

PUBLIC UTILITY DISTRICT NO. 1  
OF  
BENTON COUNTY

SPECIAL COMMISSION MEETING  
PREPARATION OF 2007 STRATEGIC PLAN

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Date: June 8, 2006  
Time: 1:00 p.m.  
Place: Kennewick Main Office

***Present:***

Commissioners Bertsch, Hall and Sanders  
General Manager Sanders  
Assistant General Manager/Director of Operations Long  
General Counsel Hultgrenn  
Auditor/Director of Finance and Business Services Bartram  
Director of Engineering Hunter  
Director of Power Management Gregg  
Manager of Human Resources Walsh  
Manager of Communications and Governmental Relations Miller  
Manager of Broadband McCollum  
Executive Assistant to the AGM Schlekewey  
Commission Relations Specialist/Executive Assistant Hurst

***Guests:*** Pam Henderson and Suzanne Mitchell, New Edge

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Assistant General Manager provided an outline of the agenda for today's meeting, and introduced Ms. Henderson and Ms. Mitchell of New Edge. Ms. Henderson will be facilitating this year's Strategic Planning process with the assistance of Ms. Mitchell.

Ms. Henderson reviewed last year's in-depth strategic planning process that was used to educate the new commission on the District's current business strategies and to develop goals for future opportunities and challenges. Ms. Henderson asked the Commission's preference for this year's process. After discussion, the Commission concurred this year's process should be focused on future direction and planning.

Staff provided a six-month review of Strategic Plan accomplishments.

Assistant General Manager asked the Commission if there were any key issues or possible new actions they would like to see included in the 2007 Strategic Plan. A brief discussion was held on potential utility growth and expansion.

Assistant General Manager reviewed five key issues identified by staff for consideration in the 2007 Strategic Plan as follows:

1) Power Supply issues were reviewed by the Director of Power Management.

2) A Strategic Technology Plan was discussed by the Director of Finance and Business Services. Included in the Strategic Technology discussion was staff discussion of bringing a contract for a consultant to the June 27, 2006 Commission Meeting. The Commission concurred with the staff recommendation.

3) Workforce issues were discussed by the Manager of Human Resources.

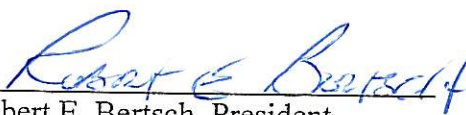
4) General Manager reviewed benchmarking processes to date, on-going benchmarking planned activity, and discussed concerns with administering both a benchmarking process and an efficiency study. The Commission discussed both the benefits and concerns associated with benchmarking and efficiency studies. Ms. Henderson reviewed the different types of benchmarking and efficiency studies accomplished by organizations. The Commission concurred that the District's current benchmarking was on track. Commissioner Lori Sanders discussed efficiency studies accomplished by other entities and asked if this discussion could be held during the June 27, 2006 Commission Meeting.

5) Other areas included: 1) Potential for utility growth/expansion and related issues. Discussions concluded that this is not a subject requiring immediate action; however, an exploratory look at the legal issues and implications should be reviewed. 2) Combustion turbine plants, both Frederickson and Finley. Staff noted that a recommendation on the Finley CT will be brought to the Commission on June 27, 2006, and staff will continue to look at requests for proposals for the Frederickson CT. Director of Power Management noted the renewable portfolio standard may change standards for resource acquisition.

Assistant General Manager reviewed the existing Strategic Positions and the Commission affirmed the positions.

Assistant General Manager reviewed the timeline for preparing the 2007 Strategic Plan.

Hearing no objection, President Robert Bertsch adjourned the Commission Meeting at 4:54 p.m.

  
Robert E. Bertsch, President

ATTEST:

  
Lori Kays-Sanders, Secretary