

PUBLIC UTILITY DISTRICT NO. 1 OF CLALLAM COUNTY  
MINUTES OF THE REGULAR WEEKLY MEETING OF  
THE BOARD OF COMMISSIONERS  
January 11, 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: Hugh Haffner, Vice President; Hugh E. Simpson, Jr., Secretary

Commissioner Purser was excused.

Staff Present: Doug Nass, General Manager; Joshua Bunch, Treasurer Controller; Jana Robbins, District Auditor; Nicole Clark, Executive Assistant; Jeff Beaman, Executive Communications Coordinator; Fred Mitchell, Power Supply & Utility Services Manager; Dennis Shaw, General Superintendent; Larry Morris, Support Services & Safety Manager; Mike Kitz, Water & Wastewater Systems Superintendent

Others Present: Teri Martin; Cindy Kelly

Support Services and Safety Manager Larry Morris and General Manager Nass took the Commissioners on a tour of the District's new brushing vehicle.

On motion of Commissioner Simpson seconded by Commissioner Haffner and carried, the Commission approved the minutes of the December 21, 2009 regular weekly meeting.

Upon recommendation of staff and on motion of Commissioner Simpson seconded by Commissioner Haffner and carried, the Commission approved awarding the bid for an hourly tree trimming crew and equipment to perform work in the District's service area to Asplundh Tree Expert Company in the not-to-exceed amount of \$467,432. (Bid #090811)

Committees and Organizations presented by General Manager Nass presented the list of representatives from the District to various committees and organizations for review. The Commission reviewed the list and approved changes.

Upon recommendation of staff and on motion of Commissioner Haffner seconded by Commissioner Simpson and carried, the Commission approved removal of delinquent accounts in the amount of \$1,258.02 from the active accounts receivable, including a collection fee of \$205.50.

Teri Martin reminded those present that the EDC annual dinner would be held on January 29.

Three lists of claim vouchers as certified by the General Manager and District Auditor were considered. On motion of Commissioner Simpson, seconded by Commissioner Haffner and carried, the Commission approved payment of claim vouchers in the amended amount of \$319,074.85 for December 28, 2009; in the amount of \$860,173.76 for January 4, 2010; and in the amount of \$2,096,692.33 for January 11, 2010.

Commissioner Simpson reported that he attended the Port Angeles Business Association meeting and the Port Angeles Chamber of Commerce meeting.

Commissioner Haffner reported that he has been working with the attorney from PURMS to develop an agreement for the administrator position.

Power Supply & Utility Services Manager Fred Mitchell discussed an opportunity for a long term Renewable Energy Certificate (REC) purchase and expressed the value of having RECs as a portion of the District's long term strategy for meeting the District's renewable portfolio standards. The associated project is a geothermal project with a capacity factor in the 90 plus percent range. The proposed additional RECs purchase would fulfill a portion of the District's I-937 requirements through 2030. Mr. Mitchell recommended the purchase as the best way to manage the District's risk while offering flexibility in case I-937 requirements change in the future. The Commission concurred with the proposal that staff move forward with negotiating for the REC purchase. At this time, issuing a Bid and Notice of Intent would not be binding and the Commission will have an opportunity to approve a final contract in the future.

Water & Wastewater Systems Superintendent Mike Kitz provided an update on WRIA 19. After the presentation by the Department of Ecology in December, the Commission had suggested holding a work session to determine the District's final position concerning the plan. The Commission decided to hold a work session that would focus on all recommendations in the Plan to identify which items in the Plan the District finds objectionable. Mr. Kitz suggested holding a public comment period, after the work session, as well during a regular Commission meeting in order to take testimony from some of the participants prior to making a decision on the Plan.

Treasurer Controller Bunch postponed his discussion on analysis of the refunding of bonds until the next meeting when all Commissioners would be present.

Attendance at meetings was confirmed and approved.

The regular meeting recessed at 3:23 p.m. to go into executive session for personnel matters. The executive session adjourned at 3:35 p.m., and the regular meeting reconvened at that time.

There being no further business to come before the Commission, the meeting adjourned at 3:36 p.m. to meet again, Monday, January 18, 2010, at 1:30 p.m. in the Port Angeles office.