

BOARD OF COMMISSIONERS
SPECIAL MEETING

March 11, 2008

The special meeting of the Board of Commissioners of Public Utility District No. 1 of Franklin County was held at 1411 West Clark, Pasco, Washington, March 11, 2007, at 11:00 a.m.

Those present from the District were: Bill Gordon, President; Stuart Nelson, Vice President; Chuck Hall, Secretary; Jean Ryckman, Manager; Ed Brost, Assistant Manager; Susan Paysse, Director of Human Resources; Tim Nies, Director of Administrative Services; Dale Gutmann, Director of Engineering & Operations; Steve Palmer, General Counsel; Debbie Bone-Harris, Manager Community and Government Relations; Colleen Kimsey, Administrative Assistant.

Visitors included: Bill Pennell, Pasco

Commissioner Gordon called the special meeting to order at 11:00 a.m.

WPUDA SURVEY

Commissioner Gordon requested the WPUDA Survey agenda item be discussed first. The District is a member of WPUDA; WPUDA sent out a survey requesting input from its members to find out how it was satisfying the members' needs. The Board and staff completed and submitted the survey.

DISTRICT'S GOALS WORKSHOP

Staff provided the Board with a draft of the District's goals for 2008-2009. Commissioner Gordon agreed with the importance of expanding communications with the community.

Commissioners were asked if they had any goals to be included in the draft. Commissioner Gordon stated it would be helpful to create orientations and handbook for commissioners and improved communication regarding benefits. The Board was satisfied with the goals' process.

COST OF SERVICE DISCUSSION

Mr. Nies handed out a copy of the Rate Advisory Committee cost of service presentation. He also explained the analysis of the financial services methodology. Furthermore, he stated that at the end of 2012, the District is projected to have \$5.2 million in reserves. Mr. Nies addressed the rate options recommended by the Rate Advisory Committee. At this point, the Rate Advisory Committee is looking at a 4% rate decrease. Commissioner Gordon requested that the Residential Exchange dollars be taken into consideration in the Cost of Service analysis so that the money is returned to the District's customers.

With no further business to come before the Board, Commissioner Hall adjourned the meeting at 1:00 p.m.

William Gordon, President

Stuart Nelson, Vice-President

Charles Hall, Secretary