

PUBLIC UTILITY DISTRICT NO. 1 OF CLALLAM COUNTY
MINUTES OF THE REGULAR WEEKLY MEETING OF
THE BOARD OF COMMISSIONERS
DECEMBER 19, 2005

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 were: Hugh E. Simpson, Jr., President; W.E. Purser, Vice President; and Hugh Haffner, Secretary.

Staff present were: Shelley Burgett, General Manager; Ken Foster, District Auditor; Mike Kitz, Water & Wastewater Systems Superintendent; Larry Morris, Operations Facilities Superintendent; Dave Proebstel, Chief Engineer; and Donna Hansen, Administrative Assistant.

Others present were: Brian Gawley, Bob Hoyle, Teri Martin, and Ed Tuttle.

Upon recommendation of staff and on motion of Commissioner Haffner, seconded by Commissioner Purser and carried, the Commission approved the minutes of the December 12, 2005 regular weekly meeting as submitted.

Upon recommendation of staff and on motion of Commissioner Haffner, seconded by Commissioner Purser and carried, the Commission accepted as complete Contract No. 050802 with Hawkeye Construction, Inc. for distribution reconductor projects in the amount of \$288,161.41.

General Manager Burgett complimented the work that Linda King, Janet Sundby, and Ken Foster did to ensure that the District is in compliance with provisions in the Washington Administrative Code regarding Indian tax rules and tax exemptions. Upon recommendation of staff and on motion of Commissioner Purser, seconded by Commissioner Haffner and carried, the Commission adopted Resolution 1799-05 amending the Electric System Rate Schedules, effective January 1, 2006.

Upon recommendation of staff and on motion of Commissioner Haffner, seconded by Commissioner Purser and carried, the Commission authorized the award of Bid No. 050809 for hourly tree trimming crew and equipment to Asplundh Tree Expert Company.

Upon recommendation of staff and on motion of Commissioner Purser, seconded by Commissioner Haffner and carried, the Commission approved the quit claim deed for release of an easement to Melvin and Elaine Alexander.

Upon recommendation of staff and on motion of Commissioner Purser, seconded by Commissioner Haffner and carried, the Commission approved removal of delinquent accounts in the amount of \$8,101.76 from the active accounts receivable.

Chief Engineer Proebstel reported on two recent outages in the Carlsborg area. An outage on December 16 affected customers in Parkwood and along Taylor Cutoff, Hooker, and Carlsborg Roads. The other outage, which occurred this morning, affected about 2500 customers served by the Agnew Substation. Power for those customers is expected to be restored this afternoon.

General Manager Burgett reported that the City of Port Angeles had presented an amendment to the current Wholesale Water Contract. The amendment would extend the contract term to March 31, 2006, and increase the cost of purchased water by 19 percent, effective January 1, 2006. Upon recommendation of staff and on motion of Commissioner Purser, seconded by Commissioner Haffner and carried, the Commission approved the Amendment to Contract, amending the Wholesale Water Contract with the City of Port Angeles (Contract No. 040101).

Ed Tuttle reported on the progress of the Concerned Citizens for Port Angeles in obtaining signatures for the initiative and referendum process.

In response to questions from Brian Gawley, there was a discussion about the removal of the Elwha dams and the possible impact on the District.

A list of claim vouchers as certified by the General Manager and District Auditor was considered. On motion of Commissioner Haffner, seconded by Commissioner Purser and carried, the Commission approved payment of vouchers in the amount of \$477,508.13 for December 19, 2005.

Commissioner Haffner reported on a Clallam County Economic Development Council board meeting Thursday, December 15 and the vote for five at-large positions on that board.

Commissioner Purser noted that former General Manager Dennis Bickford was inducted into the Heritage Life Membership Program of the Washington Public Utility District Association.

Ms. Burgett presented the General Manager's Report. She said that the Retirees' Holiday Party is scheduled for Tuesday, December 20 at 2 p.m. She also reported that the satellite sewer systems work session will be held at the District's Port Angeles office on Wednesday, December 21 at 10 a.m., to review

statements of qualifications received and discuss the selection process. Due to the holiday on December 26, the next Board of Commissioners meeting will be Tuesday, December 27, at 9 a.m.

Ms. Burgett presented the Treasurer's Report for the month of November 2005. Interest totaled \$85,481.21, cash totaled \$1,258,337.47, and the total amount invested was \$23,471,180.76.

A letter from a customer regarding a water leak situation was discussed. Staff will investigate and respond to the customer. The apprenticeship program was also discussed.

Attendance at meetings was approved.

There being no further business to come before the Commission, the meeting adjourned at 3:19 p.m. to meet again Tuesday, December 27, 2005, at 9 a.m. in the Port Angeles office.