

PUBLIC UTILITY DISTRICT NO. 1 OF CLALLAM COUNTY  
MINUTES OF THE REGULAR WEEKLY MEETING OF  
THE BOARD OF COMMISSIONERS  
August 23, 2010

The regular weekly meeting of the Board of Commissioners of Public Utility District No. 1 of Clallam County was held at the Port Angeles Office, 2431 East Highway 101, on the above date commencing at 1:30 p.m.

Commissioners Present: W.E. Purser, President; Hugh Haffner, Vice President; Hugh E. Simpson, Jr., Secretary

Staff Present: Doug Nass, General Manager; Joshua Bunch, Treasurer Controller; David Papandrew, District Auditor; Nicole Clark, Executive Assistant; Dennis Shaw, General Superintendent; Fred Mitchell, Power Supply & Utility Services Manager; Mike Howe, Executive Communications Coordinator; Larry Morris, Support Services & Safety Manager; Quimby Moon, Transmission & Substation Systems Manager; Mike Hill, Civil Engineer

Others Present: Cindy Kelly; Teri Martin

On motion of Commissioner Haffner, seconded by Commissioner Simpson and carried, the Commission approved the minutes of the August 16, 2010 regular weekly meeting.

A Level III Excellence in Performance Award was presented to Mike Hill, Civil Engineer, for his work in relation to the purchase of the Central Warehouse Facility site.

Upon recommendation of staff, and on motion of Commissioner Haffner, seconded by Commissioner Simpson and carried, the Commission accepted Contract #070344 with Sunset Janitorial for personnel and equipment for janitorial services for the Port Angeles, Carlsborg, and Sequim facilities as complete in the amount of \$257,014.44.

On motion of Commissioner Haffner, seconded by Commissioner Simpson and carried, the Commission approved removal of delinquent accounts in the amount of \$7,742.38 from the active accounts receivable, including a collection fee of \$1,631.85.

The Commissioners reviewed the Preliminary budgets for 2011 for the Electric, Water and Wastewater Departments. Electric Department revenue and funds available were \$83,485,129 and expenditures were \$66,399,308 with an estimated cash balance at the end of the year of \$17,085,821. Water Department revenue and funds available were \$11,276,000 and expenditures were \$10,692,753, leaving a balance of \$583,247. Wastewater revenue and funds available were \$72,700 and expenditures were \$46,400, leaving a balance of \$26,300. These are preliminary figures based on expenditures submitted by staff. The preliminary budgets will receive additional review prior to the October 4, 2010 budget hearing.

Upon recommendation of staff, and on motion of Commissioner Haffner, seconded by Commissioner Simpson and carried, the Commission approved a letter of response to Energy Northwest in regards to Budget Amendment No. 2 to the Radar Ridge wind project, electing to not contribute further funding to the project, to not abandon the project, and encouraging Energy Northwest to seek a buyer for the District's share of the project.

Teri Martin announced that there is a Commerce Connections meeting being held by the Department of Commerce on August 31.

General Manager Nass reminded those present that the regular meeting on September 13 would be held at 1:30 p.m. at the Carlsborg Operations Center meeting room. The meeting of September 6 was canceled due to the Labor Day holiday.

A list of claim vouchers as certified by the General Manager and District Auditor was considered. On motion of Commissioner Simpson, seconded by Commissioner Haffner and carried, the Commission approved payment of claim vouchers in the amount of \$1,176,051.77 for August 23, 2010. There were 5 conservation rebates totaling \$11,154.56 for August 23.

Commissioner Simpson reported that all three Commissioners attended the public hearing on the Carlsborg sewer environmental study.

Commissioner Haffner reported that he attended a meeting with General Manager Doug Nass and John Calhoun, the incoming president of the Clallam Economic Development Council.

Commissioner Purser reported that Energy Northwest has a special meeting of the Executive Board scheduled for August 25.

Treasurer Controller Bunch presented the Treasurer's Report for July 2010. Interest for the month totaled \$8,508.88; cash totaled \$16,569,415.44; and the total amount invested was \$12,187,279.40.

General Superintendent Dennis Shaw reported that there is an opportunity for an instructor to present IBEW-accredited, accelerated meter technician training sessions for the District, on-site, for qualified applicants.

The regular meeting recessed at 2:48 p.m. to go into executive session for personnel matters. The executive session adjourned at 3:53 p.m., and the regular meeting reconvened at that time.

Attendance at meetings was approved.

There being no further business to come before the Commission, the meeting adjourned at 3:54 p.m. to meet again, Monday, August 30, 2010, at 1:30 p.m. in the Port Angeles office.