

PUBLIC UTILITY DISTRICT NO. 1 OF CLALLAM COUNTY  
MINUTES OF THE REGULAR WEEKLY MEETING OF  
THE BOARD OF COMMISSIONERS  
JANUARY 12, 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, Hugh E. Simpson, Jr., Secretary

Staff Present: Doug Nass, General Manager, Joshua Bunch, Treasurer Controller, Jana Robbins, District Auditor, Nicole Clark, Executive Assistant, Fred Mitchell, Power Supply & Utility Services Manager, Tom Martin, Water & Wastewater Systems Assistant Superintendent, Janet Sundby, Customer Services Supervisor, Linda King, CIS/Billing Supervisor, Ruth Kuch, Financial Analyst

Others Present: Teri Martin

On motion of Commissioner Haffner, seconded by Commissioner Simpson and carried, the Commission approved the minutes of the January 5, 2009 regular weekly meeting.

CIS/Billing Supervisor Linda King presented the proposed Identity Theft Prevention Policy. The main objective is to ensure that the District is following procedures to help protect customer privacy. The Fair and Accurate Credit Transactions Act of 2003 (FACT Act) established the Fraud Alerts and Active Duty Alerts (Red Flags) requirements, and the Federal Trade Commission has mandated all American utilities develop and implement identity theft prevention program in compliance with the FACT Act by May 1, 2009. Customers starting new service or making changes to their existing service will now be required to present two forms of identification, one of which must be valid, government-issued photo identification. A Privacy Committee has been established to review the policy and procedures on an ongoing basis. There will be signs in the customer service offices and a counterfeit detecting ID scanner to assist in implementation of the policy. If a piece of identification is questionable, the customer will be referred to the agency that produced the identification for assistance. Commissioner Haffner asked if there were procedures in place to ensure that staff follows the new procedures for verifying identity. Ms. King suggested that it could be incorporated into the new service application that the CSR signs when complete. Financial Analyst Ruth Kuch gave a report on the Online Utility Exchange, which is a risk assessment tool used by utilities to help create a credit profile of new customers and can be used to help with decisions such as determining the amount of a new account deposit.

On motion of Commissioner Simpson, seconded by Commissioner Haffner and carried, the Commissioners approved Resolution 1893-09 establishing the Identity Theft Prevention policy.

Water & Wastewater Systems Assistant Superintendent Tom Martin presented for consideration a change order for Contract #080309 with Carollo Engineers for professional services on the Fairview Water System Supply Project. Carollo has requested additional time to complete Task 1 of the contract as there have been delays in receiving information from the Department of Ecology. Carollo has asked to extend the expiration date for this task to end of March with no increase in the contract price. They are expecting to have a draft feasibility report out by January 23. On motion of Commissioner Simpson, seconded by Commissioner Haffner and carried, the Commissioners approved change order No. 1 to the 2008 contract with Carollo Engineers P.C. at no additional cost.

Mr. Martin reported that the Carlsborg Advisory Council will meet at the District's Carlsborg meeting room Tuesday, January 13 at 6:30 pm. The County will present the proposed land use plan that assumes water service would be available.

A list of claim vouchers as certified by the General Manager and District Auditor was considered. On motion of Commissioner Haffner, seconded by Commissioner Simpson and carried, the Commission approved payment of claim vouchers in the amount of \$482,314.64 for January 12, 2009.

Mr. Mitchell reported on the BPA transmission rate case. The 2010 and 2011 fiscal year rate periods are anticipated to have no rate increase. An agreement was reached as to what a settlement should look like. It appears that the benefits outweigh the risks. BPA will review their cost of service figures so they will be able to report on what changes there could be for 2012. The District participates in the rate case as part of Western Public Agencies Group (WPAG,) and has been meeting and expects to agree to the settlement.

Mr. Mitchell also reported that the District is making good progress on the Renewable Energy Credits (RECs) purchase with Bonneville Environmental Foundation.

Mr. Bunch reported on Local Utility District (LUD) foreclosure assessment letters. These letters have gone out annually. In most cases, the properties are sold and the assessments paid. The District is required to send notices out. There are only three LUDs with delinquencies. This year there is only one facing foreclosure. There could be two more next year if the delinquency continues.

Attendance at meetings was approved.

There being no further business to come before the Commission, the meeting adjourned at 3:08 p.m. to meet again, Monday, January 19, 2009, at 1:30 p.m. in the Port Angeles office.