

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

July 17, 2006

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 17, 2006, at the hour of 1:00 p.m., pursuant to proper notice thereof.

Commissioners present were Gary L. Montague, Norm Gutzwiler, Ann Congdon, Werner Janssen (via telephone) and Dale R. Boyd. In attendance were General Manager Richard Riazzi, General Counsel Carol Wardell and Clerk of the Board Melisa McPherren. Various staff members in attendance.

Others in attendance: Evelyn Gilbert, Bill Stokes, Tessie Kelley, Jim Baxter, Jean Ludwick and Herb Gardner.

President Montague 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, and President Montague presented the Consent Agenda items for adoption as follows:

The minutes of the regular meeting held on July 10, 2006 were presented for approval.

The Auditor's memorandum, dated July 11, 2006, 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 \$5,023,897.72;
2. Payroll for the period ending June 25, 2006 in the amount of \$1,408,568.74 as certified by the Auditor's memorandum; and
3. Customer Deposit Returns payment dated July 11, 2006 in the amount of \$826.15.

Motion was made by Commissioner Gutzwiler, seconded by Commissioner Congdon and unanimously carried adopting the Consent Agenda consisting of the minutes of the July 10, 2006 Commission meetings and the above-listed vouchers.

The Commission next considered the matters listed in the Regular Agenda.

RESOLUTION NO. 06-12928 ACCEPTING THE BID OF STRIDER CONSTRUCTION CO. INC. OF BELLINGHAM, WASHINGTON TO PROVIDE SKYLINE DRIVE, FIFTH STREET AND VALLEY VUE WATER MAIN REPLACEMENT

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RESOLUTION NO. 06-12929 ACCEPTING THE BID OF STRIDER CONSTRUCTION CO. INC. OF BELLINGHAM, WASHINGTON TO PROVIDE SUNNYSLOPE HEIGHTS, PETERS STREET, ALVISTA STREET, AND VIEW PLACE WATER MAIN REPLACEMENTS

RESOLUTION NO. 06-12930 AUTHORIZING PUBLIC UTILITY DISTRICT NO. 1 OF CHELAN COUNTY TO ENTER INTO AN INTERLOCAL AGREEMENT TO PROVIDE EMERGENCY AND CALLOUT SERVICES TO THE MALAGA WATER DISTRICT ON AN AS NEEDED BASIS

RESOLUTION NO. 06-12931 AUTHORIZING PUBLIC UTILITY DISTRICT NO. 1 OF CHELAN COUNTY TO ENTER INTO AN INTERLOCAL AGREEMENT TO PROVIDE EMERGENCY AND CRITICAL MAINTENANCE WORK AND OTHER LIMITED WORK TO THE CITY OF CASHMERE FOR ITS ELECTRICAL SYSTEM

RESOLUTION NO. 06-12932 ADOPTING AMENDMENTS TO TELECOMMUNICATIONS FACILITIES LICENSE AGREEMENT (DARK FIBER) FOR UTILIZATION BY SERVICE PROVIDERS. NORTHWEST OPEN ACCESS NETWORK ("NOANET"), AND OTHER PUD'S ON CHELAN COUNTY PUBLIC UTILITY DISTRICT'S TELECOMMUNICATIONS NETWORK

RESOLUTION NO. 06-12933 APPROVING AND ACCEPTING THE TERMS AND CONDITIONS OF THE CITY OF LEAVENWORTH FRANCHISE GRANT FOR THE INSTALLATION, OPERATION AND MAINTENANCE OF CHELAN COUNTY PUD ELECTRIC SYSTEM WITHIN THE CITY LIMITS

RESOLUTION NO. 06-12934 AUTHORIZING THE GENERAL MANAGER OF THE DISTRICT TO ENTER INTO A LEASE AGREEMENT WITH PORT OF CHELAN COUNTY FOR THE LEASE OF OFFICE SPACE LOCATED IN THE CONFLUENCE TECHNOLOGY CENTER (CTC), WENATCHEE, WASHINGTON

RESOLUTION NO. 06-12935 APPROVING CHANGE ORDER NO. 6 TO THE ROCKY REACH UNITS C1-C7 GENERATOR REHABILITATION PROJECT, BID NO. 01-36

Commissioner Congdon made a motion for the Board to vote on Resolution Nos. 06-12928 through 06-12933 and 06-12935 and then vote separately on Resolution No. 06-12934. The motion was seconded by Commissioner Janssen and passed.

A motion was made by Commissioner Congdon and seconded by Commissioner Gutzwiler to adopt Resolution Nos. 06-12928 through 06-12933 and 06-12935. The question was called for and the motion carried unanimously to adopt Resolution Nos. 06-12928 through 06-12933 and 06-12935, which are on file in the office of the District.

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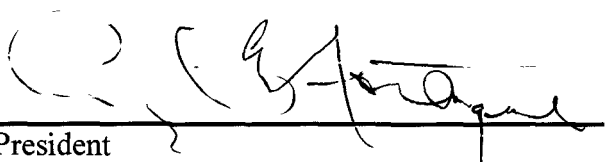
A motion was made by Commissioner Boyd and seconded by Commissioner Janssen to adopt Resolution No. 06-12934. The question was called for and the motion carried 4 to 1 to adopt Resolution No. 06-12934, which is on file in the office of the District. Commissioner Congdon voted against the adoption of the resolution, stating a need for more information justifying the cost of the lease before taking action.

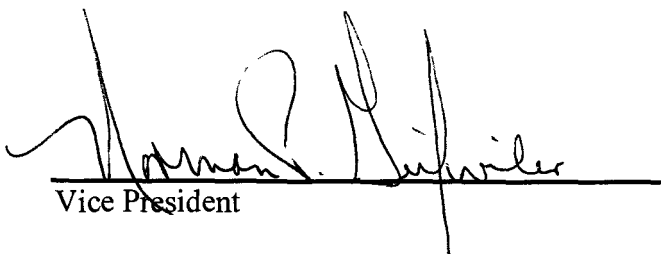
Director of Strategic Planning and District Services Dan Sollom, Communications Web Coordinator Jeri Freimuth and Webmaster Pam Wilson provided Commissioners with a preview of the District's new internet website, set to go live August 1, 2006. The District's digital front door, which was created in 1995 and updated in 1997, is being redesigned to meet the changing needs and growing expectations of the District's customer owners and employees.

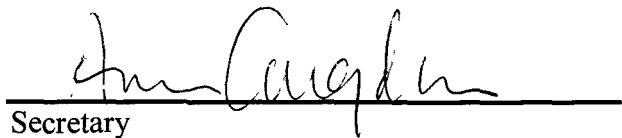
General Manager Richard Riazzi discussed possible dates with the Board for the first session in the series of strategic board sessions to be scheduled for the Board. Mr. Riazzi asked Commissioners to check their calendars for Monday, August 21, 2006 or Wednesday, August 23, 2006 for this session, which will occur at 5:15 p.m. The Board will review their schedules and advise staff on availability.

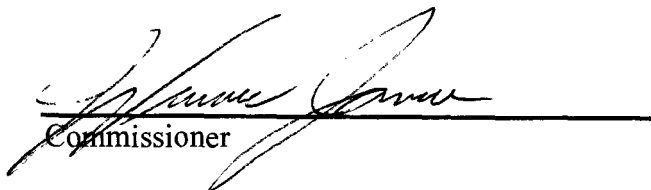
Mr. Riazzi next informed Commissioners that the mid year fiber update scheduled for the July 24, 2006 board meeting has been moved to the Tuesday, September 5, 2006 board meeting to allow staff time to review additional analysis of the business model on a go forward basis.

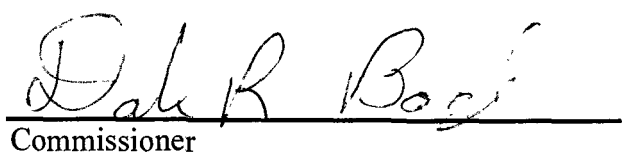
There being no further business, the meeting was adjourned at 3:07 p.m.

  
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President

  
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Vice President

  
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Secretary

  
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Commissioner

  
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Commissioner