

PUBLIC UTILITY DISTRICT NO. 1 OF CLALLAM COUNTY
MINUTES OF THE REGULAR WEEKLY MEETING OF
THE BOARD OF COMMISSIONERS
APRIL 28, 2008

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

Staff present were: Doug Nass, General Manager; Joshua Bunch, Treasurer Controller; Jana Robbins, District Auditor; Fred Mitchell, Power Resources and Utility Services Manager; Larry Morris, Support Services and Safety Manager; and Carol Biss, Executive Assistant.

Others present were: Eloise Kailin, Cindy Kelly, Teri Martin, and Linda Rotmark.

On motion of Commissioner Purser, seconded by Commissioner Simpson and carried, the Commission approved the minutes of the April 21, 2008 regular weekly meeting as submitted.

Upon recommendation of staff and on motion of Commissioner Simpson, seconded by Commissioner Purser and carried, the Commission authorized the General Manager to sign the 2008 Partner Contract with Clallam County Economic Development Council.

Power Resources and Utility Services Manager Mitchell reviewed the cost and advantages of becoming a member of The Climate Registry. Upon recommendation of staff and on motion of Commissioner Purser, seconded by Commissioner Simpson and carried, the Commission authorized the General Manager to sign a Statement of Intent Form for the District's participation in The Climate Registry.

On motion of Commissioner Simpson, seconded by Commissioner Purser and carried, the Commission adopted Resolution 1867-08 establishing compensation for the District Auditor.

Dr. Eloise Kailin was present to express her concerns about whether the fluorosilicic acid in the City of Port Angeles' drinking water meets NSF Standard 60 (National Sanitation Foundation Standard 60). She reviewed correspondence she has had with the Department of Health regarding this matter. She said that the State Department of Health will be meeting with the Clallam County Department of Health on June 17, 2008, at 1:30 p.m. and recommended that someone from the District attend the meeting.

A list of claim vouchers as certified by the General Manager and District Auditor was considered. On motion of Commissioner Purser, seconded by Commissioner Simpson and carried, the Commission approved payment of claim vouchers in the amount of \$358,096.12 for April 28, 2008. District Auditor Robbins reported that the claim vouchers included 48 rebates for conservation programs totaling \$10,070.11.

Commissioner Purser reported on Energy Northwest meetings he attended last week. A resolution was passed accepting the District's application for membership in Energy Northwest. Some of the topics discussed were Energy Northwest's relationship with Bonneville Power Administration, possible sites for a new repository for nuclear waste, potential construction of new nuclear plants, and the Reardon Wind Project. He said that at the American Public Power Annual Meeting, one of the proposed resolutions to be voted on pertains to closing the fuel cycle.

Commissioners Simpson reported on a Port Angeles Business Association meeting where Representative Van de Wege presented an overview of the 2008 State legislative session.

Treasurer Controller Bunch presented the Treasurer's Report for March 2008. Interest for the month totaled \$101,288.96; cash totaled \$4,315,965.82; and the total amount invested was \$16,712,249.76. Mr. Bunch presented revised Treasurer's Reports for December 2007, January and February 2008 with revised Water investment allocations. He informed the Commissioners that bond proceeds of \$8,588,241.86 were received on April 24. \$1,356,22.12 was used to reimburse the Operating Fund for expenditures on the Johnson Creek Substation and the remainder was invested. He reported on the Washington PUD Association Finance Officers meeting and performance-based audits. He informed the Commission that the State Auditor's Office will start the first performance audits of PUDs this year with Grant, Chelan and Douglas and others to follow.

The Commissioners will hold a work session on Monday, May 5, 2008, at 10 a.m. at the Port Angeles office to discuss future power resources.

There being no further business to come before the Commission, the meeting adjourned at 3:24 p.m. to meet again, Monday, May 5, 2008, at 1:30 p.m. in the Port Angeles office.