

PUBLIC UTILITY DISTRICT NO. 1 OF CLALLAM COUNTY
MINUTES OF THE REGULAR WEEKLY MEETING OF
THE BOARD OF COMMISSIONERS
MAY 8, 2006

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; Tom Martin, Water & Wastewater Systems Assistant Superintendent; Dave Proebstel, Chief Engineer; Quimby Moon, Transmission, Substation, & SCADA Systems Manager; Fred Mitchell, Telecommunications & Power Resources Manager; and Carol Biss, Executive Assistant.

Others present were: Danielle Allday, Brian Gawley, Nancy Greenawalt, Cindy Kelly, Teri Martin, Marsha Melnick, and Kent Shellenberger.

On motion of Commissioner Purser, seconded by Commissioner Haffner and carried, the Commission approved the minutes of the May 1, 2006 regular weekly meeting as submitted.

A group of customers from East Sequim Bay Road was present to discuss an underground conversion and broadband services. Speaking on behalf of the group, Ms. Nancy Greenawalt encouraged the Commissioners to convert overhead power lines to underground in the East Sequim Bay Road area to reduce power outages. Chief Engineer Proebstel said the District is planning an underground conversion of approximately 3.2 miles on East Sequim Bay Road and may extend the project to the end of the road. Ms. Greenawalt inquired about bringing broadband services to this neighborhood and asked about putting in fiber or spare conduit for fiber during the proposed underground conversion. Staff will send Ms. Greenawalt information about forming an LUD and some preliminary cost estimates for extending broadband to that area.

Upon recommendation of staff and on motion of Commissioner Purser, seconded by Commissioner Haffner and carried, the Commission authorized the General Manager to enter into an agreement for providing on-site sewage disposal system support services to the Atterberry Acres Subdivision Homeowners' Association (Contract 060405).

Upon recommendation of staff and on motion of Commissioner Haffner, seconded by Commissioner Purser and carried, the Commission authorized the General Manager to enter into an agreement with Green Crow Timber, LLC, providing the use of its well to the District during drought periods. (Contract 060101)

Transmission, Substation, and SCADA Systems Manager Moon reported on the sale of surplus property. Resolution 1791-05 declared the oil processing trailer (Number 93-150) as surplus to the District's needs in October 2005. The District received one bid of \$50,123.45, not including applicable taxes. The trailer will be sold "as-is" with the District making no warranties or representations.

Upon recommendation of staff and on motion of Commissioner Purser, seconded by Commissioner Haffner and carried, the Commission approved the removal of delinquent accounts in the amount of \$6,927.69 from the active accounts receivable.

A list of claim vouchers as certified by the General Manager and District Auditor was considered. On motion of Commissioner Purser, seconded by Commissioner Haffner and carried, the Commission approved payment of claim vouchers in the amount of \$185,833.71 for May 8, 2006. District Auditor Foster reported that the claim vouchers included 20 rebates for conservation programs totaling \$3,617.73.

Commissioner Haffner reported on Law Day, an event where Michael McKay, former US Attorney, spoke about Pro Bono representation and the need for volunteers.

Commissioner Purser reported that Senator Maria Cantwell was one of the senators who introduced legislation for federal renewable portfolio standards. The bill, the Enhanced Energy Security Act of 2006, would require electric utilities to obtain 10 percent of their electricity from new or existing renewable energy sources by 2020. The requirement could be met by purchasing renewable energy credits.

Commissioner Simpson reported on a Port Angeles Business Association meeting and the proposed changes to PABA's Bylaws.

Attendance at meetings was confirmed and approved.

The regular session recessed at 2:41 p.m. to reconvene the executive session that began May 1, 2006. The executive session pertained to personnel matters. The executive session recessed at 3:44 p.m., to reconvene on Wednesday, May 10, at 9 a.m. in the Port Angeles Office. The regular meeting reconvened at 3:44 p.m. and adjourned at 3:45 p.m. The next regular weekly meeting of the Commission will be Monday, May 15, 2006, at 1:30 p.m. in the Port Angeles office.