

**PAGE ELECTRIC UTILITY
REGULAR BOARD MEETING
August 21, 2008**

CALL TO ORDER: The regular meeting of the Page Electric Utility Board was called to order at 5:35 p.m. on August 21, 2008 by Chairman Brynn Johns. The meeting was held in the Conference Room of Page Electric Utility, 19 Poplar Street, Page, Arizona.

ROLL CALL: Board members present: Chairman Johns, Rick Yanke and Tony Ferrando. Scott Sadler attended the meeting telephonically. Bob Talbot and Vice Mayor John Cook were excused.

Staff present: General Manager, Bryan Hill; Finance Director, Catherine Foley; and Executive Secretary, Donna Roberts.

Also present: Rick Olson, City Attorney.

MOMENT OF SILENCE: The Board observed a moment of silence.

SWEARING IN OF BOARD MEMBER: Chairman Johns administered the oath of office to continuing Board member Tony Ferrando.

APPROVAL OF MINUTES: The June 17, 2008 Rate Hearing minutes were unanimously approved upon a motion by Sadler and second by Ferrando.

The July 8, 2008 Regular Board meeting minutes were unanimously approved upon a motion by Sadler and second by Yanke.

AUDIENCE AND COMMUNICATION: None.

UNFINISHED BUSINESS: Discussion – Two Elks Analysis: Bryan reviewed a spreadsheet of updated project and transmission costs associated with pursuing the Two Elks Project. After discussion, it was the consensus of the Board to not continue with Two Elks at this time.

NEW BUSINESS: Discussion/Possible Action – Approval of Bid #145 – Annual Wire Bid: Staff reviewed the bids received and recommend that the annual bid for primary distribution conductor be awarded to Okonite as the lowest bidder.

Motion by Yanke, seconded by Sadler, to award Bid #145 to Okonite for the annual primary distribution conductor.

The motion carried with a unanimous vote.

Discussion/Possible Action – Approval of Bid #146 – Construction Upgrade of Substations: ICPE has completed its review and evaluation of the submitted bids. The bids were evaluated for cost, conformity to specification requirements, noted exceptions, and indicated work schedule. Bryan participated in the review with ICPE last week. From the evaluation, ICPE recommends that the contract for construction of the Powell and Slavens Substation Expansion Project be awarded to RME for the quoted bid value of \$1,356,871.

After discussion, Yanke made a motion, seconded by Ferrando, to forward to Council for approval the request to award the construction upgrade of the Powell and Slavens Substations to RME, LLC. of Washington, Utah, for \$1,356,871 which includes adders for both substations.

The motion carried with a unanimous vote.

Discussion – Power Cost Analysis: The Board reviewed and discussed a power cost analysis that showed blended wholesale power costs compared to budget.

Discussion – Customer Correspondence: The Board reviewed customer correspondence that stemmed from an outage.

Discussion/Possible Action – NPS Right-of-Way Permit: There was discussion regarding the permit.

Motion by Yanke, seconded by Sadler, to approve the NPS Right-of-Way Permit as approved by legal counsel, Scott Rhodes.

The motion carried with Chairman Johns abstaining from the vote.

Rick Olson & Scott Sadler: Rick and Scott left the meeting at 6:41 p.m.

REPORTS: **General Manager's Reports:** Bryan reviewed the July General Manager's Report.

Chairman Johns asked about the status of the Lake Powell Pipeline. Bryan explained that Scott Rhodes has filed a Motion to Intervene Out-Of-Time and Comments of the City of Page (Coconino County), Arizona. Chairman Johns requested a copy of the motion.

Financial Report: The June financial report was briefly discussed.

Committee Reports: None.

Chairman's Report: Chairman Johns advised the Board that he is currently working in Phoenix on Tuesdays and Wednesdays. He asked if the Board meetings could be moved to either Monday or Thursday. Sadler would be able to attend the meetings on Mondays. Board members present indicated that Monday would be fine. Chairman Johns will discuss this with Talbot and Vice Mayor Cook.

Chairman Johns commented that now would be a good time to purchase trucks for the fleet.


ANNOUNCEMENTS:

None.

ADJOURNMENT:

Chairman Johns adjourned the meeting at 7:12 p.m.

APPROVED:


Chairman, Page Electric Utility Board