

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

**Okanogan PUD Auditorium  
1331 2<sup>nd</sup> Avenue North, Okanogan, WA  
December 11, 2007  
12:30 PM**

**Present:** Board: David Womack, Ernest Bolz, Trish Butler  
Staff: John Grubich, Doug Adams, Don Coppock, Derek Miller,  
Dan Boettger, Ron Gadeberg, 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 11-27-07
    - b) Vouchers
    - c) Work Orders
    - d) Transfers of Accounts
  - 3. Public Comment
  - 4. Unfinished Business
    - a) Hearing on Adoption of 2008 Annual Budget
  - 5. New Business
    - a) Resolution No. 1450 – Declaring Certain District Equipment Surplus and Authorizing the Sale or Disposal Thereof
    - b) Scheduling of Future Board Meetings
  - 6. Manager’s Report
  - 7. Power Report
  - 8. Other Business
  - 9. Future Planning
  - 10. Meetings
- III. Executive Session
- IV. Workshop/Budget Session
- 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:**

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 November 27, 2007 regular meeting were submitted for approval.

**b) Vouchers:**

The following Vouchers were submitted for approval:

Vouchers 157 and 99727 through 99788 dated 12/04/07 in the amount of \$611,165.59; vouchers 118, 159 and 99789 through 99809 dated 12/06/07 in the amount of \$239,877.65; and vouchers 99810 through 99936 dated 12/11/07 in the amount of \$423,580.76.

c) **Work Orders:**

The following Work Orders were submitted for approval:

07-0653	O'Dell, Shannon & Linda; Twisp	\$3,718.00
07-0669	District; Omak	\$1,795.00
07-0728	District; Enloe Dam, Oroville	\$5,658.00
07-0731	District; Okanogan Gardens, Okanogan	\$4,593.00
07-0734	Mountain View Trailer Court; Omak	\$ 984.00
07-0748	Wilcox, Warren; Tonasket	\$4,613.00
07-0749	District/Gebbers; Brewster	\$2,051.00
07-0751	Maness, Judith; Tonasket	\$1,218.00
07-0753	District; Conconully	\$2,627.00
07-0754	District/Methow River Ranch/O'Dell; Brewster	\$4,923.00
07-0757	Hooper, bobby & Marilyn; Twisp	\$3,797.00
07-0761	Hardy, Terry; Conconully	\$1,442.00

Work Order Total:	\$37,419.00
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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) **Hearing on Adoption of 2008 Annual Budget:**

The hearing on the adoption of the 2008 annual budget was reopened. Receiving no public comment, the hearing was closed.

5. **New Business:**

a) **Resolution No. 1450 – Declaring Certain District Equipment Surplus and Authorizing the Sale or Disposal Thereof**

Commissioner Bolz moved to approve Resolution No. 1450 Declaring Certain District Equipment Surplus and Authorizing the Sale or Disposal Thereof. Commissioner Butler seconded the motion. Following a brief discussion of disposal options, the motion carried with unanimous approval.

b) **Scheduling of Future Board Meetings:**

Regular Board Meetings were scheduled for January 15, January 29, February 5, February 19, March 4, and March 18, 2008. All meetings are scheduled to begin at 12:30 p.m. at the PUD Auditorium in Okanogan.

6. **Manager’s Report:**

Chief Engineer Derek Miller presented a progress report on the Methow Transmission Project.

LiDar light detection and ranging data has been received, which will assist staff in design and tentative structure location planning. Staff is currently working with consultants on initial design options. Cultural studies with tribal agencies and the State Historic Preservation Officer (SHPO) will take place once structure placements are determined. Right of Way acquisition negotiations are ongoing.

Director of Regulatory and Environmental Affairs Dan Boettger reported on the District's application for a \$300,000 Department of Ecology (DOE) grant. The District has received \$100,000, for recovery of expenses on work already completed, and for Corps of Engineers contracts. If received, the additional \$200,000 would be used primary for cultural and environmental studies.

Manager of Operations Doug Adams updated the Board on Central Washington PUD (CWP) local and collective bargaining negotiations. A local meeting is scheduled for December 20th, and joint meetings will commence in January. The District's contract expires April 1, 2008.

Adams also reported on the wind storms and flooding experienced in northwestern Washington. Gray's Harbor PUD requested assistance, and the District sent a crew of five to assist. District crews have been working with Gray's Harbor since Monday, December 3<sup>rd</sup>, and hope to get released today.

General Manager John Grubich reported on the status of currently unfilled positions, including the Public Relations/Communications position. No further action will be taken until a more comprehensive assessment of current staffing needs is completed.

#### **7. Power Report:**

Power Resource Analyst Ron Gadeberg reviewed year to date wholesale and retail power sales. December is expected to be under projections due to the recent flooding in the northwestern portion of the state. Cooler weather and river constraints due to Chum restrictions at Bonneville Dam require elevation levels be strictly maintained. Flooding causes the rivers to rise, decreasing available production flow. Overall sales remain above projections due to the strong market experienced throughout 2007.

#### **8. Other Business:**

No other business items were presented.

#### **9. Future Planning:**

Energy Services staff will give a presentation on the District's conservation programs pending BPA program announcements after the first of the year.

Commissioner Bolz requested a cost analysis of new generation options and technologies. Manager of Operations Doug Adams advised a consultant could be brought in to discuss this issue.

Commissioner Womack requested an outline of what distribution and transmission line upgrades the District is looking into to minimize line losses and increase conservation.

#### **10. Meetings:**

Commissioners Womack and Butler attended the CWP Joint Committee Meeting Dec 4, 2007

Commissioners Womack, Bolz and Butler attended audit exit conferences with Director of Finance/Auditor Don Coppock and a representative of the State Auditor's office December 4, 2007.

Commissioners Womack, Bolz and Butler attended the Washington PUD Association Annual

Meeting December 5-7, 2007 in Seattle, Washington.

Commissioner Bolz will be traveling December 11th and attending a NoaNet Annual Members' Meeting Wednesday, December 12, 2007.

The next Okanogan PUD Board of Commissioners meeting is scheduled on December 18, 2007 at 12:30 p.m. at the Okanogan PUD auditorium.

**III. Executive Session:**

The Regular Meeting was recessed at 1:30 p.m. and reconvened into Executive Session at 1:40 p.m. to review the performance of a public employee pursuant to RCW 42.30.110 (1) (g), and 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 20 minutes, with possible action anticipated. At 2:00 p.m. the Executive Session was recessed and immediately reconvened for an additional 25 minutes. At 2:25 p.m. the Executive Session was recessed and the Regular Session resumed.

As a result of an employee evaluation made during the Executive Session, Commissioner Bolz entered a motion to approve the Manager's recommendation for a one-time deviation of the District's Personnel Policy pertaining to staff wage progression. Commissioner Butler seconded the motion. Upon the vote, the motion carried unanimously with no further discussion.

**IV. Workshop/Budget Planning:**

The Regular Meeting was recessed and a Budget Planning Workshop convened at 2:30 p.m.

Power Resource Analyst Ron Gadeberg presented a worksheet of power supplies, resources and transmission costs, and outlined how changes to BPA programs impact the District's budget.

Director of Finance/Auditor Don Coppock presented a budget summary, yearly budget comparison and detailed expenditures reports for review and discussion.

**V. Adjournment:**

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

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David A. Womack, President

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Ernest J. Bolz, Vice-President

ATTEST:

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Trish Butler, Secretary