

PUBLIC UTILITY DISTRICT NO. 1
OF ASOTIN COUNTY, WASHINGTON
MEETING MINUTES
April 28, 2011

President Don Nuxoll presiding, the Public Utility District No. 1 of Asotin County Meeting was called to order at 5:30 p.m. at the PUD Office at 1500 Scenic Way.

ROLL CALL: PRESENT Commissioners: Don Nuxoll, Gary Hicks and Judy Ridge.

PUD Staff: General Manager Tim Simpson, Treasurer Bob Sischo and Counsel Scott Broyles.

Members of the public were present.

MINUTES OF MEETING AND VOUCHER APPROVAL:

MOTION by Commissioner Gary Hicks and seconded by Commissioner Judy Ridge to approve the consent agenda approving the minutes of the April 12, 2011 Regular Meeting and payment of the Transaction Vouchers covering vouchers #1988EFT through #2001EFT in the amount of \$24,442.88 and Blanket Transaction Voucher Approval Document covering vouchers #28997 through #29028, and Electronic Transaction Vouchers #110421 and #11042002 in the amount of \$27,735.57. The question was called for on the motion. The motion passed 3-0.

OLD BUSINESS

There was no old business presented.

NEW BUSINESS

Bonneville Power Administration Revised Residential Exchange Program Agreement

The manager presented a Revised Residential Exchange Program (REP) Settlement Agreement from the Bonneville Power Administration (BPA). He stated that representatives from Consumer-Owned and Investor-Owned utilities have agreed to minimal changes to the proposed REP Settlement Agreement. These changes have been submitted as the Revised REP Settlement Agreement into BPA's rate case. He stated that the changes are very basic and include the signing threshold level that applies to COUs changed from 91% to 75%, the signing deadline changed from April 15, 2011 to June 3, 2011, and BPA's certification changed from April 25, 2011 to June 6, 2011.

The manager stated the reason the step is necessary is that as of April 15, 2011, the proposed REP Settlement Agreement failed to achieve the 91 percent of BPA Preference Customer Transition High Water Mark (THWM) threshold needed for the Agreement to

go forward. The IOU Group and most of the COU Parties have decided to re-offer the Agreement with a lower THWM threshold and a new signing deadline of June 3, 2011. He stated the Revised Agreement incorporates by reference all of the terms of the previous Agreement except that it changes the THWM threshold to 75 percent, the date for signing the Revised Agreement to June 3, 2011, and BPA's notification deadline to June 6, 2011. No other changes to the Agreement have been made. In order for the Revised Agreement to be effective, BPA must receive a signed copy by Friday, June 3, 2011.

MOTION by Commissioner Judy Ridge and seconded by Commissioner Gary Hicks approving the Revised Bonneville Power Administration Residential Exchange Program Settlement Agreement and authorizing the General Manager to execute the Agreement. The question was called for on the motion. The motion passed 3-0.

Change the Tuesday May 10, 2011 Meeting Date to Monday May 9, 2011

Commissioner Nuxoll stated that due to a scheduling conflict he is requesting that the meeting scheduled for Tuesday, May 10, 2011 be changed to Monday, May 9, 2011 beginning at 5:30 pm.

MOTION by Commissioner Judy Ridge and seconded by Commissioner Gary Hicks to change the Board of Commissioner meeting date from Tuesday, May 10, 2011 to Monday, May 9, 2011 beginning at 5:30 pm. The question was called for on the motion. The motion passed 3-0.

MANAGER'S REPORT

Water System Plan Update Consultant Agreement – the manager reported that negotiations for a consulting services agreement are nearly complete with Murray, Smith and Associates. The consulting agreement will provide for the updating our comprehensive Water System Plan. He stated that a contract will be available to the Board for consideration at the next meeting.

Surplus Property Sales – the manager reported that the sale of surplus property at 2700 Highline Drive and 1500 16th Avenue are progressing. Counsel has provided a property sales agreement for the 1.46 acres located at 2700 Block of Highline Drive and has contacted a title company in order to secure a title insurance commitment. He reported the property boundary at 1500 16th Avenue had been delineated and we are waiting for the survey of the property to take place before developing a sales agreement.

PNWS-AWWA – the manager reported that he, Joe Louis and Craig Riehle will be attending the Pacific Northwest Section of the AWWA in Boise next week. He stated that Craig will be participating in a presentation of our GIS mapping project with Murray, Smith and Associates.

COMMISSIONER'S REPORT

Commissioner Ridge reported that the current Columbia Generating Station outage will be extended due to difficulties with the upgrade of the condenser. The vice-president in charge of the rebuild has been relieved of his duty and other staff has been assigned to oversee the project. She stated that the condenser improvement will cost more than originally planned. Commissioner Ridge reported that the Energy Northwest Executive Board is looking at holding their annual retreat in Clarkston in August of this year.

Commissioner Nuxoll will be attending PURMS meeting on Wednesday, May 11, 2011 in Burien, Washington. He reported that they will be finalizing work on revamping the Self Insurance Agreement to comply with state and federal laws.

Commissioner Nuxoll attended a Watershed Planning Unit meeting on Thursday, April 14, 2011. He stated that the Planning Unit is completing work on an update of the Detailed Implementation plan that will be the guiding document for future watershed policy and water quality projects. He stated that the budget for watershed planning in the next biennium is still unclear but should be resolved in the extended legislative session.

ADJOURNMENT

There being no further business the meeting was adjourned at 5:50 pm.