

**Minutes of the Regular Meeting of the Okanogan County
Public Utility District Board of Commissioners**

**Okanogan PUD Auditorium
1331 2nd Avenue North, Okanogan, WA
January 17, 2006
12:30 p.m.**

Present:

Board: Donald Johnson, Ernest Bolz, David Womack

Staff: Chuck Berrie, Don Coppock, Derek Miller, Dan Boettger, Larry Felton, Ron Gadeberg, Jeff Deason, Debra Peters, Steve Brown, Tina DeLap

Attorney: Michael Howe

Public: Rebecca Meadows, Bob Williams, Vicky Welch, Ed Welch, Ann McCreary, Brian Kirchner, Carol Alexander, Janie Lewis, Maeyowa, Kathleen Hirschstein, George Wooten, John Umberger, Adam McCurdy, Alexis Koch, Shira Jacobs, Bonnie Lawrence

Summary Agenda

1. Call to Order
2. Executive Session
3. Additions/Deletions to Agenda
4. Public Comment
5. Methow EIS Process Discussion
6. Telecom Business Plan Questions and Answers
7. Manager's Report
8. Power Supply Report
9. Public Comment
10. Meetings
11. Approval of Minutes
12. Approval of Work Orders
13. Approval of Vouchers
14. Approval of Transfer of Accounts
15. Executive Session
16. Adjournment

1. Call to Order:

President Johnson called the meeting to order at 12:30 p.m.

2. Executive Session:

President Johnson recessed the Commission into executive session at 12:32 p.m. for one hour to discuss personnel issues.

President Johnson reconvened the Commission into regular session at 1:37 p.m.

3. Additions/Deletions to Agenda:

There were no additions or deletions to the agenda.

4. Public Comment:

Maeyowa recited ads, articles and public comments from 1997 to 2005 regarding power capacity in the Methow and expressed her support of reconductoring the Loup line.

George Wooten discussed a Methow Valley News article, energy assistance and PUD Resolution 980 regarding SEPA procedures.

John Umberger spoke in favor of the Pateros-Twisp (P-T) Transmission Line, discussed fire hazards of the Loup route and how delays cost ratepayers money.

Bonnie Lawrence, speaking as Chairman of the Okanogan Resource Council & Secretary of the Okanogan County Citizens Coalition, reiterated their support of the Methow Valley transmission line and addressed how delays, obstruction and salmon recovery all contribute to higher PUD costs.

Brian Kirchner discussed power lost in line transmissions, high costs of lawsuits and why he supported the Pateros-Twisp route.

Ed Welch spoke in favor of rebuilding the Loup line and addressed fire hazards, the Manager selecting a preferred alternative, PUD investments, fiber optics, public meetings and new lines.

Kathleen Hirschstein commented on last week's meeting, reviewed past court rulings and addressed impacts of roads.

Adam McCurdy mentioned it appeared more logical to repair the old Loup line.

Alexis Koch requested the PUD not support more development.

Vicky Welch thanked Commissioners and staff for their time and efforts to reduce fire danger along the Loup route. Ms. Welch also commented on the preferred alternative selection process.

5. Methow EIS Process Discussion

Steven Jones and Mike Lufkin of Marten Law provided a presentation on standard SEPA/NEPA procedures, followed by an in-depth question and answer period. Mr. Jones outlined who can issue a final EIS, who chooses the preferred alternative, the PUD's position as lead SEPA agency and the Forest Service's duties as lead NEPA agency.

Other points of interest included who is authorized to issue a final Environmental Impact Statement (EIS), choosing a preferred alternative, defensibility of an EIS, timeliness of decision making, additional design work and "paralysis by analysis" (when a person or entity continues searching for more details rather than making a decision with the information already presented.)

Mr. Jones reiterated his opinion that the EIS contains sufficient information for the Board to make a decision on a preferred alternative, and that the decision should be made promptly. A decision is usually rendered within 60 days of the end of the Public Comments. The Methow EIS Public Comment period ended in April 2005.

Commissioner Bolz proffered a motion stating "The Board directs the General Manager to name a preferred alternative route for the Methow Transmission Project EIS and, as soon as possible, publish the FEIS after which three special public information meetings will be scheduled, one in each of the three electoral districts, with the final route choice to be made by the Board of Commissioners no later than the last day of April, 2006." The motion was seconded by Commissioner Womack. Following discussion the motion unanimously passed.

Commissioner Bolz moved that the Board suggest to the Manager that the naming of the preferred alternative occur by January 31st or as soon as possible thereafter. The motion was seconded by discussion. Commissioner Womack expressed his feeling that the manager would act promptly on his own, so the motion was unnecessary and could put unreasonable time constraints on the Manager. Upon the vote Commissioners Bolz & Johnson approved the motion, Commissioner Womack was opposed and the motion passed 2-1.

6. Telecom Business Plan Questions and Answers:

Discussion of this Agenda item was postponed until the January 31st meeting.

7. Manager's Report:

The Manager had no additional information to present at this time.

8. Power Supply Report:

Power Resource Engineer Larry Felton reviewed preliminary retail and wholesale power sales reports for 2005. December retail power sales are estimated, so year to date report numbers are not final. We gained one half million dollars through September and another \$1.4 million in October due to a strong wholesale power market. December's colder than normal weather caused us to be a power purchaser rather than having excess power to sell, however actual retail and wholesale power sales realized in 2005 were still above estimates.

9. Public Comment:

Maeyowa recited portions of Resolution 980 and encouraged the Board to review PACE's attachments to public comments.

George Wooten commented that people on the west side (of the state) expressed to him their appreciation of the Methow Valley as a recreational resource, and he also approves of the Methow and Okanogan Valleys as recreational resources as this brings money into the County.

10. Meetings:

Commissioner Bolz attended the NoaNet meeting in Seattle on January 11th.

The next Okanogan PUD Board meeting is scheduled for January 31, 2006 with executive session at 5:00 p.m. followed by the public meeting at 6:00 p.m.

11. Approval of Minutes:

Commissioner Womack moved, seconded by Commissioner Bolz, to approve the Minutes of the January 10, 2006 regular meeting. Commissioners offered the following amendments:

Item 14. Election of Board Officers and Assignments:

Remove "the motion died for lack of a second" at the end of the first two sentences.

Commissioner Johnson will continue to serve on the Energy Northwest Participants Review Board until Commissioner Bolz is elected in May, at which time he will become an alternate. Johnson will continue to serve on the North Central Educational Services District.

Item 8. EIS Publication Timeline Discussion:

Commissioner Johnson moved to insert at the beginning of the last paragraph the sentence, "Commissioner Johnson protested the change in procedure from the Board of Commissioners selecting the preferred alternative."

Item 15. Manager's Report:

Under the Enloe paragraph, insert the sentence "Discussion was initiated concerning when the integrity of the dam would be tested."

The motion to approve the minutes as corrected passed unanimously.

12. Approval of Work Orders:

The following work orders were submitted for approval:

05-02&03	District, Alley between 7th & 8th N. of Seattle St.	\$1,534.00
05-0005	Mike Kaiser/Choice Auto, 625 Okoma Dr., Omak	843.00
05-0377	District, Orchard Trails	1,134.00
05-0529	District, Fletcher Loop Rd.	2,081.00
05-0540	District/Wannacut LLC, Wannacut Lake	16,067.00
05-0566	Mike Kaiser, 625 Okoma Dr., Omak	9,123.00
05-0590	Frank Richter, Omak Mtn. Rd.	1,989.00
05-0594	John Stephens, Twisp Airport Hanger	531.00
05-0599	District, Frontage Rd. S. of Midway Building Supply	11,873.00
05-0600	District, Ironwood, Oroville	12,664.00
05-0601	District, Jasmine St., Omak	1,432.00
06-0054	Colville Indian Hsg Auth, Lone Pine/Mocassin Flat/Rocky River Rd.	2,600.00
	Total	\$61,871.00

Commissioner Bolz moved, seconded by Commissioner Womack, to approve the work orders. The motion unanimously carried.

13. Approval of Vouchers:

Voucher number 90294 in the amount of \$88,336.25 and numbers 90295 through 90375 in the amount of \$915,228.65 were submitted for payment from the revenue fund.

Commissioner Bolz moved, seconded by Commissioner Womack, to approve the vouchers. The motion unanimously carried.

14. Transfer of Accounts:

The following accounts/invoices were submitted for write-off/collection due to nonpayment:

Alvarado, Antonio Torrez	Renter	\$52.24
Arbuckle, Edward W.	Renter	116.87

Bertholf, Arthur	Renter	101.02
Bowers, Rick & Mardi	Renter	89.38
Charley, Terry B.	Renter	433.48
Grant, Cherryl A.	Renter	419.89
Gutierrez Valle, Adolfo	Renter	128.20
Hall, Neal	Renter	123.95
Hawkins, Everett L.	Renter	66.29
Lowe, Dan W.	Renter	357.53
Mancera, Kimberley	Renter	67.97
Martinez, Violet L. (Estate)	Renter	87.20
Moore, Kerry	Renter	48.83
Morgan, Carol	Renter	224.38
Peters, Tahshaw L.	Renter	45.37
Rinne, Jason	Renter	74.30
Romey, Jason	Renter	277.51
Ruiz, Danielle	Renter	89.56
Shawl, Elizabeth	Renter	206.99
Staggs, Bonnie	Renter	86.40
Total		\$3,097.36

Commissioner Womack moved, seconded by Commissioner Bolz, to approve the account transfers. The motion unanimously carried.

15. Executive Session:

The meeting adjourned into executive session at 5:02 to continue discussion of personnel issues. The regular meeting reconvened at 5:17 pm.

16. Adjournment:

There being no further business to discuss, the meeting adjourned at 5:20 p.m.

Donald W. Johnson, President
 ATTEST:

Ernest J. Bolz, Vice-President

David A. Womack, Secretary