

PUBLIC UTILITY DISTRICT NO. 1 OF CLALLAM COUNTY  
MINUTES OF THE REGULAR WEEKLY MEETING OF  
THE BOARD OF COMMISSIONERS  
JUNE 1, 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; Ken Morgan, Transmission and Substation Systems Manager; Dave Proebstel, Distribution Systems Manager; and Carol Biss, Executive Assistant.

Others present were: Cindy Kelly, Dick Sieg, and Ed Tuttle.

Upon recommendation of staff and on motion of Commissioner Haffner, seconded by Commissioner Simpson and carried, the Commission adopted Resolution 1754-04, which established the list of Titles and Salary Ranges for Staff Employees and added the position of SCADA Administrator to the list.

Mr. Ed Tuttle and Mr. Richard Sieg asked the Commissioners to refrain from accepting the pre-annexation language in the proposed wholesale water contract between the District and the City of Port Angeles. The discussion that followed included a suggestion to survey District customers in the Urban Growth Area east of Port Angeles. On motion of Commissioner Haffner, seconded by Commissioner Purser and carried, the Commission approved, subject to legal advise, polling District water customers in the UGA to determine if customers are in favor of annexation by the City of Port Angeles and if they want the District to accept the pre-annexation language in the proposed wholesale water contract with the City. Commissioner Simpson voted against the motion and said that he agreed with surveying customers to determine their views on whether or not the District should accept the wholesale water contract, but he was reluctant to poll District customers about their positions on annexation.

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 in the amount of \$171,916.92 for June 1, 2004.

Commissioner Haffner reported on the Electric Service Regulations work session.

Commissioner Purser reported on a meeting with the City of Port Angeles regarding the wholesale water contract.

General Manager Bickford reported that he sent a warrant to the City of Port Angeles that represented the difference between the wholesale rate the City is currently billing the District and the rate for 2004 shown in the proposed wholesale water contract. In the accompanying letter, he asked that future billings be at the 2004 rate. He reported that Grays Harbor PUD invited the District to participate join them on a trip to Washington, D.C. There would be representatives from three other utilities. The Commissioners agreed that the District should not send a representative at this time, but would consider invitations for future trips. Mr. Bickford reported on two contract completions. All work under the contract with L & M Truck Sales, Inc. for furnishing an articulating crane and 18-ft flatbed and installing it on District-supplied cab-chassis is complete. (Bid No. 030813) The total amount of the contract was \$135,792.78, including Washington State sales tax and one change order. Work under the contract with Bruch and Bruch Construction, Inc. for trenching and backfilling for underground cable along Highway 101 - Nolan Creek Bridge Rebuild is complete. (Purchase Order No. 8267-E) The total cost of the project was \$20,646, including Washington State sales tax.

Power Resources and Telecommunications Manager Mitchell discussed a broadband system line extension from Laird's Corner to the communications tower owned by the Elwha Tribe. He said that the tribal Chief of Police had discussed grants that may be available to fund a portion of the project. Mr. Mitchell asked if the Commissioners were interested in having him pursue the matter further. After discussion, the Commissioners agreed that staff should obtain additional information and present a proposal for a line extension. There was a discussion of the 13 percent line item on the electric bills, and the Commissioners directed staff to continue printing the message. Mr. Mitchell discussed proposed market research to determine what customers think about the conservation programs the District offers and to assess what customers want. At next week's meeting, he will present additional information and ask the Commissioners to consider approving a customer survey.

Attendance at meetings was approved.

The regular meeting recessed at 2:32 p.m. to go into executive session regarding personnel matters. There being no further business to come before the Commission, the meeting adjourned at 3:04 p.m. to meet again Monday, June 7, 2004, at 1:30 p.m. in the Port Angeles office.