissioner McKenna will be sharing draft legislation from Representative Dent on the wildfire fund for feedback
- Commissioners congratulated staff for the reaffirmation of our Fitch rating of AA+

- Special Meetings

MOTION

Moved by: Commissioner Smith

Seconded by: Commissioner Arseneault

To set the following special meetings:

- On Monday, November 30, 2026 @ 10:00am and at Confluence Technology Center, 285 Technology Center Way, Wenatchee, WA, for the purpose of a Board workshop, and
- On Tuesday, December 15, 2026 @ 1:00pm at the Confluence Technology Center, for the purpose of a Tri-Commission Meeting

Approved: Unanimously

Follow up on Delegation of Action Items from 9/8/26 Board meeting

- Chad Bowman will provide an analysis on wood versus steel poles along with industry standards

Delegation of Action Items

- None

There being no other business, the meeting was adjourned at 11:56am.

Signed by:



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Vice President

Signed by:



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Commissioner

Signed by:



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President

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Secretary

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Commissioner