

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

**Okanogan PUD Auditorium
1331 2nd Avenue North, Okanogan, WA
February 14, 2006
12:30 p.m.**

Present:

Board: Donald Johnson, Ernest Bolz, David Womack

Staff: Chuck Berrie, Doug Adams, Don Coppock, Larry Felton, Steve Brown,
Julie Pyper

Attorney: Michael Howe

Public: Chris Thew - Chronicle; Rebecca Meadows - KOZI;
Marcy Stamper - Methow Valley News; Brian Kirchner, Sam Dunlap

Summary Agenda

- I. Call to Order
- II. Approval of Agenda
- III. Consent Agenda Items
 - Minutes
 - Vouchers
 - Work Orders
- IV. Public Comment
- V. Action Agenda
 - A. Old Business
 1. Set Board Meeting Schedule
 2. Methow Transmission Project
 - FEIS Publication & Preferred Alternative Selection
 3. Enloe Dam Licensing
 - Timing of Structural Testing
 - Professional Services Agreements
 4. Review of Copying Policy Re: Rates for FOIA Documents
 5. Water Storage Projects
 6. Salary Policy
 7. Resolution No. 1309 Setting Manager Salary
 - B. New Business
 1. Manager's Report
 2. Power Report
 3. Meetings
- VI. Public Comment
- VII. Adjournment

I. Call to Order:

President Johnson called the meeting to order at 12:30 p.m. and recessed the Commission into executive session for one hour to discuss litigation issues.

President Johnson reconvened the Commission into regular session at 1:30 p.m.

II. Approval of Agenda:

Manager Berrie added to the agenda the approval of Professional Services Agreements with Don Thompson of Wescorp and John Christensen of Christensen Associates Inc. with regard to Enloe Dam. He also added a short discussion on information pertaining to water storage projects. A Resolution establishing new telecommunication rates will be addressed at the February 28th meeting.

Following discussion initiated by Commissioner Womack, it was agreed that the timeframes listed on today's agenda would be included on future preliminary agendas but not on the final published agenda.

Commissioner Bolz moved, seconded by Commissioner Womack, to approve the agenda as amended. The motion unanimously carried.

III. Consent Agenda Items:

The Minutes of the January 31, 2006 meeting were submitted for approval.

The following vouchers were submitted for approval:

Voucher numbers 90571 through 90593 in the amount of \$205,321.05; vouchers 90594 through 90653 in the amount of \$450,082.49; voucher 90654 in the amount of \$90,612.36; and vouchers 90655 through 90754 in the amount of \$220,950.18.

The following work orders were submitted for approval:

05-0242 R- 1	Thaes Webb, N. Pine Creek	\$10,838.00
05-0258	District, Chiliwist Rd.	\$ 2,650.00
05-0526	District, 126 Pogue Rd.	\$ 3,682.00
06-0060	District, Blossom Lane	\$ 4,775.00
06-0075	Don Utzinger, 706 7th Ave. S., Okanogan	\$ 5,666.00
06-0078	District, N. Malott Rd./Sunrise Heights	\$ 6,495.00
06-0080	District, Brewster Substation	\$ 768.00
06-0086	District, Malott	\$ 857.00

06-0092	Alta Vista Irrigation District, 2nd Ave. N., Okanogan	\$ 607.00
06-0094	District, Cherokee & Hwy. 97	\$17,222.00
06-0095	TimberQuest RV (pump), Rodeo Trail, Okanogan	\$ 4,819.00
06-0100	District, Mumma Rd.	\$ 1,484.00
	Total:	\$59,863.00

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

IV. Public Comment:

Sam Dunlap asked if power would be automated or manually switched in the event of an outage on the Twisp/Pateros line (if alternate route two is selected and the Loup Loup line is a back up system). After addressing Mr. Dunlap's question, it was suggested that he meet with the District's Chief Engineer for further clarification.

V. Action Agenda:

A. Old Business

1. Set Board Meeting Schedule:

The Board set the following meeting schedule:

02/28/06 Okanogan PUD Auditorium 5:00 p.m. Executive Session
1331 2nd Ave. N. 6:00 p.m. Regular Meeting

03/07/06 Okanogan PUD Auditorium 12:30 p.m. Executive Session
1:30 p.m. Regular Meeting

03/21/06 Okanogan PUD Auditorium 12:30 p.m. Executive Session
1:30 p.m. Regular Meeting

04/11/06 Okanogan PUD Auditorium 12:30 p.m. Executive Session
1:30 p.m. Regular Meeting

04/17/06 Tonasket Whistler's Restaurant 6:00 p.m. Methow EIS Public
Meeting
Meeting Room, 616 S. Whitcomb Ave.

04/18/06 Omak City Hall 6:00 p.m. Methow EIS Public Meeting
Council Room, 2 N. Ash St.

04/19/06 Twisp Grange 6:00 p.m. Methow EIS Public Meeting
344 2nd Ave., Twisp

04/25/06 Okanogan PUD Auditorium 5:00 p.m. Executive Session
6:00 p.m. Regular Meeting

05/09/06 Okanogan PUD Auditorium 12:30 p.m. Executive Session
1:30 p.m. Regular Meeting

05/23/06 Location to be determined 5:00 p.m. Executive Session
6:00 p.m. Regular Meeting

06/06/06 Okanogan PUD Auditorium 12:30 p.m. Executive Session
1:30 p.m. Regular Meeting

06/20/06 Okanogan PUD Auditorium 12:30 p.m. Executive Session
1:30 p.m. Regular Meeting

07/11/06 Okanogan PUD Auditorium 12:30 p.m. Executive Session
1:30 p.m. Regular Meeting

07/25/06 Location to be determined 5:00 p.m. Executive Session
6:00 p.m. Regular Meeting

2. Methow Transmission Project - FEIS Publication and Preferred Alternative Selection: Publication of the Methow Transmission Project Final Environmental Impact Statement is on schedule and expected to be available to the public beginning March 9th. Public meetings on the EIS are scheduled at 6:00 p.m. on April 17th at the Tonasket Whistler's Restaurant meeting room, April 18th at the Omak City Hall council room, and April 19th at the Twisp Grange. The Board's final decision on the proposal (selection of alternative) will occur on April 25th.

Following the Board's discussion on the format and procedures for the April 17-19 public meetings, Commissioner Bolz moved, seconded by Commissioner Womack, to table discussion to the next meeting. The motion unanimously carried.

3. Enloe Dam Licensing - Timing of Structural Testing; Professional Services Agreements: Consulting engineers Don Thompson of Wescorp and John Christensen of Christensen Associates Inc. have been communicating on behalf of the District with the Washington Dam Safety Office as per the Order issuing the FERC License, which requires the District to engage a consultant to perform geotechnical testing and inspection services in order to confirm the assumptions in those documents about the dam's structural stability.

Power Resource Engineer Larry Felton presented a Professional Services Agreement with Christensen Associates Inc. to assist the District in 2006 with the planning, engineering and dam safety aspects of the Enloe Hydroelectric Project. As part of the budget, the maximum amount payable under the agreement is \$100,000. (John Christensen performed work for the District in 2005 as a sub-consultant under the Entrix contract and the District has a general agreement with him as part of the 2006 Enloe Dam budget; however, there is a cost savings by contracting separately with him.) An amendment to the contract with Don Thompson of Wescorp will be presented at the March 7th meeting.

The Board favored pursuing testing this year, with the scope of work to include separate bids for dam safety testing and for additional work related to building the project.

Commissioner Bolz moved, seconded by Commissioner Womack, to enter into a Professional Services Agreement with John Christensen of Christensen Associates Inc. in an amount not to exceed \$100,000 (to assist the District in 2006 with the planning, engineering and dam safety aspects of the Enloe Hydroelectric Project). The motion unanimously carried.

4. Review of Copying Policy Re: Rates for FOIA Documents:The Board was presented with a revised print/copy policy for District related business. For copy requests of 50 pages or under, the District will not charge a copy fee. For copy requests over 50 pages, the District will charge \$0.15 per page. The policy also addresses color, digital and email copies, and applicable mailing costs.

Commissioner Bolz moved to adopt the print/copy policy as presented. Commissioner Womack seconded the motion for discussion purposes. Upon the vote, the motion unanimously carried.

5. Water Storage Projects: Manager Berrie noted that a recent editorial from Senator Morton stated that Okanogan County PUD will be proposing a public/private sector joint venture for a new dam on the Similkameen; however, the PUD needs to know that it will have water rights during the life of the dam and be able to sell water down river to help pay for it.

Because the editorial may lead to questions, the District will issue a clarification statement that the utility is working on Enloe Dam as a power generator and is interested in the flow of water to the dam, but that is the extent of it.

6. Salary Policy: The Employee Compensation Policy was presented for the Board's consideration. The policy provides salary administration guidelines to effectively administer compensation for non-bargaining unit positions, with the exception of the Manager position which is determined by Board Resolution.

Commissioner Bolz moved, seconded by Commissioner Womack, to adopt the Employee Compensation Policy for Non-Bargaining Unit Positions. The motion unanimously carried.

7. Resolution No. 1309 - Setting Manager Salary: The Board addressed Resolution No. 1309 fixing the annual salary compensation for the District Manager.

Following discussion, Commissioner Bolz moved, seconded by Commissioner Womack, to adopt Resolution No. 1309. The motion unanimously carried.

B. New Business:

1. Manager's Report: Manager Berrie provided his regular report on ongoing items of interest.

Director of Finance Don Coppock provided an update on Project Help.

2. Power Report: A power report will be presented at the March 7, 2006 meeting.

3. Meetings: Commissioner Bolz submitted a member issues report pertaining to the Northwest Open Access Network board meetings he attended in Seattle on January 11th and February 8th.

Commissioner Johnson submitted a report on proceedings of interest from the Washington PUD Association Legislative Committee meeting he attended in Olympia on February 2nd and Roundtable discussions on February 3rd.

Commissioner Womack presented a report after his attendance at the February 2nd WPUDA Legislative Committee and February 3rd Roundtable and Building Committee Development workshop in Olympia. He also participated in a February 8th conference call of the WPUDA Board of Directors regarding Renewable Portfolio Standards.

The next Okanogan PUD Board meeting is scheduled for February 28, 2006 with executive session at 5:00 p.m. followed by public comment at 6:00 p.m.

VI. Public Comment:

No further public comments were offered.

VII. Adjournment:

There being no further business to discuss, the meeting adjourned at 3:43 p.m.

Donald W. Johnson, President

ATTEST:

Ernest J. Bolz, Vice-President

David A. Womack, Secretary