

**AGENDA**  
**REGULAR COMMISSION MEETING**  
**PUBLIC UTILITY DISTRICT NO. 1 OF FRANKLIN COUNTY**  
1:00 p.m., Tuesday, January 24, 2012  
1411 W. Clark Street, Pasco, Washington

<b>Agenda Item</b>	<b>Presenter</b>
1. Comments from the Public	
2. Commissioner Reports	
3. Consent Agenda	
4. Approving Closure of the District's 2010-2011 Operating Plan.....	Brost
5. Approving the District's 2012-2013 Operating Plan .....	Brost
6. Adopting a Resolution Approving the Salary Administration Plan for Non-Bargaining Employees for 2012.....	Paysse
7. Reporting on the Identity Theft Prevention Program for 2011. ....	Palmer
8. Reporting on the Small Works Roster Contracts Awards for 2011 .....	Palmer
9. Authorizing the General Manager or his Designee to Execute a Contract with Axford Turbine Consultants, LLC, for Consultant Services Related to the Sale of the Pasco Combustion Turbine Assets.....	Palmer
10. Claims	
11. General Manager's Report	
12. Staff Reports	
13. Future Agenda Items	
14. Executive Session, If Needed, to Discuss Litigation and/or Personnel Matters	
15. Other	

## CONSENT AGENDA

January 24, 2012

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1. To approve the minutes of the Regular Commission Meeting of December 13, 2011.
2. To approve payment of expenditures for December 2011/January 2012, amounting to \$6,786,100.68 as audited and certified by the auditing officer as required by RCW 42.24.080, and as certified by the General Manager as required by RCW 54.16.100, and expense reimbursement claims certified as required by RCW 42.24.090 and as listed and made available to the Commission for inspection prior to this action, as follows:
  - a. Automated vouchers 08166 through 08203, 08270 through 08271, 08286 through 08338, 08371 through 08424, 08428 through 08471, and 08504 through 08584 in the amount of \$1,908,943.37
  - b. EFT vouchers 00283 through 00305 in the amount of \$59,658.09
  - c. Refund vouchers 08148 through 08165, 08204 through 08269, 08272 through 08285, 08339 through 08370, 08425 through 08427, and 08472 through 08503 in the amount of \$29,712.54
  - d. Voids in the amount of \$426.43
  - e. Wire transfers totaling \$4,788,213.11 to the following:

To:	For Payment of:	In the Amount of:
BANK OF THE WEST	DIRECT DEPOSIT PAYROLL	\$ 625,551.19
BANK OF THE WEST	EFTPS (PAYROLL TAXES)	\$ 164,916.56
DEPT RETIREMENT	PERS 1,2,&3	\$ 121,241.66
ICMA	DEFERRED COMPENSATION	\$ 121,625.81
BPA	SLICE /BLOCK	\$ 2,370,117.00
BPA	TRANSMISSION	\$ 356,566.00
DEPT OF REVENUE	EXCISE TAX	\$ 194,198.17
LL&P WIND	WHITE CREEK WIND ENERGY	\$ 145,128.84
FREDERICKSON	ENERGY	\$ 424,775.24
IGI	GAS PURCHASE/SALE	\$ 84,913.92
PUGET SOUND ENERGY	GAS PURCHASE/SALE	\$ 65,366.78
FORTIS	GAS PURCHASE/SALE	\$ 113,811.94
<b>TOTAL</b>		<b>\$ 4,788,213.11</b>

3. To approve Write-Offs in the amount of \$12,774.10.

## CONSENT AGENDA, Continued

January 24, 2012

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4. To approve progress payment for work completed September 6, 2011 through December 22, 2011 by Sierra Electric, Inc., in the amount of \$43,804.00 for Contract 6852, Street Light Replacement with Induction Lights (ARRA Grant).
5. To declare final acceptance of the work completed and as inspected by the District; to authorize release of available retainage; and to approve final payment in the amount of \$104,639.72 for work completed by Power City Electric, Inc., under Contract 6024, 2010 Miscellaneous Projects (Commission approved a one year extension, to December 2011, to this contract in November, 2010).
6. To declare final acceptance of the work completed and as inspected by the District; to authorize release of available retainage; and to approve final payment in the amount of \$44,861.00 for work completed by Power City Electric, Inc., under Contract 7138, Directional Boring and Underground Cable Replacement.
7. To declare final acceptance of the work completed and as inspected by the District; to authorize release of available retainage; and to approve final payment in the amount of \$106,730.70 for work completed by Aztech Electric, Inc., under Contract 6868, Connell Substation – Upgrade Transformer Protection.
8. To declare final acceptance of the work completed and as inspected by the District; to authorize release of available retainage; and to approve final payment in the amount of \$86,769.30 for work completed by Intec Services, Inc., under Contract 7133, 2011 Pole Testing and Treatment.

**THE BOARD OF COMMISSIONERS  
OF PUBLIC UTILITY DISTRICT NO. 1 OF FRANKLIN COUNTY**

MINUTES OF DECEMBER 13, 2011  
REGULAR COMMISSION MEETING

The Board of Commissioners of Public Utility District No. 1 of Franklin County held their regular meeting at 1411 West Clark, Pasco, Washington, on December 13, 2011 at 1:00 p.m.

Those present from the District were Commissioner Bill Gordon, President; Commissioner Stu Nelson, Vice President; Commissioner Roger Wright, Secretary; Ed Brost, General Manager; Steve Palmer, General Counsel; Tim Nies, Director of Administrative Services; Dale Gutmann, Director of Operations; Duane Sams, Director of Engineering; Linda Esparza, Director of Power Management; Susan Paysse, Director of Human Resources; Debbie Bone-Harris, Public Affairs Manager, and Susan Bauer, Executive Assistant.

Staff present for all or part of the meeting were Gail Funk, Treasurer/Accounting Manager, and Joe Pryce, Customer Service Supervisor.

Public present for all or part of the meeting was Jim Oakley, Member Representative, Energy Northwest.

Commissioner Gordon called the regular meeting to order at 1:00 p.m.

**PUBLIC COMMENT**

Commissioner Gordon called for public comment and Mr. Oakley gave a brief update on the Columbia Generating Station, Packwood, and Nine Canyon.

**COMMISSIONER REPORTS**

Commissioner Nelson reported that he attended the recent PPC annual meeting and the Northwest River Partners annual meeting and reception; he also attended the WPUDA annual meeting.

Commissioner Wright reported that he attended the WPUDA annual meeting held in Pasco and that it was a good opportunity to meet more PUD people.

Commissioner Gordon reported that he attended the WPUDA annual meeting. He also reported on issues related to renewable energy projects, and there was some discussion on renewable energy projects. Commissioner Gordon also commented that Franklin's November 2011 power bill was only \$26 dollars different from the prediction.

**CONSENT AGENDA**

The Commissioners reviewed the Consent Agenda. Commissioner Wright moved and Commissioner Nelson seconded to approve the Consent Agenda, as follows:

1. To approve the minutes of the Regular Commission Meeting of November 8, 2011.
2. To approve the minutes of the Regular Commission Meeting of November 22, 2011.
3. To approve the minutes of the Special Commission Meeting of December 2, 2011.
4. To approve payments made in October, November, and December 2011, amounting to \$11,173,980.13 as audited and certified by the auditing officer as required by RCW 42.24.080, and as certified by the General Manager as required by RCW 54.16.100, and expense reimbursement claims certified as required by RCW 42.24.090 and as listed and made available to the Commission for inspection prior to this action, as follows:
  - a. Automated vouchers 07829 through 07858, 07895 through 07938, 7975 through 8058, and 8099 through 8147 in the amount of \$1,630,557.74
  - b. EFT vouchers 00263 through 00282 in the amount of \$53,171.02
  - c. Refund vouchers 07802 through 07828, 07859 through 07894, 07939 through 07974, and 8059 through 8098 in the amount of \$29,207.01
  - d. Voids in the amount of \$11,115.56
  - e. Wire transfers for October totaling 4,895,206.16 to the following:

To:	For Payment of:	In the Amount of:
BANK OF THE WEST	DIRECT DEPOSIT PAYROLL	\$ 392,589.08
BANK OF THE WEST	EFTPS (PAYROLL TAXES)	\$ 148,544.57
DEPT RETIREMENT	PERS 1,2,&3	\$ 72,472.85
ICMA	DEFERRED COMPENSATION	\$ 54,389.58
BPA	SLICE	\$ 1,487,409.00
BPA	TRANSMISSION	\$ 316,705.00
BPA	BLOCK	\$ 1,005,882.00
DEPT OF REVENUE	EXCISE TAX	\$ 248,401.87
LL&P WIND	WHITE CREEK WIND ENERGY	\$ 111,250.98
THE ENERGY AUTHORITY	ENERGY PURCHASES	\$ 375,726.66
FREDERICKSON	ENERGY	\$ 408,628.64
IGI	GAS PURCHASE/SALE	\$ 163,084.19
PUGET SOUND ENERGY	GAS PURCHASE/SALE	\$ 21,069.62
MORGAN STANLEY	POWER FINANCIAL SWAP	\$ 25,353.60
FORTIS	GAS PURCHASE/SALE	\$ 63,695.52
KLICKITAT PUD	NET ENERGY/TRANSMISSION	\$ 3.00
<b>TOTAL</b>		<b>\$ 4,895,206.16</b>

f. Wire transfers for November totaling \$4,576,953.76 to the following:

To:	For Payment of:	In the Amount of:
BANK OF THE WEST	DIRECT DEPOSIT PAYROLL	\$ 397,193.26
BANK OF THE WEST	EFTPS (PAYROLL TAXES)	\$ 212,390.06
DEPT RETIREMENT	PERS 1,2,&3	\$ 71,188.59
ICMA	DEFERRED COMPENSATION	\$ 71,355.94
BPA	SLICE /BLOCK	\$ 2,759,614.00
BPA	TRANSMISSION	\$ 355,176.00
DEPT OF REVENUE	EXCISE TAX	\$ 206,802.36
LL&P WIND	WHITE CREEK WIND ENERGY	\$ 145,557.58
FREDERICKSON	ENERGY	\$ 357,675.97
<b>TOTAL</b>		<b>\$ 4,576,953.76</b>

5. To approve progress payment for work completed from September 26, 2011 to October 31, 2011, by Power City Electric, Inc., in the amount of \$126,198.96 for Contract 6024, 2011 Miscellaneous Projects.
6. To approve progress payment for work completed from November 1, 2011 to November 27, 2011, by Power City Electric, Inc., in the amount of \$64,481.87 for Contract 6024, 2011 Miscellaneous Projects.
7. To declare final acceptance of the work completed and as inspected by the District; to authorize release of available retainage; and to approve final payment in the amount of \$33,650.00 for work completed by DMI Drilling, under Contract 7128, 'A' Street and Heritage Ave. Pier Foundation.
8. To declare final acceptance of the work completed and as inspected by the District; to authorize release of available retainage; and to approve final payment in the amount of \$30,185.38 for work completed by Almond & Sons Asphalt, L.L.C., under Contract 7132, Alley Resurfacing Between Cedar and Elm.
9. To declare final acceptance of the work completed and as inspected by the District; to authorize release of available retainage; and to approve final payment in the amount of \$16,319.92 for work completed by Siefken & Sons Construction, Inc., under Contract 6897, Transformer Shop Remodel.

The motion passed unanimously.

**RE-OPENING THE 2012 BUDGETS PUBLIC HEARING, PRESENTING UPDATED 2012 OPERATING AND CAPITAL BUDGETS, CLOSING THE HEARING, AND ADOPTING THE 2012 OPERATING AND CAPITAL BUDGETS RESOLUTION**

Commissioner Gordon opened the public hearing.

Mr. Nies introduced this agenda item, reporting that on September 27, 2011, the Commission President opened and recessed the 2012 Operating and Capital Budgets public hearing to, successively, October 25, November 8, and December 13, 2011.

Mr. Nies reviewed the 2012 Operating and Capital Budget crosswalks (Attachments A & B), noting the changes since the last Commission meeting. There was discussion among the Commissioners, and after hearing no public comment, Commissioner Gordon closed the public hearing.

Staff recommended that the Commission adopt Resolution 1172, adopting the 2012 Operating and Capital Budgets, which will put them in place for the District's next fiscal year beginning January 1, 2012 and ending December 31, 2012.

Commissioner Nelson moved and Commissioner Wright seconded to adopt Resolution 1172, as presented. The motion passed unanimously.

**AUTHORIZING THE GENERAL MANAGER OR HIS DESIGNEE TO EXECUTE CONTRACTS WITH INVOICE CLOUD, INC. AND SAGE PAYMENT SOLUTIONS FOR CUSTOMER PAYMENT PROCESSING INFORMATION SERVICES**

Mr. Nies introduced this agenda item, reporting that the District accepts approximately 26,000 customer payments monthly for electric service in various payment types, including cash, check, credit/debit card (CC), web payment, and Automatic Clearing House (ACH). Of the 26,000 payments, 4,500 are credit/debit card and 1,900 are ACH payment, and all are processed by a third party processing agent at a cost of about \$102K per year.

Mr. Nies further reported that because the District offers and accepts customer payments for electric service by credit/debit cards, the District is obligated to comply with the Payment Card Industry Data Security Standards (PCIDSS). The PCIDSS is a set of requirements designated to ensure that companies who process, store, or transmit credit card information maintain a secure environment. These requirements were created and are managed by the major payment card brands such as Visa, MasterCard, and American Express. Any company involved with the credit card payment process is required to comply with the PCIDSS, regardless of their size or number of transactions.

Mr. Nies reported that District staff was tasked with developing a plan to bring the District into compliance with the PCIDSS. Staff researched the services available to facilitate District compliance with these standards. Research showed that vendors who provide this service do so in conjunction with a third party processing agent.

Staff researched the cost and benefit of outsourcing compliance service with these vendors versus purchasing the software and hardware necessary for the District to reach compliance on its own. After a significant amount of research, staff deemed it more viable and efficient to outsource this service.

In May 2011, staff issued a Request for Proposal, seeking vendors to process customer CC and ACH payments. Five vendors responded; all five vendors use a third party processing agent. The vendors were Invoice Cloud, Inc., Paymentus, Vanco Services, Xpress Bill Pay, and ProfitStar.

Staff evaluated and scored each vendor response based on several factors, including ability to integrate with the Harris NorthStar Customer Information System, our current customer billing and payment system.

After review, staff determined that Invoice Cloud, Inc. is the vendor that can best provide the services necessary to aid the District in becoming PCIDSS compliant while enhancing the services provided to District's customers. Invoice Cloud, Inc. uses Sage Payment Solutions (Sage) as their third party processing agent.

Invoice Cloud, Inc. and Sage would provide the following services:

1. Credit Card Payments: Services include Invoice Cloud providing secure and private storage of all District customer CC payment information off site in compliance with the PCIDSS. Sage will process the CC payments.
2. ACH Payments: Services include Invoice Cloud providing a simplified web interface for District customers to make ACH payments while providing the same secure and private storage of data as the CC payments. Sage will also process these payments.
3. Supplemental Services: Invoice Cloud offers supplemental services that could provide efficiencies to the District. These services include email billing notification, paperless billing, and aggregated payment processing.

Staff is seeking a three-year term contract; the contract includes a two-year term auto-renew clause. Given the current number of CC and ACH transactions, and projecting future growth, staff estimates the cost for processing these payments will be \$120K annually. In addition, staff estimates the cost for supplemental services will be \$13K. Therefore, the contract is estimated not to exceed \$133K for the first year.

Staff recommended that the Commission authorize the General Manager or his designee to execute contracts for Customer Credit Card and ACH Payment Processing Services, including supplementary services, with Invoice Cloud, Inc. and Sage Payment Solutions.

Commissioner Wright asked that staff consider doing an analysis to determine if a convenience fee for using a credit card would be beneficial to the District, and if it would preclude the District from receiving the discounted utility rate. Mr. Nies agreed to look into it.

Commissioner Gordon asked about the term of the contract, and there was discussion about the term.

Commissioner Wright moved and Commissioner Nelson seconded to authorize the General Manager or his designee to execute contracts for Customer Credit Card and ACH Payment Processing Services, including supplementary services, with Invoice Cloud, Inc. and Sage Payment Solutions. The motion passed unanimously.



**AUTHORIZING THE GENERAL MANAGER OR HIS DESIGNEE TO EXECUTE A CONTRACT WITH POWER CITY ELECTRIC, INC. FOR 2012 DOCK CREW SERVICES**

Mr. Sams introduced this agenda item, and reported that in November 2011, the District publicized a request for bids to furnish labor and equipment needed to complete miscellaneous system projects included in the 2012 Capital Budget. Staff received and evaluated two (2) bids.

Power City Electric, Inc. submitted the lowest bid, \$1,383,607.00, which was within the District Engineer's Estimate.

Staff recommended that the Commission find Power City Electric, Inc. the lowest responsive bidder, and authorize the General Manager or his designee to execute a contract for 2012 Miscellaneous Projects with Power City Electric, the lowest responsive bidder. The contract has an option for a one-year extension.

Commissioner Nelson moved and Commissioner Wright seconded to find that Power City Electric, Inc. is the lowest responsive bidder, and to authorize the General Manager or his designee to execute a contract with Power City Electric, Inc. for 2012 Miscellaneous Projects, in an amount not to exceed \$1,383,607. The motion passed unanimously.

**AUTHORIZING THE GENERAL MANAGER OR HIS DESIGNEE TO EXECUTE A TASK ORDER WITH THE ENERGY AUTHORITY (TEA) FOR 2012 CONSULTING SERVICES**

Ms. Esparza introduced this agenda item, reporting that TEA's 2012 consulting task order is an update to TEA's Resource Management Agreement, Contract 3838, and includes assistance with current Slice contract related activities, BPA power issues not included in the "Pre-Commercial Activities" task order, transmission issues, general power management and integrated resource planning.

This Task Order is for a 12-month term, with an expected cost to the District of \$162,000. Given the number of projects and issues that TEA assists the District with, and given that the cost reflects no increase since 2009, staff determined the cost to be reasonable.

Staff recommended that the Commission authorize the General Manager to execute the task order.

Commissioner Wright moved and Commissioner Nelson seconded to authorize the General Manager or his designee to execute a task order with TEA for 2012 Consulting Services, not to exceed \$162,000. The motion passed unanimously.

**APPROVING THE 2012 REGULAR COMMISSION MEETING SCHEDULE**

Mr. Brost introduced this agenda item, a proposed 2012 meeting schedule. At the end of each year, the Commission approves the regular monthly meeting schedule for the coming calendar year. Mr. Brost recalled that the Commission was interested in having an evening meeting, and Commissioner Wright suggested that an evening meeting in conjunction with the first 2013 budget meeting in September might be feasible.

The schedule sets meetings in accordance with the District's adopted Organization Statement, for 1:00 p.m. on the second and fourth Tuesdays of each month in the Auditorium at the Pasco office, 1411 West Clark Street. As a matter of practice, the Commission meets on the fourth Tuesday of every month and only on the second Tuesday of the month if there is business to transact.

However, in 2012, in November and December, and as necessary throughout the year, the Commission will meet on the second Tuesday, and only meet on the fourth Tuesday if there is business to transact.

In addition, because the fourth Tuesday of December is a holiday, the Commission meeting, if it becomes necessary, would be held on December 26, 2012. This is in keeping with statutory language that indicates that when a regularly scheduled meeting falls on a holiday, the meeting will be held on the next regular business day.

Staff recommended that the Commission approve the proposed 2012 Commission meeting schedule as attached, with the possibility of a special evening meeting in September to coincide with the first budget meeting for 2013.

Commissioner Wright moved and Commissioner Nelson seconded to approve the 2012 Regular Commission Meeting Schedule as presented. The motion passed unanimously.

### **APPOINTING THE 2012 COMMISSION OFFICERS.**

Mr. Palmer introduced this agenda item, noting that pursuant to RCW 54.12.090, at the end of each year, the District Commissioners appoint new officers for the coming year.

The 2011 Commission Officers are: Bill Gordon, President; Stuart Nelson, Vice President; and Roger Wright, Secretary.

Based on the customary rotation, the appointment for 2012 Commission Officers would be: Stuart Nelson, President; Roger Wright, Vice President; and Bill Gordon, Secretary.

Staff recommended that the Commission appoint new Commission Officers for 2012.

Commissioner Wright moved and Commissioner Nelson seconded to appoint the District Commission Officers for 2012 as follows, effective January 1, 2012: Stuart Nelson, President; Roger Wright, Vice President; and Bill Gordon, Secretary.

### **CLAIMS**

Mr. Palmer reported that the District received two new claims. The first involved a claimant who backed into a light pole; the pole was not damaged; however, the claimant alleged damage to his vehicle. The second claim involved a Franklin PUD employee who had a single-car accident in vehicle no. 45 – 1992, an International boom truck with hydraulics and out-rigging, damaging the vehicle and the hydraulic equipment.

The District has submitted both claims to the insurance carrier.

## **GENERAL MANAGER'S REPORT**

Mr. Brost reported that:

- He has drafted a new Operating Plan for the next two-year period, incorporating Commissioner input from previous meetings, and he reviewed the Plan with the Commission. Commissioner Wright asked about updating the electric system plan, and Mr. Sams referenced the development of a 5, 10 and 20-year plan. Discussion ensued about long-term plans and strategies.
- Big Bend Electric Cooperative Manager Dan Murphy and Engineer Christina Carter met with him, Mr. Sams and Mr. Gutmann. Mr. Murphy related that his board is not currently interested in redrawing electric territory boundary lines. Mr. Murphy noted that BBEC does want to get back into the Taylor Flats Transmission Line Easement, and the group talked about adding another transformer at Broadmoor. Mr. Brost noted that it was a good meeting and the working relationship is off to a good start.
- The recent FERC ruling regarding environmental redispatch indicates that everything is being seen through renewable and environmental lenses, and political pressure rules. FERC found BPA policy to be discriminatory and unfairly preferential; BPA disagrees. Public power and PPC agree with BPA.

## **STAFF REPORTS**

Mr. Nies reported that:

- The October budget status reports are in the packet, and he reviewed the reports.
- A prepayment option had been discussed, and there were many questions to consider, including how deposits differ from prepayment; should we pay interest on deposits; is there an advantage to the District to get prepayments? Mr. Nies will look into whether other utilities provide discounts for prepayments and bring additional information back to the next meeting.
- The BTOP project is under construction, and about 42,000 aerial feet and 15,000 underground feet of cable have been laid. The project is moving forward.

Ms. Esparza reported that:

- BPA's Conservation program has spent more in 2011 than they had budgeted. She also noted that the BPA comment period on conservation has been extended, and that utilities have jointly requested that BPA leave 2013 funding intact, and address the impact of over expenditures in 2014. The District has submitted written comments.
- The NERC compliance team met a few weeks ago for annual procedural review, and reported that of eight procedures, seven were deemed adequate, and one requires an update.

Mr. Sams reported that:

- The District recently completed improvements at our Connell Substation. The project involved upgrading the electric system protection, replacing some circa 50's equipment and safety improvements.

- The project to replace 150-watt high pressure sodium (HPS) streetlights with 100-watt induction lights was well underway, with 1,050 light fixtures already replaced, up to 1,200 by the end of next week, and an additional 175 next year should complete the project. The project is funded by the City of Pasco via a federal stimulus grant and BPA rebates.
- A customer on McDonald Drive inquired about the possibility of changing existing overhead lines to underground, in conjunction with an adjacent development project, which is already in progress. After discussions of the cost and the need to get the entire neighborhood to join in to share the costs, he decided not to pursue the project.
- The Kahlotus 34 kV Phase 2 project has some work left that will be deferred into the next year. The project will replace the line down Devils Canyon from Kahlotus towards Windust.

Mr. Gutmann reported that:

- He continues to work with the City of Pasco on the 4<sup>th</sup> Avenue Project, currently involving the design of the wall in front of building, which appears will be a seven-foot high wall without any security.

Ms. Bone-Harris reported that:

- She recently attended the PPC and the Northwest River Partners annual meetings.
- The Commissioners would receive the Hotline newsletter tomorrow but turnaround time to get it to printer is tight.
- The recent Ambassador's annual meeting was successful, and there was good attendance, good questions, and good conversation, with lots of discussion on I-937.
- She continues to attend IPUC meetings where there is a lot of 'action' around I-937, including involvement from the Governor's office.

Ms. Paysse reported that:

- Kelsey Deahl reported to work on December 8 as temporary Meter Reader, filling in for Clint Williamson, who started at the Warehouse on December 12.
- She and Sylvia Hubbard attended joint labor/management meetings with Benton PUD to review bargaining position wages against their market.
- Sylvia Hubbard, HR Coordinator received her Professional in Human Resources designation from the Society of Human Resource Management on December 2.

Commissioner Wright asked if the District had an employee theft policy, and staff recalled Administrative Policy 45, Prohibiting the Use of District Resources for Personal Benefit, Gain or Profit. Ms. Paysse will bring Policy 45 to the next regular meeting.

Mr. Palmer reported that:

- There have been 43 public records requests to date in 2011.
- He completed the compilation of the "Master List, CT Plant Inventory" and passed out the list for the Commission.
- He sent out six requests for proposals to entities that do the type of sale that we are expecting for the CT Plant.

- Grays Harbor PUD wants to hold a public meeting at our facility on January 26.
- He will get information to the Commissioner in early January regarding disposition options and vendors. The goal is to authorize the General Manager to execute a contract at the January 24 meeting.

### **EXECUTIVE SESSION**

At 3:15, Commissioner Gordon called for a 5-minute break followed by a 5-minute Executive Session to discuss a settlement proposal for potential litigation. At 3:25, Commissioner Gordon announced a ten-minute extension to the Executive Session. At 3:35, Commissioner Gordon reconvened the regular meeting.

### **MEETING ADJOURNED**

With no further business to come before the Commission, Commissioner Gordon adjourned the meeting at 3:35 p.m. The next regular Commission meeting will be January 24 at 1:00 p.m.

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Stuart Nelson, President

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Roger Wright, Vice President

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William Gordon, Secretary

**Public Utility District No. 1 of Franklin County  
Warrant Register**

Board Date: 1/24/2012

Effective Date: 1/12/2012

Item	Check #	Vendor #	Payee	Date	Amount	Description
1	8166	09927	ARAMARK UNIFORM SERVICES	12/8/2011	\$1,308.95	MATS AND COVERALLS
2	8167	00147	ARMSTRONG, KLYM, WAITE	12/8/2011	\$712.00	ATTORNEY FEES
3	8168	00354	CITY OF CONNELL	12/8/2011	\$71.44	UTILITY SERVICES
4	8169	00360	CITY OF PASCO	12/8/2011	\$382.64	UTILITY SERVICES
5	8170	12903	CITY OF RICHLAND	12/8/2011	\$30.18	FIBER SERVICES
6	8171	00346	CONNELL OIL INC	12/8/2011	\$13,582.70	GAS & OTHER FUELS
7	8172	12913	COPIERS NORTHWEST INC	12/8/2011	\$62.58	HARD/SOFTWARE MAINTENANCE
8	8173	02334	DATABAR INC	12/8/2011	\$3,081.89	MAILING SERVICES
9	8174	12824	DAVEY'S TREE INC	12/8/2011	\$10,295.71	TREE TRIMMING
10	8175	00550	DEPARTMENT OF INTERIOR BUREAU OF LAND MANAGEMENT	12/8/2011	\$520.00	EASEMENT
11	8176	12698	DONALD J HAMMERVOLD	12/8/2011	\$1,750.00	CONSERVATION PROFESSIONAL SERVICES
12	8177	02842	ENERGY NORTHWEST	12/8/2011	\$142,338.09	E.N. NINE CANYON
13	8178	00197	FEDEX	12/8/2011	\$10.64	FEDEX
14	8179	12737	FLUID MARKET STRATEGIES INC	12/8/2011	\$4,271.25	ENERGY SERVICES
15	8180	00443	FRANKLIN COUNTY AUDITOR'S OFFICE	12/8/2011	\$127.00	RECORDING FEES - DEEDS
16	8181	00206	FRANKLIN COUNTY GRAPHIC	12/8/2011	\$38.25	ADVERTISING
17	8182	00216	GENERAL PACIFIC INC	12/8/2011	\$9,359.67	WAREHOUSE MATERIALS & SUPPLIES
18	8183	04189	H2 PRE-CAST INC	12/8/2011	\$3,357.30	WAREHOUSE MATERIALS & SUPPLIES
19	8184	01552	HARRIS COMPUTER SYSTEM A CORPORATION	12/8/2011	\$400.00	N.S. DATABASE MOVE
20	8185	00310	HD SUPPLY UTILITIES	12/8/2011	\$42,537.86	WAREHOUSE MATERIALS & SUPPLIES
21	8186	00073	HDR ENGINEERING INC	12/8/2011	\$134.55	PROFESSIONAL SERVICES
22	8187	12885	INDEPENDENT STATIONERS	12/8/2011	\$147.76	OFFICE SUPPLIES
23	8188	01233	INTERGRAPH CORPORATION	12/8/2011	\$49,793.52	HARD/SOFTWARE MAINTENANCE
24	8189	01490	J J KELLER & ASSOCIATES INC	12/8/2011	\$774.35	SUBSCRIPTION
25	8190	00256	KELLEY'S TELE-COMMUNICATION INC	12/8/2011	\$683.02	ANSWERING SERVICE
26	8191	00682	NEXTEL COMMUNICATIONS	12/8/2011	\$1,290.72	PHONE SERVICES
27	8192	00394	OXARC INC	12/8/2011	\$221.22	WAREHOUSE MATERIALS & SUPPLIES
28	8193	04915	PEND OREILLE PUD	12/8/2011	\$10,039.97	CWPU EXPENSE
29	8194	12798	PURE WATER FINANCE INC	12/8/2011	\$416.96	WATER COOLER RENTAL
30	8195	06825	SEBRIS BUSTO JAMES	12/8/2011	\$4,008.85	CWPU EXPENSE
31	8196	00483	SIEFKEN & SONS CONSTRUCTION INC	12/8/2011	\$16,319.92	TRANSFORMER SHOP REMODEL
32	8197	00195	STAPLES ADVANTAGE	12/8/2011	\$462.48	OFFICE SUPPLIES
33	8198	12920	TACOMA SCREW PRODUCTS INC	12/8/2011	\$130.70	OPERATING SUPPLIES
34	8199	04190	UPS	12/8/2011	\$31.63	POSTAGE

**Public Utility District No. 1 of Franklin County  
Warrant Register**

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35	8200	09977	UTILITY TECHNOLOGIES INC	12/8/2011	\$173.28	FIBER SERVICES
36	8201	11471	VERIZON WIRELESS	12/8/2011	\$187.90	METER READING SERVICES
37	8202	02093	WA STATE DEPARTMENT OF TRANSPORTATION	12/8/2011	\$2,633.38	EASEMENT
38	8203	00303	WESCO DISTRIBUTION INC	12/8/2011	\$2,716.68	WAREHOUSE MATERIALS & SUPPLIES
39	8270	12756	REPORTS PLUS INC	12/8/2011	\$5,267.60	PROFESSIONAL SERVICES
40	8271	04680	US POSTAL SERVICES	12/13/2011	\$2,000.00	MAILING SERVICES
41	8286	02600	A-L COMPRESSED GASES	12/15/2011	\$145.12	GAS & OTHER FUELS
42	8287	00025	ASTLEY ENTERPRISES DBA AAW AUTO PARTS	12/15/2011	\$1,193.27	AUTO PARTS
43	8288	00164	AZTECH ELECTRIC INC	12/15/2011	\$106,730.70	PROJECT WORK
44	8289	00171	BASIN DISPOSAL INC	12/15/2011	\$917.85	UTILITY SERVICES
45	8290	00174	BDI TRANSFER	12/15/2011	\$281.07	UTILITY SERVICES
46	8291	10786	CCR TRI CITIES III LLC	12/15/2011	\$1,552.30	ADVERTISING
47	8292	00515	CONSOLIDATED ELECTRICAL DIST INC	12/15/2011	\$2,716.44	WAREHOUSE MATERIALS & SUPPLIES
48	8293	12936	CENTURY LINK	12/15/2011	\$100.45	PHONE SERVICES
49	8294	00339	CENTURY LINK	12/15/2011	\$279.73	PHONE SERVICES
50	8295	12949	CENTURY LINK	12/15/2011	\$488.23	UTILITY SERVICES
51	8296	08271	CODALE ELECTRIC SUPPLY INC	12/15/2011	\$138.80	FIBER SERVICES
52	8297	00387	COLUMBIA RURAL ELECTRIC ASSOC	12/15/2011	\$2,827.00	SAFETY TRAINING
53	8298	00344	CONNELL GRANGE INC	12/15/2011	\$957.62	GAS & OTHER FUELS
54	8299	04100	CRYSTAL SPRINGS DS WATERS OF AMERICA LP	12/15/2011	\$16.92	DRINKING WATER
55	8300	02334	DATABAR INC	12/15/2011	\$6,176.70	MAILING SERVICES
56	8301	00001	DAYCO HEATING & AIR	12/15/2011	\$500.00	ENERGY SERVICES
57	8302	12900	DECO ENTERPRISES INC	12/15/2011	\$26,641.80	PROJECT WORK
58	8303	01171	DEPARTMENT OF LABOR & INDUSTRIES	12/15/2011	\$91.40	BUILDING MAINTENANCE
59	8304	12859	DESERT WINDS WIRELESS INC	12/15/2011	\$45.00	FIBER SERVICES
60	8305	02842	ENERGY NORTHWEST	12/15/2011	\$22,377.00	E.N. NINE CANYON
61	8306	03509	FRANKLIN COUNTY INFO SERVICES	12/15/2011	\$32.82	INTERNET CONNECTION-FRIS
62	8307	00229	GRAINGER INC	12/15/2011	\$58.48	OPERATING SUPPLIES
63	8308	12885	INDEPENDENT STATIONERS	12/15/2011	\$80.82	OFFICE SUPPLIES
64	8309	02658	INTERMOUNTAIN MATERIALS TESTING INC	12/15/2011	\$278.74	PROFESSIONAL SERVICES
65	8310	11704	JACO ENVIRONMENTAL INC	12/15/2011	\$405.00	ENERGY SERVICES
66	8311	04573	MEGGER	12/15/2011	\$19,400.18	TRANSFORMER TEST SET
67	8312	06721	MINISTER-GLAESER SURVEYING INC	12/15/2011	\$1,200.00	SURVEY SERVICES
68	8313	02633	NEC CORPORATION OF AMERICA INC	12/15/2011	\$846.73	BROADBAND SERVICES
69	8314	03095	OAK HARBOR FREIGHT LINES INC	12/15/2011	\$975.37	FREIGHT

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70	8315	11368	ONLINE INFORMATION SERVICES INC	12/15/2011	\$683.40	UTILITY EXCHANGE REPORT
71	8316	12695	ORBITCOM INC	12/15/2011	\$390.00	BROADBAND SERVICES
72	8317	00452	ORKIN EXTERMINATING INC	12/15/2011	\$1,231.11	PEST CONTROL
73	8318	00394	OXARC INC	12/15/2011	\$116.16	NITROGEN
74	8319	00426	POWER CITY ELECTRIC INC	12/15/2011	\$69,833.87	PROJECT WORK
75	8320	00521	PUD ADVANCE TRAVEL ANGELA ROLPH - CUSTODIAN	12/15/2011	\$1,464.59	PUD ADVANCE TRAVEL
76	8321	12780	REDSSON LTD	12/15/2011	\$99.00	RETURN MAIL SERVICE
77	8322	00195	STAPLES ADVANTAGE	12/15/2011	\$2,794.33	OFFICE SUPPLIES
78	8323	00625	STRUCTURAL DIAGNOSTIC SERVICES INC	12/15/2011	\$1,750.00	INSPECTIONS
79	8324	093	STUART J NELSON	12/15/2011	\$482.54	EMPLOYEE REIMBURSEMENT
80	8325	00094	SUNSCAPES INC	12/15/2011	\$1,700.31	GROUND MAINTENANCE
81	8326	12920	TACOMA SCREW PRODUCTS INC	12/15/2011	\$6.19	OPERATING SUPPLIES
82	8327	01108	TOTAL ENERGY MANAGEMENT	12/15/2011	\$900.00	ENERGY SERVICES
83	8328	12799	GAP HOLDING LLC	12/15/2011	\$602.00	ADVERTISING
84	8329	04596	TRI CITIES AREA JOURNAL OF BUSINESS	12/15/2011	\$645.00	ADVERTISING
85	8330	00445	TRI CITY GLASS INC	12/15/2011	\$626.82	ENERGY SERVICES
86	8331	00478	TRI CITY HERALD	12/15/2011	\$633.67	ADVERTISING
87	8332	12810	TU DECIDES MEDIA INC	12/15/2011	\$300.00	ADVERTISING
88	8333	02263	TYNDALE COMPANY INC	12/15/2011	\$122.45	FIRE SAFETY CLOTHING
89	8334	00277	UNITED WAY	12/15/2011	\$1,527.23	UNITED WAY
90	8335	04190	UPS	12/15/2011	\$25.67	POSTAGE
91	8336	00283	UTILITIES UNDERGROUND LOCATION CENTER	12/15/2011	\$217.50	LOCATES
92	8337	00303	WESCO DISTRIBUTION INC	12/15/2011	\$969.29	WAREHOUSE MATERIALS & SUPPLIES
93	8338	Z470609	PATRICIA GONZALEZ	12/15/2011	\$190.63	REFUND REISSUE
94	8371	00028	ABADAN	12/22/2011	\$138.22	HARD/SOFTWARE MAINTENANCE
95	8372	12768	GTB INC	12/22/2011	\$525.00	ADVERTISING
96	8373	12956	AMERICAN BLDG MAINTENANCE CO	12/22/2011	\$3,252.37	JANITORIAL SERVICE
97	8374	00121	AMERIGAS KENNEWICK	12/22/2011	\$287.16	GAS & OTHER FUELS
98	8375	12783	ANOVAWORKS PPLC	12/22/2011	\$303.00	MEDICAL SERVICES
99	8376	00178	BENTON COUNTY PUD	12/22/2011	\$3,661.14	TREE TRIMMING
100	8377	00179	BENTON FRANKLIN CAC	12/22/2011	\$909.79	HELPING HANDS
101	8378	04565	BIG BEND ELECTRIC COOPERATIVE INC	12/22/2011	\$5,345.62	MONTHLY BIG BEND PAYMENT
102	8379	00515	CONSOLIDATED ELECTRICAL DIST INC	12/22/2011	\$206.18	WAREHOUSE MATERIALS & SUPPLIES
103	8380	12936	QWEST COMMUNICATIONS COMPANY LLC	12/22/2011	\$1,998.53	PHONE SERVICES
104	8381	00362	CITY OF PASCO	12/22/2011	\$270,564.21	OCCUPATION/UTILITY TAX



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105	8382	00360	CITY OF PASCO	12/22/2011	\$130.94	UTILITY SERVICES
106	8383	00387	COLUMBIA RURAL ELECTRIC ASSOC	12/22/2011	\$76.88	RADIO ANTENNA
107	8384	10413	COMPUNET INC	12/22/2011	\$10,533.26	DELL SERVER
108	8385	02334	DATABAR INC	12/22/2011	\$2,308.89	MAILING SERVICES
109	8386	12824	DAVEY'S TREE INC	12/22/2011	\$25,191.35	TREE TRIMMING
110	8387	12900	DECO ENTERPRISES INC	12/22/2011	\$25,309.71	PROJECT WORK
111	8388	12974	DEPARTMENT OF ENTERPRISE SERVICES	12/22/2011	\$10,330.15	HARDWARE/SOFTWARE MAINTENANCE
112	8389	01171	DEPARTMENT OF LABOR & INDUSTRIES	12/22/2011	\$165.60	BUILDING MAINTENANCE
113	8390	03273	DEX MEDIA	12/22/2011	\$82.40	ADVERTISING
114	8391	12953	ECOLIGHTS NORTHWEST LLC	12/22/2011	\$235.80	LIGHTING DISPOSAL
115	8392	05417	ENTERPRISE RENT A CAR	12/22/2011	\$186.78	CAR RENTAL
116	8393	12862	ERMCO	12/22/2011	\$44,641.26	WAREHOUSE MATERIALS & SUPPLIES
117	8394	04279	ESPRIT GRAPHIC COMMUNICATIONS INC	12/22/2011	\$4,208.23	ADVERTISING
118	8395	00206	FRANKLIN COUNTY GRAPHIC	12/22/2011	\$234.00	ADVERTISING
119	8396	02766	GLOBAL KNOWLEDGE	12/22/2011	\$3,320.25	REGISTRATION & TRAINING
120	8397	12981	GREEN ENERGY TODAY LLC	12/22/2011	\$16,503.87	ESQUATZEL DAM PROJECT
121	8398	04189	H2 PRE-CAST INC	12/22/2011	\$3,357.30	WAREHOUSE MATERIALS & SUPPLIES
122	8399	00310	HD SUPPLY UTILITIES	12/22/2011	\$1,957.98	WAREHOUSE MATERIALS & SUPPLIES
123	8400	02760	HOME BUILDERS ASSOCIATION OF TRI CITIES	12/22/2011	\$2,000.00	ADVERTISING
124	8401	12885	INDEPENDENT STATIONERS	12/22/2011	\$121.62	OFFICE SUPPLIES
125	8402	02722	LES SCHWAB	12/22/2011	\$2,102.17	AUTO PARTS
126	8403	00006	LOURDES OCCUP. HEALTH CENTER	12/22/2011	\$219.95	PROFESSIONAL SERVICES
127	8404	01318	NOANET A CORPORATION	12/22/2011	\$500.00	NOC SERVICES
128	8405	00389	OSMOSE UTILITIES SERVICES	12/22/2011	\$3,922.05	POLE INSPECTION
129	8406	12987	PACIFIC STEEL & RECYCLING	12/22/2011	\$441.00	RECYCLING
130	8407	00520	PAVEMENT SURFACE CONTROL A DIV OF CONSTRUCTION	12/22/2011	\$8,228.50	PROJECT WORK
131	8408	01486	RESOURCE ASSOCIATES INC INT'L	12/22/2011	\$1,500.00	PROFESSIONAL SERVICES
132	8409	06825	SEBRIS BUSTO JAMES	12/22/2011	\$1,291.12	CWPU EXPENSE
133	8410	12877	SOFTCHOICE CORPORATION	12/22/2011	\$1,389.49	SOFTWARE MAINTENANCE
134	8411	12982	SPECIAL OLYMPICS WASHINGTON	12/22/2011	\$250.00	ADVERTISING
135	8412	00195	STAPLES ADVANTAGE	12/22/2011	\$255.88	OFFICE SUPPLIES
136	8413	12746	SUPERMEDIA INC	12/22/2011	\$113.15	ADVERTISING
137	8414	04596	TRI CITIES AREA JOURNAL OF BUSINESS	12/22/2011	\$645.00	ADVERTISING
138	8415	00478	TRI CITY HERALD	12/22/2011	\$164.87	ADVERTISING
139	8416	06523	TRI CITY REGIONAL CHAMBER OF COMMERCE	12/22/2011	\$650.00	ADVERTISING

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140	8417	00273	TRI DEC	12/22/2011	\$50.00	DUES & MEMBERSHIP
141	8418	02263	TYNDALE COMPANY INC	12/22/2011	\$787.31	FIRE SAFETY CLOTHING
142	8419	04190	UPS	12/22/2011	\$68.90	POSTAGE
143	8420	12132	US BANK	12/22/2011	\$600.25	TRAVEL CARD
144	8421	12127	US BANK	12/22/2011	\$23,119.04	PURCHASING CARDS
145	8422	00290	WASHINGTON PUBLIC UTILITY DIST ASSOC	12/22/2011	\$9,192.00	DUES & MEMBERSHIP
146	8423	09391	WEIDMANN DIAGNOSTIC SOLUTIONS INC	12/22/2011	\$2,213.35	PROFESSIONAL SERVICES
147	8424	11202	WESTERN RENEWABLE ENERGY WREGIS	12/22/2011	\$17.24	TRANSFER FEES
148	8428	05611	A W REHN & ASSOCIATES	12/30/2011	\$368.00	BRIDGE PAYMENTS
149	8429	12941	AMERICAN EXPRESS	12/30/2011	\$100.10	PAPER PRODUCTS
150	8430	00179	BENTON FRANKLIN CAC	12/30/2011	\$203.00	HELPING HANDS
151	8431	00308	BNSF RAILWAY COMPANY	12/30/2011	\$2,652.25	RAILROAD CROSSING
152	8432	00515	CONSOLIDATED ELECTRICAL DIST INC	12/30/2011	\$248.80	WAREHOUSE MATERIALS & SUPPLIES
153	8433	12936	QWEST COMMUNICATIONS COMPANY LLC	12/30/2011	\$45.03	PHONE SERVICES
154	8434	12986	CLERK OF THE COURT	12/30/2011	\$400.62	EMPLOYEES GARNISHMENT
155	8435	08271	CODALE ELECTRIC SUPPLY INC	12/30/2011	\$75.68	FIBER SERVICES
156	8436	01890	CI SUPPORT LLC	12/30/2011	\$293.76	SHREDDING
157	8437	12795	COMSTOR INFORMATION MANAGEMENT INC	12/30/2011	\$196.82	PROFESSIONAL SERVICES
158	8438	02334	DATABAR INC	12/30/2011	\$10,099.13	MAILING SERVICES
159	8439	00644	DELL MARKETING L.P. INC	12/30/2011	\$354.37	HARD/SOFTWARE MAINTENANCE
160	8440	01488	DOBLE ENGINEERING CO	12/30/2011	\$6,300.00	SOFTWARE MAINTENANCE AGREEMENT
161	8441	12806	BETH I LOWE	12/30/2011	\$1,378.88	FIBER SERVICES
162	8442	12766	ELITE RENOVATIONS LLC	12/30/2011	\$1,662.84	ENERGY SERVICES
163	8443	12862	ERMCO	12/30/2011	\$76,536.69	WAREHOUSE MATERIALS & SUPPLIES
164	8444	00197	FEDEX	12/30/2011	\$30.33	FEDEX
165	8445	00216	GENERAL PACIFIC INC	12/30/2011	\$16,482.77	WAREHOUSE MATERIALS & SUPPLIES
166	8446	01889	GLASS NOOK INC	12/30/2011	\$1,903.68	ENERGY SERVICES
167	8447	00229	GRAINGER INC	12/30/2011	\$21.05	OPERATING SUPPLIES
168	8448	05031	GRANT COUNTY PUD	12/30/2011	\$115.19	CWPU EXPENSE
169	8449	00310	HD SUPPLY UTILITIES	12/30/2011	\$2,670.68	WAREHOUSE MATERIALS & SUPPLIES
170	8450	00073	HDR ENGINEERING INC	12/30/2011	\$11,683.75	PROFESSIONAL SERVICES
171	8451	01233	INTERGRAPH CORPORATION	12/30/2011	\$15,611.63	HARD/SOFTWARE MAINTENANCE
172	8452	09179	JUPITER COMMUNICATIONS LLC	12/30/2011	\$2,857.20	FIBER SERVICES
173	8453	00006	LOURDES OCCUP. HEALTH CENTER	12/30/2011	\$50.00	MEDICAL SERVICES
174	8454	02633	NEC CORPORATION OF AMERICA INC	12/30/2011	\$21,223.73	BROADBAND SERVICES

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175	8455	01318	NOANET A CORPORATION	12/30/2011	\$2,752.00	NOC SERVICES
176	8456	00394	OXARC INC	12/30/2011	\$1,516.20	WAREHOUSE MATERIALS & SUPPLIES
177	8457	00426	POWER CITY ELECTRIC INC	12/30/2011	\$46,341.41	PROJECT WORK
178	8458	10368	POWERLINE TECHNOLOGY INC	12/30/2011	\$2,780.09	SOFTWARE MAINTENANCE
179	8459	12190	QUALITY ATTRIBUTES SOFTWARE	12/30/2011	\$2,150.00	SOFTWARE SUPPORT/HOSTING AGREEMENT
180	8460	12908	SHI INTERNATIONAL CORPORATION	12/30/2011	\$10,278.45	HARD/SOFTWARE MAINTENANCE
181	8461	00195	STAPLES ADVANTAGE	12/30/2011	\$698.75	OFFICE SUPPLIES
182	8462	093	STUART J NELSON	12/30/2011	\$20.00	EMPLOYEE REIMBURSEMENT
183	8463	12920	TACOMA SCREW PRODUCTS INC	12/30/2011	\$241.16	OPERATING SUPPLIES
184	8464	00478	TRI CITY HERALD	12/30/2011	\$474.50	ADVERTISING
185	8465	02263	TYNDALE COMPANY INC	12/30/2011	\$679.75	FIRE SAFETY CLOTHING
186	8466	04190	UPS	12/30/2011	\$36.84	POSTAGE
187	8467	09977	UTILITY TECHNOLOGIES INC	12/30/2011	\$433.20	FIBER SERVICES
188	8468	00290	WASHINGTON PUBLIC UTILITY DIST ASSOC	12/30/2011	\$1,700.00	DUES & MEMBERSHIP
189	8469	02093	WA STATE DEPARTMENT OF TRANSPORTATION	12/30/2011	\$696.20	EASEMENT
190	8470	12926	WASHINGTON WIRE LLC	12/30/2011	\$1,000.00	ADVERTISING
191	8471	00303	WESCO DISTRIBUTION INC	12/30/2011	\$4,601.12	WAREHOUSE MATERIALS & SUPPLIES
192	8504	10789	AEQUUS CONSULTING CORP	1/6/2012	\$3,000.00	CONSULTING
193	8505	00178	BENTON COUNTY PUD	1/6/2012	\$228.23	RACK FEE
194	8506	00179	BENTON FRANKLIN CAC	1/6/2012	\$41.41	HELPING HANDS
195	8507	12991	CAPTAIN PHIL'S AUTO CENTER	1/6/2012	\$16.25	CAR WASH
196	8508	00360	CITY OF PASCO	1/6/2012	\$329.06	UTILITY SERVICES
197	8509	12903	CITY OF RICHLAND	1/6/2012	\$31.18	FIBER SERVICES
198	8510	00346	CONNELL OIL INC	1/6/2012	\$12,158.68	GAS & OTHER FUELS
199	8511	04100	CRYSTAL SPRINGS DS WATERS OF AMERICA LP	1/6/2012	\$14.57	DRINKING WATER
200	8512	02334	DATABAR INC	1/6/2012	\$1,286.28	MAILING SERVICES
201	8513	12974	DEPARTMENT OF ENTERPRISE SERVICES	1/6/2012	\$750.00	HARDWARE/SOFTWARE MAINTENANCE
202	8514	12698	DONALD J HAMMERVOLD	1/6/2012	\$1,500.00	PROFESSIONAL SERVICES
203	8515	04279	ESPRIT GRAPHIC COMMUNICATIONS INC	1/6/2012	\$3,876.10	ADVERTISING
204	8516	00216	GENERAL PACIFIC INC	1/6/2012	\$2,198.49	WAREHOUSE MATERIALS & SUPPLIES
205	8517	09626	HALO BRANDED SOLUTIONS INC	1/6/2012	\$758.84	ADVERTISING
206	8518	00310	HD SUPPLY UTILITIES	1/6/2012	\$46,140.29	WAREHOUSE MATERIALS & SUPPLIES
207	8519	07277	JUB ENGINEERS INC	1/6/2012	\$800.00	PROFESSIONAL SERVICES
208	8520	02335	KNDU - KNDU	1/6/2012	\$500.00	ADVERTISING
209	8521	00264	LAMPSON INTL LTD INC	1/6/2012	\$1,787.82	TRANSFORM MAINTENANCE

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210	8522	12254	LANDS ENERGY CONSULTING INC	1/6/2012	\$250.00	CONSULTING
211	8523	00006	LOURDES OCCUP. HEALTH CENTER	1/6/2012	\$64.00	MEDICAL SERVICES
212	8524	00321	M CAMPBELL & COMPANY	1/6/2012	\$1,400.00	ENERGY SERVICES
213	8525	00130	MOON SECURITY SERVICE INC	1/6/2012	\$383.91	SECURITY MAINTENANCE
214	8526	00682	NEXTEL COMMUNICATIONS	1/6/2012	\$1,287.36	PHONE SERVICES
215	8527	11368	ONLINE INFORMATION SERVICES INC	1/6/2012	\$610.50	PROFESSIONAL SERVICES
216	8528	00452	ORKIN EXTERMINATING INC	1/6/2012	\$400.71	PEST CONTROL
217	8529	04915	PEND OREILLE PUD	1/6/2012	\$9,522.64	CWPU EXPENSE
218	8530	08228	PRINTER TECH SERVICE & SUPPLIES	1/6/2012	\$92.06	HARDWARE MAINTENANCE
219	8531	12798	PURE WATER FINANCE INC	1/6/2012	\$416.96	WATER COOLER RENTAL
220	8532	02416	MICHAEL B DIORIO DBA RED-D BACKHOE SERVICE	1/6/2012	\$8,122.50	BACKHOE SERVICES
221	8533	12756	REPORTS PLUS INC	1/6/2012	\$2,568.80	PROFESSIONAL SERVICES
222	8534	03488	RON TURLEY ASSOCIATES INC	1/6/2012	\$700.00	SOFTWARE MAINTENANCE
223	8535	00505	SIERRA ELECTRIC INC	1/6/2012	\$24,461.44	PROJECT WORK
224	8536	12920	TACOMA SCREW PRODUCTS INC	1/6/2012	\$287.29	OPERATING SUPPLIES
225	8537	02533	THOMPSON COBURN LLP	1/6/2012	\$659.94	PROFESSIONAL SERVICES
226	8538	00478	TRI CITY HERALD	1/6/2012	\$1,290.00	ADVERTISING
227	8539	12810	TU DECIDES MEDIA INC	1/6/2012	\$900.00	ADVERTISING
228	8540	02263	TYNDALE COMPANY INC	1/6/2012	\$63.00	FIRE SAFETY CLOTHING
229	8541	04680	US POSTAL SERVICES	1/6/2012	\$2,000.00	MAILING SERVICES
230	8542	11471	VERIZON WIRELESS	1/6/2012	\$187.90	METER READING SERVICES
231	8543	10791	WA STATE BAR ASSOCIATION	1/6/2012	\$474.00	DUES & MEMBERSHIP
232	8544	120	PAYROLL WARRANT	1/12/2012	\$1,728.86	PAYROLL ENDING 1/08/2012
233	8545	00025	ASTLEY ENTERPRISES DBA AAW AUTO PARTS	1/12/2012	\$411.85	AUTO PARTS
234	8546	00299	BUDGET PRINT CENTER	1/12/2012	\$97.47	OFFICE FORMS
235	8547	00327	CASEY COCHRANE	1/12/2012	\$600.00	EASEMENTS
236	8548	10786	CCR TRI CITIES III LLC	1/12/2012	\$2,432.30	ADVERTISING
237	8549	12936	QWEST COMMUNICATIONS COMPANY LLC	1/12/2012	\$100.45	PHONE SERVICES
238	8550	00339	QWEST COMMUNICATIONS COMPANY LLC	1/12/2012	\$200.03	PHONE SERVICES
239	8551	00354	CITY OF CONNELL	1/12/2012	\$71.44	UTILITY SERVICES
240	8552	12986	CLERK OF THE COURT	1/12/2012	\$400.62	EMPLOYEES GARNISHMENT
241	8553	01890	CI SUPPORT LLC	1/12/2012	\$673.92	SHREDDING
242	8554	01895	COMM/TECH COMMUNICATIONS INC	1/12/2012	\$368.22	RADIO SYSTEM
243	8555	12913	COPIERS NORTHWEST INC	1/12/2012	\$83.15	HARD/SOFTWARE MAINTENANCE
244	8556	12824	DAVEY'S TREE INC	1/12/2012	\$25,843.35	TREE TRIMMING

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245	8557	00644	DELL MARKETING L.P. INC	1/12/2012	\$2,566.34	HARD/SOFTWARE MAINTENANCE
246	8558	05071	DIRECT AUTOMOTIVE	1/12/2012	\$329.08	AUTO PARTS
247	8559	00206	FRANKLIN COUNTY GRAPHIC	1/12/2012	\$45.00	ADVERTISING
248	8560	00216	GENERAL PACIFIC INC	1/12/2012	\$963.87	WAREHOUSE MATERIALS & SUPPLIES
249	8561	12981	GREEN ENERGY TODAY LLC	1/12/2012	\$21,777.95	ESQUATZEL DAM PROJECT
250	8562	04189	H2 PRE-CAST INC	1/12/2012	\$7,364.40	WAREHOUSE MATERIALS & SUPPLIES
251	8563	12885	INDEPENDENT STATIONERS	1/12/2012	\$21.09	OFFICE SUPPLIES
252	8564	12984	INTEC SERVICES INC	1/12/2012	\$89,632.68	POLE TEST & TREATMENT
253	8565	12944	KEITH AND WENDY STEINBECKER	1/12/2012	\$200.00	EASEMENTS
254	8566	00256	KELLEY'S TELE-COMMUNICATION INC	1/12/2012	\$873.85	ANSWERING SERVICE
255	8567	12945	LEE AND ANGELICA HARDY	1/12/2012	\$400.00	EASEMENTS
256	8568	12988	KENNEWICK PRESS LLC	1/12/2012	\$80.17	FORMS
257	8569	01318	NOANET A CORPORATION	1/12/2012	\$500.00	NOC SERVICES
258	8570	00394	OXARC INC	1/12/2012	\$41.34	NITROGEN
259	8571	00426	POWER CITY ELECTRIC INC	1/12/2012	\$113,324.82	PROJECT WORK
260	8572	08228	PRINTER TECH SERVICE & SUPPLIES	1/12/2012	\$265.34	HARDWARE MAINTENANCE
261	8573	12801	PROTRAIN	1/12/2012	\$1,596.00	REGISTRATION & TUITION
262	8574	00405	ROSARIO VIERA FOR PUD REVOLVING FUND	1/12/2012	\$445.23	TRAVEL & TRAINING
263	8575	12780	REDSSON LTD	1/12/2012	\$99.00	HARD/SOFTWARE MAINTENANCE
264	8576	073	SHELLI N CLAPPER	1/12/2012	\$20,000.00	AGREEMENT
265	8577	12908	SHI INTERNATIONAL CORPORATION	1/12/2012	\$614.88	HARD/SOFTWARE MAINTENANCE
266	8578	093	STUART J NELSON	1/12/2012	\$495.86	EMPLOYEE REIMBURSEMENT
267	8579	00094	SUNSCAPES INC	1/12/2012	\$1,700.31	GROUND MAINTENANCE
268	8580	00478	TRI CITY HERALD	1/12/2012	\$350.00	ADVERTISING
269	8581	02263	TYNDALE COMPANY INC	1/12/2012	\$486.35	FIRE SAFETY CLOTHING
270	8582	00277	UNITED WAY	1/12/2012	\$1,680.75	UNITED WAY
271	8583	04190	UPS	1/12/2012	\$126.09	POSTAGE
272	8584	00300	WELLS FARGO BANK, NA	1/12/2012	\$116,176.75	INSURANCE PREMIUM

**Warrant Total**

**\$1,908,943.37**

273	EFT000283	02361	UNUM LIFE INSURANCE CO OF AMERICA	12/8/2011	\$220.20	PREMIUM
274	EFT000284	063	STEVEN J PALMER	12/8/2011	\$334.52	EMPLOYEE REIMBURSEMENT
275	EFT000285	085	DAVID A STRAUZ	12/8/2011	\$209.79	EMPLOYEE REIMBURSEMENT
276	EFT000286	00245	IBEW LOCAL 77	12/15/2011	\$4,934.86	DUES
277	EFT000287	03316	A W REHN & ASSOCIATES	12/15/2011	\$1,283.48	FLEX PLAN

**Public Utility District No. 1 of Franklin County  
Warrant Register**

Board Date: 1/24/2012

Effective Date: 1/12/2012

278	EFT000288	12725	MERITAIN HEALTH INC	12/15/2011	\$8,989.12	VEBA
279	EFT000289	048	EDWARD J BROST	12/15/2011	\$5,452.54	EMPLOYEE REIMBURSEMENT
280	EFT000290	057	LEE S GUERRERO	12/15/2011	\$609.58	EMPLOYEE REIMBURSEMENT
281	EFT000291	12724	A W REHN & ASSOCIATES	12/22/2011	\$116.50	FLEX PLAN ADMIN FEE
282	EFT000292	036	DEBBIE M BONE-HARRIS	12/22/2011	\$470.62	EMPLOYEE REIMBURSEMENT
283	EFT000293	069	LINDA R ESPARZA	12/22/2011	\$224.86	EMPLOYEE REIMBURSEMENT
284	EFT000294	02361	UNUM LIFE INSURANCE CO OF AMERICA	12/30/2011	\$220.20	PREMIUM
285	EFT000295	03316	A W REHN & ASSOCIATES	12/30/2011	\$1,283.48	FLEX PLAN
286	EFT000296	12725	MERITAIN HEALTH INC	12/30/2011	\$8,927.55	VEBA
287	EFT000297	008	IRENE R WONG	12/30/2011	\$3,139.38	EMPLOYEE REIMBURSEMENT
288	EFT000298	034	RICHARD M FUHER	12/30/2011	\$823.00	EMPLOYEE REIMBURSEMENT
289	EFT000299	063	STEVEN J PALMER	1/6/2012	\$291.78	EMPLOYEE REIMBURSEMENT
290	EFT000300	085	DAVID A STRAUZ	1/6/2012	\$125.00	EMPLOYEE REIMBURSEMENT
291	EFT000301	00245	IBEW LOCAL 77	1/12/2012	\$5,053.00	DUES
292	EFT000302	02361	UNUM LIFE INSURANCE CO OF AMERICA	1/12/2012	\$6,283.43	PREMIUM
293	EFT000303	03316	A W REHN & ASSOCIATES	1/12/2012	\$1,512.67	FLEX PLAN
294	EFT000304	12724	A W REHN & ASSOCIATES	1/12/2012	\$94.50	FLEX PLAN ADMIN FEE
295	EFT000305	12725	MERITAIN HEALTH INC	1/12/2012	\$9,058.03	VEBA

**EFT Total**

**\$59,658.09**

**Total**

**\$1,968,601.46**

**Public Utility District No. 1 of Franklin County  
Write Off Commissioner Report**

<b>Report Run</b>	1/17/12			
<b>Agency</b>	Washington Collectors			
<b>#</b>	<b>Account No.</b>	<b>Name</b>	<b>Write-Off Amount</b>	<b>Utility Ranking</b>
1	1129-03	Rolando Perez	\$106.98	C
2	1156-06	Expo Home Décor Outlet	204.11	B
3	1502-10	Leanna Jennings	173.63	D
4	1573-05	John Mitchell Kelley	158.94	D
5	2066-06	D Peterman	87.78	A
6	3047-13	FAS- Litton Utility	45.38	C
7	3064-04	Colleen Norris	24.12	D
8	4874-12	Brandon Sargent	96.15	C
9	5085-06	Sandra K Alleyne	72.94	A
10	6983-03	Lake Cakes	34.92	B
11	7314-03	Kevin Deckert	311.96	D
12	7852-16	Vanessa Diaz	55.66	A
13	9302-02	Steve Gibson	452.40	D
14	10209-01	Dixie L Anderson	88.96	A
15	13045-19	Jose Chavez	60.11	B
16	13432-07	Elizabeth Tyshchuk	299.09	B
17	14028-01	Crystle Tovar	57.18	C
18	14029-01	Crystle Tovar	59.62	C
19	14662-05	Indi Galarza	44.41	C
20	15586-11	Jessica Salcido	161.19	B
21	16610-05	Melissa Tannehill	307.73	A
22	19090-01	Colin Dirk	1,977.41	D
23	20784-01	Cooper Company LLC	815.78	D
24	23143-00	Gen X Clothing	1,891.59	D
25	25185-07	Elide Valdez	22.30	B
26	28255-07	Melvin Wahl O/A	155.88	C
27	30105-08	Christine M Tucker	174.55	D
28	30139-08	Brittney Tomlinson	79.68	D
29	41211-04	Tyler Bosserman	203.86	D
30	41535-05	Adrian Chaffins	165.03	A
31	43435-11	Carmen Vera	364.18	D
32	43648-11	Various Home Rentals O/A	156.06	D
33	43790-08	Larae Mead	31.66	D
34	43877-09	Jennifer Robertson	359.13	C
35	44177-13	Christopher Crabb	275.13	B
36	44262-08	Vicky McCann O/A	31.06	B
37	44511-06	Enrique Garza	151.10	B

38	44579-09	Tammy Barnes	244.86	D
39	45101-10	Justin West	60.52	C
40	45216-07	Sandra Sanchez	55.06	C
41	45256-04	Nancy Santoyo	228.04	B
42	45324-05	Shae K Langlois	174.06	D
43	45434-09	Mary Freeman	74.30	C
44	45442-10	Pricilla Jane Campos	252.23	C
45	45448-08	Jennifer K Reedy	458.06	C
46	45457-01	Melissa Andrewjeski	194.86	D
47	45922-05	Dorit Ben Ezer	34.81	A
48	46026-15	Nicole Steagall	216.31	D
49	46339-01	Judith Rocha	331.86	C
50	48157-01	Fernando Bello	53.07	A
51	50563-04	Sam Deniff	638.40	A
52				
<b>53</b>	<b>Totals</b>		<b>51 \$12,774.10</b>	
54				
55	Average amount per account		\$250.47	
56	Gross bad debts as a percentage to December sales		0.0016%	



FRANKLIN PUD: AGENDA ITEM SUMMARY

PRESENTER: Ed Brost, General Manager

DATE: 1/24/12

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REPORT

DISCUSSION

ACTION REQUIRED

**1. OBJECTIVE:**

Approving Closure of the District's 2010-11 Operating Plan.

**2. BACKGROUND:**

In December 2009, the Commission approved the District's 2010-11 Operating Plan, continuing the three major *Focus Areas* from the previous Operating Plan as important targets for District performance. For each Focus Area, one or two major *Goals* were set. Within each Goal, specific objectives were identified and target dates were set.

The *Focus Areas*, and their underlying *Goals*, are:

- Strong and Supportive Relationships
  - I. Provide Excellent Customer Service
  - II. Provide an Excellent Work Environment
- Low, Stable Rates
  - III. Keep Rates Level in 2010; Minimize Rate Increase for 2011
- High Systems Reliability
  - IV. Maintain Electric and Information Systems' Reliability, and Mitigate District Liabilities

The General Manager has completed final review of the 2010-11 Operating Plan and progress on meeting the goals and objectives of the Plan. The attached scorecard, Attachment A, is the last of four semi-annual Operating Plan updates for the Commission, and indicates the status of each objective.

District staff made significant progress on the two-year plan, accomplishing some major objectives including completing the administration building remodel, negotiating a new collective bargaining agreement, and upgrading to Microsoft 07, including converting from GroupWise to Outlook email system.

A few objectives were not fully met, and will carry-over to the 2012-13 Operating Plan, including conducting an exempt vs. non-exempt position review, and developing an Information Technology (IT) Business Continuity Plan.

Attachment A includes updated colors and dates, and indication of carry-overs.

Staff recommends that the Commission approve closure of the 2010-11 Operating Plan.

**3. SUGGESTED MOTION:**

I move to approve closure of the District's 2010-11 Operating Plan.

**District Operating Attachment A, Agenda Item 4  
2010-11 Operating Plan**

Done!					
On track, will meet deadline or successfully ongoing.					
Behind schedule, but making progress.					
Off course, corrective action required.					Proposed
<b>FOCUS AREA: STRONG AND SUPPORTIVE RELATIONSHIPS</b>				Last Update	1/24/11 Update
<b>GOAL I: PROVIDE EXCELLENT CUSTOMER SERVICE</b>	<b>WHO</b>	<b>WHEN</b>			
A: Keep customers updated and informed	DBH	Ongoing			
B. Assess customer needs and quality of customer service	DBH	Ongoing			
C. Evaluate use of payment kiosks	TN	Apr-10	Jun-11		
D. Review and update the District's Net Metering Policy	DS	Apr-10	Oct-10		
E. Complete Administrative Building remodel	TN	Apr-10	Mar-11		
F. Participate in select regional organizations & seek to influence decision makers	EB	Ongoing			
<b>GOAL II: PROVIDE AN EXCELLENT WORK ENVIRONMENT</b>	<b>WHO</b>	<b>WHEN</b>			
A: Improve internal communications	Dir's	Ongoing			
B. Negotiate mutually beneficial collective bargaining agreement for 4/11 to 3/14	EB	Apr-11			
C. Update District policies	SDP	Dec-11			
D. Develop departmental critical process handbooks	Dir's	Dec-10	Dec-11		
E. Conduct Exempt vs. Non-Exempt position review	SDP	Dec-10	Dec-11		A
F. Develop and implement a Facilities Maintenance Plan for all District buildings and substations	DG	Jul-10	Sep-10		
G. Focus on safety via regular Safety Committee meetings for Administration Building	DG	Ongoing			
H. Update the Purchasing Procedures and provide training	SP/DG	Dec-10			
I. Implement new Accounting/Work Management Software	TN	Dec-10	Sep-11		B
J. Identify record management processes for electronic and hard copy information in Engineering	DS	Dec-10	Dec-11		C
K. Determine which department should manage the District's credit card program and update implementing policy/procedure	TN/DG	Apr-10	Dec-10		
<b>FOCUS AREA: LOW, STABLE RATES</b>					
<b>GOAL III: KEEP RATES LEVEL IN 2010; MINIMIZE RATE INCREASE FOR 2011</b>	<b>WHO</b>	<b>WHEN</b>			
A: Participate in and influence BPA Rate Processes	EB	Ongoing			
B. Maintain Bond Ratings	TN	Ongoing			
C. Optimize Energy Resources	LB	Ongoing			
D. Optimize Financial Resources	Dir's	Aug-11	Dec-11		
E. Assess and update specific Retail Rate programs and processes	TN	Mar-10	Dec-11		
F. Assess and influence new legislation, in particular, climate change	EB/DBH	Ongoing			
<b>FOCUS AREA: HIGH SYSTEMS RELIABILITY</b>					
<b>GOAL IV: MAINTAIN ELECTRIC AND INFORMATION SYSTEMS' RELIABILITY; MITIGATE DISTRICT LIABILITIES</b>	<b>WHO</b>	<b>WHEN</b>			
A: Update five-year electrical system plan	DG/DS	Ongoing	Sep-11		D
B. Develop capital & maintenance plan for IT and Broadband systems	TN	Ongoing	Dec-11		E
C. Assure compliance with records management requirements	SP	Ongoing			
D: Complete conversion/training-from GroupWise to Outlook and MS 03 to MS 07	TN	Apr-10	Sep-10		
E. Assure compliance with NERC/WECC reporting standards	LB	Ongoing			
F. Develop disaster response and recovery plan	DBH/EB	Apr-10	Oct-11		F
G. Review Administration Building security procedures, practices & responsibilities	DG/SP	Mar-10	Aug-10		
H. Update the Contracting Processes	SP	Ongoing			
I. Assure compliance with FACTA program	SP	Dec-10			
A to New Plan II-B; B to New Plan II-E; C to New Plan IV-D; D to New Plan I-E & IV-B; E to New Plan I-E; F to New Plan IV-A.					

FRANKLIN PUD: AGENDA ITEM SUMMARY

PRESENTER: Ed Brost, General Manager

DATE: 1/24/12

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REPORT

DISCUSSION

ACTION REQUIRED

**1. OBJECTIVE:**

Approving the District's 2012-13 Operating Plan.

**2. BACKGROUND:**

The Commission approves a new Operating Plan every two years. The proposed plan continues the District's three major *Focus Areas* from previous Operating Plans as important targets for District performance. In each Focus Area, one or two major *Goals* were set. Within each Goal, specific objectives are identified and target dates for meeting the objectives are set.

The *Focus Areas*, and their underlying *Goals*, are:

- Strong and Supportive Relationships
  - I. Provide Excellent Customer Service
  - II. Provide an Excellent Work Environment
- Low, Stable Rates
  - III. Avoid 2012 and Minimize 2013 Rate Increases
- High Systems Reliability
  - IV. Maintain Electric and Information Technology Reliability, and Mitigate District Liabilities

The General Manager has developed the proposed 2012-13 Operating Plan with Directors and Managers and incorporated input from the Commissioners. District staff will use the attached scorecard to indicate progress toward goals over the next two years. The Commissioners will be provided semi-annual updates beginning in July 2012.

Staff recommends that the Commission approve the 2012-13 Operating Plan.

**3. SUGGESTED MOTION:**

I move to approve the District's 2012-13 Operating Plan.

Attachement A to Agenda Item 5  
2012-13 Operating Plan

Done!		
On track, will meet deadline or successfully ongoing.		
Behind schedule, but making progress.		
Off course, corrective action required.		
<b>FOCUS AREA: STRONG AND SUPPORTIVE RELATIONSHIPS</b>		
<b>GOAL I: PROVIDE EXCELLENT CUSTOMER SERVICE</b>		<b>WHO</b>
		<b>WHEN</b>
<b>A.</b>	Develop and implement education/information campaigns for customers and schools	DBH
<b>B.</b>	Assess outage information practices and opportunities to improve	DBH/DG
<b>C.</b>	Complete AMI business case	DS/TN/DG
<b>D.</b>	Develop and implement a Conservation Potential Assessment tool and prioritization protocol	LE
<b>E.</b>	Prepare a concise summary of the District's long-term plans & strategies	EB
<b>GOAL II: PROVIDE AN EXCELLENT WORK ENVIRONMENT</b>		<b>WHO</b>
		<b>WHEN</b>
<b>A.</b>	Complete Compensation Market Study for bargaining positions and negotiate adjustments	SuP
<b>B.</b>	Complete FLSA assessment for exempt/nonexempt positions and implement results	SuP
<b>C.</b>	Complete 5-yr Staffing & Succession Plan for all positions and implement accordingly	SuP & All Dir
<b>D.</b>	Assess virtual desktop environment and implement as determined	TN
<b>E.</b>	Validate cost and benefits of FIS implementation and opportunities for additional benefits	TN
<b>FOCUS AREA: LOW, STABLE RATES</b>		
<b>GOAL III: AVOID 2012 and MINIMIZE 2013 RATE INCREASES</b>		<b>WHO</b>
		<b>WHEN</b>
<b>A.</b>	Participate in and influence BPA Rate Processes and Policy development	EB
<b>B.</b>	Update IRP including expected generation and conservation resources to meet loads	LE
<b>C.</b>	Continue meter audits and identify opportunities to increase revenue	DG/DS/TN
<b>D.</b>	Complete disposition of Pasco CT	StP
<b>E.</b>	Identify opportunities to reduce annual operating & capital costs	All Dir
<b>F.</b>	Seek cost-effective changes to the EIA	EB/DBH
<b>G.</b>	Finalize and implement rate design in conjunction with next rate action	TN
<b>H.</b>	Adopt material standards and establish inventory reorder points	DG
<b>FOCUS AREA: HIGH SYSTEMS RELIABILITY</b>		
<b>GOAL IV: MAINTAIN ELECTRIC &amp; IT RELIABILITY; MITIGATE DISTRICT LIABILITIES</b>		<b>WHO</b>
		<b>WHEN</b>
<b>A.</b>	Prepare and implement an IT/Business Continuity Plan	TN
<b>B.</b>	Update the Electric System Plan	DS
<b>C.</b>	Coordinate with BBEC to strengthen & clarify West Pasco electric service for both entities	DS/DG
<b>D.</b>	Continue to explore/implement cost-effective improvements to records management systems	StP

FRANKLIN PUD: AGENDA ITEM SUMMARY

Presenter: Susan Paysse, Director of Human Resources Meeting Date: 1/24/12

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REPORT  DISCUSSION  ACTION REQUIRED

1. **OBJECTIVE:**

Adopting a Resolution Approving the Salary Administration Plan for Non-Bargaining Employees for 2012.

2. **BACKGROUND:**

Each year, District staff review the District's Salary Administration Plan for non-bargaining employees. The review includes a comparison of District salaries to industry salaries and an assessment of the current staffing needs of the District. Based on the review, staff recommends and proposes to the Commissioners a plan for the current year.

Historically, the Commission has adopted a resolution amending the District's Salary Administration Plan, initially adopted by Resolution 659 in May 1990. In order to eliminate redundancy and provide clarity to the Salary Administration Plan practices, staff recommends that the Commission approve a new plan annually, rather than continue to amend a previous plan.

For 2012, staff recommends raising the minimum, position, and maximum salary rates of each salary grade in the 2011 Salary Administration Plan by 1.5%. While this is below the projected industry average for 2012 non-bargaining wage increases, it will keep the salary rates for District positions comparable with the industry positions. Adoption of Resolution 1178 would adjust salary rates only; actual salaries are adjusted in separate actions based on the approved budget. The General Manager authorized a 1.5% general wage increase for non-bargaining employees effective December 26, 2011 based on the approved 2012 operating budget.

The additional proposed changes are:

1. Add the new titles of Contract Specialist (Grade 5) and Senior Broadband Engineer (Grade 13). The new titles reflect the job duties and responsibilities of current positions. These changes will not result in new hires.
2. Change the title of Human Resources Coordinator to Human Resources Generalist. The change reflects the industry standard for the position and keeps the same salary grade.

3. Re-grade the Microsoft Administrator position added in 2011 at salary grade 12, due to a change in expected duties. The position was not filled in 2011, was budgeted for 2012 at salary grade 11, and was filled on December 26, 2011 following adoption of the 2012 budget.
4. Eliminate position titles that the District no longer uses, specifically the positions of Executive Clerk from Salary Grade 1, Operations Coordinator from Salary Grade 7, Operations Engineer from Salary Grade 12, GIS/Technical Systems Manager from Salary Grade 13, Technical Systems Manager from Salary Grade 15, and Director of Engineering and Operations from Salary Grade 19.

The proposed changes are reflected on Attachment A.

Staff recommends that the Commission adopt Resolution 1178, approving the proposed changes to the Salary Administration Plan, and superseding Resolution 659 and all previous Salary Administration Plans.

**3. SUGGESTED MOTION:**

I move to adopt Resolution 1178, as presented.

**Attachment A to Agenda Item 6  
Proposed Salary Administration Plan for 2012**

**Position Titles by Salary Rates**

<b>Salary Grade</b>	<b>Minimum Rate</b>	<b>Position Rate</b>	<b>Maximum Rate</b>	<b>Position Title</b>
1	3357	3943	4196	Executive Clerk
2	\$3,527	\$4,145	\$4,409	Payroll/Accounts Payable Accountant
4	\$3,888	\$4,569	\$4,859	Administrative Assistant
5	\$4,084	\$4,799	\$5,106	Broadband Coordinator Contract Specialist
7	\$4,504	\$5,528	\$5,968	Accountant Energy Services Specialist Operations Coordinator Public Records Officer
8	\$4,726	\$5,802	\$6,262	Executive Assistant Information Technology Support Technician
9	\$4,961	\$6,091	\$6,574	Energy Services Specialist/Hazmat Officer HR Coordinator-Generalist
10	\$5,211	\$6,487	\$7,035	Communications Coordinator Senior Accountant
11	\$5,471	\$6,814	\$7,387	Accountant/Financial Analyst Network Administrator Electrical Engineer Microsoft Administrator
12	\$5,745	\$7,152	\$7,755	Broadband Engineer Customer Service Supervisor Microsoft Administrator Network Engineer Operations Engineer Power Analyst Project Engineer
13	\$6,032	\$7,617	\$8,295	Accountant/Financial Analyst II Energy Services Manager GIS/Technical Systems Manager Purchasing Manager Senior Broadband Engineer



**Attachment A to Agenda Item 6  
Proposed Salary Administration Plan for 2012**

**Position Titles by Salary Rates**

				Senior Network Engineer
14	\$6,334	\$7,998	\$8,712	Applications Systems Manager
15	\$6,653	\$8,401	\$9,148	Systems Engineer
				Technical Systems Manager
				Treasurer/Accounting Manager
16	\$6,984	\$8,818	\$9,604	Public Affairs Manager
				Senior Project Engineer
17	\$7,335	\$9,261	\$10,088	Director of Human Resources
				Power Manager
				Senior Systems Engineer
				Transmission & Distribution Superintendent
18	\$7,701	\$9,857	\$10,781	Engineering Manager
				Information Systems/Broadband Mgr
19	\$8,085	\$10,866	\$11,886	Auditor/Director of Admin Services
				Director of Engineering
				Director of Operations
				Director of Engineering & Operations
				Director of Power Management
20	\$8,487	\$12,604	\$14,005	Assistant Manager
				General Counsel

**RESOLUTION 1178**

**A RESOLUTION OF THE COMMISSION OF PUBLIC UTILITY  
DISTRICT NO. 1 OF FRANKLIN COUNTY**

**APPROVING THE SALARY ADMINISTRATION PLAN FOR  
NON-BARGAINING GROUP EMPLOYEES FOR 2012**

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WHEREAS, RCW 54.16.100 requires the General Manager of Public Utility District No. 1 of Franklin County (the District) to recommend to the Board of Commissioners (the Commission) the compensation for employees; and

WHEREAS, the Commission deems it in the best interest of the District to provide a compensation plan (Salary Administration Plan) by salary grade for its non-bargaining employees, in accordance with job classifications and related rates of compensation, and based on job difficulty, responsibility and qualification requirements; and

WHEREAS, the Salary Administration Plan establishes minimum, position, and maximum salary rates within each salary grade based on comparable industry positions, and reflects the needs of the District; and

WHEREAS, from time to time, it becomes necessary to add, remove, change, or re-grade position titles, and/or adjust the salary rates for the salary grade; and

WHEREAS, the Commission has annually approved an amendment to the Salary Administration Plan adopted by Resolution 659 in 1990, and approving a new plan annually would eliminate redundancy and provide clarity to the Salary Administration Plan practices; now therefore

BE IT RESOLVED that effective December 26, 2011, the 2012 Salary Administration Plan as described in this Resolution and Exhibits A and B attached hereto, and made a part of this resolution, are approved.

BE IT FURTHER RESOLVED that the General Manager is authorized to administer the Salary Administration Plan, subject to the following conditions:

1. The General Manager shall not, without further authorization from the Commission:
  - a. Add new position titles or re-grade position titles on the Plan;  
or
  - b. Increase or decrease the minimum, position, or maximum salary rates specified in the Plan.
2. The General Manager is authorized to:
  - a. hire employees to fill positions specified in the Plan;
  - b. promote or demote employees from one position or salary grade to another; and
  - c. set or adjust actual salaries within a salary grade in the Plan.

BE IT FURTHER RESOLVED that this action supersedes Resolution 659 and all other previous Salary Administration Plans.

ADOPTED by the Board of Commissioners of Public Utility District No.1 of Franklin County, Washington, this 24<sup>th</sup> day of January 2012.

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Stuart Nelson, President

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Roger Wright, Vice President

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William Gordon, Secretary

**Exhibit A to Resolution 1178  
Approving the Salary Administration Plan for 2012**

**Salary Grades and Rates**

<b>Salary Grade</b>	<b>Minimum Rate</b>	<b>Position Rate</b>	<b>Maximum Rate</b>
1	\$3,357	\$3,943	\$4,196
2	\$3,527	\$4,145	\$4,409
3	\$3,703	\$4,350	\$4,628
4	\$3,888	\$4,569	\$4,859
5	\$4,084	\$4,799	\$5,106
6	\$4,287	\$4,190	\$5,680
7	\$4,504	\$5,528	\$5,968
8	\$4,726	\$5,802	\$6,262
9	\$4,961	\$6,091	\$6,574
10	\$5,211	\$6,487	\$7,035
11	\$5,471	\$6,814	\$7,387
12	\$5,745	\$7,152	\$7,755
13	\$6,032	\$7,617	\$8,295
14	\$6,334	\$7,998	\$8,712
15	\$6,653	\$8,401	\$9,148
16	\$6,984	\$8,818	\$9,604
17	\$7,335	\$9,261	\$10,088
18	\$7,701	\$9,857	\$10,781
19	\$8,085	\$10,866	\$11,886
20	\$8,487	\$12,604	\$14,005

**Exhibit B to Resolution 1178  
Approving the Salary Administration Plan for 2012**

**Position Titles by Salary Grades**

<b>Salary Grade</b>	<b>Minimum Rate</b>	<b>Position Rate</b>	<b>Maximum Rate</b>	<b>Position Title</b>
2	\$3,527	\$4,145	\$4,409	Payroll/Accounts Payable Accountant
4	\$3,888	\$4,569	\$4,859	Administrative Assistant
5	\$4,084	\$4,799	\$5,106	Broadband Coordinator Contract Specialist
7	\$4,504	\$5,528	\$5,968	Accountant Energy Services Specialist Public Records Officer
8	\$4,726	\$5,802	\$6,262	Executive Assistant Information Technology Support Technician
9	\$4,961	\$6,091	\$6,574	Energy Services Specialist/Hazmat Officer Human Resources Generalist
10	\$5,211	\$6,487	\$7,035	Communications Coordinator Senior Accountant
11	\$5,471	\$6,814	\$7,387	Accountant/Financial Analyst Network Administrator Electrical Engineer Microsoft Administrator
12	\$5,745	\$7,152	\$7,755	Broadband Engineer Customer Service Supervisor Network Engineer Power Analyst Project Engineer
13	\$6,032	\$7,617	\$8,295	Accountant/Financial Analyst II Energy Services Manager Purchasing Manager Senior Broadband Engineer Senior Network Engineer
14	\$6,334	\$7,998	\$8,712	Applications Systems Manager
15	\$6,653	\$8,401	\$9,148	Systems Engineer Treasurer/Accounting Manager

**Exhibit B to Resolution 1178  
Approving the Salary Administration Plan for 2012**

**Position Titles by Salary Grades**

16	\$6,984	\$8,818	\$9,604	Public Affairs Manager
				Senior Project Engineer
17	\$7,335	\$9,261	\$10,088	Director of Human Resources
				Power Manager
				Senior Systems Engineer
				Transmission & Distribution Superintendent
18	\$7,701	\$9,857	\$10,781	Engineering Manager
				Information Systems/Broadband Manager
19	\$8,085	\$10,866	\$11,886	Auditor/Director of Administrative Services
				Director of Engineering
				Director of Operations
				Director of Power Management
20	\$8,487	\$12,604	\$14,005	Assistant Manager
				General Counsel

FRANKLIN PUD: AGENDA ITEM SUMMARY

Presenter: Steve Palmer, General Counsel

Date: 01/24/12

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REPORT

DISCUSSION

ACTION REQUIRED

1. **OBJECTIVE:**

Reporting on the Identity Theft Prevention Program for 2011.

2. **BACKGROUND:**

In response to Federal regulations under the Fair and Accurate Credit Transactions Act of 2003, often referred to as FACTA, in late 2009 the District adopted Resolution 1121, which created the District's Identify Theft Prevention Program (ITPP), and identified a Privacy Officer. Under this Program, the District's Privacy Officer, Steve Palmer, General Counsel, is required to annually report to the Commissioners on the effectiveness of the Program, and to suggest changes that would strengthen the Program.

The Privacy Officer will report on one security related complaint, which occurred during 2011. The FACTA Committee is not recommending any changes to the District's Identify Theft Prevention Program.

3. **SUGGESTED MOTION:**

No motion necessary.

FRANKLIN PUD: AGENDA ITEM SUMMARY

Presenter: Steve Palmer, General Counsel

Date: 01/24/12

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REPORT

DISCUSSION

ACTION REQUIRED

1. **OBJECTIVE:**

Reporting on the Small Works Roster Contracts Awards for 2011.

2. **BACKGROUND:**

Per the District's Administrative Policy 19, District staff report annually to the Commissioners and present a report of all Small Works Contracts awarded annually. Attached is the Small Works Contracts Awarded in 2011 report.

Also noted on the report, for information purposes only, are two public works contracts awarded by sealed bid in 2011.

3. **SUGGESTED MOTION:**

No motion necessary.





**Small Works Contracts Awarded in 2011 (non-sealed bid)**

<b>Contractor Name</b>	<b>Contract #</b>	<b>Job Description</b>	<b>Amount</b>	<b>Date Awarded</b>
Don Morin, Inc. (DMI)	6742	Place Steel Transmission Poles	\$34,763.75	Tuesday, January 04, 2011
Siefken & Sons Construction Inc.	6897	Transformer Shop Remodel	\$40,420.00	Thursday, June 09, 2011
Sierra Electric, Inc.	6852	Installation of Induction Streetlights	\$54,000.00	Wednesday, June 15, 2011
Aztech Electric, Inc.	6868	Connell Substation Upgrade	\$99,100.00	Thursday, August 04, 2011
Power City Electric, Inc.	6876	Directional Boring & UG Cable Replacement	\$193,383.50	Tuesday, June 28, 2011
American Building Maintenance Company	6945	Janitorial Services	\$39,028.40	Friday, August 12, 2011
Don Morin, Inc. (DMI)	7128	Drilling for Steel Pole Placement	\$33,650.00	Thursday, October 13, 2011
Almond & Sons Asphalt LLC	7132	Alley Asphalt - Cedar & Elm	\$30,185.38	Wednesday, October 12, 2011
Intec Services, Inc.	7133	2011 Pole Testing & Treatment	\$86,768.75	Tuesday, November 08, 2011
Power City Electric, Inc.	7138	Directional Boring & UG Cable Replacement	\$50,800.00	Friday, November 18, 2011

**Public Works Contracts Awarded in 2011 (sealed bid)**

<b>Contractor Name</b>	<b>Contract #</b>	<b>Job Description</b>	<b>Amount</b>	<b>Date Awarded</b>
North Sky Communications Inc.	6885	Fiber Extensions to Connell/Kahlotus (BTOP)	\$924,142.85	Tuesday, July 12, 2011
Power City Electric, Inc.	7126	2012 Miscellaneous Projects	\$1,383,607.00	Tuesday, December 13, 2011

FRANKLIN PUD: AGENDA ITEM SUMMARY

Presenter: Steve Palmer, General Counsel

Date: 01/24/12

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REPORT

DISCUSSION

ACTION REQUIRED

1. **OBJECTIVE:**

Authorizing the General Manager or his Designee to Execute a Contract with Axford Turbine Consultants LLC for Consultant Services Related to the Sale of the Pasco Combustion Turbine Assets.

2. **BACKGROUND:**

In 2001, the District and Grays Harbor PUD jointly developed the Pasco Combustion Turbine Plant (Pasco CT Plant). Each PUD owns two GE-10 gas turbine generator sets located at the Pasco CT Plant. By Resolution No. 1173, which was adopted in October 2011, the District declared its two GE-10 gas turbine generator sets and related equipment surplus. Additionally, Grays Harbor PUD is in the process of declaring its two GE-10 gas turbine generator sets and its other interest in the Pasco CT Plant surplus. The turbine generator sets and the related inventory (as identified on the "Master List, CT Plant Inventory" provided to the Commissioners at their regular meeting on December 13, 2011) are collectively referred to as "Pasco Combustion Turbine Assets."

Staff has solicited proposals from consultants on how they could assist the District and Grays Harbor PUD in the sale of their four GE-10 gas turbine generator sets and related equipment. The District received three proposals, and staff has had follow-up communication with each of the three consultants in an attempt to understand fully the proposals submitted.

Attachment A to this Agenda Item is a spreadsheet titled "Summary of Proposal Responses," which sets out a summary of the salient points from the proposals. Of particular importance to staff is the information set out in item 1 (experience selling combustion turbine generator sets) and items 2, 3, & 4 (the financial costs associated with selling these turbines). Axford Turbine Consultants LLC has a substantial amount of experience with marketing and selling combustion turbine generator sets, and their fees are the lowest of the three proposals.

Staff recommends that the Commission authorize the General Manager or his designee to execute a contract with Axford Turbine Consultants LLC for consultant services related to the sale of the Pasco Combustion Turbine Assets.

**3. SUGGESTED MOTION:**

I move to authorize the General Manager or his designee to execute a contract with Axford Turbine Consultants LLC for consulting services related to the sale of the Pasco Combustion Turbine Assets.

Summary of Proposal Responses for  
 Consulting Services Related to the Sale of Pasco Combustion Turbine Assets  
 January 6, 2012

	Factors	Respondents		
		Axford Consulting	Hilco Industrial, LLC	HGP
1	<b>History of combustion turbine sales in past 10 years</b>	42 transactions involving 69 gas turbine generators with reported sales of \$690 million	2 transactions involving 12 turbine generators that were auctioned, with reported sales of \$99 million, and the sale of 4 diesel backup generators	Sold a Cummins 1200 kW Backup Diesel Generator for approximately \$80,000; and auctioned a Solar Panel Manufacturing Facility including a complete 10 MW Trigereneration Power Plant located in Spain for \$750,000
2	<b>Seller's commission</b>	\$500,000 - \$2 million -- 5% \$2 million - \$4 million -- 4%	3% Seller's Commission	There is no Seller's Commission
3	<b>Buyer's premium</b>	There is no buyer's premium	3% Buyer's Premium	Up to \$1M -- 15% Above \$1M -- 7.5%
4	<b>Marketing cost</b>	\$4,400, and it would be applied towards any commission earned	\$45,000 to be reimbursed from sales transactions	\$40,000 to be reimbursed from sales transactions
5	<b>References</b>	Provided	Provided	Upon request
6	<b>Strategy</b>	Direct marketing by Broker using websites, advertisements in periodicals, email, phones, & direct contacts	1. Negotiated sale and marketing to generate interest; 2. Webcast auction sale	1. Private Treaty activity using websites, advertisements in periodicals, email, phones, and direct contacts; 2. Auction
7	<b>Payment terms from buyers</b>	Cash, unless other terms are approved by parties	Prequalify buyers, required 25% deposit after each purchase made, and full payment within 24 hours, and prior to removal	None listed
8	<b>Payment to Franklin PUD</b>	Payment at closing	Payment begins as funds clear. Balance is paid within 21 days after completion of delivery period	Collection handled by HGP and submit to FPUD net amount after settlement of each sale event
9	<b>Time</b>	Minimum of 12 months, up to 24 months	To be decided	111 days

**Public Utility District No. 1 of Franklin County  
Budget Status Report  
For the Eleven Months Ending November 30, 2011**

**Board Date: 1/24/12  
Issue Date: 12/15/11**

	Annual Budget	November			YTD		
		Budget	Actual	Over (Under) Budget	Budget	Actual	Over (Under) Budget
<b>Revenues:</b>							
Energy Sales:							
4 Residential	\$25,377,423	\$1,898,753	\$1,775,820	(\$122,933)	\$22,673,413	\$21,526,795	(\$1,146,618)
5 Small General	6,443,626	512,819	519,970	7,151	5,759,327	5,735,620	(23,707)
6 Medium General	6,594,675	618,823	629,497	10,674	5,955,219	6,139,143	183,924
7 Large General	8,097,529	673,361	689,242	15,881	7,436,466	7,238,272	(198,194)
8 Industrial	8,631,351	689,977	698,107	8,130	7,993,657	8,152,680	159,023
9 Small Irrigation	3,735,965	0	6,112	6,112	3,735,965	3,398,278	(337,687)
10 Large Irrigation	3,475,624	20,913	40,264	19,351	3,474,930	3,066,114	(408,816)
11 Street Lighting	331,040	36,832	27,576	(9,256)	293,926	319,044	25,118
12 Security Lighting	78,829	6,569	6,263	(306)	72,259	68,401	(3,858)
13 ASC credit	(1,341,000)	(111,750)	(105,003)	6,747	(1,229,250)	(1,400,544)	(171,294)
<b>15 Total Energy Sales</b>	<b>61,425,062</b>	<b>4,346,297</b>	<b>4,287,848</b>	<b>(58,449)</b>	<b>56,165,912</b>	<b>54,243,803</b>	<b>(1,922,109)</b>
Other Operating Revenue							
17 Broadband Revenues	625,460	53,015	59,996	6,981	572,415	629,585	57,170
18 Basic Charge	4,397,507	363,721	361,615	(2,106)	4,031,290	3,921,407	(109,883)
19 Other Operating Revenues	441,806	36,818	31,210	(5,608)	404,998	409,416	4,418
20 Gas & Transmission Sales	0	0	8	8	0	806	806
21 Sales for Resale	2,016,709	364,129	1,149,349	785,220	1,686,132	6,251,269	4,565,137
<b>23 Total Operating Revenues</b>	<b>68,906,544</b>	<b>5,163,980</b>	<b>5,890,026</b>	<b>726,046</b>	<b>62,860,747</b>	<b>65,456,286</b>	<b>2,595,539</b>
25 Federal Grant Revenue	1,716,001	143,000	511,793	368,793	1,573,000	941,642	(631,358)
26 Other Revenues	1,285,159	107,097	448,522	341,425	1,178,067	1,735,300	557,233
<b>28 Total Revenues</b>	<b>71,907,704</b>	<b>5,414,077</b>	<b>6,850,341</b>	<b>1,436,264</b>	<b>65,611,814</b>	<b>68,133,228</b>	<b>2,521,414</b>
<b>Operating Expenses</b>							
Power Costs:							
32 Purchased Power/BPA	30,661,458	2,525,674	2,239,219	(286,455)	27,833,337	26,901,275	(932,062)
33 BPA Funded Conservation	2,000,000	166,667	36,207	(130,460)	1,833,337	2,924,108	1,090,771
34 Utility Funded Conservation	225,000	18,750	0	(18,750)	206,250	0	(206,250)
35 BPA Conservation Reimbursement	(2,312,000)	(192,667)	0	192,667	(2,119,337)	(3,942,493)	(1,823,156)
36 Residential Exchange Credit	(1,005,996)	(83,833)	(92,510)	(8,677)	(922,163)	(939,517)	(17,354)
37 ASC Credit	(1,341,000)	(111,750)	0	111,750	(1,229,250)	(1,239,607)	(10,357)
38 Non-BPA Power Purchases	1,491,139	40,964	449,673	408,709	1,420,179	3,088,007	1,667,828
39 Generation - Franklin CT	62,036	5,170	0	(5,170)	56,870	0	(56,870)
40 Frederickson CT	4,469,342	372,891	660,572	287,681	4,094,451	4,855,846	761,395
41 Renewables	3,001,088	210,008	436,595	226,587	2,788,518	3,329,702	541,184
42 Transmission / Ancillary Services	5,256,723	489,417	436,337	(53,080)	4,759,626	4,195,912	(563,714)
<b>44 Total Power Costs</b>	<b>42,507,790</b>	<b>3,441,291</b>	<b>4,166,093</b>	<b>724,802</b>	<b>38,721,818</b>	<b>39,173,233</b>	<b>451,415</b>
45 Labor	7,158,742	551,083	482,985	(68,098)	6,607,613	5,930,951	(676,662)
46 Benefits	3,188,654	256,632	219,923	(36,709)	2,932,054	2,704,305	(227,749)
47 Supplies	465,625	38,800	21,064	(17,736)	426,800	332,749	(94,051)
48 Outside Services	1,685,591	140,465	93,859	(46,606)	1,545,115	1,253,648	(291,467)
49 Other Charges	1,578,497	131,548	93,623	(37,925)	1,446,898	974,751	(472,147)
50 Taxes	4,238,464	306,594	293,168	(13,426)	3,876,842	3,645,097	(231,745)
51 Other Interest	3,306	276	252	(24)	3,036	3,306	270
52 Transportation	626,930	52,244	58,358	6,114	574,684	671,924	97,240
<b>54 Total Non-Power Expenses</b>	<b>18,945,809</b>	<b>1,477,642</b>	<b>1,263,232</b>	<b>(214,410)</b>	<b>17,413,042</b>	<b>15,516,731</b>	<b>(1,896,311)</b>
<b>56 Total Operating Expenses</b>	<b>61,453,599</b>	<b>4,918,933</b>	<b>5,429,325</b>	<b>510,392</b>	<b>56,134,860</b>	<b>54,689,964</b>	<b>(1,444,896)</b>
<b>59 Net Revenues Available for Debt Service</b>	<b>10,454,105</b>	<b>495,144</b>	<b>1,421,016</b>	<b>925,872</b>	<b>9,476,954</b>	<b>13,443,264</b>	<b>3,966,310</b>
61 Bond Interest	2,610,468	210,617	210,616	(1)	2,399,858	2,399,853	(5)
62 Bond Principal	3,321,668	286,250	286,250	0	3,035,414	3,035,417	3
<b>64 Total Debt Service</b>	<b>5,932,136</b>	<b>496,867</b>	<b>496,866</b>	<b>(1)</b>	<b>5,435,272</b>	<b>5,435,270</b>	<b>(2)</b>
<b>66 Net Revenues After Debt Service</b>	<b>4,521,969</b>	<b>(1,723)</b>	<b>924,150</b>	<b>925,873</b>	<b>4,041,682</b>	<b>8,007,994</b>	<b>3,966,312</b>

## Financial Highlights For the Eleven Months Ending November 30, 2011

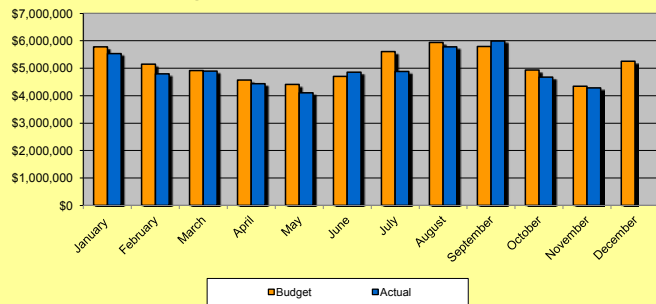
Issue Date: 12/15/11

For the month of November:  
Frederickson ran 14 days in November contributing to higher than budgeted wholesale sales.

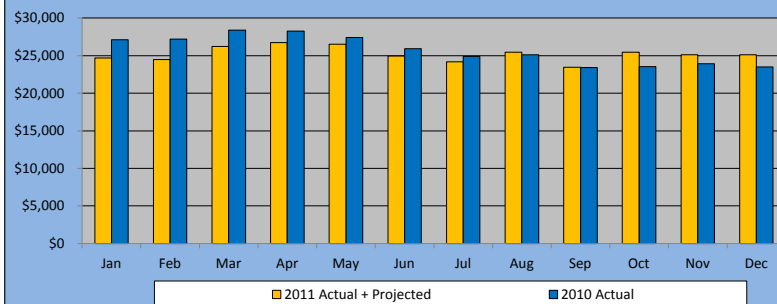
(in thousands of dollars)

Actual Results (000)	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD Total	Original Projection
<b>Beginning Reserve Balance</b>	\$23,508	\$24,713	\$24,482	\$26,221	\$26,733	\$26,532	\$24,948	\$24,165	\$25,460	\$23,479	\$25,465	\$25,121	\$23,508	\$23,508
Retail and Wholesale Revenue	\$6,490	\$6,093	\$7,890	\$6,482	\$5,743	\$5,738	\$5,678	\$7,245	\$6,534	\$9,085	\$5,844	\$0	\$72,824	\$67,480
Other Revenues	\$68	\$124	\$84	\$82	\$75	\$88	\$79	\$102	\$74	\$59	\$100	\$0	\$935	\$4,473
Power Purchases	(\$2,337)	(\$3,619)	(\$3,244)	(\$3,129)	(\$3,123)	(\$2,841)	(\$2,980)	(\$3,296)	(\$4,011)	(\$3,979)	(\$3,618)	\$0	(\$36,177)	(\$40,947)
Non-Power O & M	(\$3,017)	(\$2,829)	(\$2,991)	(\$2,923)	(\$2,896)	(\$4,570)	(\$3,559)	(\$2,756)	(\$4,579)	(\$3,179)	(\$2,670)	\$0	(\$35,969)	(\$34,320)
<b>Ending Reserve Balance</b>	<b>\$24,713</b>	<b>\$24,482</b>	<b>\$26,221</b>	<b>\$26,733</b>	<b>\$26,532</b>	<b>\$24,948</b>	<b>\$24,165</b>	<b>\$25,460</b>	<b>\$23,479</b>	<b>\$25,465</b>	<b>\$25,121</b>	<b>\$25,121</b>	<b>\$25,121</b>	<b>\$20,194</b>
<b>Rate Stabilization &amp; BTOP funds (included in Ending Reserve Balance)</b>	<b>\$6,294</b>	<b>\$6,294</b>	<b>\$6,294</b>	<b>\$6,294</b>	<b>\$6,294</b>	<b>\$6,294</b>	<b>\$6,294</b>	<b>\$6,294</b>	<b>\$6,294</b>	<b>\$6,294</b>	<b>\$6,294</b>	<b>\$6,294</b>	<b>\$6,294</b>	

**Budget v. Actual Retail Sales (\$\$)**

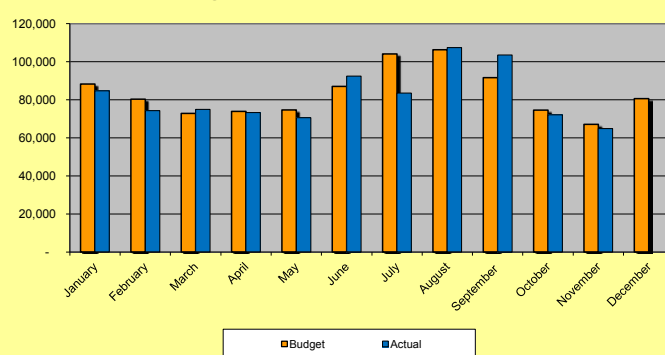


**Reserve Balance**

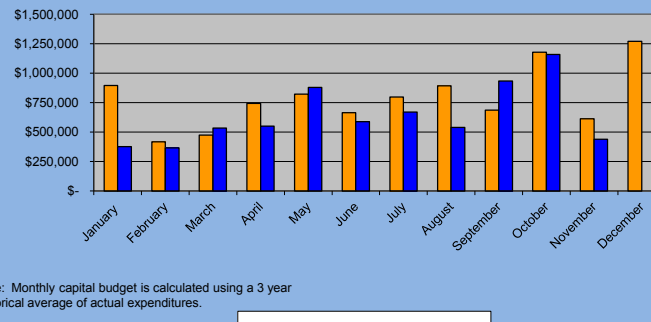


Reserves on hand:	\$25,120,747
Target Reserves per policy:	\$11,399,988
Excess Reserves for future power/capital	\$13,501,168
<b>Total Targets</b>	<b>\$24,901,156</b>

**Budget v. Actual Retail Sales (Mwh)**



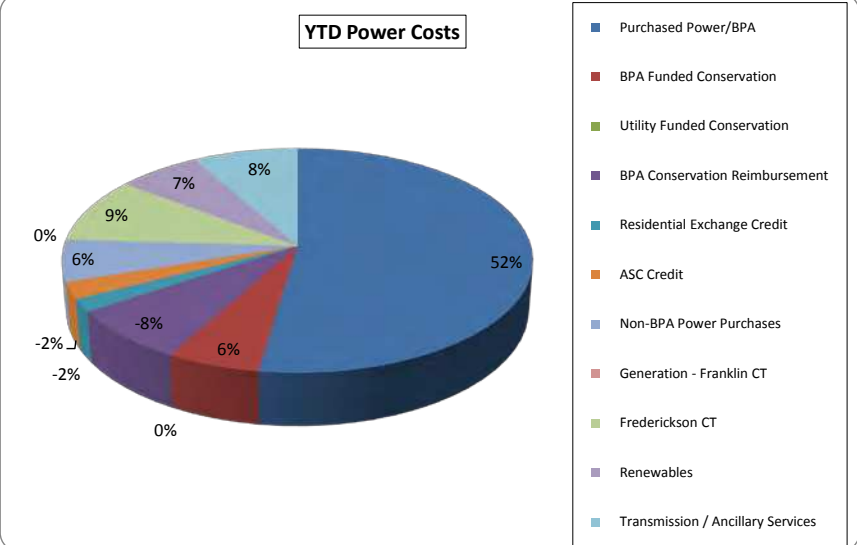
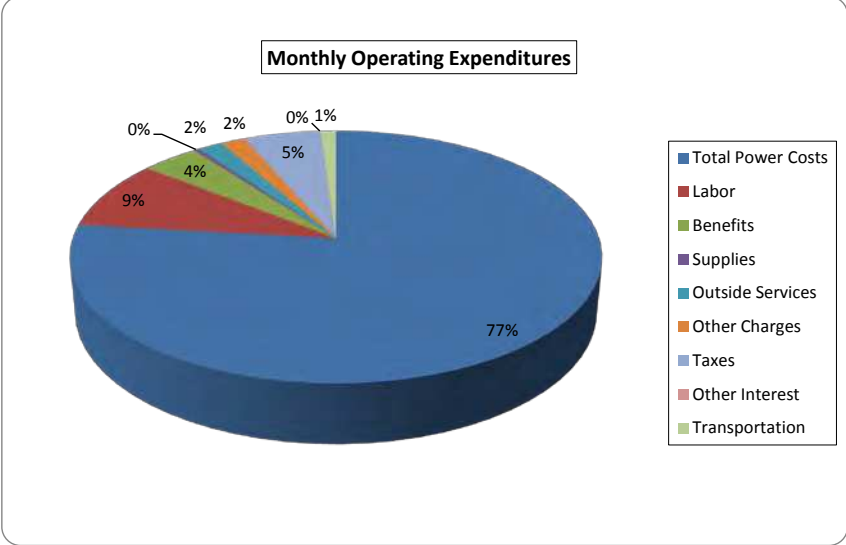
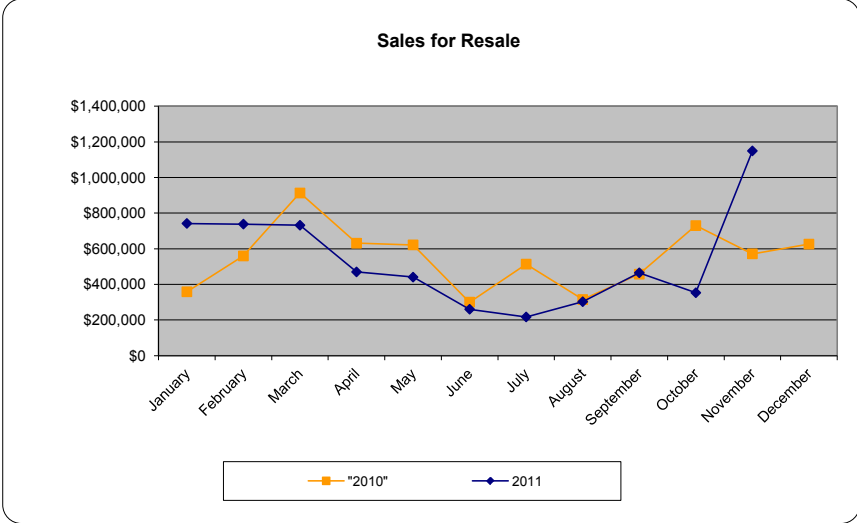
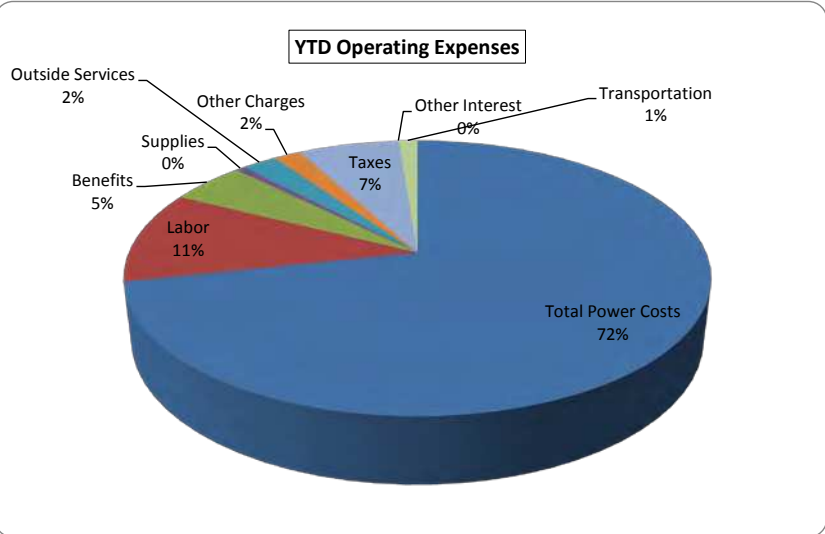
**Budget v. Actual Capital Expenditures**



Note: Monthly capital budget is calculated using a 3 year historical average of actual expenditures.

**Quick Facts:**

No. of Customers	
November 2011	23,973
November 2010	23,490
MWh Wholesale sales:	
November 2011	25,898
November 2010	6,048



**Public Utility District No. 1 of Franklin County**

**Capital Budget Status**

**Year-to-Date: 11/ 30/ 2011**

**Percent of Year Elapsed: 92%**

	<b>Budget</b>	<b>Actual</b>	<b>Expended</b>
Broadband	\$1,713,501	\$936,607	54.66 %
Building	\$105,000	\$56,496	53.81 %
Capital Projects Not Budgeted	\$0	\$15,000	0.00 %
Information Handling	\$689,024	\$271,363	39.38 %
Major Projects	\$0	\$286	0.00 %
System Construction - New Customers	\$2,850,000	\$1,827,119	64.11 %
System Construction - Reliability & Overloads	\$3,375,000	\$3,328,505	98.62 %
System Construction - UG Cable Replacements	\$400,000	\$353,326	88.33 %
Tools	\$130,300	\$40,373	30.98 %
Vehicles	\$388,200	\$206,619	53.22 %
	<b>\$9,651,025</b>	<b>\$7,035,693</b>	<b>72.90 %</b>



**Public Utility District No. 1 of Franklin County  
Budget Status Report  
For the Twelve Months Ending December 31, 2011**

**Board Date: 1/24/12  
Issue Date: 01/17/12**

	Annual Budget	December			YTD		
		Budget	Actual	Over (Under) Budget	Budget	Actual	Over (Under) Budget
<b>Revenues:</b>							
Energy Sales:							
4 Residential	\$25,377,423	\$2,704,010	\$2,623,590	(\$80,420)	\$25,377,423	\$24,150,385	(\$1,227,038)
5 Small General	6,443,626	684,299	640,124	(44,175)	6,443,626	6,375,744	(67,882)
6 Medium General	6,594,675	639,456	634,794	(4,662)	6,594,675	6,773,937	179,262
7 Large General	8,097,529	661,063	629,159	(31,904)	8,097,529	7,867,431	(230,098)
8 Industrial	8,631,351	637,694	651,198	13,504	8,631,351	8,803,878	172,527
9 Small Irrigation	3,735,965	0	937	937	3,735,965	3,399,215	(336,750)
10 Large Irrigation	3,475,624	694	2,264	1,570	3,475,624	3,068,377	(407,247)
11 Street Lighting	331,040	37,114	27,434	(9,680)	331,040	346,478	15,438
12 Security Lighting	78,829	6,570	6,299	(271)	78,829	74,699	(4,130)
13 ASC credit	(1,341,000)	(111,750)	(110,303)	1,447	(1,341,000)	(1,510,847)	(169,847)
<b>15 Total Energy Sales</b>	<b>61,425,062</b>	<b>5,259,150</b>	<b>5,105,496</b>	<b>(153,654)</b>	<b>61,425,062</b>	<b>59,349,297</b>	<b>(2,075,765)</b>
Other Operating Revenue							
17 Broadband Revenues	625,460	53,045	62,762	9,717	625,460	692,348	66,888
18 Basic Charge	4,397,507	366,217	357,820	(8,397)	4,397,507	4,279,227	(118,280)
19 Other Operating Revenues	441,806	36,808	27,942	(8,866)	441,806	437,358	(4,448)
20 Gas & Transmission Sales	0	0	8	8	0	814	814
21 Sales for Resale	2,016,709	330,577	851,598	521,021	2,016,709	7,102,867	5,086,158
<b>23 Total Operating Revenues</b>	<b>68,906,544</b>	<b>6,045,797</b>	<b>6,405,626</b>	<b>359,829</b>	<b>68,906,544</b>	<b>71,861,911</b>	<b>2,955,367</b>
25 Federal Grant Revenue	1,716,001	143,001	0	(143,001)	1,716,001	941,642	(774,359)
26 Other Revenues	1,285,159	107,092	209,139	102,047	1,285,159	1,944,442	659,283
<b>28 Total Revenues</b>	<b>71,907,704</b>	<b>6,295,890</b>	<b>6,614,765</b>	<b>318,875</b>	<b>71,907,704</b>	<b>74,747,995</b>	<b>2,840,291</b>
<b>Operating Expenses</b>							
Power Costs:							
32 Purchased Power/BPA	30,661,458	2,828,121	2,817,301	(10,820)	30,661,458	29,718,576	(942,882)
33 BPA Funded Conservation	2,000,000	166,663	17,214	(149,449)	2,000,000	2,941,322	941,322
34 Utility Funded Conservation	225,000	18,750	0	(18,750)	225,000	0	(225,000)
35 BPA Conservation Reimbursement	(2,312,000)	(192,663)	3,094	195,757	(2,312,000)	(3,939,399)	(1,627,399)
36 Residential Exchange Credit	(1,005,996)	(83,833)	(92,510)	(8,677)	(1,005,996)	(1,032,027)	(26,031)
37 ASC Credit	(1,341,000)	(111,750)	0	111,750	(1,341,000)	(1,239,607)	101,393
38 Non-BPA Power Purchases	1,491,139	70,960	436,319	365,359	1,491,139	3,524,326	2,033,187
39 Generation - Franklin CT	62,036	5,166	0	(5,166)	62,036	0	(62,036)
40 Frederickson CT	4,469,342	374,891	640,747	265,856	4,469,342	5,496,594	1,027,252
41 Renewables	3,001,088	212,570	281,239	68,669	3,001,088	3,610,942	609,854
42 Transmission / Ancillary Services	5,256,723	497,097	448,828	(48,269)	5,256,723	4,644,739	(611,984)
<b>44 Total Power Costs</b>	<b>42,507,790</b>	<b>3,785,972</b>	<b>4,552,232</b>	<b>766,260</b>	<b>42,507,790</b>	<b>43,725,466</b>	<b>1,217,676</b>
45 Labor	7,158,742	551,129	598,077	46,948	7,158,742	6,529,027	(629,715)
46 Benefits	3,188,654	256,600	406,785	150,185	3,188,654	3,111,090	(77,564)
47 Supplies	465,625	38,825	58,372	19,547	465,625	391,121	(74,504)
48 Outside Services	1,685,591	140,476	116,697	(23,779)	1,685,591	1,370,344	(315,247)
49 Other Charges	1,578,497	131,599	382,548	250,949	1,578,497	1,357,298	(221,199)
50 Taxes	4,238,464	361,622	356,603	(5,019)	4,238,464	4,001,699	(236,765)
51 Other Interest	3,306	270	242	(28)	3,306	3,549	243
52 Transportation	626,930	52,246	64,459	12,213	626,930	736,384	109,454
<b>54 Total Non-Power Expenses</b>	<b>18,945,809</b>	<b>1,532,767</b>	<b>1,983,783</b>	<b>451,016</b>	<b>18,945,809</b>	<b>17,500,512</b>	<b>(1,445,297)</b>
<b>56 Total Operating Expenses</b>	<b>61,453,599</b>	<b>5,318,739</b>	<b>6,536,015</b>	<b>1,217,276</b>	<b>61,453,599</b>	<b>61,225,978</b>	<b>(227,621)</b>
<b>59 Net Revenues Available for Debt Service</b>	<b>10,454,105</b>	<b>977,151</b>	<b>78,750</b>	<b>(898,401)</b>	<b>10,454,105</b>	<b>13,522,017</b>	<b>3,067,912</b>
61 Bond Interest	2,610,468	210,610	210,616	6	2,610,468	2,610,468	0
62 Bond Principal	3,321,668	286,254	286,250	(4)	3,321,668	3,321,667	(1)
<b>64 Total Debt Service</b>	<b>5,932,136</b>	<b>496,864</b>	<b>496,866</b>	<b>2</b>	<b>5,932,136</b>	<b>5,932,135</b>	<b>(1)</b>
<b>66 Net Revenues After Debt Service</b>	<b>4,521,969</b>	<b>480,287</b>	<b>(418,116)</b>	<b>(898,403)</b>	<b>4,521,969</b>	<b>7,589,882</b>	<b>3,067,913</b>

## Financial Highlights For the Twelve Months Ending December 31, 2011

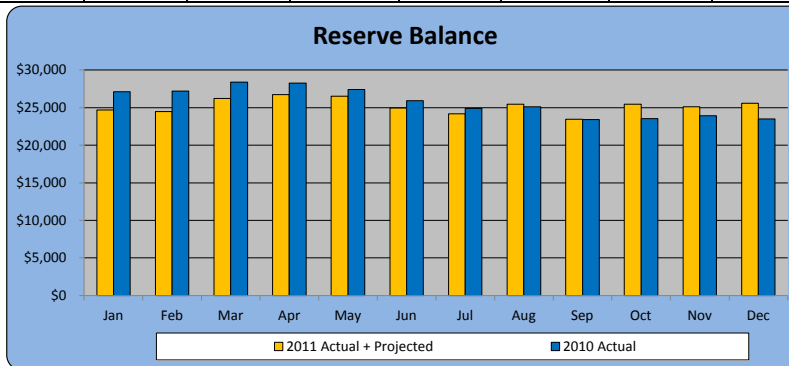
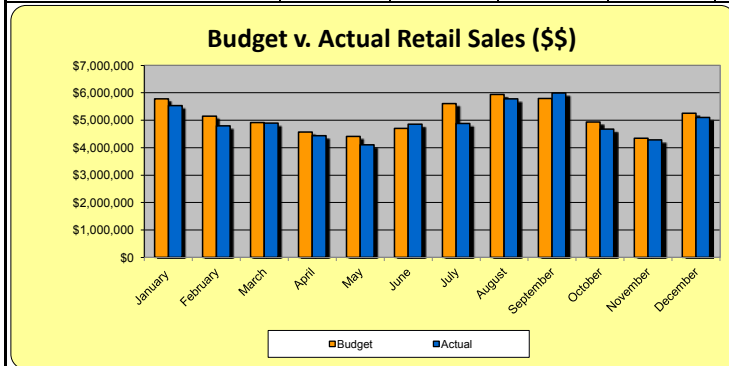
Issue Date: 01/17/12

For the month of December:

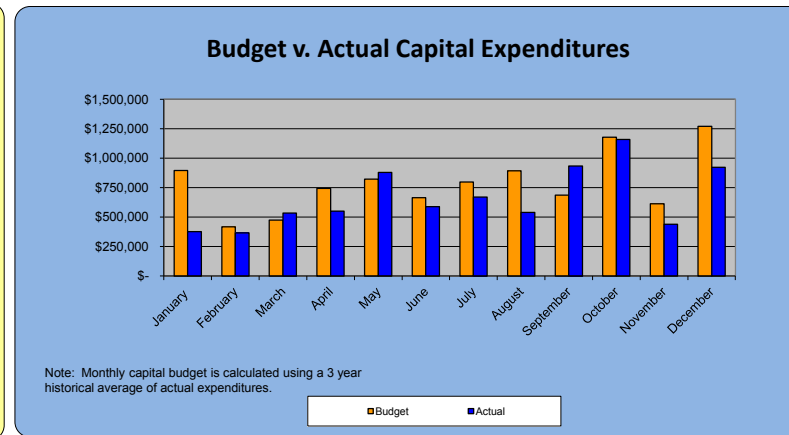
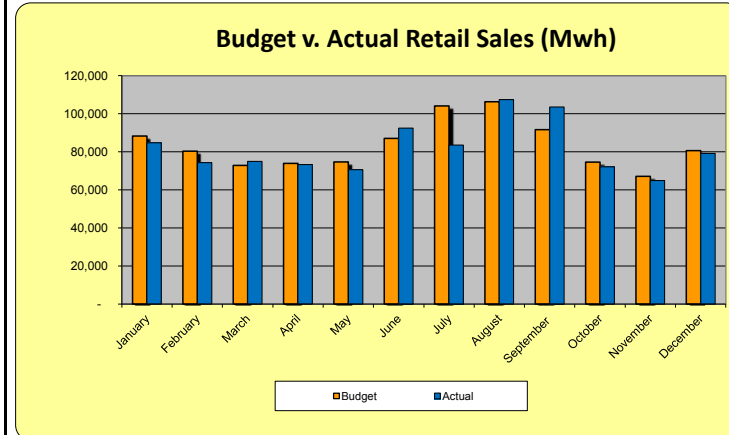
\*Frederickson ran for 10 days, bringing 7,000 Mwh to the District in Resale, at low margins.

(in thousands of dollars)

Actual Results (000)	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD Total	Original Projection
<b>Beginning Reserve Balance</b>	\$23,508	\$24,713	\$24,482	\$26,221	\$26,733	\$26,532	\$24,948	\$24,165	\$25,460	\$23,479	\$25,465	\$25,121	\$23,508	\$23,508
Retail and Wholesale Revenue	\$6,490	\$6,093	\$7,890	\$6,482	\$5,743	\$5,738	\$5,678	\$7,245	\$6,534	\$9,085	\$5,844	\$7,589	\$80,413	\$67,480
Other Revenues	\$68	\$124	\$84	\$82	\$75	\$88	\$79	\$102	\$74	\$59	\$100	\$89	\$1,024	\$4,473
Power Purchases	(\$2,337)	(\$3,619)	(\$3,244)	(\$3,129)	(\$3,123)	(\$2,841)	(\$2,980)	(\$3,296)	(\$4,011)	(\$3,979)	(\$3,618)	(\$3,561)	(\$39,737)	(\$40,947)
Non-Power O & M	(\$3,017)	(\$2,829)	(\$2,991)	(\$2,923)	(\$2,896)	(\$4,570)	(\$3,559)	(\$2,756)	(\$4,579)	(\$3,179)	(\$2,670)	(\$3,657)	(\$39,626)	(\$34,320)
<b>Ending Reserve Balance</b>	<b>\$24,713</b>	<b>\$24,482</b>	<b>\$26,221</b>	<b>\$26,733</b>	<b>\$26,532</b>	<b>\$24,948</b>	<b>\$24,165</b>	<b>\$25,460</b>	<b>\$23,479</b>	<b>\$25,465</b>	<b>\$25,121</b>	<b>\$25,581</b>	<b>\$25,581</b>	<b>\$20,194</b>
<b>Rate Stabilization &amp; BTOP funds (included in Ending Reserve Balance)</b>	<b>\$6,294</b>	<b>\$6,294</b>	<b>\$6,294</b>	<b>\$6,294</b>	<b>\$6,294</b>	<b>\$6,294</b>	<b>\$6,294</b>	<b>\$6,294</b>	<b>\$6,294</b>	<b>\$6,294</b>	<b>\$6,294</b>	<b>\$6,294</b>	<b>\$6,294</b>	

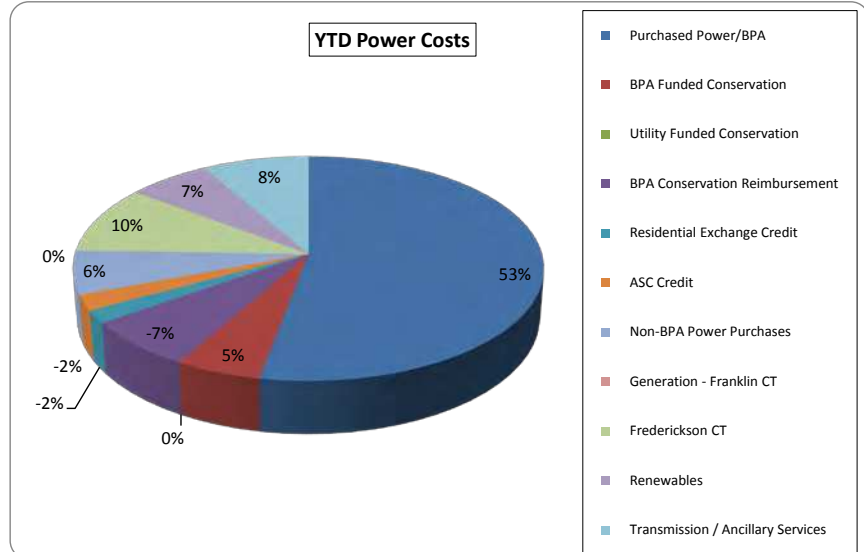
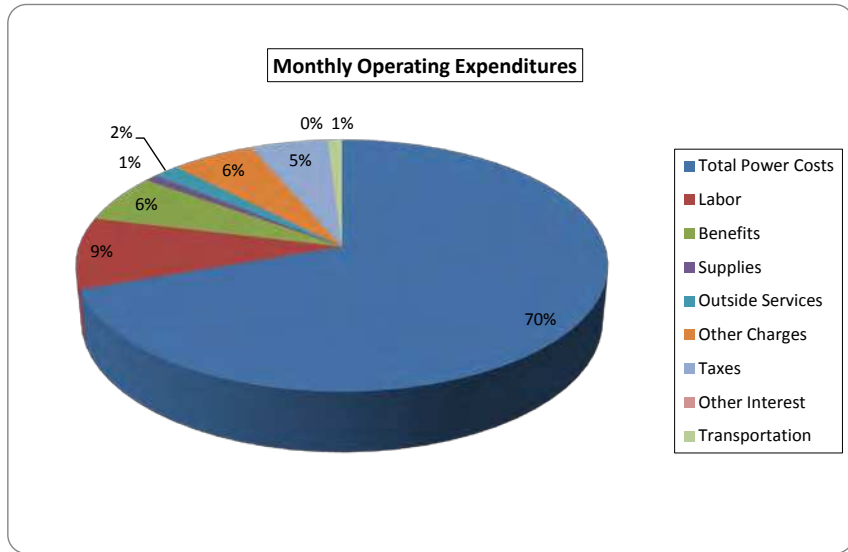
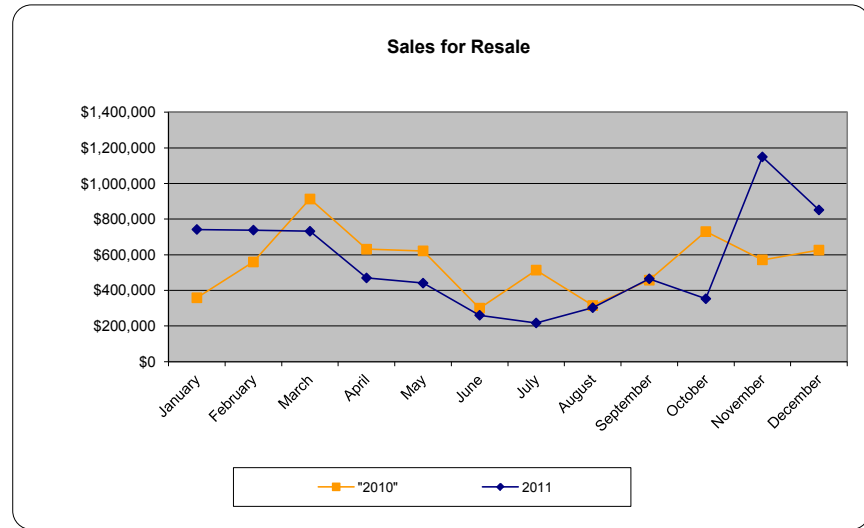
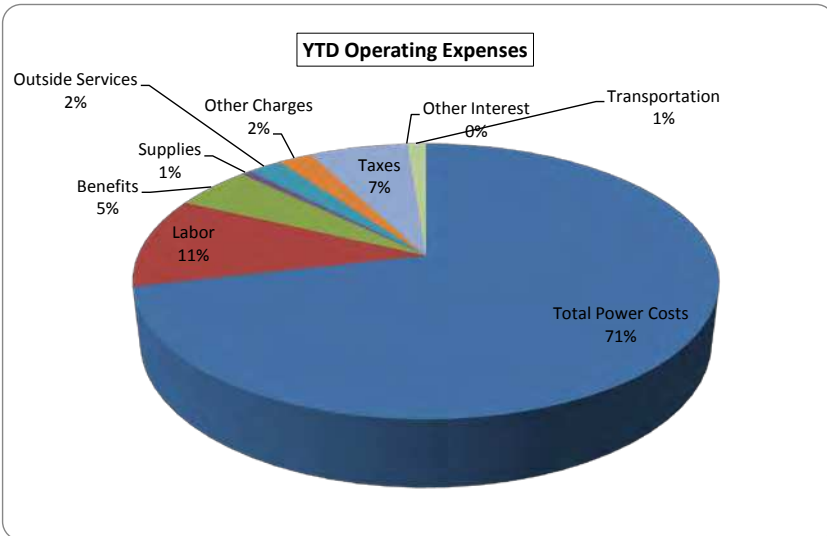


Reserves on hand:	\$25,581,485
Target Reserves per policy:	\$11,399,988
Excess Reserves for future power/capital	\$13,501,168
<b>Total Targets</b>	<b>\$24,901,156</b>



#### Quick Facts:

No. of Customers	
December 2011	24,000
December 2010	23,483
MWh Wholesale sales:	
December 2011	16,132
December 2010	14,919



**Public Utility District No. 1 of Franklin County**

**Capital Budget Status**

**Year-to-Date: 12/ 31/ 2011**

**Percent of Year Elapsed: 100%**

	<b>Budget</b>	<b>Actual</b>	<b>Expended</b>
Broadband	\$1,713,501	\$990,817	57.82 %
Building	\$105,000	\$73,606	70.10 %
Capital Projects Not Budgeted	\$0	\$23,123	0.00 %
Information Handling	\$689,024	\$274,408	39.83 %
Major Projects	\$0	\$286	0.00 %
System Construction - New Customers	\$2,850,000	\$2,106,814	73.92 %
System Construction - Reliability & Overloads	\$3,375,000	\$3,813,658	113.00 %
System Construction - UG Cable Replacements	\$400,000	\$409,096	102.27 %
Tools	\$130,300	\$59,773	45.87 %
Vehicles	\$388,200	\$206,619	53.22 %
	<b>\$9,651,025</b>	<b>\$7,958,198</b>	<b>82.46 %</b>

**Public Utility District No. 1 of Franklin County  
Broadband Operating Statement  
For the Twelve Months Ending December 31, 2011**

	<i>December</i>	<i>YTD</i>
Income:		
Broadband Sales	\$62,762	\$692,347
Federal Grant Revenue (BTOP)		562,025
<b>Total Revenue</b>	<b>62,762</b>	<b>1,254,372</b>
Expenses:		
Labor and Benefits	30,392	289,866
Supplies	1,498	5,904
Outside Services	2,752	30,272
Other Charges	1,916	113,385
Facilities Overhead	1,405	14,047
Administrative Overhead	22,486	142,608
Transportation	4,309	46,386
<b>Total Broadband Operating Expenses</b>	<b>64,758</b>	<b>642,468</b>
Debt Service on Bonds	68,868	522,056
Capital Expenditures	50,851	990,817
Total Broadband Costs	184,477	2,155,341
Income (Loss) From Broadband Operations after Capital and Debt Service	(121,715)	(900,969)

# Future Agenda Items

## For FEBRUARY 28, 2012

**Description:**

**Presenter:**

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1. Authorizing the General Manager to Execute a Small Works Contract for Broadband Splicing and Broadband Services..... Nies
2. Approving a Revised Broadband Services Rate Schedule ..... Nies
3. Amending Exhibit C to the BPA Transmission Contract..... Esparza

## For MARCH 28, 2012

**Description:**

**Presenter:**

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1. Adopting a Resolution Approving the Annual Pre-Qualification of Electrical Contractors..... Palmer
2. Adopting a Resolution Continuing the Low-Income Senior Citizen and Low- Income Disabled Citizen Discount Programs ..... Nies
3. Authorizing the General Manager or his Designee to Execute a Contract Extension for the Purchase of Vehicle Fuel..... Gutmann

## For APRIL 24, 2012

**Description:**

**Presenter:**

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- 1.