

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

January 5, 2009

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 January 5, 2009, at the hour of 11:00 a.m., pursuant to proper notice thereof.

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

Others in attendance: Chelan County Auditor Evelyn Arnold, Gary Montague, Mikael Montague, Bob Huber, Bill Stokes, Barbara Tilly, June Bergren and Christine Pratt (Wenatchee World).

Safety & Health Director Ron Franklin led the Pledge of Allegiance and provided a safety minute.

Chelan County Auditor Evelyn L. Arnold swore in new Commissioner Carnan Bergren and continuing Commissioner Norm Gutzwiler. Both Commissioners were elected in November 2008 to begin their terms January 1, 2009. Commissioners repeated and each signed an oath of office, which is on file in the office of the County Auditor.

Acting President Gutzwiler asked if the Commission wanted to proceed with the election of officers. A motion was made by Commissioner Congdon, seconded by Commissioner Smith and unanimously approved to have General Counsel Carol Wardell preside over the election of officers of the Board.

General Counsel Wardell opened nominations for the office of President. Commissioner Bolz nominated Commissioner Congdon. Commissioner Gutzwiler moved that the nominations cease and a unanimous ballot be cast for Commissioner Congdon. The motion was seconded by Commissioner Smith and the nomination to elect Commissioner Congdon President passed unanimously.

General Counsel Wardell opened nominations for the office of Vice President. Commissioner Smith nominated Commissioner Bolz. Commissioner Gutzwiler moved that the nominations cease and a unanimous ballot be cast for Commissioner Bolz. The motion was seconded by Commissioner Congdon and the nomination to elect Commissioner Bolz Vice President passed unanimously.

General Counsel Wardell opened nominations for the office of Secretary. Commissioner Congdon nominated Commissioner Smith. Commissioner Gutzwiler moved that the nominations cease and a unanimous ballot be cast for Commissioner Smith. The motion was seconded by Commissioner Congdon and the nomination to elect Commissioner Smith Secretary passed unanimously.

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The slate of officers for 2009 will be as follows:

Ann Congdon, President
Dennis Bolz, Vice President
Randy Smith, Secretary
Norm Gutzwiler, Commissioner
Carnan Bergren, Commissioner

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. President Congdon presented the Consent Agenda items for adoption as follows:

The minutes of the regular meeting held on December 15, 2008 were presented for approval.

The Auditor's memorandum, dated December 23, 2008, 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 \$11,592,107.84;
2. Approval of Customer Deposit Returns payment and Bank of America District Credit Card payment dated December 23, 2008 in the amount of \$11,948.88 and \$5,797.57 respectively; and
3. Approval of the net Payrolls, Warrant Nos. 221113 through 221212 and Advice Nos. 485371 through 486021 for the period ending 12/07/2008 in the amount of \$1,373,995.48.

Motion was made by Commissioner Gutzwiler, seconded by Commissioner Bolz and unanimously carried adopting the Consent Agenda consisting of the minutes of the December 15, 2008 Commission meeting and the above-listed vouchers.

Representatives of the Clean Air Coalition Gary and Mikael Montague presented \$1,000 from the Coalition to the District's Helping Hand program. Mr. Montague said the District program which provides needy customers with assistance paying their electrical bills helps people avoid using wood heat that can cause air pollution. He also complimented the District on efforts to keep air clean including producing hydropower and chipping instead of burning debris collected from behind Rocky Reach and Rock Island dams.

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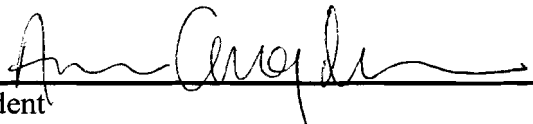
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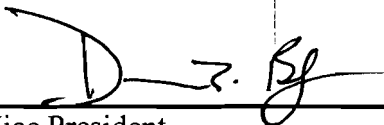
Energy Planning & Trading Manager Janet Jaspers reported that the basin average snow water content for the Chelan Basin has improved from a previous low of below 50 percent in December 2008 to 65 percent of average. Preliminary numbers show that the Upper Columbia, Lower Columbia and Kootenay snotel sites which measure potential runoff into the Columbia River basin that impacts Chelan County dams are at 76 percent to 78 percent of normal as of January 1, 2009.

Commissioners reviewed a working draft of their strategic topic planning calendar for 2009. They discussed setting up sub teams to study topics and share findings with the group. At the next study sessions, Commissioners plan to review annual board training policies and procedures and set a date for a Board strategic retreat to included annual review and revision of the Board's Balanced Scorecard. Commissioners Congdon and Smith will work together to prepare the training options. Director of Strategic Financial Planning Kelly Boyd and Senior Strategic Financial Planning Analyst Scott Taylor offered their assistance with the planning effort. Commissioners Smith and Bolz agreed to be on a sub team to examine the Board's Governance Policy along with assistance from General Counsel Carol Wardell.

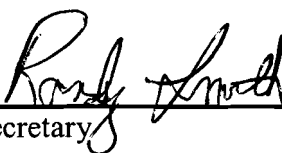
There being no further business, the meeting was adjourned at 11:59 a.m.



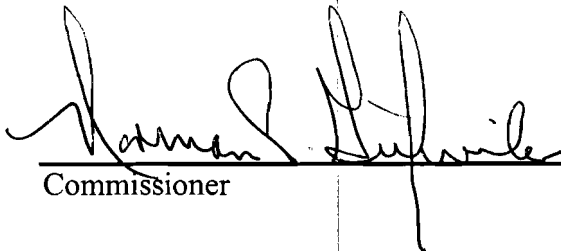
President



Vice President



Secretary



Commissioner



Commissioner

