

PUBLIC UTILITY DISTRICT NO. 1 OF CLALLAM COUNTY  
MINUTES OF THE REGULAR WEEKLY MEETING OF  
THE BOARD OF COMMISSIONERS  
NOVEMBER 15, 2004

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

Staff present were: Dennis Bickford, General Manager; Shelley Burgett, Treasurer/Controller; Ken Foster, District Auditor; and Carol Biss, Executive Assistant

Others present were: Ed Tuttle

On motion of Commissioner Simpson, seconded by Commissioner Haffner and carried, the Commission approved the minutes of the November 8, 2004 work session on the fiber, pilot, and broadband systems as submitted. On motion of Commissioner Haffner, seconded by Commissioner Simpson and carried, the Commission approved the minutes of the November 8, 2004 regular weekly meeting.

Upon recommendation of staff and on motion of Commissioner Haffner, seconded by Commissioner Simpson and carried, the Commission approved Contract Change Order 030814-3 to the contract with Superior Electric Northwest, Inc. for an additional amount of \$37,339.78. The increased cost was for time and equipment for additional culverts, road improvements, and drain dips.

Upon recommendation of staff and on motion of Commissioner Haffner, seconded by Commissioner Simpson and carried, the Commission approved Contract Change Order 040812-1 to the contract with Superior Electric Northwest, Inc. for an additional amount not to exceed \$4,500. The increased cost was for installing additional in-line solid blade disconnects.

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 the payment of claim vouchers in the amount of \$170,234.22 for November 15, 2004. District Auditor Foster reported that the claim vouchers included 11 rebates for conservation programs totaling \$4,703.93.

Commissioner Simpson discussed the Washington PUD Association's (WPUDA) proposed budget for 2005, which will be considered at the WPUDA Board meeting on November 19. The Commissioners indicated they supported the proposed budget for 2005, but had concerns about the proposed construction of an office building in Olympia. Commissioner Simpson said that the WPUDA has scheduled a members' forum on November 18 to discuss the benefits Bonneville Power Administration gives to the Direct Service Industries and the Investor-Owned Utilities.

Commissioner Purser reported on Sequim Chamber of Commerce and Rotary meetings. Sequim City Manager Bill Elliot made a presentation at those meetings about the tremendous growth in the Sequim area and indicated that the PUD may not be prepared to meet the increased load requirements. Mr. Elliot also reported on the new remote water meter system that the City of Sequim installed.

Mr. Bickford presented the General Manager's Report. A work session is scheduled for November 17 at 10 a.m. in the Port Angeles office. Power Resource Managers will be facilitating a discussion on the District's future relationship with Bonneville Power Administration (BPA). AquaEnergy has asked the District to write a letter to BPA in support of the Wave Energy project at Makah Bay and to comment on the project in relation to BPA's Conservation and Renewable Discount program. Mr. Bickford said that the PUD Employees Association's Holiday Party would be December 3. He reported on the outages that occurred earlier today due to high winds and trees falling on lines. The Port Angeles Business Association will hold its first annual meeting for members only tomorrow to review PABA growth and elect new officers.

Ms. Burgett discussed holding a work session to review the proposed budget for 2005; and the Commissioners scheduled the work session for Friday, December 10, 2004, at 9 a.m. She presented the Treasurer's Report for October 2004. Interest for the month totaled \$52,136.60; cash totaled \$2,236,255.53; and the total amount invested was \$22,727,604.38.

Attendance at meetings was confirmed and approved.

The regular meeting recessed at 3:37 p.m. to go into executive session for personnel matters. The executive session adjourned at 4:47 p.m., and the regular meeting reconvened at that time. There being

no further business to come before the Commission, the meeting adjourned at 4:48 p.m. to meet again on Monday, November 22, 2004, at 1:30 p.m. for a regular weekly meeting, and on Wednesday, November 17, 2004, for a work session at 10 a.m. Both meetings will be held in the Port Angeles office.