

PUBLIC UTILITY DISTRICT NO. 1 OF CLALLAM COUNTY
MINUTES OF THE REGULAR WEEKLY MEETING OF
THE BOARD OF COMMISSIONERS
JULY 27, 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: Hugh Haffner, Vice President; Hugh E. Simpson, Jr., Secretary

Commissioner Purser was excused.

Staff Present: Doug Nass, General Manager; Jana Robbins, District Auditor; Joshua Bunch, Treasurer-Controller; Nicole Clark, Executive Assistant; Dennis Shaw, General Superintendent; Fred Mitchell, Power Supply & Utility Services Manager; Jeff Beaman, Executive Communications Coordinator; Quimby Moon, Transmission and Substation Systems Manager; Mike Kitz, Water & Wastewater Systems Superintendent; Tom Martin, Water & Wastewater Systems Assistant Superintendent

Others Present: Jim Mahady; Linda Rotmark; Patti Morris; Cindy Kelly; Rob Olikainen

On motion of Commissioner Simpson seconded by Commissioner Haffner and carried, the Commission approved the minutes of the July 20, 2009 regular weekly meeting as corrected.

There was an agenda revision to move the Fairview Water Supply Project to Item b. on the agenda and to table the Customer Classification Resolution until Monday, August 3.

Executive Director Linda Rotmark of the Clallam Economic Development Council (EDC) provided an update on EDC activities. There are a couple of potential businesses interested in coming to the area, which would provide an economic boost. The EDC has also participated in discussions regarding forming a Finance Development Authority which would be a regional entity that could facilitate structuring funding for projects in Clallam, Jefferson, and Mason counties.

Jim Mahady from Carollo Engineers presented an update on the Fairview Water Supply Project. The Bilateral Compliance Agreement requires the District to submit the project completion and implementation plan and timeline by July 30. The recommendation is to replace the bluffs well and add to the upper system supply either through new wells or the possibility of an interconnection with the City of Port Angeles system. An application must also be made to change the location of the water right so that the existing water right may be used.

Treasurer Controller Bunch presented delinquent accounts. Upon recommendation of staff and on motion of Commissioner Simpson, seconded by Commissioner Haffner and carried, the Commission approved removal of delinquent accounts from the active accounts receivable in the amount of \$16,998.64 including a collection fee of \$3,613.55 for the month ending June 30, 2009.

General Superintendent Dennis Shaw presented an application for contractor prequalification from Magnum Power LLC. Upon recommendation of staff and on motion of Commissioner Simpson seconded by Commissioner Haffner and carried, the Commission approved the prequalification of Magnum Power LLC in the amount of \$1,250,000 on the list dated July 18, 2009.

Mr. Shaw also presented the contractor prequalifications for the small works roster. Upon recommendation of staff and on motion of Commissioner Simpson, seconded by Commissioner Haffner and carried, the Commission approved the applications of Ken Bechtold Logging, Walker Specialty Construction, Inc., Aldergrove Construction Inc., Magnum Power LLC, Gary Priest Excavating, Inc., J & J Construction of Port Angeles to the small works roster.

On motion of Commissioner Simpson, seconded by Commissioner Haffner and carried, the Commission approved as complete Contract No. 070810 with Olympic Electric Company for work related to the Johnson Creek Substation in the amount of \$440,142.36, including approval of change orders # 5 and #8, and including Washington State Sales Tax.

Transmission and Substation Systems Manager Quimby Moon presented an invitation to bid for one 3-phase, 12/16/20 MVA power transformer without LTC for the Silverado Substation. On motion of Commissioner Simpson, seconded by Commissioner Haffner and carried, the Commission approved authorizing staff to announce the invitation to bid for one 3-phase, 12/16/20 MVA power transformer without LTC for the Silverado Substation (Bid #080813.)

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 \$641,011.10 for July 27, 2009. District Auditor Robbins reported that the vouchers included 34 rebates for conservation programs totaling \$19,859.

Commissioner Simpson reported that he attended the Port Angeles Business Association meeting.

Attendance at meetings was approved.

The regular meeting recessed at 2:52 p.m. to go into executive session for personnel matters. The executive session adjourned at 3:28 p.m., and the regular meeting reconvened at that time.

There being no further business to come before the Commission, the meeting adjourned at 3:29 p.m. to meet again, Monday, August 3, 2009, at 1:30 p.m. in the Port Angeles office.