

PUBLIC UTILITY DISTRICT NO. 1 OF CLALLAM COUNTY
MINUTES OF THE REGULAR WEEKLY MEETING OF
THE BOARD OF COMMISSIONERS
August 31, 2009

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

Commissioner Simpson was excused.

Staff Present: Doug Nass, General Manager; Joshua Bunch, Treasurer-Controller; Nicole Clark, Executive Assistant; Fred Mitchell, Power Supply & Utility Services Manager; Jeff Beaman, Executive Communications Coordinator; Dave Proebstel, Chief Engineer

Others Present: Teri Martin; Cindy Kelly; David Newell

On motion of Commissioner Purser seconded by Commissioner Haffner and carried, the Commission approved the minutes of the August 17, 2009 regular weekly meeting.

There was an agenda revision to move the executive session just before item D on the agenda. Staff reports on the 9th Circuit recent opinion on DSI's and the Port Townsend paper mill were also added.

Chief Engineer Dave Proebstel presented the contractor prequalifications for the small works roster. Upon recommendation of staff and on motion of Commissioner Haffner, seconded by Commissioner Purser and carried, the Commission approved the applications of Straits Electric, Rainbow Sweepers, and Kuchan Construction, Inc. to the small works roster. Upon recommendation of staff and on motion of Commissioner Haffner, seconded by Commissioner Purser and carried, the Commissioners moved to amend the motion to add Burfitt Construction, Inc. and Getchell Excavating to the end of the list of contractors approved to the small works roster.

Treasurer Controller Bunch presented delinquent accounts. Upon recommendation of staff and on motion of Commissioner Haffner, seconded by Commissioner Purser and carried, the Commission approved removal of delinquent accounts from the active accounts receivable in the amount of \$5,532.70 including a collection fee of \$1,228.43 for the month ending July 31, 2009.

The Commissioners reviewed the Preliminary budgets for 2010 for the Electric, Sewer and Water Departments. Electric Department revenue and funds available were \$73,636,288 and expenditures were \$52,898,592 with an estimated cash balance at the end of the year of \$20,737,696. Water Department revenue and funds available were \$7,658,549 and expenditures were \$7,163,896, leaving a balance of \$494,653. Wastewater revenue and funds available were \$51,942 and expenditures were \$29,389, leaving a cash balance of \$22,553. These are preliminary figures based on expenditures submitted by staff. The preliminary budgets will receive additional review prior to the October 5, 2009 budget hearing.

David Newell asked if we have had any response from the State on the Fairview water project. General Manager Nass said that the District has not received a response yet from the Dept. of Ecology. Mr. Nass said that staff is also pursuing the possibility of obtaining water from the City of Port Angeles system.

The regular meeting recessed at 1:58 p.m. to go into executive session for personnel matters. The executive session adjourned at 2:13 p.m., and the regular meeting reconvened at that time.

Mr. Nass presented the new collective bargaining agreement for consideration. The union has approved the proposed amendment and staff is recommending approval. Upon recommendation of staff and on motion of Commissioner Haffner, seconded by Commissioner Purser and carried, the Commission approved the collective bargaining amendment for years 2009-2012.

General Manager Nass reminded those present that the meeting of September 7 is cancelled due to its falling on the Labor Day holiday. The Communications Work Session will be held Friday, September 11 at 9:00 a.m. in the Boardroom of the District's Main Office.

Two lists of claim vouchers as certified by the General Manager and District Auditor were considered. On motion of Commissioner Haffner, seconded by Commissioner Purser and carried, the Commission approved payment of claim vouchers in the amount of \$490,470.43 for August 24, 2009 and in the amount of \$356,467.93 for August 31, 2009. There were 70 conservation rebates totaling \$28,351.99.

Treasurer Controller Bunch presented the Treasurer's Report for July 2009. Interest for the month totaled \$7,763.94; cash totaled \$6,751,269.38; and the total amount invested was \$24,020,076.94.

Power Supply & Utility Services Manager Fred Mitchell reported on the recent 9th circuit decision invalidating the 2009 Alcoa contract.

Port Townsend Paper and BPA petitioned the 9th circuit on a rehearing on their contract and the court has denied it.

Attendance at meetings was confirmed and approved

There being no further business to come before the Commission, the meeting adjourned at 2:39 p.m. to meet again, Monday, September 14, 2009, at 1:30 p.m. in the Port Angeles office.