

PUBLIC UTILITY DISTRICT NO. 1 OF CLALLAM COUNTY
MINUTES OF THE REGULAR WEEKLY MEETING OF
THE BOARD OF COMMISSIONERS
JANUARY 26, 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 1:32 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; Ken Foster, Auditor; Fred Mitchell, Telecommunications and Power Resources Manager; and Donna Hansen, Administrative Assistant.

Others present were: Mary Meyer and Eloise Kailin.

Upon recommendation of staff and on motion of Commissioner Simpson, seconded by Commissioner Haffner and carried, the Commission approved prequalification of contractors to perform electrical work for the District during 2004.

Upon recommendation of staff and on motion of Commissioner Simpson, seconded by Commissioner Haffner and carried, the Commission approved adoption of Resolution Number 1742-04 Establishing Titles and Salary Ranges for Staff Employees and approving the addition of an Administrative Support Range 2 position.

A list of claim vouchers as certified by the General Manager and Auditor was considered. On motion of Commissioner Simpson, seconded by Commissioner Haffner and carried, the Commission approved payment of claim vouchers in the amount of \$3,038,257.29 for January 26, 2004. Auditor Foster reported that the claim vouchers included 28 rebates for conservation programs totaling \$16,153.03.

Mary Meyer presented her research and reference materials on intake levels of fluoride and possible impacts in the community if the recent proposals to fluoridate City of Port Angeles drinking water are adopted. Eloise Kailin assisted. They also spoke on the benefits of using other products as an alternative to fluoridation.

The litigation settlement letter from Bonneville Power Administration dated January 22, 2004 was discussed. It states that "...the settlement needed approval by all litigants to pass, which it did not get". The settlement failure places the litigation back on the calendar of the 9th Circuit Federal Court in San Francisco.

Commissioner Simpson reported on the Special Board of Directors Meeting of the Washington PUD Association to be held February 6th. Agenda items will be 1) the Olympia Office Building 2) Fair Settlement (BPA) and 3) a water resolution concerning water storage. The WPUA Building Development Committee recommended that a new building be constructed to provide optimal use of the Olympia property. Commissioner Simpson will request more data to analyze the benefits of selling the property versus rebuilding on the same lot prior to voting on that issue.

Commissioner Haffner reported on the Port Angeles Business Association meeting. The recent interlocal agreement between Clallam County PUD and the Port of Port Angeles was mentioned at this meeting. Invitations to present the facts at a future meeting may be sent out to the involved parties.

Commissioner Purser reported on his interview for Radio Station KONP on the Todd Ortloff Show at 1:00 p.m. today. He presented the issues of the BPA settlement and reasons why the Clallam County PUD Commissioners voted against the settlement offer.

Mr. Bickford presented the General Manager's Report. He announced the dates of February 28 and 29 for the KONP Home Show, sponsored by Clallam County PUD. An article on green power, the BPA News Release dated January 22, and the KONP Newsradio news item for Jan. 22nd were reviewed. Mr. Bickford has received from BPA a matrix showing utility responses to the BPA settlement. A pertinent article by Ben Tansey from the "Clearing Up" newsletter was also discussed.

Mr. Bickford presented two letters of commendation for PUD employees: 1) Letter from Sheila Gardner, BPA, complimenting Dave Johnson in Utility Services and praising the District's "exemplary Conservation Augmentation Program". 2) Clark Public Utilities letter of appreciation for aid provided by District employees and for their "safe, courteous and professional attitudes" in their contributions to the expeditious restoration of storm damages this month. Employees who provided aid were Sam Parks, Larry Williams, Timm Kelly, and Brad Partridge.

The Hotline newsletter to be mailed as a bill insert in February was discussed. It states some of the reasons why the BPA settlement was not in the best interests of the people of Clallam County and thanks those customers who took the time to respond to the September 2003 bill insert. A notebook containing

customer responses has been assembled, containing 255 letters or emails. This does not include records of telephone calls received.

Attendance at meetings was confirmed and approved.

There being no further business to come before the Commission, the meeting adjourned at 3:43 p.m. to meet again, Monday, February 2, 2004, at 1:30 p.m. in the Port Angeles office.