

PUBLIC UTILITY DISTRICT NO. 1 OF COWLITZ COUNTY, WASHINGTON

**MINUTES OF MEETING OF COMMISSIONERS
Regular Meeting of March 11, 2008
PUD Auditorium**

Present:**Commissioners:**

Merritt "Buz" Ketcham, President
Edward M. "Ned" Piper, Vice President

Mark McCrady, Secretary

Staff:

Brian Skeahan, General Manager
Don McMaster, Chief Operating Officer
Royce Hagelstein, Dir. of Acctg. & Finance
Monte Roden, Director of Operations
Dave Andrew, Mgr. Comm. & Govt. Affairs
Sandy Willman, Admin. Asst. to the General Mgr.
Marilyn Miller, Treasurer/Risk Manager

Gerry Miller, General Counsel
Pat Lloyd, Auditor
Rick Syring, Director of Engineering
Tim Johnston, Mgr. Substation Engineering
Doug Wood, Director of IS
Wayne Amondson, Trans. & Dist. Mgr.
Jeff Moses, Purchasing Mgr.

Guest:

Jim Oakley, Energy Northwest

Media:

KLTV

Public:

John Searing

Call to Order – Pursuant to published Notice, the regular meeting of the Commissioners of Public Utility District No. 1 of Cowlitz County, Washington was called to order at 2:00 p.m. by Commissioner Ketcham.

Approval of the Minutes – The minutes of the Regular Board Meeting of February 26, 2008 were approved as published.

Approval of Vouchers of \$2,826,953.08 – The Commission reviewed vouchers audited and certified by Auditor Pat Lloyd as required by RCW 42.24.080 and RCW 42.24.090 for which warrants were issued on March 11, 2008, under provisions of Resolution No. 1421. Motion was made by Commissioner Piper to approve the vouchers and seconded by Commissioner McCrady. Motion carried. Warrants drawn to cover said vouchers are as follows:

<u>Fund</u>	<u>Voucher Nos.</u>	<u>Amount</u>
Electric Revenue	04263 – 04473	\$ 2,280,233.72
Swift Revenue	02113 – 02117	123,038.84
Payroll	1732	423,680.52

Guest Introduction

General Manager Brian Skeahan introduced Jim Oakley of Energy Northwest. Jim is Staff Assistant to the Vice President of Energy Northwest and is new to the organization. Jim gave an update on the Nine Canyon Phase III wind project and PMEC project.

Reports (Informational, Non-Action)

Brian Skeahan, General Manager – Briefed the Commission on BPA's Residential Exchange Interim Agreement. Key staff has met to discuss the various issues involved with the processing of the Interim Agreement refund to our customers and will be meeting again before the March 25th Board meeting. At the March 25th Board meeting it will be a discussion only item. Brian also reported that formal rate proceedings have begun in BPA's WP-07 Supplemental Rate Case. The District's consulting attorney Paul Murphy will be working on the District's testimony.

Staff / Director's Reports

Monte Roden, Director of Operations and Rick Syring, Director of Engineering – The February Operations and Engineering Board reports were given. Rick gave an AMI update. He reported Cannon has successfully redesigned the three-phase meters communication module and he has issued a System Acceptance Test, Certificate of Completion to Cannon. A full scale deployment will begin in May.

Dave Andrew, Mgr. Comm. & Govt. Affairs – Provided the final legislative report and stated we had a very positive session this year. HB 2437, Public Works Board, was signed by the Governor on Friday, March 7 authorizing funds for public works projects, which includes the PUD's share of costs for construction of approximately six new groundwater supply wells at the Mint Farm Industrial Park to replace the City of Longview's current water supply that is being impacted by increasing water sediment. Bills 6560 (PUD public works), 6717 (PUD Commissioner salaries), 2533 (Utility pole attachments), 2815 (Green collar jobs/climate change) and 2639 (Renewable resource procurement) have all been delivered to the Governor. Dave reported IBEW Local 77 was very supportive on ESSB 6560 and SHB 2639.

Board Reports

Commissioner Ketcham – Discussed BPA's Interim Agreement.

Commissioner Piper – Reported he recently attended the APPA Legislative Rally in Washington, D.C. and spent time with each northwest Congressman discussing incentive tax programs, renewables and climate change.

Commissioner McCrady – None

Agenda Action Items

Staff Recommendation:

No. 9/3/11 – Bid Award – Power Transformer, 20th & Ocean Beach Substation

Tim Johnston, Manager of Substation Engineering reported the intent of this bid is to supply the District with one 20/26/33 mVA power transformer to replace the existing transformer at 20th & Ocean Beach Substation. The substation will be upgraded to 115 kV in 2009. Three bids were received from manufacturers. Based on the most responsive and responsible bid as well as the lowest evaluated price, it was recommended the District purchase the transformer from Waukesha Electric Systems. Commissioner Ketcham asked in our specification what our term of warranty was. Tim stated it was five years. Commissioner McCrady moved to authorize the transformer purchase and seconded by Commissioner Piper. Motion carried.

Other Business: None

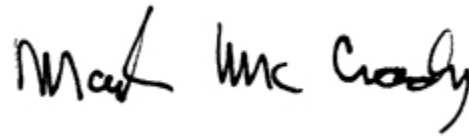
Comments:

From the General Public: None

From the General Manager: None

From the Commissioners: None

Adjournment – The next regular Board meeting of the Commission would be held Tuesday, March 25, 2008 at 2:00 p.m. in the PUD Auditorium. Meeting was adjourned at 4:25 p.m.



Secretary

Attest:



President



Vice President

Prepared by _____
Sandra Willman, Administrative Assistant to
the General Manager