

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

July 6, 2010

The regular meeting (study session) 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 July 6, 2010, at the hour of 1:00 p.m., pursuant to proper notice thereof.

Commissioners present were Dennis Bolz, Randy Smith, Carnan Bergren, Norm Gutzwiler and Ann Congdon. In attendance were Acting General Manager John Janney, General Counsel Carol Wardell and Clerk of the Board Sheila Salmon. Various staff members were also in attendance.

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

On-Call Office Services 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. He requested that agenda item No. 4, Charge-Offs, be pulled from the Consent Agenda and recused himself from the vote on this item. Resolution No. 5 was also pulled from the Consent Agenda. No additional items were requested to be transferred to the regular Agenda.

A motion was made by Commissioner Congdon to pull from the Consent Agenda item No. 4 and No. 5 and move both to Regular Agenda and to approve the Consent Agenda as revised.

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

The minutes of the regular meeting held on June 21, 2010 and the special meeting (Tri-commission meeting) held on June 29, 2010 were presented for approval.

The Auditor's memorandum, dated June 22, 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 \$22,458,181.24;
2. Approval of Customer Deposit Returns payment dated June 22, 2010 in the amount of \$4,452.38; and

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3. Approval of the net Payrolls, Warrant Nos. 224657 through 224746 and Advice Nos. 511016 through 511702 for the period ending 6/20/2010 in the amount of \$1,482,767.22.

The motion was seconded by Commissioner Bergren and passed to adopt the Consent Agenda consisting of the minutes of the regular meeting held on June 21, 2010, the special meeting held on June 29, 2010, 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.

A motion was made by Commissioner Smith to approve Charge-offs to Uncollectible Accounts in the Amount of \$9,415.16 for the period ending April 2010. The motion was seconded by Commissioner Gutzwiler and carried. President Bolz recused himself from the vote.

RESOLUTION NO. 10-13556 AUTHORIZING FINAL ACCEPTANCE OF PERFORMANCE UNDER BID NO. 07-32 WITH CANYON FENCE COMPANY OF CASHMERE, WASHINGTON AND AUTHORIZING PAYMENT OF RETAINAGE

A motion was made by Commissioner Congdon, seconded by Commissioner Smith and passed to adopt Resolution No. 10-13556, which is on file in the offices of the District.

Commissioners reported on the various meetings each attended during the weeks of June 21, 2010 and June 28, 2010.

A motion was made by Commissioner Congdon to excuse Commissioner Smith from the July 12, 2010 regular meeting. The motion was seconded by Commissioner Bergren and carried.

A motion was made by Commissioner Smith to excuse Commissioner Bolz from the July 26, 2010 and August 2, 2010 regular meetings. The motion was seconded by Commissioner Gutzwiler and carried.

General Counsel Carol Wardell mentioned that three or more Commissioners will be attending the Washington Public Utility District Association Meetings on July 15 and 16, 2010 in Olympia, Washington. According to RCW 42.030.070 and past discussions with the state auditor, it is not necessary to declare and notice the meetings as public meetings as Commissioners will not be discussing District business or making any decisions.

President Bolz publicly announced that the Commission would convene an executive session at 1:25 p.m. to evaluate the qualifications of an applicant for public employment or to review the performance of a public employee, as authorized by RCW 42.30.110(1)(g). He stated that he anticipated the executive session would conclude at approximately 3:25 p.m.

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By motion made by Commissioner Smith at 1:25 p.m., seconded by Commissioner Gutzwiler and carried, an executive session was convened. The notice of such executive session, including the purpose of the session and the estimated time the session would conclude was properly posted by the Clerk of the Board.

Reconvening into regular session at 3:27 p.m., the Commissioners reported that they evaluated the qualifications of an applicant for public employment or to review the performance of a public employee, as authorized by RCW 42.30.110(1)(g). No action was taken.

President Bolz publicly announced that the Commission would recess for a five minutes and would reconvene back into regular session at approximately 3:35 p.m.

Reconvening into regular session at 3:37 p.m., President Bolz announced the resignation of Rich Riazzi as General Manager to take effective July 27, 2010. Commissioners discussed the need to appoint an Interim General Manager as of July 28, 2010.

A motion was made by Commissioner Smith to appoint Executive Manager Chief Financial Officer / Risk Officer John Janney as Interim General Manager as of July 28, 2010 and to remain in the position until a new General Manager is selected. The motion was seconded by Commissioner Congdon and carried with a unanimous vote.

A motion was made by Commissioner Gutzwiler to excuse Commissioner Bergren from the August 9, 2010 regular meeting. The motion was seconded by Commissioner Smith and carried.

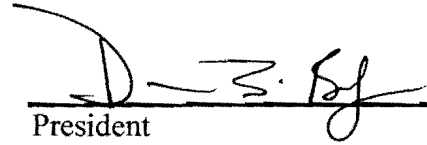
A motion was made by Commissioner Bergren to declare a special meeting on Tuesday, August 3, 2010, at 10:00 a.m. in the Commissioners Board Room, 327 North Wenatchee Avenue, Wenatchee, Washington to discuss the process for hiring the next General Manager. The motion was seconded by Commissioner Smith and carried.

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There being no further business, the meeting was adjourned at 3:52 p.m.

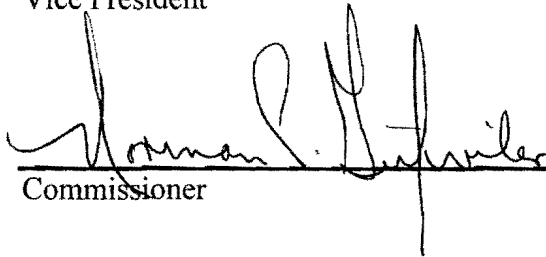


President

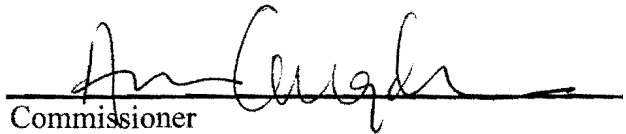
Vice President



Secretary



Commissioner



Commissioner