

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

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

Present: Board: David Womack, Ernest Bolz, Trish Butler
Staff: John Grubich, Doug Adams, Don Coppock, Derek Miller,
Ron Gadeberg, Roy Schwilke, Julie Pyper, Kathy Gordon,
Randy Bird, Steve McClellan, Rod Little, Brian Chamberlin,
Steve Brown, Tina DeLap
Attorney: Michael Howe
Public: Sheila Corson – The Chronicle

Summary Agenda

- I. Call to Order
- II. Business Meeting – 12:30 p.m.
 - 1. Approval of Agenda
 - 2. Consent Agenda Items
 - a) Minutes of 12-11-07
 - b) Vouchers
 - c) Work Orders
 - d) Transfers of Accounts
 - 3. Public Comment
 - 4. Unfinished Business
 - a) Resolution No. 1451 Adopting the 2008 Budget
 - 5. New Business
 - a) Asplundh Tree Trimming Bid No. 338-07
 - 6. Manager's Report
 - 7. Power Report
 - 8. Other Business
 - 9. Future Planning
 - 10. Meetings
- III. Executive Session
- IV. Workshop
- V. Adjournment

I. Call to Order:

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

II. Business Meeting:

1. Approval of Agenda:

The following Agenda Items were added:

- 8. Other Business - Recognition of an Employee
- 9. Future Planning - Strategic Planning, Cost of Service Study

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 December 11, 2007 regular meeting were submitted for approval.

b) Vouchers:

The following Vouchers were submitted for approval:

Voucher numbers 161, 163 and 99937 through 100049 dated 12/18/07 in the amount of \$461,724.80.

c) Work Orders:

The following Work Orders were submitted for approval:

07-0057	Veranda Beach Phase II; Oroville	\$87,564.00
07-0151	District/Power Transformer Purchase; Brewster	\$1,136,319.00
07-0499	Buchert, Ed; Oroville	\$26,304.00
07-0644	Veranda Beach Phase II; Oroville	\$10,953.00
07-0655	District; Oroville	\$3,319.00
07-0658	Fancher, Pam; Tonasket	\$12,634.00
07-0713	Tollefson, Bob; Oroville	\$4,994.00
07-0740	Inlow, Rob; Tonasket	\$6,764.00
07-0755	Buchert/Thompson; Oroville	\$6,078.00
07-0756	Buchert, Ed; Oroville	\$23,439.00
07-0758	District/Spirrits; Omak	\$1,245.00
07-0762	District; Oroville	\$681.00
07-0763	District; Oroville	\$2,770.00
07-0766	District; Brewster	\$3,458.00
07-0767	District/Downey; Okanogan	\$1,245.00
07-0768	Strata, Inc; Omak	\$924.00

Work Order Total: \$37,419.00

d) Transfer of Accounts

The following transfer of accounts to be charged off to uncollectible was submitted for approval:

Becker, Tiffany	Tonasket, WA	Renter	\$319.83
Carrera, Carla	Oroville, WA	Renter	23.29
Crim, Megan J.	Omak, WA	Renter	121.94
Cruz-Carillo, Morgan	Omak, WA	Renter	183.02
Hoffman, Joyce (Estate)	Okanogan, WA	Renter	76.33
Fink, Clayton	Okanogan, WA	Renter	3.87
Fletcher, Samantha K.	Omak, WA	Renter	149.28
Flores, Faith	Omak, WA	Renter	158.18
Gadbois, Nicolas	Twisp, WA	Owner	35.25
Garten, Ellajean (Estate)	Tonasket, WA	Renter	52.08
Harrison, Tammy	Okanogan, WA	Renter	252.61
Herrera, Maria Guadalupe	Oroville, WA	Renter	98.46
*Jimenez-Ortiz, Alejandro	Tonasket, WA	Inv. 3601	2357.98
Keisling, Rita Eileen	Oroville, WA	Owner	36.38
Ketcham, Donna M.	Twisp, WA	Renter	8.62
McClure, Scott W.	Oroville, WA	Renter	59.09
Mathews, Chad & Dawn	Oroville, WA	Renter	313.28
Morales Ramirez, Luis Enrique	Brewster, WA	Renter	47.17
Porter Jr., Lonnie P.	Oroville, WA	Renter	79.28
Raschka, Jodi	Oroville, WA	Renter	10.38
Reid, Eric	Malott, WA	Owner	324.40
Riggan, Mark & Robbi	Brewster, WA	Renter	190.91
Rushing, Kevin & Laura	Conconully, WA	Owner	132.07
Sarabia, Maria E.	Brewster, WA	Renter	74.00
Schmitt, Joseph	Okanogan, WA	Renter	3.70
Schrum, Jason	Twisp, WA	Renter	58.28
Snedigar, Amy M.	Tonasket, WA	Renter	203.64
Whitley, Terry L.	Brewster, WA	Renter	118.77
	Total:		\$5,492.09

*The write-off for Jimenez-Ortiz was for costs to replace a broken pole that was damaged by a vehicle driven by Mr. Ortiz.

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

3. Public Comment:

No Public Comment was offered.

4. Unfinished Business:

a) Resolution No. 1451 Adopting the Final Budget for 2008

Commissioner Butler moved to approve Resolution 1451 Adopting the Final Budget for Public Utility District No. 1 of Okanogan for the year 2008. Commissioner Bolz seconded the motion, which carried unanimously.

5. New Business:

a) Asplundh Tree Trimming Bid No. 338-07

Right of Way Superintendent Roy Schwilke updated the Board on the District's Right of Way clearance program. This program began in 2006, with the goal of clearing District right of ways within three years. Approximately 24% of the District's service area was cleared in 2006 and 45% was cleared in 2007, leaving 31% left to be completed in 2008. Over 2,000 trees were removed and 3,275 trees were trimmed in 2007. Staff reported power outages due to trees have been dramatically reduced since this program's inception. Staff is seeking approval of Asplundh's Bid No. 338-07 for \$675,000 with a one year extension at the District's discretion if needed.

Commissioner Bolz moved to approve the Asplundh Tree Trimming contract for an amount not to exceed \$675,000 for 2008, with a one year renewal option. Commissioner Butler seconded the motion. Upon the vote, the motion passed with unanimous approval.

6. Manager's Report:

Manager John Grubich commended District linemen for their assistance to Gray's Harbor PUD during the recent storms in their area. The town of Aberdeen experienced winds over 100 miles per hour, which caused an outage affecting 95% of their customers. Linemen Rod Little, Steve McClellan and Randy Bird assisted Gray's Harbor during the outage, and shared their experiences with the Board.

Kathy Gordon, Customer Service Supervisor, updated the Board on the District's conversion to National Information Solutions Cooperative's (NISC) Ivue program. The new program will allow for electronic funds transfers, credit card payments and enhanced bulk mail processing. Customer Service Representatives have received web-based tutorials to familiarize them with system navigation prior to the program's implementation in March, 2008.

7. Power Report:

A power report was not provided.

8. Other Business: Recognition of an Employee

Commissioner Womack presented a plaque commending Manager of Operations Doug Adams for his dedication and exemplary service to the District as Interim Manager.

9. Future Planning:

It was recommended that Strategic Planning take place prior to April, 2008 to allow time for funds to be allocated to implement strategic initiatives. Staff will research availability of accommodations and mediation services for potential dates in February and March.

Staff recommended completion of a Cost of Service Study, which would include comprehensive data on revenue requirements, financial forecasts and equity management. The study would assist the budget process by providing more data to ensure the future financial strength of the District. Manager John Grubich is researching potential consultants, and expects to have a recommendation for the Board by the end of January, 2008.

10. Meetings:

The next Okanogan PUD Board of Commissioners meeting is scheduled for January 15, 2008 at 12:30 p.m. in the Okanogan PUD auditorium.

III. Executive Session:

The regular meeting was recessed at 1:35 p.m. and reconvened into executive session at 1:45 p.m. to discuss with legal counsel representing the District litigation or potential litigation to which the District, 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 2:15 p.m. the regular meeting was reconvened, and immediately recessed back into executive session for an additional 30 minutes.

At 2:45 p.m. the executive session was recessed with no public announcement.

IV. Workshop/Budget Planning:

No items were presented for the workshop period.

V. **Adjournment:**

There being no further business to discuss, the meeting was adjourned at 2:45 p.m.

David A. Womack, President

Ernest J. Bolz, Vice-President

ATTEST:

Trish Butler, Secretary