

MINUTES OF REGULAR MEETING OF THE COMMISSION  
OF PUBLIC UTILITY DISTRICT NO. 1 OF CHELAN COUNTY, WASHINGTON

March 23, 2009

The regular meeting of the Commission of Public Utility District No. 1 of Chelan County, Washington, was held in the office of the District, 327 North Wenatchee Avenue, Wenatchee, Washington, on March 23, 2009, at the hour of 11:00 a.m., pursuant to proper notice thereof.

Commissioners present were Ann Congdon, Dennis Bolz, Randy Smith, Carnan Bergren and Norm Gutzwiler. In attendance were Acting General Manager Joe Jarvis, Attorney Karen Wiggum and Clerk of the Board Sheila Salmon. Various staff members were also in attendance.

Others in attendance: Donald Wright, Bill Stokes, Bob Huber, Sally VanDun, Stan Fishborn, Steve May, Linda May, Jodine Sherin, Dave Sherin, Jill Donahou, Richard Kopczynski and Chrisinte Pratt (Wenatchee World).

Budget Manager TJ Farrell led the Pledge of Allegiance and provided a safety minute.

President Congdon presented the Consent Agenda items for adoption. She asked if any item on the Consent Agenda should be transferred to the Regular Agenda for further review. No items were requested to be transferred to the Regular Agenda. President Congdon presented the Consent Agenda items for adoption as follows:

The minutes of the regular meetings held on March 9, 2009, March 12, 2009 (special meeting), March 16, 2009 (study session) and March 16, 2009 (special meeting) were presented for approval.

The Auditor's memorandum, dated March 17, 2009, supporting documentation and the District's Computer Report, which certify, pursuant to RCW 42.24.080, that the District received certain goods, services and other considerations specified therein and described as follows were presented for approval:

1. Claims certified by the Auditor for payment and authorization for the Auditor to issue warrants payable by the Treasurer for services, goods and other considerations received by the District in the total amount of \$7,287,429.66;
2. Customer Deposit Returns payment dated March 17, 2009 in the amount of \$9,476.38; and
3. Net Payrolls, Warrant Nos. 221693 through 221793 and Advice Nos. 489227 through 489877 for the period ending 3/01/2009 in the amount of \$1,395,905.54.

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## Resolutions:

RESOLUTION NO. 09-13441 APPROVING FIELD WORK ORDER NO. 1 EXTENDING CONTRACT 06-14 WITH HENKELS & MCCOY, INC. OF PORTLAND, OR TO PROVIDE CONDUIT INSTALLATION FOR AN ADDITIONAL ONE YEAR PERIOD

Motion was made by Commissioner Smith, seconded by Commissioner Bolz and unanimously carried adopting the Consent Agenda consisting of the minutes of the March 9, 2009, March 12, 2009 (special meeting), March 16, 2009 (study session) and March 16, 2009 (special meeting), the above listed vouchers and Resolution No. 09-13441, which are on file in the offices of the District.

Next, the Commission considered the matters listed in the Regular Agenda.

RESOLUTION NO 09-13442 REPLACING AND RESCINDING RESOLUTION NO. 08-13358 TO UPDATE THE INVESTMENT AND BANKING POLICY OF THE DISTRICT TO REFLECT CHANGES IN AUTHORIZED INVESTMENTS, DIVERSIFICATION LIMITS, DISTRICT EMPLOYEES AND BANKS AUTHORIZED TO HOLD DISTRICT FUNDS

RESOLUTION NO. 09-13443 AMENDING SERVICE AGREEMENT (SA NO. 07-203) AND AUTHORIZING TASK AUTHORIZATION NO. 2 WITH ERGONARE, INC., OF PHOENIX, ARIZONA, FOR MAXIMO UPGRADE AND IMPLEMENTATION SERVICES

Motion was made by Commissioner Gutzwiler, seconded by Commissioner Smith to adopt Resolution Nos. 09-13442 and 09-13443. The motion unanimously carried to adopt Resolution Nos. 09-13442 and 09-13443, which are on file in the offices of the District.

Governmental Affairs Manager Suzanne Grassell, Policy Analyst Marty Whiteman and legislative consultant Dave Arbaugh updated the Board on specific legislation important to the District in the 2009 Legislative Session. Staff is monitoring over 108 bills out of 790 bills still pending. House bills must pass Senate policy committees and vice versa by April 6, 2009. Staff highlighted activity in Olympia last week:

- Recreational use statute amendment (limit on whitewater boating liability) – Senator Parlette following up with Senator Kline of the Judiciary Committee. Still seeking bills that may be appropriate to amend.
- Amendment to Initiative I-937, HB 5840 – Pending before Rep McCoy's House Committee tentatively scheduled for hearing on Wednesday. HB 5840 allows eligible renewable to be obtained WECC-wide starting 2012; keeps 2012 goal at 3%; restricts

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load growth protection to small utilities (under 2 million megawatts annually); and there appears to be no wind/hydro firming study.

- Climate Change SB5735 is scheduled for executive action in the House Committee on Ecology and Parks on March 27. Legislation now under consideration is sharp emission reductions on the coal plant in Centralia. The bill is now more of study.
- District staff is reviewing surviving bills and are preparing for possible compliance obligations.

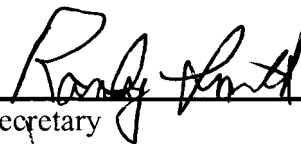
Steve May, Secretary/Treasury of Tall Time Homeowners along with several residents of the White River Road area asked Commissioners to designate their area for future fiber-optic service. The District fiber build-out plan that calls for 95 percent of the county to be served by 2012 has been postponed in some areas this year due to budget cutbacks required by the global financial downturn. Commissioners responded to the group's request by saying that they expect the fiber build-out to move back to normal as soon as financial conditions improve.

Next, the Commissioners reported on the various meetings each attended during the weeks of March 9, 2009 and March 16, 2009.

There being no further business, the meeting adjourned at 12:30 p.m.



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President

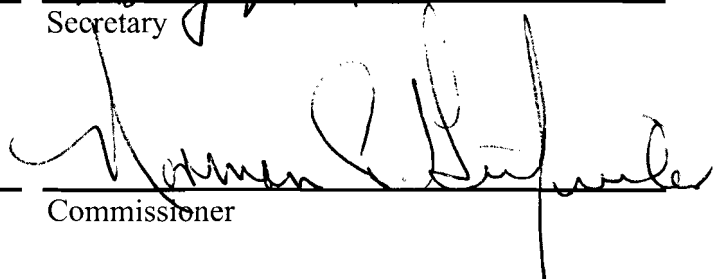


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Secretary

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Vice President



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Commissioner



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