

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

June 22, 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 June 22, 2009, at the hour of 1:00 p.m., pursuant to proper notice thereof.

Commissioners present were Dennis Bolz, Randy Smith, Carnan Bergren and Norm Gutzwiler. (Commissioner Ann Congdon was excused.) 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).

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

Three employees retiring under the "Double Yes" staff reduction program were recognized for their years of service to the District. Deeda Christensen is retiring after working 26 years for the District. Tom Huber and Janet Anderson worked for the District for 33 years. Commissioners, along with District staff, thanked each employee and presented them with certificates of retirement.

Director of Customer Service John Stoll presented an overview on Electronic Bill Presentment (E-billing). Director Stoll told Commissioners that 33% of customers surveyed in 2007 indicated they would use E-billing to pay their electric, water and sewer bills. He said E-billing would reduce the cost of supplies and equipment maintenance to the District. Staff will develop a request for proposal (RFP) to evaluate vendors to print bills and manage the E-billing along with online payments and interactive voice response payment processes.

Next, Commissioners considered the following resolutions presented by Treasurer Debbie Litchfield.

RESOLUTION NO. 09-13469 AUTHORIZING THE ISSUANCE OF NOT TO EXCEED \$24,040,000 AGGREGATE PRINCIPAL AMOUNT OF CONSOLIDATED SYSTEM REVENUE BONDS, REFUNDING SERIES 2009A AND NOT TO EXCEED \$11,535,000 AGGREGATE PRINCIPAL AMOUNT OF CONSOLIDATED SYSTEM REVENUE BONDS, REFUNDING SERIES 2009B FOR THE PURPOSE OF REFUNDING CERTAIN OUTSTANDING SENIOR CONSOLIDATED SYSTEM BONDS; PROVIDING THE TERMS OF THE 2009A/B BONDS; ESTABLISHING CERTAIN FUNDS AND ACCOUNTS; APPROVING FORMS OF CERTAIN DOCUMENTS AND AGREEMENTS; AND PROVIDING FOR CERTAIN OTHER MATTERS RELATED THERETO.

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RESOLUTION NO. 09-13470 AUTHORIZING THE ISSUANCE OF NOT TO EXCEED \$24,040,000 AGGREGATE PRINCIPAL AMOUNT OF CONSOLIDATED SYSTEM SUBORDINATE REVENUE NOTES, SERIES 2009A AND NOT TO EXCEED \$11,535,000 AGGREGATE PRINCIPAL AMOUNT OF CONSOLIDATED SYSTEM SUBORDINATE REVENUE NOTES, SERIES 2009B FOR THE PURPOSE OF PURCHASING CERTAIN CONSOLIDATED SYSTEM REVENUE BONDS; PROVIDING THE TERMS OF THE 2009A/B NOTES; ESTABLISHING CERTAIN FUNDS AND ACCOUNTS; APPROVING FORMS OF CERTAIN DOCUMENTS; AND PROVIDING FOR CERTAIN OTHER MATTERS RELATED THERETO.

RESOLUTION NO. 09-13471 APPROVING THE EXECUTION OF THE 2009 REVERSAL SWAP TRANSACTIONS, DELEGATING AUTHORITY TO THE CHIEF FINANCIAL OFFICER AND THE GENERAL MANAGER OF THE DISTRICT TO ESTABLISH CERTAIN TERMS AND PROVISIONS OF THE 2009 REVERSAL SWAP TRANSACTIONS, APPROVING FORMS OF CERTAIN DOCUMENTS AND AGREEMENTS IN CONNECTION THEREWITH, AND PROVIDING FOR CERTAIN OTHER MATTERS RELATED THERETO

RESOLUTION NO. 09-13472 DELEGATING AUTHORITY TO THE CHIEF FINANCIAL OFFICER AND THE GENERAL MANAGER TO TAKE ACTION TO EFFECT THE TERMINATION OF AN INTEREST RATE SWAP AGREEMENT

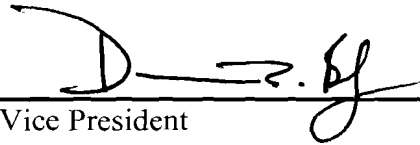
A motion was made by Commissioner Gutzwiler, seconded by Commissioner Smith and carried adopting Resolution Nos. 09-13469 through 09-13472, which are on file in the offices of the District.

Commissioners discussed amendments made to the Board's Governance Policy. Commissioner Bolz read an addition to the Section III Governance Process which stated that a Board member attending by telephone will not vote on any agenda item; provided that a vote via telephone connection may be allowed if such vote is necessary due to an emergency or time constraints related to action. Commissioners plan to approve the amendments made to the Board's Governance Policy at the next regular meeting.

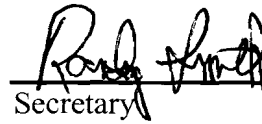
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There being no other business, the meeting adjourned at 2:17 p.m.

President



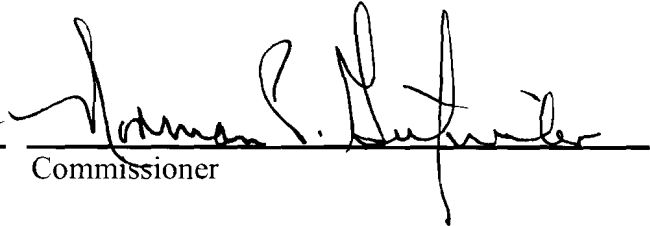
Vice President



Secretary



Commissioner



Commissioner