

MINUTES OF THE REGULAR MEETING OF THE COMMISSION PUBLIC
UTILITY DISTRICT NO. 1 OF SKAGIT COUNTY, WASHINGTON
May 25, 2010

The regular meeting of the Commission of Public Utility District No. 1 was held in the Aqua Room of the utility located at 1415 Freeway Drive, Mount Vernon, Washington, on May 25, 2010.

The meeting was called to order at 4:30 PM. Those Commissioners in attendance were: Jim Cook, President; Robbie Robertson, Vice President; and Al Littlefield, Secretary. Also in attendance were: Dave Johnson, General Manager; Mark Fredlund, Treasurer; Larry Saunders, Engineering Supervisor; Kevin Tate, Community Relations Manager; Pete Gilbert, Attorney; Jones Atterberry, Former PUD Commissioner; and Kim Carpenter, Recording Secretary

Commissioner Littlefield led the Pledge of Allegiance.

At this time, President Cook recessed the regular meeting to go into executive session to discuss potential litigation regarding Kennedy/Jenks Consultants-Skagit River Diversion Pump Station Project for an approximate duration of one hour. The meeting was recessed at 4:31 PM.

President Cook reconvened the regular meeting of the Commission at 5:28 PM.

Commissioner Littlefield moved to approve the Consent Agenda for May 25, 2010:

- a. Approval of Minutes - Commission Meeting 5/18/10
- b. Approval of Vouchers No. 2339
Voucher Nos. 82005-82033, Payroll Warrant Nos. 24906-24920 (\$193,293.61) 5/25/10

The motion passed.

Under Old Business, Assistant Manager Fredlund presented the Manager's Report which included the following items:

Water Quality

Water Quality continues to perform aesthetic sampling on a weekly basis and is near initiating new SEMS Technologies water quality software, which IT is spearheading.

Leak Detection

Construction Workers Dralle and Anderson had success locating a particularly elusive leak on a poly service line in the Fidalgo System. They initialized a new set of correlations to pinpoint the location of the leak. Discussion ensued regard the leak, leak detection equipment, lead detection analysis of projects within Capital Improvement Plan (CIP), Judy System leak percentage and calculations of Marblemount leak percentage for the Consumer Confidence Report. Commissioner Cook requested a demonstration of the leak detection equipment and process; Manager Johnson replied that either an in the field work session or show and tell demonstration at a meeting could be arranged.

Engineering

Engineering Supervisor Saunders reported on the following projects:

- Saratoga Passage is proceeding with electrical installation. The telemetry will be decided this coming week.
- Main Replacement Design - Dan Felix is designing 9th Street in preparation for construction.
- Capital Improvement Plan (CIP) - Engineering Supervisor Saunders is compiling the CIP pipe footage to be installed for 2010 and preparing initial 2011 possible projects.
- Ehrlich Estates engineer John Ravnik is willing to meet with PUD to discuss system needs and greater area needs as well.

Community Relations

Community Relations Manager Tate reported on the Eco-Sense Fair sponsored by Shelter Bay and the Swinomish Tribal Community, stating that the District had an information booth at the fair on Saturday, May 22.

CR Manager Tate reported that he and Environmental Services Coordinator Brower will be guest speakers at the Chuckanut District Chapter meeting of the Washington State Federation of Garden Clubs on May 25 in Burlington. Staff will be presenting on water conservation utilizing rain barrels.

Discussion ensued regarding the Judy Reservoir elevation graph and water services sold report. Commissioner Robertson asked if the meters are working on the streams; Manager Johnson replied no, and he could not say where the process stands until he meets with staff for an update. Commissioner Robertson suggested that the issue be made a priority as he would like to see some progress. Manager Johnson stated that Engineering Supervisor Saunders is working on tallying potential services that could be purchased in 2010. Commissioner Robertson stated that some utilities are requesting developers to pay all impact fees up front instead of purchases services as needed for a project.

Under New Business, Commissioner Robertson led a discussion regarding WA PUD Association (WPUDA) Reform Issues and reviewed the plan proposed by Managers. A lengthy discussion ensued regarding various elements of current WPUDA governance and the proposed reform issues. Commissioner Robertson stated that he has called a special WPUDA Board meeting for June 10 & 11 and has requested that all Commissioners and Managers attend. Jones Atterberry commented on governance during his tenure as President of the WPUDA Board. Commissioner Robertson suggested continuing the reform issues discussion at the Commission meeting of June 8.

Under Miscellaneous, Manager Johnson stated that the Commission has copies of a news release from Skagit Council of Governments (SCOG) regarding 2009 Energy Conservation Awards to Local Governments.

Under Commissioner Comments, Commissioner Cook announced that he would be seeking reelection as Commissioner. Commissioner Cook reported on his attendance at the recent SCOG Board meeting and the meeting with fire commissioners. He stated that there will need to be discussion concerning the meeting. Manager Johnson stated he would like to schedule individual meetings with the Commission to discuss the fire hydrant issue.

Having no further business to come before the Board, Commissioner Robertson moved for adjournment. The motion passed and the meeting of May 25, 2010 was adjourned at 6:40 PM.

ATTEST

Jim Cook, President

Al Littlefield, Secretary

Robbie Robertson, Vice President