

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

February 22, 2010

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 February 22, 2010, at the hour of 1:00 p.m., pursuant to proper notice thereof.

Commissioners present were Dennis Bolz, Norm Gutzwiler and Ann Congdon. Commissioner Randy Smith attended via telephone. Commissioner Carnan Bergren was excused to attend the American Public Power Association Legislative Rally. In attendance were General Manager Rich Riazzi, General Counsel Carol Wardell and Clerk of the Board Sheila Salmon. Various staff members were also in attendance.

Others in attendance: Bob Huber and Christine Pratt (Wenatchee World).

Office Service Support Specialist Teka Parks led the Pledge of Allegiance and provided a safety minute.

President Bolz presented the Consent Agenda Items for adoption. He 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 Bolz presented the Consent Agenda items for adoption as follows:

The minutes of the meetings held on February 8, 2010 regular meeting, February 16, 2010 study session and February 17, 2010 special meeting were presented for approval.

The Auditor's memorandum, dated February 16, 2010, 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 \$4,337,972.64;
2. Approval of Customer Deposit Returns payment dated February 16, 2010 in the amount of \$7,457.63; and
3. Approval of the net Payrolls, Warrant Nos. 223919 through 223996 and Advice Nos. 505109 through 505729 for the period ending 1/31/2010 in the amount of \$1,353,438.90.

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Motion was made by Commissioner Congdon, seconded by Commissioner Gutzwiler and carried adopting the Consent Agenda consisting of the minutes of the meetings held on February 8, 2010 regular meeting, February 16, 2010 study session and February 17, 2010 special meeting and the above listed vouchers, which are on file in the offices of the District.

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

RESOLUTION NO. 10-13526 AUTHORIZING THE GENERAL MANAGER OF THE DISTRICT TO EXECUTE A SERVICES AGREEMENT WITH HDR ENGINEERING INC. OF BILLINGS, MONTANA FOR PROFESSIONAL ENGINEERING SERVICES RELATED TO THE MCKENZIE TO WENATCHEE 115KV TRANSMISSION LINE UPGRADE (SA 09-203)

RESOLUTION NO. 10-13527 APPROVING AMENDMENT NO. 1 TO CONTRACT NO. 01-36 WITH ALSTOM HYDRO US INC. OF LITTLETON, COLORADO FOR THE REPAIR OF GENERATOR UNITS C-1 – C-7 AT THE ROCKY REACH HYDROELECTRIC PROJECT

A motion was made by Commissioner Congdon, seconded by Commissioner Gutzwiler and carried adopting Resolution Nos. 10-13526 and 10-13527, which are on file in the offices of the District.

Public Information Officer Kimberlee Craig presented a preview of the 2009 Annual Report design. Senior Accounting Analyst Melia Mayer told Commissioners that the financial information is currently being reviewed by financial auditors Price Waterhouse Coopers. The final report is expected to be completed by the end of April and will be available at www.chelanpud.org.

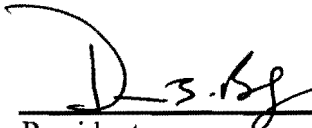
External Affairs Director Jeff Smith, Policy Analyst Marty Whiteman and Governmental Affairs Manager Suzanne Grassell reported on specific legislation important to the District in week #7 of the 2010 legislative session. Items discussed included: the District's proposed amendment to the Recreational Use Statute died in the Senate; proposed revisions to the Energy Independence Act are done for this session; a bill that would reorganize the state natural resources agencies was heard in committee; and the District chose not to sign a regional letter regarding transmission planning/system expansion costs. (For a list of proposed bills that are of interest to the District, see www.chelanpud.org.)

Commissioners reported on the various meetings each attended during the weeks of February 8, 2010 and February 16, 2010.

President Bolz noted that the March 1, 2010 study session was canceled at a previous meeting.

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There being no further business, the meeting adjourned at 2:07 p.m.



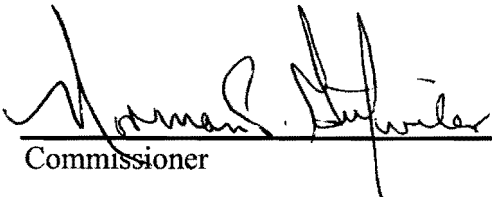
President



Vice President



Secretary



Commissioner

Commissioner