

PUBLIC UTILITY DISTRICT NO. 1 OF CLALLAM COUNTY
MINUTES OF THE REGULAR WEEKLY MEETING OF
THE BOARD OF COMMISSIONERS
FEBRUARY 25, 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 and W.E. Purser, Secretary. Commissioner Simpson was excused.

Staff present were: Doug Nass, General Manager; Joshua Bunch, Treasurer Controller; Dave Proebstel, Chief Engineer; Dennis Shaw, Support Services Manager; Roger Hosto, Operations Superintendent; John Purvis, Distribution Engineer; Larry Morris, Services Manager; Tom Martin, Water and Wastewater Systems Assistant Superintendent; and Carol Biss, Executive Assistant.

Others present were: Cindy Kelly and Teri Martin.

On motion of Commissioner Purser, seconded by Commissioner Haffner and carried, the Commission approved the minutes of the February 11, 2008 meeting as amended.

Upon recommendation of staff and on motion of Commissioner Purser, seconded by Commissioner Haffner and carried, the Commission awarded Bid No. 080802 to Potelco, Inc. for installing single phase underground cable-in-conduit in the Upper Hoh River area.

Upon recommendation of staff and on motion of Commissioner Purser, seconded by Commissioner Haffner and carried, the Commission accepted Contract No. 060816 with Wesco Distribution, Inc. for underground electrical cable-in-conduit in the amount of \$498,531.27, including Washington State sales tax.

Upon recommendation of staff and on motion of Commissioner Purser, seconded by Commissioner Haffner and carried, the Commission awarded Bid No. 080803 to Asplundh Tree Expert Company for hourly tree trimming crew and equipment.

Upon recommendation of staff and on motion of Commissioner Purser, seconded by Commissioner Haffner and carried, the Commission adopted Resolution 1860-08 declaring BHC Consultants a sole source supplier for the Carlsborg Reclaimed Water Reuse Project.

The Commissioners will hold a work session on Monday, March 3, 2008, at 10 a.m. at the Port Angeles office. The purpose of the work session is to review the District's facilities access policy.

Lists of claim vouchers as certified by the General Manager and District Auditor were considered. On motion of Commissioner Purser, seconded by Commissioner Haffner and carried, the Commission approved payment of claim vouchers in the amount of \$3,345,077.68 for February 18, 2008. On motion of Commissioner Purser, seconded by Commissioner Haffner and carried, the Commission approved payment of claim vouchers in the amount of \$354,779.63 for February 25, 2008. Treasurer Controller Bunch reported that the vouchers for February 18 included 18 rebates for conservation programs totaling \$9,000.

Mr. Bunch presented the Treasurer's Report for the month of January 2008. The total amount invested was \$15,553,741.49; cash totaled \$5,447,305.33, and interest for the month totaled \$87,765.86.

The Commissioners scheduled a work session on March 5 at 9 a.m. at the Port Angeles office to review the electric cost-of-service study.

Commissioner Purser reported on a meeting of the Sequim Chamber of Commerce and a meeting of the Dungeness Water Executive Committee. He reported on a discussion at the Dungeness Water Executive Committee meeting about exempt well use and credit for recycling water. He expressed concern that although the Dungeness meetings have been described as a public process, and the interest of the District and its customers has not been effectively heard or addressed. Based on the discussion that followed, the General Manager's staff will draft a letter to the Governor Gregoire expressing the District's concerns.

Water and Wastewater Systems Assistant Superintendent Martin reported on updating the Water Department Emergency Management Plan. After the water main break at the Little Hoko River, staff reviewed emergency management procedures, looking for areas to improve. Mr. Martin said that during the time of the break and repair, there was no violation of drinking water. The District took water samples throughout the entire repair process and none of the tests resulted in a violation. However, staff did identify opportunities for improving communication. Tom Martin contacted Mr. Bob Martin, Manager of Utilities and Emergency Management for Clallam County, about communication in remote rural areas. Tom Martin will continue to work on updating the Water Department Emergency Management Plan with the District's Support Services and Safety Manager, Larry Morris.

General Manager Nass presented photographs of the water main break on February 5 at the Little Hoko River. He also reported on a presentation by the Army Corps of Engineers on February 14. The Corps is preparing to search for remnants of ordnance on a 2629-acre site that was used as a combat range in the 1940's. The area, which is near the top of Deer Park Road, is part of the Morse Creek Watershed. Mr. Nass attended the meeting to evaluate if a portion of the property might be suitable as a reservoir site. This is one of 1,658 sites across the country that the Corps intends to inspect for ordnance. By 2010, the Corps will make a determination about which sites need further work and will then place those sites on a prioritized list.

Attendance at meetings was confirmed and approved.

There being no further business to come before the Commission, the meeting adjourned at 2:39 p.m. to meet again for a regular weekly meeting on Monday, March 3, 2008, at 1:30 p.m. in the Port Angeles office.