

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

July 12, 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 July 12, 2010, at the hour of 1:00 p.m., pursuant to proper notice thereof.

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

Others in attendance: Stan Morse, Martin Palmaz, Rich Hass, Jenae Miller and Christine Pratt (Wenatchee World).

Student of Communications Graham Cooper 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 regular meeting held on June 14, 2010 and the regular meeting (study session) held on July 6, 2010 were presented for approval.

The Auditor's memorandum, dated July 6, 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 \$18,927,385.32;
2. Approval of Customer Deposit Returns payment dated July 6, 2010 in the amount of \$984.62; and
3. Approval of the net Payrolls, Warrant Nos. 224747 through 224832 and Advice Nos. 511703 through 512375 for the period ending 6/20/2010 in the amount of \$1,415,240.36.

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Resolutions:

RESOLUTION NO. 10-13557 APPROVING FIELD WORK ORDER NO. 5, AUTHORIZING FINAL ACCEPTANCE OF WORK PERFORMED UNDER BID NO. 04-20 WITH GCA SERVICES GROUP, INC. OF SEATTLE, WA AND AUTHORIZING RELEASE OF THE BOND IN LIEU OF RETAINAGE FOR JANITORIAL SERVICES AT HEADQUARTERS COMPLEX

RESOLUTION NO. 10-13558 APPROVING FIELD WORK ORDER NOS. 1 THROUGH 4, AUTHORIZING FINAL ACCEPTANCE OF WORK PERFORMED UNDER BID NO. 09-21 WITH G.G. RICHARDSON, INC. OF WENATCHEE, WASHINGTON AND AUTHORIZING PAYMENT OF RETAINAGE

RESOLUTION NO. 10-13559 AUTHORIZING FINAL ACCEPTANCE OF PERFORMANCE UNDER BID NO. 06-14 WITH HENKELS & MCCOY, INC. OF PORTLAND, OREGON AND AUTHORIZING RELEASE OF THE BOND IN LIEU OF RETAINAGE

A motion was made by Commissioner Congdon, seconded by Commissioner Bergren to adopt the Consent Agenda consisting of the minutes of the regular meeting held on July 6, 2010, the above listed vouchers and Resolution Nos. 10-13557 through 10-13559 which are on file in the offices of the District.

A motion was made by Commissioner Gutzwiler to excuse Commissioner Congdon from the July 26, 2010 regular meeting. The motion was seconded by Commissioner Bergren and passed.

Managing Director of Operations Kirk Hudson reported that the Swakane Canyon fire which started over the weekend has damaged one transmission pole and one distribution pole. So far, most of the line has escaped serious damage. He added that crews were dispatched to spray fire-retardant coating on poles in the area of the fire to protect the line that carries power from the dam to Chelan.

Director of Accounting Diane Cooper presented information on Regulatory Accounting. (See www.chelanpud.org for the presentation) She stated that Regulatory Accounting permits an entity with cost-based rates to defer certain costs or income that would otherwise be recognized when incurred to the extent that the rate-regulated entity recovers or expects to recover such amount in rates charge to its customers. She will return to with a proposal for implementation of the program on July 26, 2010.

Rich Hass, member of the United States Hang Gliding and Paragliding Association, made a request to allow competitors camping at Beebe Bridge Park to stay longer than the current 10 day limit which park policy allows. A motion was made by Commissioner Congdon to allow

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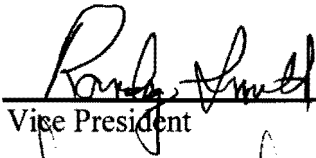
members to stay longer than the 10-day limit subject to parameters set by the Parks department. The motion failed for lack of a second.

There being no further business, the meeting was adjourned at 2:17 p.m.

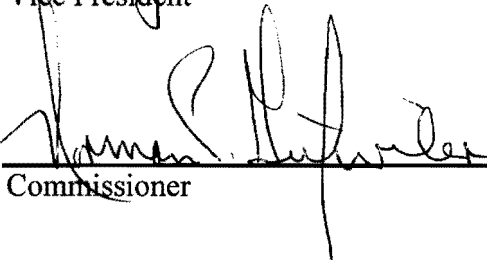
President



Secretary



Vice President



Commissioner

Commissioner