

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

**Okanogan PUD Auditorium
1331 2nd Avenue North, Okanogan, WA
September 18, 2007
12:30 PM**

Present: Board: David Womack, Ernest Bolz, Trish Butler
Staff: Doug Adams, Don Coppock,
Steve Brown, Julie Pyper
Attorney: Michael Howe
Public: Sheila Corson – The Chronicle

Summary Agenda

- I. Call to Order
- II. Business Meeting
 - 1. Approval of Agenda
 - 2. Consent Agenda Items
 - a) Minutes
 - b) Vouchers
 - c) Work Orders
 - d) Transfer of Accounts
 - 3. Public Comment
 - 4. Unfinished Business
 - a) Energy Northwest – Pacific Mountain Energy Center
 - 5. New Business
 - a) Burns & McDonnell – Engineering Services Proposal
 - 6. Manager’s Report
 - 7. Power Report
 - 8. Other Business
 - 9. Future Planning
 - 10. Meetings
- III. Executive Session
- IV. Adjournment

I. Call to Order:

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

II. Business Meeting:

1. Approval of Agenda:

A discussion on the Energy Northwest/Pacific Mountain Energy Center project was added to the agenda.

President Womack announced that a 30 minute executive session would be held at the conclusion of the meeting.

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

2. Approval of Consent Agenda Items:

a) Minutes:

The Minutes of the August 29, 2007 special meeting and September 4, 2007 regular meeting were submitted for approval.

b) Vouchers:

The following vouchers were submitted for approval:

Vouchers 98598 through 98664 in the amount of \$324,355.21 and vouchers 108, 112-113 and 98665 through 98730 in the amount of \$426,497.41.

c) Work Orders:

The following work orders were submitted for approval:

07-0337	Sandalla Resort/Dick Westeringh, S. Lake Loop, Oroville	\$55,299.00
07-0341	District, 32160 Hwy. 97, Oroville	1,107.00
07-0360	Roy Willitts, 50 Spur Rd., Oroville	5,378.00
07-0444	Bud McSpaden, 10 Farver Ln., Tonasket	3,379.00
07-0487	Richard Shade, 27 Stonehaven Rd., Tonasket	11,540.00
07-0501	Jack Leeman, 4 Cherokee Rd., Omak	5,149.00
07-0504	Terry Anderson, off Venton Rd., Twisp	41,466.00
07-0506	Arlan Ruf, off Burma Rd., Twisp	6,209.00
07-0511	David Higdon, Lariat Ln., Oroville	4,530.00
07-0518	John Schneider, 185 FS 3525 Rd., Oroville	4,853.00
07-0528	Gebbers Farms, Monse Bridge Rd.	18,492.00
07-0529	District, Hwy. 7, Tonasket	2,184.00

07-0561	Anna Louise, Rainier Ave., Oroville	2,829.00
07-0562	Joel Jordan, Easy Way, Chesaw	2,995.00
07-0565	Russ Pen, 104 Sourdough Crk. Rd., Tonasket	12,379.00
07-0567	District, off Gebbers Ln., Brewster	5,779.00
07-0571	Cale LaCasse, Lot 6 Eastbay, Brewster	2,413.00
07-0572	Don Bensing, 32706 Hwy. 97, Tonasket	6,293.00
07-0574	Jonah Construction, Lot 40 Quassia St., Omak	2,240.00
07-0577	Timothy Lum, WildCat Ridge Rd., Twisp	3,915.00
07-0578	Ronald Taylor, 99 Spur Rd., Ellisforde	1,461.00
07-0579	Tim Mason, 267 Mary Ann Crk. Rd., Oroville	2,515.00
07-0580	Dennis Sumner, Hosiet Rd., Aeneas/Tunk	11,415.00
07-0583	City of Omak/District, Riverside Dr., Omak	7,219.00
07-0584	George Petersen, 40 Stengade Rd., Okanogan	5,542.00
07-0585	District, 47 B & O Rd., Malott	2,548.00
07-0587	District, Bridge & Monroe St., Omak	2,038.00
07-0588	Wayne Stevie, 1829 Hwy. 153, Twisp	4,574.00
07-0591	North Cascades Bank, corner of W. Main & Hwy. 97, Brewster	<u>7,264.00</u>
		Total \$243,005.00

d) Transfer of Accounts:

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

Bachman, Sandra	\$62.76
Balthazar, Jeff	296.40
Bertrang, Debra	523.57
Clark, Linda B.	208.83
Clark, Samantha & Jimmie	450.29
Erb, Christie	54.04
Everts, Charlene	49.79
Gates, Scott	73.52
Gee, Leta (Estate)	185.88
Gilligan, Rebecca L.	86.87
Hall, Emery P.	139.45
Hendrickson, Janet K.	208.05
Hoffman, Christinia	353.13
Hoffman, Jacob	571.75
Jameson, Jaima	100.19
Johnson, Carol Ann	237.71
Joseph, Sashina	98.94
Klingsmith, Amy	332.80
Lazard, Shawne Dee	259.15
Ledezma, Roberto	418.83

Lightley, Daniel	13.69
Livermon, Henry & Sara	458.61
MacFarlane, Lila L. & Palmer Reginald T.	97.11
Manuel, John	196.89
Manuel, Larry L.	411.59
Martin, Bethylene	51.47
Martin, Chris	115.11
McCarter, Loyce	261.94
Mendoza, Candelario Sr.	102.09
Moore, Kayla	753.52
Perez, Carlo	394.17
Pichette, Narcisse	28.50
Pollock, Chuck & Mary	113.05
Roach, Zachary	144.93
Roberts, Vickie L.	228.32
Rolfson, Tiffany	354.65
Russell, Timilyn	2.94
Sandberg, Jason	64.18
Schade, Alicia D.	179.92
Senger, Melissa	283.62
Sims, Robert L.	124.30
Sykes, William Ernest	363.17
Vallee, Tim	357.51
Wadkins, Cathy	213.37
Ward, Brenda Rae	69.63
Webber, Dawn Chaska	312.22
Wolff, Rachal	415.67
Zumwalt, Shawn	<u>162.60</u>
TOTAL	\$10,986.72

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

3. Public Comment:

No public comments were offered.

4. Unfinished Business:

a) **Energy Northwest – Pacific Mountain Energy Center:**

Energy Northwest is developing a 680-megawatt gas-fueled power plant in Kalma, Washington. The project, known as the Pacific Mountain Energy Center, will use an Integrated Gasification Combined Cycle technology.

As a member of the Washington PUD Association, Energy Northwest is asking the Association to endorse the project. Jack Baker, vice president of energy/business services for Energy Northwest, will update the WPUA Managers Section and Issues Committee on the project at meetings this week in Republic, which Commissioners Bolz and Butler plan to attend.

Following discussion on the uncertainties of the project, the Okanogan PUD Board agreed that further clarification on the need for endorsement is necessary before supporting the project at this time.

5. **New Business:**

a) **Burns & McDonnell – Engineering Services Proposal:**

Interim Manager Doug Adams requested authorization to retain the engineering services of Burns & McDonnell for preparation of preliminary design options for the Pine Creek Substation. The estimated project cost is \$35,000. Adams noted that substations at Pine Creek, Aeneas Valley and Gold Creek are included in the District's five-year capital construction plan. The Aeneas Valley Substation was planned for construction prior to Pine Creek; however, with changes in proposed subdivisions and load growth the determination was made to build the Pine Creek Substation first.

Commissioner Bolz moved, seconded by Commissioner Butler, to approve a contract with the engineering firm of Burns & McDonnell for preliminary engineering design options for the Pine Creek Substation at a cost not to exceed \$35,000. The motion carried unanimously.

6. **Manager's Report:**

- A second meeting to organize the Central Washington Power Agency was attended by 11 utilities. There was discussion on basing the method of funding on a utility's number of meters. Okanogan PUD's portion of the projected \$500,000 start-up costs would be approximately \$26,000 based on all utilities in attendance signing on. October 16, 2007 is the deadline to commit to join.
- Further investigation into the Nine Canyon wind machine bearing problems has determined a design deficiency issue. Negotiations with the manufacturer are expected to resume.

- No federal climate change or energy policy legislation is expected this year.
- Regional dialogue on Bonneville Power Association's Record of Decision continues.
- The State Auditor's office will begin the District's yearly audit in the next couple of weeks. An entrance conference is scheduled on October 2, 2007.
- As a follow-up to the September 4, 2007 meeting discussion, Attorney Howe corresponded with Sonny Rounds confirming the need to circulate a petition for annexation.
- The District's annual inventory utilizing the new software system began September 10, 2007.
- The District's new phone system is currently being installed at the headquarters and branch offices.

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:**

Commissioner Bolz reported that he attended a NoaNet Board meeting in Seattle on September 12, 2007.

The next Okanogan PUD Commission meeting is scheduled on October 2, 2007 at 12:30 p.m. at the Okanogan PUD auditorium.

III. **Executive Session:**

The regular meeting was recessed at 1:19 p.m. and reconvened into executive session at 1:24 p.m. to evaluate the qualifications of an applicant for public employment, pursuant to RCW

42.30.110(1)(g), and to discuss with legal counsel representing the District litigation or potential litigation to which the agency, the governing body, or a member acting in an official capacity is, or is likely to become, a party, when public knowledge regarding the discussion is likely to result in an adverse legal or financial consequence to the District, pursuant to RCW 42.30.110(1)(i). It was expected the executive session would last 30 minutes with no action anticipated. At 1:54 p.m. the regular meeting was reconvened and immediately recessed into executive session for an additional 20 minutes. At 2:12 p.m. the executive session was recessed with no public announcement.

IV. Adjournment:

The regular meeting was reconvened at 2:12 p.m. There being no further business to discuss, the meeting was adjourned at 2:12 p.m.

David A. Womack, President

Ernest J. Bolz, Vice-President

ATTEST:

Trish Butler, Secretary