

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

Okanogan PUD Auditorium  
1331 2nd Avenue North, Okanogan, WA  
March 28, 2006  
Executive Session 12:30 PM  
Regular Session 1:30 PM

Present:

Board: Donald Johnson, Ernest Bolz, David Womack

Staff: Chuck Berrie, Doug Adams, Don Coppock, Larry Felton, Dan Boettger, Derek Miller, Debra Peters, Roy Schwilke, Tina DeLap, Steve Brown, Julie Pyper

Attorney: Michael Howe

Public: Jeremy Pratt - Entrix, Inc.  
Chris Thew - Chronicle  
Marcy Stamper - Methow Valley News  
Ken Sletten, Ray Ellis, John Umberger, Ruth Umberger,  
Brian Kirchner, Darlene Hajny, Jim Hajny, Bonnie Lawrence,  
Lorah Waters, Vicky Welch, Maeyowa, Kathleen Hirschstein,  
George Wooten, Mr. & Mrs. Sonny Rounds

Summary Agenda

- I. Call to Order
- II. Approval of Agenda
  1. Sonny Rounds - Voter Annexation Discussion
- III. Consent Agenda Items
  - Minutes of 3-07-06 Meeting
  - Vouchers
  - Work Orders
  - Transfer of Accounts
- IV. Public Comment
- V. Action Agenda
  - A. Old Business
    1. Enloe Dam Update & Revised Work Plan
    2. Methow Transmission Line Project/EIS Route Selection
      - Presentation of Commissioner's positions on alternatives
      - Presentation of staff recommendation on alternatives
      - Board discussion and route selection
    3. Power Supply Forecast Load Discussion
    4. Wireless Telecom
    5. Resolution No. 1313

- authorizing petty cash fund at Twisp Branch Office
- 6. Resolution No. 1314
  - declaring equipment surplus
- 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 approximately 30 minutes to discuss litigation issues, with no action expected.

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

## II. Approval of Agenda:

Manager Berrie added to the agenda an Enloe Dam log jam update. He suggested that Sonny Rounds’ presentation be heard prior to public comment.

Commissioner Johnson added to the agenda a Wireless Telecom discussion. With regard to the Methow Transmission Line Project, he noted that Kathleen Hirschstein requested to be on the agenda to present new information on reliability and that George Wooten requested time to present information on fire and power lines. Following discussion, it was agreed that the Hirschstein and Wooten presentations would be heard during public comment.

Commissioner Womack added to the agenda a discussion of the Board and route selection in regard to the Methow Transmission Line Project.

The Board approved the agenda as amended with Commissioner Johnson opposed.

### 1. Sonny Rounds - Voter Annexation Discussion:

Sonny Rounds, an Okanogan County resident residing in Wauconda, addressed the Board regarding a voter annexation issue. He and others in the area (204 meters) receive electrical service from Ferry County PUD; however, as out of county residents they have no PUD Commissioner representation and are not eligible to vote in Ferry County PUD elections. Mr. Rounds has received preliminary approval from Ferry County PUD to annex into Ferry County PUD for voting rights only, and he is now seeking approval from the Okanogan County

PUD.

Following discussion, the Board supported the position of Mr. Rounds and authorized Manager Berrie to continue working with the Ferry County PUD Manager on this issue. Attorney Howe advised that a petition may not be necessary if both utilities passed a Resolution consenting to the annexation once the boundary lines were legally defined.

III. Consent Agenda Items:

The Minutes of the March 7, 2006 meeting were submitted for approval.

The following vouchers were submitted for approval:

Voucher numbers 91056 through 91116 in the amount of \$148,325.61, vouchers 91117 through 91137 in the amount of \$201,907.82, vouchers 91138 through 91244 in the amount of \$398,644.48, vouchers 91245 through 91303 in the amount of \$1,746,758.86, and voucher 91304 in the amount of \$20,256.48.

The following work orders were submitted for approval:

05-0079	City of Omak, Asotin & 4th St.	\$ 1,142.00
05-0142	District, Silver Hill - Conconully	\$ 2,184.00
06-0108	Roger Bird, 13 Green Lake Rd., Okanogan	\$ 1,496.00
06-0112	Don Freeman, 1574 Pine Creek Rd.	\$ 4,163.00
06-0122	Kara Arnold, Lot 4 Quail Flats - Red Wing Dr.	\$ 4,610.00
06-0123	Wade Cunningham, 1165 Conconully Hwy.	\$ 8,452.00
06-0126	Tim Spellman, 6 Cartwright Dr.	\$ 2,276.00
06-0127	Mike Stennes, 30B Starr Rd.	\$ 599.00
06-0128	Lenny Judd, Spring Coulee Rd.	\$ 1,361.00
06-0131	Ted Harrison, Suncrest Trailer Park, Omak	\$ 1,341.00
06-0137	Shelly Brown, Robinson Canyon Rd.	\$ 1,217.00
	Total:	\$28,841.00

Submitted for transfer was Purified Water to Go's closing bill balance of \$19.18, commercial account #21484-1, to the residential account #22388-3 of Carl Harris.

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

IV. Public Comment:

George Wooten presented a power point presentation on wildfire planning and power lines.

Brian Kirchner of Okanogan supported the Commissioners selecting a Methow route today.

John Umberger commended the PUD and noted that he has been a proponent of the Pateros to Twisp route since the beginning.

Ken Sletten of the Methow urged the Commissioners to proceed with the Pateros to Twisp route as the best choice for a power line.

Kathleen Hirschstein of the Methow provided information on composite core conductor and defended the Loup Loup transmission line reliability.

Vicky Welch of Twisp inquired about the Twisp PUD office, and urged the Commissioners to evaluate all route costs pertinent to the EIS.

Maeyowa of the Methow responded to the previous commenters, and noted that a detailed cost analysis was never done.

Bonnie Lawrence, Chair of the Okanogan Resource Council, supported the Pateros/Twisp alternative as being necessary for safe, reliable and affordable power to the Methow.

## V. Action Agenda:

### A. Old Business

#### 1. Enloe Dam Update & Revised Work Plan:

Larry Felton, Power Resource Engineer/Enloe Dam Project Manager, and Jeremy Pratt, Entrix, Inc. Project License Manager, addressed the Enloe 2006 budget amendment. Based on input received during consultation and comment on the Initial Consultation Document/Supplement, the PUD has reevaluated and revised its study plans. Two major areas that were assumed to be covered in the original 2006 budget need to be reopened: 1) historical and cultural, which the PUD did not receive the commitment anticipated from the Colville Tribe; and 2) sediment, water quality and hydrology. With the proposed budget amendment of \$405,000, the District expects to have a Preliminary Draft License Application by the end of 2006 at an estimated cost of \$1.55 million.

The Board will readdress the budget amendment at the April 11, 2006 meeting.

Manager Berrie informed the Board that the log jam that had been threatening the dam was successfully removed.

#### 2. Methow Transmission Line Project/EIS Route Selection:

Presentation of Commissioner's positions on alternatives:

Commissioner Johnson selected Alternative 4, reconductoring the existing Loup Loup transmission line, as the alternative that should minimize environmental impacts at the least long-term expense and best meet the purposes and needs of Okanogan County residents and the Methow Valley.

Commissioner Womack selected Alternative 2, Pateros to Twisp, as the route that will have the lowest net cost to the PUD.

Commissioner Bolz selected Alternative 2, Pateros to Twisp route, as the most economical way of dealing with the transmission and distribution needs of the Methow Valley.

Presentation of staff recommendation on alternatives:

The staff's recommendation for the Methow Valley electrical system improvement remains Alternative 2, the Pateros to Twisp route.

Board discussion and route selection:

Commissioner Womack moved, seconded by Commissioner Bolz, that the Board of Commissioners selects Alternative 2 as the action alternative for the Methow Transmission Project and that the Board directs the Manager and staff to begin the process of engineering design, right-of-way acquisition, permitting and all other necessary steps to construct and complete this Project. The motion carried two to one with Commissioner Johnson opposed.

3. Power Supply Forecast Load Discussion:

Manager Berrie presented graphs comparing energy requirement assumptions to resources. He indicated that several events will necessitate future discussions on load growth and power supply, including the renewal in 2011 of BPA contracts and the potential increase in Wells Dam output starting in 2018.

Proposals from Energy Northwest on wind generation and a combined cycle/clean coal type technology will be discussed at the April 11, 2006 Board meeting.

4. Wireless Telecom:

The District is moving forward with plans to install two additional wireless towers that were originally scheduled for installation in 2005; one in Oroville and the other in Tonasket. It is expected the Tonasket tower will be operational by the end of April. The District plans to install four additional towers throughout the County in 2006, including Brewster.

There was discussion on the criteria previously approved by the Board, which provides that recommendations for future tower placements will be presented to the Board for review and approval prior to any construction.

5. Resolution No. 1313 - authorizing petty cash fund at Twisp Branch Office:

The Board considered Resolution No. 1313 authorizing a petty cash fund for use at the District's Twisp Branch Office.

Commissioner Bolz moved, seconded by Commissioner Womack, to adopt Resolution No. 1313. The motion unanimously carried.

6. Resolution No. 1314 - declaring equipment surplus:

The Board considered Resolution No. 1314 declaring certain equipment surplus and authorizing the sale or disposal thereof.

Commissioner Womack moved, seconded by Commissioner Bolz, to adopt Resolution No. 1314. The motion unanimously carried.

B. New Business:

1. Manager's Report:

Manager Berrie provided his regular report on ongoing items of interest.

2. Power Report:

Notification from Bonneville Power Administration indicates that Load Based Cost Recovery Adjustment Clause rates have increased. Compared to the past six month period, the increase is about 2% to 2.5%. This will affect the Block portion only of the District's BPA Slice Contract.

3. Meetings:

Commissioner Womack moved, seconded by Commissioner Bolz, to cancel the April 17, 18 and 19, 2006 Methow EIS public meetings. The motion carried two to one with Commissioner Johnson opposed.

Commissioner Womack attended the Washington PUD Association Ethics and Accountability Workshop, Commissioners Roundtable, and meetings of the Legislative Committee and Board of Directors in Seattle on March 15-17, 2006. He submitted information on the Public Utility Regulatory Policies Act of 1978 to assist the utility with scheduling hearings by August 8, 2006 on interconnection standards.

Commissioner Bolz attended the Washington PUD Association Ethics and Accountability Workshop, Commissioners Roundtable, and meetings of the Legislative Committee and Board of Directors in Seattle on March 15-17, 2006. He attended Energy Northwest meetings in Richland on March 21-22, 2006, and the NoaNet Board of Directors meeting in Seattle on April 12, 2006.

Commissioner Johnson submitted proceedings of interest from the Energy Northwest Participants Review Board and Board of Directors meeting he attended in Richland on March 20-22, 2006.

The next Okanogan PUD Board meeting is scheduled for April 11, 2006 with executive session at 12:30 p.m. followed by regular session at 1:30 p.m.

#### VI. Public Comment:

Comments regarding the Methow Transmission Line Project alternative selection:

Lorah Waters, in speaking individually and from the perspective of a facilitator of diverse processes in the County, noted that a mistake was made in expressing clearly either a complete misunderstanding of, or a profound lack of respect for, the purpose of a public process.

Ken Sletten believes the PUD has followed a process that should hold up in Court.

Maeyowa stated that the earth is crying; the wildlife and the lands along the P/T route are crying.

#### VII. Adjournment:

There being no further business to discuss, the meeting adjourned at 5:23 p.m.

Donald W. Johnson, President

ATTEST:

Ernest J. Bolz, Vice-President

David A. Womack, Secretary