

**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 13, 2007
12:30 PM**

Present:

Board: David Womack, Ernest Bolz, Trish Butler

Staff: Chuck Berrie, Doug Adams, Don Coppock, Warren Miller, Derek Miller, Debra Peters,
Steve Brown, Tina DeLap

Attorney: Michael Howe

Public: Chris Thew, Marcy Stamper

Summary Agenda

- I. Call to Order
- II. Workshop
- III. Business Meeting
 1. Introduction of District Employees (Accounting Dept.)
 2. Approval of Agenda
 3. Consent Agenda Items
 - Minutes
 - Vouchers
 - Work Orders
 4. Public Comment
 5. Public Comment Guidelines
 6. Service Agreement with Ferry County
 7. Whole House Surge Protection
 8. Set Oroville Town Hall Meeting
 9. Resolution No. 1326 - Fixing Compensation For District Manager
 10. Olympia Lobbyist/Professional Services Agreement
 11. Energy Northwest Reardan Wind Farm
 12. New Large Single Load Rate
 13. Manager's Report
 14. Power Report
 15. Meetings
- IV. Executive Session
- V. Adjournment

I. Call to Order:

The regular meeting was convened by President Womack at 12:29 p.m.

II. Workshop:

A general overview of the District's Telecom system and policies occurred during the workshop period.

III. Business Meeting:

1. Introduction of District Employees:

Auditor Don Coppock introduced members of the Accounting Department and gave a brief overview of their duties and responsibilities. Present were Fred Burke, Chief Accountant / Deputy Treasurer; Janet Crossland, Treasurer / Accountant; Janet Funston, Financial Analyst, Megan Morrissey, Accountant and Cindy Lynn-Bartella, Employee Records Coordinator (Payroll). Joyce Chervinskas, Accounts Payable Clerk, was absent.

2. Approval of Agenda:

No changes to the Agenda were offered. Commissioner Bolz moved to approve the agenda, Commissioner Butler seconded and the motion was unanimously approved.

3. Consent Agenda Items:

A. Minutes:

The Minutes of the January 30, 2007 meeting were submitted for approval.

B. Vouchers:

The following vouchers were submitted for approval:

Voucher numbers 17, 85 and 95691 through 95709 in the amount of \$210,294.07, vouchers 19 and 95710 through 95804 in the amount of \$589,001.32, and vouchers 95805 through 95865 in the amount of \$209,931.80.

C. Work Orders:

The following work orders were submitted for approval:

06-0713	Remax Real Estate, Oroville	\$1,289.00
07-0002	District, 223 Burma Rd.	1,108.00
07-0002	Welcome Home Villa, 163B Nichols Rd., Omak	1,096.00
07-0054	Veranda Beach, Lift Station #2, Oroville	13,215.00
07-0074	District, SW corner of Gordon & Nickell St.	1,257.00
07-0075	District, 859 Hwy. 7 N.	2,910.00
07-0076	District, Westlake Rd.	3,897.00
07-0077	Ivan Daves, 1519D Hwy. 153, Methow	1,178.00
07-0079	Scott Chesley, 57 Pine Crest Rd.	1,645.00
07-0080	District, Molson	1,659.00
07-0082	District, 159A Knox Rd.	1,765.00
07-0085	District, Hwy. 97 N., Switch 4300	1,560.00
	Total:	\$32,579.00

Commissioner Bolz moved, seconded by Commissioner Butler, to approve the Consent Agenda Items as presented. The motion carried unanimously.

4. Public Comment:

No public comments were offered.

5. Public Comment Guidelines:

Attorney Mick Howe suggested the following amendment to the "Commission Meeting - Public Comment Request" document: "All Okanogan PUD Commission meetings [add (except Executive Session)] are open to the public and all persons are permitted to attend any open public session."

Commission Bolz moved to accept the Public Comment Guidelines documents with the above amendment. Commissioner Butler seconded the motion, which carried unanimously.

6. Service Agreement with Ferry County:

Ferry County and Okanogan County PUD's are in the process of determining service area boundaries. Upon agreement of geographical placements, a Service Area Contract and Resolution will be drafted by Attorney Howe.

7. Whole House Surge Protection:

The 2007 budget set aside funds to initiate a surge protection program for District customers. Staff proposed offering a device to customers that installs in the meter socket and protects the home's electrical system from electrical surges coming into the home from outside sources. The majority of power surges are caused by internal factors so customers will need to be educated on the use of surge bars and surge strips to protect against surges inside the home.

The Board directed staff to study billing options for the devices and present their recommendations at a future meeting.

8. Set Oroville Town Hall Meeting:

A town hall meeting will take place on March 27, 2007 beginning at 7:00 p.m. in Oroville. The meeting location will be announced at a later date.

9. Resolution No. 1326 - Fixing Compensation for District Manager:

Commissioner Butler moved and Commissioner Bolz seconded the motion to approve Resolution Number 1326 Fixing Annual Compensation for the District Manager. The motion was unanimously approved.

10. Olympia Lobbyist/Professional Services Agreement:

Following discussion at the previous Board meeting, staff implemented a Professional Services Agreement with The Rowland Company to provide the District with lobbying services in Olympia. Staff began utilizing these services February 1, 2007.

11. Energy Northwest Reardan Wind Farm:

Energy Northwest is soliciting letters of interest from their members for the Reardan Wind Farm. Staff cited unknown costs, increasing charges and lack of diversity as potential drawbacks.

Following discussion the Board elected to uphold their previous decision and not participate in the Reardan Wind Farm project. The Board of Commissioners directed staff to inform Energy Northwest of their decision.

12. New Large Single Load Rate:

The District's current rate structure does not contain a provision for new, large industrial users. The addition of such a user might require the District to purchase additional power on the open market, which could cost more than current rates charged. A conceptual draft of a Large Single-Load Service addendum to our Rate Schedule was presented for discussion. No action was taken at this time.

13. Manager's Report:

The Manager's report included the following information:

Greg Marney of NoaNet met with Commissioner Bolz, Manager Berrie and Telecom Manager Warren Miller to discuss NoaNet's financial forecasts. Initial estimates show debt repayment attainable within three years.

Manager Berrie attended a meeting in Twisp on Saturday, February 10th regarding potential condemnation of properties and the Pateros-Twisp line. Misinformation distributed in the Methow Valley is causing increased misunderstandings and confusion among residents.

Hazards of Electro Magnetic Fields (EMF's), 500 kva lines and steel towers were also discussed at the Twisp meeting. Chief Engineer Derek Miller pointed out that these are not the types of wire or structures the District will be using for the 115 kv P-T line. The Environmental Protection Agency (EPA) has more information on EMF's on their website.

Director of Operations Doug Adams spoke to the Board about the need for a new District main office building. A preliminary study of this issue will take place Friday, February 16th at the PUD Auditorium.

A water pipe broke beneath the cement floor of the District's Tonasket office. It is currently in the process of being fixed but total damages are not known at this time.

There will be a court hearing on the Methow EIS February 26th, 4:00 p.m. at the Okanogan County courthouse. An Executive Session-only meeting will follow at the PUD main office auditorium for the purpose of discussing litigation, with no action expected.

14. Power Report:

January wholesale power sales were extremely close to estimates. Snow pack conditions appear to remain favorable.

15. Meetings:

The next Okanogan PUD Board meeting is scheduled on February 27th at 12:30 p.m. at the Okanogan PUD auditorium. A one-hour workshop will be the first agenda item followed by the business meeting at 1:30 p.m.

Commissioner Bolz attended the meeting with Greg Marney of NoaNet at the District headquarters on February 8th.

Commissioner Womack participated in a conference call with the Washington PUD Association Legislative Committee on February 9th.

IV. Executive Session:

The regular meeting was recessed at 3:26 p.m. and reconvened into executive session to discuss litigation, real estate and personnel issues pursuant to RCW 42.30.110. It was anticipated the executive session would last approximately 90 minutes, with no action expected. At 5:19 p.m. the executive session was recessed with no public announcement.

V. Adjournment:

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

David A. Womack, President

Ernest J. Bolz, Vice-President

ATTEST:

Trish Butler, Secretary