

RESOLUTION NO. 12-13723

A RESOLUTION AMENDING RULES OF
PROCEDURE AND GOVERNANCE
POLICIES

FACTUAL BACKGROUND AND REASONS FOR ACTION

Public Utility District No. 1 of Chelan County, Washington (the "District") is a public entity governed by the laws of the State of Washington. The District's Commission has the authority to establish rules of procedure and governance policies as deemed necessary for the transaction of District business. RCW 54.12.090 provides that the Commission shall adopt rules governing the transaction of District business and shall elect officers. Pursuant to Resolution No. 11-13633, Rules of Procedure and Governance Policies ("Governance Policies") were amended and restated by the Commission. The Governance Policies were amended by Resolution No. 11-13674 to change the dates and times of meetings.

At a meeting held May 1, 2012, the Commissioners reviewed the Governance Policies. The Commissioners discussed policies and noted items that they may change. At their meeting on May 21, 2012, a follow-up discussion took place and the Board agreed upon adding the following items:

Policy No. 6 (Code of Conduct), add:

- It is not unusual for customer/owners to ask questions of or express concerns to a Board member or members. It is the responsibility of the board member to appropriately refer operational and personnel issues and concerns to the General Manager. If there are concerns expressed by customer/owners that the Board member believes require a different course of action, the Board member has the responsibility to appropriately inform or discuss the matter with the Board President.

Policy No. 10 (Board Committees), add:

- Board members on a committee have a responsibility to appropriately inform the other commissioners of information obtained via participation in a committee.

These amended Governance Policies comply with all statutory requirements applicable to the District.

ACTION

IT IS RESOLVED BY THE COMMISSION OF PUBLIC UTILITY DISTRICT NO. 1 OF CHELAN COUNTY, WASHINGTON, as follows:

Section 1. The Board of Commissioners' Governance Policies are hereby amended as follows:

Add to Policy No. 6 (Code of Conduct)


- It is not unusual for customer/owners to ask questions of or express concerns to a Board member or members. It is the responsibility of the board member to appropriately refer operational and personnel issues and concerns to the General Manager for an appropriate response. If there are concerns expressed by customer/owners that the Board member believes require a different course of action, the Board member has the responsibility to discuss the matter with the Board President.

Add to Policy No. 10 (Board Committees)

- Board members on a committee have a responsibility to appropriately inform the other commissioners of information obtained via participation in a committee.

Section 2. The amended Governance Policies established by the Board of Commissioners of Public Utility District No. 1 of Chelan County, Washington will be posted on the District's website and be on file with the District.

Dated this 4th day of June 2012.

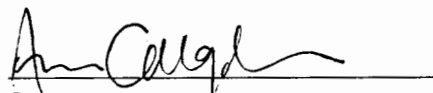


President

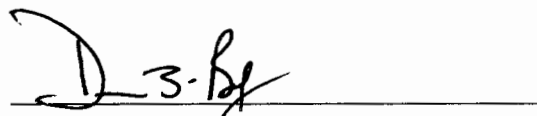
ATTEST:




Vice President



Secretary



Commissioner



Commissioner

Seal