

PUBLIC UTILITY DISTRICT NO. 1 OF CLALLAM COUNTY  
MINUTES OF THE REGULAR WEEKLY MEETING OF  
THE BOARD OF COMMISSIONERS  
FEBRUARY 2, 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, Auditor; Fred Mitchell, Telecommunications & Power Resources Manager; Mike Kitz, Water & Wastewater Systems Superintendent; Roger Hosto, Operations Superintendent; Ruth Kuch, Financial Assistant; Peter Sorgenfrei, Substation and Meter Technician; and Carol Biss, Executive Assistant.

Others present were: Cindy Kelly.

On motion of Commissioner Simpson, seconded by Commissioner Haffner and carried, the Commission approved the minutes of the January 19, 2004 meeting as presented. On motion of Commissioner Simpson, seconded by Commissioner Haffner and carried, the Commission approved the minutes of the January 26, 2004 meeting as presented.

Treasurer/Controller Burgett introduced Ruth Kuch, who was hired to fill the position of Financial Assistant. Operations Superintendent Hosto introduced Peter Sorgenfrei, who was hired to fill the position of Substation and Meter Technician.

Upon recommendation of staff and on motion of Commissioner Haffner, seconded by Commissioner Simpson and carried, the Commission accepted as complete Contract 020814 with Asplundh Tree Expert Company for hourly tree trimming crew and equipment in the amount of \$375,539.53 and Contract 030807 with Hawkeye Construction, Inc. for distribution rebuild projects in the amount of \$191,233.86, including Washington State sales tax.

Telecommunications and Power Resources Manager Mitchell reported on the North Olympic Library System's request to connect their Sequim facility to the District's broadband system. Upon recommendation of staff and on motion of Commissioner Haffner, seconded by Commissioner Simpson and carried, the Commission authorized extending the District's broadband system to connect the North Olympic Library System's Sequim facility.

Upon recommendation of staff and on motion of Commissioner Simpson, seconded by Commissioner Haffner and carried, the Commission approved the removal of delinquent accounts from the active accounts receivable in the amount of \$5,607.39.

The Commissioners received a letter from the Public Power Council requesting voluntary assessments to fund PPC fish recovery activities. PPC is working on projects that will have a major influence on Bonneville Power Administration's fish and wildlife budget, which is about \$600 million annually. On motion of Commissioner Haffner, seconded by Commissioner Simpson and carried, the Commission approved contributing \$500 to the Public Power Council for fish recovery efforts.

A list of claim vouchers as certified by the General Manager and Auditor was considered. On motion of Commissioner Haffner, seconded by Commissioner Simpson and carried, the Commission approved payment of claim vouchers for February 2, 2004, in the amount of \$351,421.30. Auditor Foster reported that the claim vouchers included 17 rebates for conservation programs totaling \$17,215.40.

Commissioner Haffner reported on a Clallam County Economic Development Steering Committee meeting, that included presentation of a product that is made from wood chips and plastic.

Commissioner Purser reported on a recent outage at the Sequim School District. Staff will contact the Superintendent and discuss the matter.

Mr. Bickford presented the General Manager's Report. He presented a plaque to the Commissioners that was awarded to the District in recognition of employee participation in the 2003 United Way Campaign. The District ranked third in employee giving for groups between 100-199 employees. He reported on an outage on the electric line serving Nippon. There was a lapse in following policy and procedures. There was a communication problem among the entities involved: the District, the Bureau of Reclamation, the City of Port Angeles, and Nippon. Representatives from all of these entities met this morning to discuss what went wrong and what steps need to be taken to ensure this does not happen again. Mr. Bickford reported on the Northwest Utility Training Service facility. The benefits of continuing the District's membership in Northwest Public Power Association were discussed. Mr. Bickford provided copies of two items about the

District that appeared in local newspapers. Commissioners and staff clarified misconceptions about the District's broadband system that appeared in a letter to the editor and a guest commentary.

Ms. Burgett presented the Treasurer's Report for the month of December 2003. Interest for the month totaled \$27,120.00, cash totaled \$1,8484,073.48, and the total amount invested was \$21,793,489.31. She reviewed the investments schedule for December 31, 2003.

Telecommunications and Power Resources Manager Mitchell discussed options for the District's participation in the Clallam County Fair. Based on activity of the last few years, the Utility Services Department's recommendation is that the District provide information near the bucket truck ride, rather than having a booth. Staff will obtain information about extending the time that bucket truck rides are available.

Attendance at meetings was approved.

There being no further business to come before the Commission, the meeting adjourned at 3:53 p.m. to meet again Monday, February 9, 2004, at 1:30 p.m. in the Port Angeles office.