

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

Okanogan PUD Auditorium
1331 2nd Avenue North, Okanogan, WA
May 30, 2006
6:00 PM

Present:

Board: Ernest Bolz, David Womack

Staff: Chuck Berrie, Doug Adams, Don Coppock, Warren Miller, Derek Miller, Steve Brown, Julie Pyper

Attorney: Michael Howe

Public: Chris Thew - Chronicle; Trish Butler

Summary Agenda

- I. Call to Order
- II. Approval of Agenda
- III. Consent Agenda Items
 - Minutes
 - Vouchers
 - Work Orders
 - Transfer of Accounts
- IV. Public Comment
- V. Action Agenda
 - A. Old Business
 - 1. Telecom Update
 - 2. Discuss Meeting Schedule
 - 3. Assignment of Contracts with PRM to TEA
 - B. New Business
 - 1. Manager's Report
 - 2. Power Report
 - 3. Meetings
- VI. Public Comment
- VII. Executive Session
- VIII. Adjournment

I. Call to Order:

Vice President Bolz called the meeting to order at 6:00 p.m.

II. Approval of Agenda:

Vice President Bolz announced there would be an executive session at the conclusion of the meeting.

Manager Berrie added to the agenda a discussion on the assignment of contracts with Power Resource Managers to The Energy Authority.

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

III. Consent Agenda Items:

The Minutes of the May 9, 2006 meeting were submitted for approval.

The following vouchers were submitted for approval:

Voucher numbers 91921 through 91946 in the amount of \$210,719.66, vouchers 91947 through 92037 in the amount of \$179,457.97, vouchers 92038 through 92090 in the amount of \$937,145.32, vouchers 92091 through 92116, and vouchers 92117 through 92183 in the amount of \$1,780,175.55.

The following work orders were submitted for approval:

04-0436	Mike Fort, Thurlow Rd. (Rev.)	\$ 12,225.00
05-0074	District, Tonasket Substation	\$ 25,085.00
05-0448	District, Okanogan Substation	\$ 34,436.00
05-0505	William Lawrence, 374 McFarland Creek Rd.	\$ 10,177.00
05-0563	Tony Walter, 821 Loomis Rd. (Rev. 1)	\$ 3,092.00
06-0065	Mike Poole, Chilliwist Rd.	\$ 41,039.00
06-0148	Gebbers Farms, Old Hwy. 97	\$ 1,593.00
06-0189	George Otte, 1131 Hwy. 7, Tonasket	\$ 2,005.00
06-0193	Byron Braden, 42 Old Carlton Rd.	\$ 4,221.00
06-0196	Guillermo Mendez, 32513 Hwy. 97	\$ 528.00
06-0197	Brad Skelton, 169 Greenacres Rd.	\$ 4,531.00
06-0198	Curtis Ramsden, Lot 17, Okanogan River Ranches	\$ 3,014.00
06-0200	District/Oroville Beach Resort, 17 Oro Beach Rd.	\$ 1,028.00
06-0201	Henson Construction, 5 Willow Tree Lane	\$ 1,035.00
06-0202	Gordon & Trisha Philips, 266 Harmony Heights Rd.	\$ 3,131.00
06-0203	John Roberts, 215 N. Birch St., Omak	\$ 711.00
06-0205	Cliff & Joy Schwab, Burhna Rd.	\$ 1,131.00
06-0206	Jack Groeneveld, Old Hwy. 97	\$ 841.00

06-0207	Curt Channing, 14 Mavrick Ln. - Hwy. 153	\$ 4,123.00
06-0208	Doug Ellis, Tunk Creek Rd.	\$ 2,939.00
06-0210	Marc Walsh, 51 Neil Canyon Rd. - Cape Labelle	\$ 6,727.00
06-0211	Ryan Harvey, Cassimer Bar Access Rd.	\$ 2,181.00
06-0213	Jim Cook, Leader Lake	\$ 3,248.00
06-0214	Joe Ahl, Starr Rd.	\$ 1,511.00
06-0215	District, Starr Rd.	\$ 18,008.00
06-0218	Stan Porter, 124B Westlake Rd.	\$ 997.00
06-0225	Day Wireless, Tunk Mtn.	\$ 2,725.00
06-0226	Randy Brown, 6 Aspen Way	\$ 4,930.00
06-0227	Tom Brown, 96 Woods Rd.	\$ 1,876.00
06-0228	Bill McDaniel, Omak/Riverside E. Rd.	\$ 2,696.00
06-0229	Youderian Orchards, 295 Monse River Rd.	\$ 851.00
06-0230	Jerry Goad, 651 Wannacut Lake Rd.	\$ 6,814.00
06-0231	Gary Moritz, 72 Hanging Rock Rd.	\$ 5,263.00
06-0232	Dale Engmark, 722 Aeneas Valley Rd.	\$ 3,259.00
06-0233	Marlin Saulsbury, Foggy River Rd.	\$ 1,767.00
06-0234	District, Broadway St., Conconully	\$ 1,792.00
06-0237	Habitat For Humanity, 19 Division St., Tonasket	\$ 1,191.00
06-0238	Kevin Cassidy, Bill Shaw Rd./Barn Dance Rd.	\$ 4,627.00
06-0241	Jim Wilson, 90 Patterson Creek Rd.	\$ 4,098.00
06-0242	District, 4th & Elgin St.	\$ 1,243.00
06-0243	Shannon & Kimberly Coffman, Methow River Ranch Phase 1 Eastside of County Rd.	\$ 5,238.00
06-0247	John Sherman, 62 Wannacut Lane E.	\$ 768.00
06-0249	Bill & Margie Anton, Chilliwist off Landers Rd.	\$ 10,245.00
06-0250	Kevin Burley, Jonathan Ave. E. of Locust, Omak	\$ 3,929.00
06-0252	District, 1st Ave., Okanogan	\$ 2,446.00
06-0255	District, 3rd St. & Douglas St., Brewster	\$ 8,742.00
06-0257	Phil Irwin, Hwy. 153	\$ 4,640.00
06-0259	Brian Varrelman, 321 Alta Lake Rd., Pateros	\$ 1,025.00
06-0261	District, US/Canada Border	\$ 1,467.00
06-0262	Blake Luvon, Marmot Bench Lane	\$ 2,145.00
06-0267	Jerry Serverson, Greenlake Rd.	\$ 2,812.00
06-0268	Kathleen Pryor, 702 McAlvey Dr., Pateros	\$ 948.00
06-0271	Glen Bowen, Hwy. 20	\$ 2,116.00
06-0276	Fred Anthony, Omak/Riverside Eastside Rd.	\$ 1,562.00
	Total:	\$280,772.00

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

Barker, Webb & Edwards, Danielle	\$391.11
Donahoe, Peggy S.	116.20
Duncan, Samantha Jean	62.57
Fisher, William (Estate)	51.26
Flores, Faith	139.69
Gomez, Griselda	37.36
Gray, Jerry M.	158.69
Hatch, Steven R.	237.89
Harris, Anna & Richard	542.68
Hiebner, Mary E. & Robert J.	74.36
Horton, Carole Ann	71.02
Hubbard, William E. & Anne E.	159.50
Jane, Denise	95.07
Johannsen, Brad J.	58.36
Johannsen, Brad J.	26.16
Johnson, Jason K.	245.16
Large, Darvi L.	395.95
Lozano, Abram	124.94
McCullough, Wade	248.05
Merten, Roger A. (Estate)	89.75
Morley, Debra & John	689.18
Muniz, Luis & Sandoval, J.	402.45
Nicholson, Chris	385.10
Rodriguez, Reyna	11.01
Tompkins, Mindy & Dallas	287.74
Webster, Melissa	395.69
Total	\$5,496.94

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

IV. Public Comment:

No public comment was offered.

V. Action Agenda:

A. Old Business

1. Telecom Update:

Telecommunications Manager Warren Miller reported that the first quarter telecom revenue of \$186,000 is on track to meet the projected 2006 annual revenue of \$568,000 and the goal of 905 wireless subscribers by year end. Six wireless towers are budgeted for installation in 2006 at an estimated cost per tower of \$55,000. Installed year to date are the Airport Road tower in Tonasket at a cost of \$46,000 and the Eder Mountain tower in Oroville at an approximate cost of \$39,000. Easement negotiations are underway for the next tower site in Brewster, and the District has an opportunity to service 15 - 25 subscribers by way of a micro/mini tower at the Ophir substation area for an estimated cost of \$5,000. Options are also available to install wireless towers at several TV District sites throughout the county.

Staff is working on implementing a fiber/wireless surveillance camera system at the Enloe Dam site to meet the requirements of the FERC and the District's emergency action plan.

A request has been received for the lease of dark fiber on the District's system. The District has not previously leased dark fiber, and it was agreed that a lit fiber alternative would be proposed to best meet the District's needs.

Commissioner Bolz moved, seconded by Commissioner Womack, to authorize staff to implement a mini node at the Ophir Site provided it meets or exceeds the economic performance per customer established in the business plan as presented. The motion unanimously carried.

2. Discuss Meeting Schedule:

The current meeting schedule of the Board of Commissioners is set by resolution and provides for an executive session as the first item of business. Because not every meeting requires a one-hour executive session, the Manager proposed that the executive session take place at the end of the agenda.

Following discussion, it was agreed that executive session will be scheduled at the end of the agenda, but that any further changes to the meeting schedule would be an agenda topic when all Commissioners were present. The June 6, 2006 meeting will commence with regular session at 12:30 p.m.

3. Assignment of Contracts with PRM to TEA:

Manager Berrie noted that Power Resource Managers anticipates assigning all of their contracts to The Energy Authority as part of TEA's acquisition of PRM's assets. Since Okanogan PUD has an Operating Reserves Professional Services Agreement that would be included in the assignment, Attorney Howe has completed a review of the Assignment Agreement on behalf of the District.

Commissioner Bolz moved, seconded by Commissioner Womack, to authorize the General Manager to execute the Assignment Agreement for all District contracts being assigned to The Energy Authority as part of the acquisition of Power Resource Managers, LLP. The motion unanimously carried.

B. New Business:

1. Manager's Report:

Manager Berrie presented the following information:

- A second tree trimming crew is scheduled to begin work in the Conconully area.
- The logs that were removed from the Similkameen River above Enloe Dam as a dam safety issue have been placed back into the river. A condition of the permit required that the logs be placed back in the river during high water.
- CNI will begin removing the diesel generators from the Ophir site beginning next week.

2. Power Report:

- The District is evaluating another potential sale of green tags from the Nine Canyon Wind Project. Additional information will be presented at the June 20, 2006 meeting.
- As a result of operational requirements to mitigate flooding in the Columbia River Basin, the price of electricity traded in the Mid-Columbia at one point last week was being sold at a loss.
- The District may transfer a portion of the Enloe Dam Hydroelectric Project funds budgeted with Entrix to another firm for the fish screening requirement component.
- The District is moving ahead with plans to take core samples from the Enloe Dam concrete structure and also from the underlying bedrock as part of the dam safety study.

3. Meetings:

Commissioner Bolz reported that he attended the May 17-19 meetings of the Washington PUD Association in Port Hadlock, and the May 21-25 NWPPA annual conference in Lake Tahoe.

The next Okanogan PUD Board meeting is scheduled for June 6, 2006 with regular session commencing at 12:30 p.m.

VI. Public Comment:

No public comment was offered.

VII. Executive Session:

Vice President Bolz recessed the Commission into executive session at 7:30 p.m. for 35 minutes to discuss litigation with no action anticipated.

Vice President Bolz reconvened the Commission into regular session at 8:15 p.m.

VIII. Adjournment:

There being no further business to discuss, the meeting adjourned at 8:15 p.m.

Donald W. Johnson, President

ATTEST:

Ernest J. Bolz, Vice-President

David A. Womack, Secretary