

PUBLIC UTILITY DISTRICT NO. 1 OF CLALLAM COUNTY
MINUTES OF THE REGULAR WEEKLY MEETING OF
THE BOARD OF COMMISSIONERS
December 7, 2010

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; Joshua Bunch, Treasurer Controller; David Papandrew, District Auditor; Nicole Clark, Executive Assistant; Fred Mitchell, Power Supply & Utility Services Manager; Dennis Shaw, General Superintendent; Ruth Kuch, Financial Analyst

Others Present: Teri Martin; Cindy Kelly

Treasurer Controller Joshua Bunch reported on the District's bond sale that took place that morning. The District issued approximately \$17.4 million of bonds in total. The issue was split into two pieces. \$6.2 million refunded existing debt and reduced the interest rate from approximately 5% to approximately 2%, saving the District approximately \$100,000 per year in debt payments. An additional \$11.2 million in new Build America Bonds (BABs) was issued to finance capital projects. One investor bought the entire block of the District's BABs issue which resulted in an interest rate of 3.5% on the new bonds. Upon recommendation of staff, and on motion of Commissioner Simpson, seconded by Commissioner Haffner and carried, the Commission adopted Resolution 1934-10 authorizing the issuance of Electric System Revenue Bonds.

On motion of Commissioner Simpson, seconded by Commissioner Haffner and carried, the Commission approved the minutes of the November 15, 2010 budget work session.

On motion of Commissioner Simpson, seconded by Commissioner Haffner and carried, the Commission approved the minutes of the November 22, 2010 budget work session.

On motion of Commissioner Simpson, seconded by Commissioner Haffner and carried, the Commission approved the minutes of the November 22, 2010 regular meeting.

Upon recommendation of staff, and on motion of Commissioner Simpson, seconded by Commissioner Haffner and carried, the Commission accepted Contract No. 080813 with CG Power Systems as complete in the amount of \$329,353.89 including WSST.

Upon recommendation of staff, and on motion of Commissioner Haffner, seconded by Commissioner Simpson and carried, the Commission accepted Contract No.091012 with Innerpole Investigations as complete in the amount of \$135,067.82 including WSST.

Upon recommendation of staff, and on motion of Commissioner Haffner, seconded by Commissioner Simpson and carried, the Commission adopted Resolution 1933-10 declaring approval of PURMS Resolution No. 11-4-10-6 enacted by the Board for the Public Utility Risk Management Services Self-Insurance Fund at its Annual Meeting on November 4, 2010.

Upon recommendation of staff, and on motion of Commissioner Haffner, seconded by Commissioner Simpson and carried, the Commission adopted Resolution 1935-10 authorizing the General Manager to execute the necessary documents to purchase Renewable Energy Credits (RECs) from the Raft River Geothermal Project.

Upon recommendation of staff, and on motion of Commissioner Simpson, seconded by Commissioner Haffner and carried, the Commission approved removal of delinquent accounts in the amount of \$4,526.54 from the active accounts receivable, including a collection fee of \$976.40.

Teri Martin reminded those present that December 16 is the next Clallam Economic Development Council (EDC) Board meeting. The EDC annual meeting will be held on January 28 at Seven Cedars.

Two lists of claim vouchers as certified by the General Manager and District Auditor were considered. On motion of Commissioner Haffner, seconded by Commissioner Simpson and carried, the Commission approved payment of claim vouchers in the amended amount of \$1,062,520.50 for November 29, 2010. On motion of Commissioner Haffner, seconded by Commissioner Simpson and carried, the Commission approved payment of claim vouchers in the amount of \$204,759.50 for December 6, 2010. There were 106 conservation rebates totaling \$63,271.99 for the two week period.

Commissioner Simpson reported that he attended the Port Angeles Business Association meeting. He also attended the WPUDA Annual Meeting which included a NoaNet workshop.

Commissioner Haffner reported that he attended the WPUDA Annual Meeting.

Treasurer Controller Bunch presented the Treasurer's Report for October 2010. Interest for the month totaled \$4,784.72; cash totaled \$14,926,588.12; and the total amount invested was \$12,159,009.27.

Attendance at meetings was approved.

There being no further business to come before the Commission, the meeting adjourned at 3:17 p.m. to meet again, Monday, December 13, 2010, at 1:30 p.m. in the Port Angeles office.