

**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 6, 2007
12:30 PM**

Present: Board: David Womack, Ernest Bolz, Trish Butler
Staff: Chuck Berrie, Doug Adams, Don Coppock, Derek Miller
Warren Miller (workshop), Tom Pearson (workshop),
Ron Gadeberg (workshop), Steve Brown, Julie Pyper
Attorney: Michael Howe
Public: Jerry Barnes (business meeting), Chris Thew
Bill Derring – Grant County PUD (workshop)
Dan Loewen – Avista Energy, Inc. (workshop)

Summary Agenda

- I. Call to Order
- II. Workshop
- III. Business Meeting
 - 1. Approval of Agenda
 - 2. Consent Agenda Items
 - Minutes
 - Vouchers
- IV. Public Comment
- V. Action Agenda
 - 1. Introduction of District Employees (Engineering Department)
 - 2. Resolution No. 1331 - Appointing Interim Manager
 - 3. Bid Award – Pole Testing, Treating & Inspection
 - 4. Bid Award – Transmission Pole Fire Treatment
 - 5. Manager’s Report
 - 6. Power Report
 - 7. Meetings
- VI. Executive Session
- VII. Adjournment

I. Call to Order:

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

II. Workshop:

Information on the Central Washington Power Agency was presented during the workshop period.

III. Business Meeting:

1. Approval of Agenda:

Commissioner Bolz moved, seconded by Commissioner Butler, to approve the March 6, 2007 Agenda. The motion carried unanimously.

2. Consent Agenda Items:

A. Minutes:

The Minutes of the February 26, 2007 special meeting and February 27, 2007 regular meeting were submitted for approval.

B. Vouchers:

The following vouchers were submitted for approval:

Voucher numbers 26, 88 and 96025 through 96043 in the amount of \$232,017.19, and numbers 28 and 96044 through 96116 in the amount of \$1,605,583.32.

Commissioner Bolz moved, seconded by Commissioner Butler, to approve the Consent Aenda. The motion carried unanimously.

IV. Public Comment:

As a rancher and supporter of the Enloe Dam Hydroelectric Project, Jerry Barnes of Loomis noted his concerns with the County's proposed Similkameen Connector Trail to Nighthawk.

V. Action Agenda:

1. Introduction of District Employees (Engineering Department):

Chief Engineer Derek Miller introduced the Engineering staff to the Commissioners. Present were Mark Pritchard, Construction Superintendent; Marla Davis, GIS Technician; Allen Allen, System Engineer; LeRoy Parten, System Engineer; Mark Watson, Purchasing Agent; Ed Parker, Distribution Engineer; Tina DeLap, Engineering Assistant; Erik Brathen, Distribution Engineer; Roy Schwilke, Right-of-Way Superintendent; and Jim Hensarling, Distribution Engineer. Mike Morris, Distribution Engineer, was absent.

2. Resolution No. 1331 - Appointing Interim Manager:

Resolution No. 1331 was introduced for appointing an Interim Manager and fixing the compensation. As required by RCW 54.16.100, the Resolution must be introduced at a regular meeting and adopted at a subsequent regular meeting. In the interim, it was agreed that the salary of Doug Adams would be set at the established entry level rate for the position of Manager.

Commissioner Bolz moved, seconded by Commissioner Butler, to authorize the Manager to adjust the salary of the Operations Manager outside the normal range until such time as a decision is made regarding Interim Manager. Said adjustment shall be effective March 6, 2007 and shall be equivalent to the floor of the Manager salary range. The motion carried unanimously.

3. Bid Award – Pole Testing, Treating and Inspection:

Operations Manager Doug Adams reported that qualified bids were received from Osmose and Pole Maintenance Company in response to a request for proposals for 2007 pole testing, treatment and inspection as well as applying fire retardant to transmission poles. Staff recommended splitting the contract for these two services for cost savings.

The District budgeted \$225,000 in 2007 for the pole testing, treatment and inspection project, and it has been determined that approximately 900 additional poles can be tested in 2007 utilizing the low bidder Pole Maintenance Company. A stipulation of the bid provides that testing, treatment and inspection may be extended at the District's option for a second year (2008) for an additional \$225,000.

Commissioner Butler moved, seconded by Commissioner Bolz, to accept staff's recommendation to award the 2007 bid for pole testing, treatment and inspection to Pole Maintenance Company for a not to exceed amount in 2007 of \$225,000, with a second year to be determined at the District's discretion. The motion carried unanimously.

4. Bid Award – Transmission Pole Fire Treatment:

Adams reported that qualified bids were received from Osmose and Pole Maintenance Company in response to the District's request for proposals for 2007 transmission pole fire treatment. Over the past two years approximately 200 of the 700 transmission poles have been fire treated. The District budgeted \$70,000 for applying fire treatment to the remaining poles, and Osmose was the low bidder at \$135 per pole.

Commissioner Bolz moved, seconded by Commissioner Butler, to accept staff's recommendation to award the 2007 Transmission Pole Fire Treatment Project to Osmose for a not to exceed amount in 2007 of \$70,000. The motion carried unanimously.

5. Manager's Report:

On March 5, 2007, Okanogan County Superior Court Judge Jack Burchard entered an Order in the Methow Transmission Line lawsuit dismissing with prejudice: 1) Plaintiff's Fourth Cause of Action alleging violations of the State Environmental Policy Act, Chapter 42.21C, and 2) Plaintiff's Fifth Cause of Action alleging violations of the Public Utility District Act, Title 54 RCW. Plaintiffs to the lawsuit have 30 days to appeal the Court's decision.

The District has received a proposed Scope of Work from Zeck Butler Architects on the facilities study.

The Public Power Council has selected a new Executive Director and will be making the announcement in the next few days.

The 2007 Wellness Program health screening for District employees and spouses is scheduled on March 28, 2007.

The NWPPA Annual Power Supply Workshop is scheduled in Portland on April 10-12, 2007.

6. Power Report:

Wholesale power sales for the month of February were very close to the estimate. Additional information will be available at the March 20th meeting.

7. Meetings:

Commissioner Bolz will attend a NoaNet Board meeting in Seattle on March 14, 2007.

Commissioner Butler will attend meetings of the Washington PUD Association in Olympia on March 8-9, 2007.

The next Okanogan PUD Board meeting is scheduled on March 20, 2007 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.

VI. Executive Session:

The regular meeting was recessed at 2:12 p.m. and reconvened into executive session at 2:25 p.m. to review the performance of a public employee, pursuant to RCW 42.30.110(1)(g). It was anticipated the executive session would last approximately 30 minutes with no action expected. At 3:00 p.m. the executive session was extended one hour. At 4:00 p.m. the executive session was recessed with no public announcement.

VII. Adjournment:

There being no further business to discuss, the meeting was adjourned at 4:00 p.m.

David A. Womack, President

Ernest J. Bolz, Vice-President

ATTEST:

Trish Butler, Secretary