

**Minutes of Regular Commission Meeting of
Public Utility District No. 1 of Okanogan County**

**Okanogan PUD Auditorium
1331 2nd Avenue North, Okanogan, WA
September 4, 2007
12:30 PM**

Present: Board: David Womack, Ernest Bolz, Trish Butler
Staff: Doug Adams, Don Coppock, Dan Boettger,
Derek Miller, Tom Pearson, Ron Gadeberg,
Debra Peters, Steve Brown, Julie Pyper
Attorney: Michael Howe
Public: Jeremy Pratt – Entrix, Inc.
Sheila Corson – The Chronicle

Summary Agenda

- I. Call to Order
- II. Executive Session
- III. Business Meeting
 - 1. Approval of Agenda
 - 2. Consent Agenda Items
 - a) Minutes
 - b) Vouchers
 - c) Work Orders
 - 3. Public Comment
 - 4. Unfinished Business
 - a) Enloe Dam Budget/Entrix, Inc. Contract Amendment
 - b) Sign Letter to Energy Northwest
 - 5. New Business
 - a) 2008 Budget Process
 - 6. Manager's Report
 - 7. Power Report
 - 8. Other Business
 - 9. Future Planning
 - 10. Meetings
- IV. Executive Session
- V. Adjournment

I. Call to Order:

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

II. Executive Session:

The regular meeting was recessed at 12:30 p.m. and reconvened immediately into executive session to evaluate the qualifications of an applicant for public employment, pursuant to RCW 42.30.110(1)(g). It was expected the executive session would last one hour with no action anticipated. At 1:30 p.m. the executive session was recessed with no public announcement.

III. Business Meeting:

The regular meeting was reconvened at 1:30 p.m.

1. Approval of Agenda:

President Womack announced that a 15 minute executive session would be held at the conclusion of the meeting.

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

2. Approval of Consent Agenda Items:

a) Minutes:

The Minutes of the August 21, 2007 regular meeting and August 23, 2007 special meeting were submitted for approval.

b) Vouchers:

The following vouchers were submitted for approval:

Vouchers 98403 through 98482 in the amount of \$139,977.21, vouchers 106-107 and 98483 through 98504 in the amount of \$224,544.06, and vouchers 108, 110 and 98505 through 98597 in the amount of \$1,689,935.97.

c) Work Orders:

The following work orders were submitted for approval:

07-0146	Yusi Construction, Elmway, Okanogan	\$22,359.00
07-0367	Darwin Ferguson, 24 Windmill Mtn. Rd., Oroville	7,200.00
07-0385	Tom Valentine, 31 Rooster Flats Rd., Oroville	4,706.00
07-0437	WSDOT, Central & Main St., Omak	1,050.00
07-0462	Lisa Balthazor, 165 Upper Chewiliken Rd., Oroville	1,288.00
07-0464	Kim Warden, 18 Springs Rd., Tonasket	11,964.00

07-0488	Ron Lesamiz, 1439 Hwy. 7, Oroville	2,932.00
07-0497	Ian & Linda Warner, Thorndike Loop Rd., Oroville	4,658.00
07-0502	District, Mundy Rd., Twisp	1,065.00
07-0503	District, 502 2 nd Ave., Brewster	3,077.00
07-0505	Bonnie O'Mara, 401 Blue Lake Rd., Oroville	7,129.00
07-0507	Tim Norman, 1770 Old Hwy. 97, Okanogan	6,837.00
07-0510	Ross Bailey, Lund Short Plat, Pateros	2,418.00
07-0512	Robert Smith, 10 Trails End Rd., Tonasket	4,595.00
07-0515	District, Surface Ln., Twisp	549.00
07-0520	David & Lara Hill, 12 Osprey Dr., Okanogan	716.00
07-0521	Victor Nielsen, 28 Wild Cat Rd., Oroville	2,589.00
07-0525	Washington State Patrol, Goat Mtn.	933.00
07-0526	Fritz Construction, 2100 Summit Rd., Oroville	2,701.00
07-0527	District, N. 4 th Ave., Okanogan	<u>582.00</u>
	Total	\$89,348.00

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

3. Public Comment:

No public comments were offered.

4. Unfinished Business:

a) Enloe Dam Budget/Entrix, Inc. Contract Amendment:

Dan Boettger and Jeremy Pratt provided information on an Entrix, Inc. contract amendment within the existing 2007 budget. The amendment is necessary for developing documents required for the Enloe Dam Hydroelectric FERC Application.

Following the presentation, staff recommended entering into a Professional Services Agreement Amendment #4 with Entrix, Inc. in the amount of \$124,747 for work pertaining to project planning and development of the Draft License Application and other aspects of the Enloe Dam Hydroelectric Project (FERC Project No. 12569).

Commissioner Bolz moved, seconded by Commissioner Butler, to authorize the Manager to enter into Contract LF 2005-2, Amendment #4, with Entrix, Inc. for an amount not to exceed \$124,747. The motion carried unanimously.

b) Sign Letter to Energy Northwest:

The Board reviewed a proposed letter to Energy Northwest expressing the District's concerns for the prospect of new electrical generation in the Pacific Northwest. The letter requested that Energy Northwest commence discussion on further development of nuclear power in our region.

Following discussion Commissioner Bolz moved, seconded by Commissioner Butler, to approve sending to Energy Northwest the District's letter as presented and corrected in support of nuclear energy development. The motion carried unanimously.

5. New Business:

a) 2008 Budget Process:

The Director of Finance presented a preliminary calendar/timeline for the 2008 budget process. A hearing on the adoption of the 2008 budget is scheduled for the October 2, 2007 Commission meeting. The budget hearing may be continued to future meetings until December 31, 2007, when the final budget must be approved.

6. Manager's Report:

Sonny Rounds, who lives in Okanogan County and receives electrical service from Ferry County PUD, requested from Okanogan PUD a letter of support for Ferry County customers living in Okanogan County to have the ability to vote for Ferry PUD Commissioners. Attorney Howe addressed the annexation process and was instructed by the Board write a letter to Ferry PUD's attorney regarding the matter.

Doug Adams and Tom Pearson attended a meeting at Grant County PUD of the recently re-formed Central Washington Power Agency. Membership in the joint operating agency is limited to Washington PUDs and municipal owned utilities. The purpose of the organization is to review new projects for acquisition of energy resources. A meeting in Portland next week will address funding issues.

In determining how to fill the void of the Power Resource Manager position, District staff met last week with representatives of Grid Alliance. The main function of this select group is to assist with the BPA reliability issues. The District's initial plans are to contract for assistance with mitigation measures on the mandatory electric reliability standards.

Staff recently met with the County to resolve issues pertaining to the old railroad bridge on the proposed Similkameen Connector Trail to Nighthawk. The County's trail system plans call for replacing the bridge decking at a width of 10'. Since it is a requirement of the PUD that the bridge be maintained at a 12' width for appropriate access, the County has requested the PUD

pay for the extra 2'. The funding issue is currently being discussed, and a future update will be provided.

The Director of Finance provided an update on the Customer Information System computer conversion. Following an analysis of the billing system, a determination was made to continue printing and mailing the utility bills internally as opposed to outsourcing. The District currently bills residential customers on a bi-monthly basis with estimated reads in between. The option of monthly billings with bi-monthly reads will be discussed with the software provider, as the District plans to work towards establishing a monthly bill. The current billing and a sample of four different styles were provided for input.

The Chief Engineer provided a summary of the Growth Summit recently hosted by Okanogan County. The County plans to complete a review of its existing comprehensive plan in anticipation of the day that Okanogan County will be required to plan under the Growth Management Act. Each citizen group, including the PUD, will develop priorities that will be combined by planning staff to create a new comprehensive plan.

7. **Power Report:**

A power report was not presented.

8. **Other Business:**

No other business items were presented.

9. **Future Planning:**

There were no future planning items presented.

10. **Meetings:**

The next Okanogan PUD Commission meeting is scheduled on September 18, 2007 at 12:30 p.m. at the Okanogan PUD auditorium.

IV. Executive Session:

The regular meeting was recessed at 2:40 p.m. and reconvened into executive session at 2:50 p.m. to evaluate the qualifications of an applicant for public employment, pursuant to RCW 42.30.110(1)(g). It was expected the executive session would last 15 minutes with no action anticipated. At 3:05 p.m. the regular meeting was reconvened and immediately recessed into executive session for an additional 25 minutes. At 3:30 p.m. the executive session was recessed with no public announcement.

V. Adjournment:

The regular meeting was reconvened at 3:30 p.m. There being no further business to discuss, the meeting was adjourned at 3:30 p.m.

David A. Womack, President

Ernest J. Bolz, Vice-President

ATTEST:

Trish Butler, Secretary