

**PUBLIC UTILITY DISTRICT NO. 1 OF COWLITZ COUNTY, WASHINGTON**

**MINUTES OF BOARD MEETING OF COMMISSIONERS**

**Tuesday, November 25, 2025**

**Cowlitz PUD Board Room and Microsoft Teams**

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**Present:**

**COMMISSIONERS**

Dave Quinn, President

Duane Dalgleish, Vice President

Bruce Pollock, Secretary

**STAFF**

Alice Dietz, Communication & Public Relations Manager

Casey Kalal, Director of Operations

Chris Velat, Director of Power Management

Dever Haffner-Ratliffe, Regulatory Affairs Coordinator

Heather Sorensen, Director of Customer Service & Compliance

Lance Larwick, Director of Engineering

Marisa Heard, Manager of Employee Services

Mike Larsen, Manager of System Engineering

Monica Petterson, Executive Assistant/Clerk of the Board

Richard Hughes, General Counsel

Steve Taylor, Acting General Manager

Trent Martin, Director of Accounting/CFO

Tyler Williams, Electrical Engineer

**PUBLIC**

None

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**1. CALL TO ORDER**

Pursuant to published Notice, Commissioner Quinn called the Regular Board meeting of the Commissioners of Public Utility District No. 1 of Cowlitz County, Washington to order at 2:00 p.m.

**2. CHANGES/ADDITIONS TO BOARD AGENDA**

There were no changes to the meeting agenda.

**3. APPROVAL OF AGENDA**

It was moved by Commissioner Dalgleish and seconded by Commissioner Pollock to approve the November 25, 2025 Board Agenda.

The motion carried 3 to 0.

**4. APPROVAL OF BOARD MINUTES**

It was moved by Commissioner Dalgleish and seconded by Commissioner Pollock to approve the November 12, 2025 Regular Board Meeting minutes as written.

The motion carried 3 to 0.

**5. PUBLIC COMMENT ON AGENDA ITEMS AND OTHER DISTRICT BUSINESS**

There was no public comment

**6. MOTION TO RATIFY/APPROVE VOUCHERS/PAYROLL**

Approval of Vouchers in the amount of \$8,509,421.11. The Board reviewed expenditures of the District as required by RCW 42.24.180 for which payments were issued between November 13, 2025 and November 20, 2025, under the provisions of Resolution No. 2762.

It was moved by Commissioner Dalglish and seconded by Commissioner Pollock to approve the ratification of the vouchers/payroll.

Heather Sorensen, in her role as Auditor for the District, reported the disbursements and payroll included in this report have been reviewed and approved in accordance with RCW 42.24.180. Invoices have been authorized by management, verified against supporting documentation, and pre-audited by designated staff for accuracy, proper coding, and compliance with the District's policies. Staff requests the Board approve the ratification of the vouchers and payroll as presented.

The motion carried 3 to 0.

**7. GENERAL MANAGER REPORT**

In General Manager Gary Huhta's absence, Trent Martin, Chris Velat, and Steve Taylor provided the following updates:

**Bond Refunding:** Trent Martin noted the Board recently approved Resolution No. 2829 authorizing the refunding of Production System Revenue Bonds, which calls for updates to the Board. The bond sale is planned for December 9<sup>th</sup>, and the Preliminary Official Statement will go out next week. We are currently meeting all criteria of the bond resolution in order to transact. The District received results of its recent credit ratings review with both Moody's and Fitch ratings agencies. We received a rating upgrade from Moody's from A1 to Aa3, while Fitch held at our A rating. The current refunding savings does not include market consideration of the new Moody's rating. No reserve account is anticipated for the bonds and insurance is being considered, but only if cost effective. Given this update, staff asked the Board if they would like to continue to proceed with the bond refunding. The Board asked for public comment. There was no public comment. The Board gave permission to proceed with the bond refunding.

**Bonneville Power Administration (BPA):** Chris Velat reported BPA will host a signing celebration for the Provider of Choice Contract on December 15, 2025 at 1:00 p.m. Steve Taylor, Chris Velat, and Commissioners Dalglish and Pollock will attend. We received an official fully executed Provider of Choice Contract from BPA last week.

BPA recently identified an error in the calculation of Slice True-Up amounts for fiscal years 2022-2024. The error was a result of an incorrect scaling factor. The District will receive a credit on its November BPA billing of approximately \$6 million.

The District's net power cost projections for the year are currently higher than projected at just over \$60 million. Given the poor water year, this is a pretty favorable outcome for the District. We may close a little further on that if we see the cold weather materialize.

**Franchise Agreement Update:** Steve Taylor reported the City of Kelso held the first reading of the Franchise Agreement at its November 18, 2025 Council Meeting, and the second reading and final adoption will take place at its December 2, 2025 meeting.

**Upcoming Meetings:** The PUD Board will hold its final regular meeting of the year on December 9, 2025. A Board Workshop will also be held that morning at 10:00 a.m. to discuss options for the Operations campus remodel.

## 8. ACTION ITEMS

### 8.1. Motion to Approve Staff Recommendation No. 23/11/25 – Surplus of Equipment

It was moved by Commissioner Dalgleish and seconded by Commissioner Pollock to approve Staff Recommendation No. 23/11/25.

Heather Sorensen explained the Surplus Committee reviewed requests received from staff, which were included in the Board meeting materials, and recommends that the Power Resources materials and IT materials detailed in the requests be declared surplus to the needs of the District and that they are disposed of in accordance with RCW 54.16.180.

The motion carried 3 to 0.

### 8.2. Motion to Approve Staff Recommendation No. 24/11/25 – Acceptance of Work, DJ's Electrical Meeker Substation Rebuild

It was moved by Commissioner Dalgleish and seconded by Commissioner Pollock to approve Staff Recommendation No. 24/11/25.

Electrical Engineer Tyler Williams explained the District entered into a contract with DJ's Electrical in March 2025 for contractor services associated with the rebuild of the Meeker Substation. The work was completed in August 2025 and included two change orders totaling \$12,540.67. One change order was for over excavation, and the other was for setting distribution poles within the station. All work was inspected and was found to have been completed satisfactorily to the District's requirements and contractual obligations. Mr. Williams recommends the Board accept the work as complete by DJ's Electrical.

The motion carried 3 to 0.

### 8.3. Motion to Approve Resolution No. 2831 – Adjusting General Manager's Pay

It was moved by Commissioner Dalgleish and seconded by Commissioner Pollock to approve Resolution No. 2831.

Commissioner Quinn explained the Board completed its annual review of the General Manager's performance, and examined current market compensation for utility Chief Executive Officers as part of their review. The Board has determined the General Manager accomplished, or made adequate progress on, all of his strategic goals since his last performance review, including leading the negotiation of a new 20-year Provider of Choice contract with the Bonneville Power Administration. The Board has therefore determined that a wage adjustment is warranted and recommends an increase of 6% along with continuation of all other components of the General Manager's benefits.

The motion carried 3 to 0.

**9. STAFF REPORTS AND PRESENTATIONS**

- 9.1. Director of Engineering Lance Larwick reviewed with the Board recent updates to the Engineering Policies, which included slight modifications to the Customer Service Policies. The updates have been reviewed by staff and are part of the annual review and update cycle. The revisions being presented today are for Board review and feedback, and the revised policies will be presented again for approval at the next regularly scheduled meeting on December 9<sup>th</sup>.
- 9.2. District staff provided highlights and answered Commissioner questions regarding the October 2025 Operational Reports which were included in the Board meeting materials.

**10. EXECUTIVE SESSION**

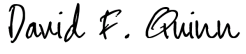
No Executive Session needed.

**11. MOTION TO ADJOURN MEETING**

It was moved by Commissioner Dalglish and seconded by Commissioner Pollock to adjourn the Regular Board Meeting at 3:25 p.m.

The motion carried 3 to 0.


Attest:

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 President

*Excused by Motion*

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 Secretary

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 Vice President

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 Prepared by Monica Petterson  
 Executive Assistant/Clerk of the Board