

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

**Omak Best Western Peppertree Inn
820 Koala Drive, Omak, WA
January 29, 2008
12:30 PM**

Present: Board: David Womack, Ernest Bolz, Trish Butler
Staff: John Grubich, Doug Adams, Don Coppock, Derek Miller,
Dan Boettger, Julie Pyper, Steve Brown, Tina DeLap
Attorney: Michael Howe
Public: Sheila Corson – The Chronicle

Summary Agenda

- I. Call to Order
- II. Workshop 12:30 p.m.
- III. Business Meeting – 1:30 p.m.
 - 1. Approval of Agenda
 - 2. Consent Agenda Items
 - a) Minutes of 1-15-08
 - b) Vouchers
 - c) Work Orders
 - d) Transfers of Accounts
 - 3. Public Comment
 - 4. Unfinished Business
 - 5. New Business
 - a) Cost Allocation Agreement with Grant PUD for CWPA Study
 - b) Professional Service Agreement–Christensen & Associates Inc.
 - 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 Bolz called the meeting to order at 12:30 p.m.

II. Workshop:

The workshop period convened at 12:30 p.m. for a presentation by Winston Tan of Cooperative Benefits & Financial Services, LLC. Mr. Tan presented an overview of the process he will use to assist the District with design and implementation of a Compensation Study, Succession Planning Study, Performance Appraisal System and Human Resources Functional Assessment.

III. Business Meeting:

President Bolz called the business meeting to order at 1:30 p.m.

1. Approval of Agenda:

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

2. Approval of Consent Agenda Items:

a) **Minutes:**

The Minutes of the January 15, 2008 regular meeting were submitted for approval.

b) **Vouchers:**

Vouchers in the amount of \$2,818,672.04 were submitted for approval.

c) **Work Orders:**

Work Orders in the amount of \$174,102.00 were submitted for approval.

d) **Transfer of Accounts**

No transfers of accounts were submitted for approval.

Commissioner Butler moved to approve the Consent Agenda. Commissioner Womack seconded the motion, which carried with unanimous approval.

3. **Public Comment:**

No Public Comments were offered.

4. **Unfinished Business:**

No Unfinished Business items were presented.

5. **New Business:**

a) **Cost Allocation Agreement with Grant PUD for CWPA Study**

Manager of Operations Doug Adams presented a Cost Allocation Agreement with Grant PUD for the study of power resources available to address forecasted shortfalls in 2012. Grant PUD would contract with independent consultants for the studies, and would be the disbursing agent for funding. Okanogan PUD’s initial cost is estimated at \$18,846.00, with a not to exceed amount of \$35,000.

Commissioner Womack moved to approve staff’s recommendation to authorize the Manager to sign a Cost Allocation Agreement with Grant PUD to fund power resource studies, in a not to exceed amount of thirty-five thousand (\$35,000) dollars. Commissioner Butler seconded the motion. Upon the vote, the motion carried unanimously.

b) **Professional Service Agreement – Christensen & Associates Inc.**

Director of Regulatory and Environmental Affairs Dan Boettger presented a Professional Service Agreement Amendment #1 with Christensen & Associates, to amend Contract N.C. 2007-13. This revised Scope of Work allows the District to continue retaining CAI’s services for assistance with Enloe Dam re-licensing efforts through 2008.

Commissioner Butler moved to authorize the Manager to sign Amendment #1 to the Christensen & Associates Inc. (CAI) Contract, Number N.C. 2007-13, in an amount not to exceed \$181,954.00. Commissioner Womack seconded the motion. Upon the vote, the motion carried unanimously.

6. **Manager’s Report:**

- **Peak Load:** Last week the District reached a peak load of 165 MW, up from last year’s record of 161 MW.
- **CIS Update:** Director of Finance/Auditor Don Coppock noted the Customer Information System (CIS) upgrade is going well, with everything on schedule for the March 3rd implementation date.
- **DOE Grant:** Dan Boettger updated the Board on the status of a Department of Ecology (DOE) grant. The District previously received \$100,000, and expected to receive an

additional \$200,000 from DOE. Additional funding has been withheld pending an agreement between the District and DOE on the results and use of funds.

- **REPI Payments:** Doug Adams noted a bill requesting the federal government fund delinquent REPI (Renewable Energy Production Incentive) payments has passed preliminary hearings and is now at the Appropriations Committee level. The District is owed REPI payments of approximately \$2 million from 2006 and 2007 for their participation in wind energy projects.
- **Pole Attachments:** Washington PUD Association (WPUDA) is tracking legislation brought by cable companies regarding attachments to utility poles. Upon completion of a system inventory, staff will revisit current District pole attachment charges and policies
- **APPA Representation:** Okanogan PUD is in American Public Power Association's (APPA's) region #9, which is represented by Douglas PUD Commissioner Jim Davis. The District does not currently have a representative on the APPA Board.
- **Employee Day:** Commissioner Butler, Commissioner Womack and Legal Counsel Mick Howe joined employees for lunch at the District's annual All Employee Day on January 21st.
- **State Auditor Reports:** Director of Finance/Auditor Don Coppock noted State Audit reports are now available, either as hard copies or on the State of Washington website.
- **Outages:** Chief Engineer Derek Miller reported the District has experienced very few weather related outages this winter, and no large-scale outages. Miller attributes this largely to tree removal and right of way clearing, as well as lighter, drier snow conditions.

7. **Power Report:**

No Power Report was presented.

8. **Other Business:**

No Other Business Items were presented.

9. **Future Planning:**

The District's Strategic Planning Retreat is scheduled for March 28 – 30, 2008 at the Enzian Inn in Leavenworth.

10. **Meetings:**

Commissioners Womack & Butler attended lunch at the District's All-Employee Day in Okanogan on January 21, 2008.

Commissioner Butler attended WPUDA's Legislative 101 Session in Olympia on January 16, visited Capitol Hill and attended a WPUDA Legislative Reception Thursday, January 17, and attended a Pole Attachment Hearing and WPUDA Board meeting Friday, January 18, 2008. Commissioner Butler also attended an Energy Northwest Meeting January 22 – 24, 2008.

Commissioner Womack attended WPUDA's Legislative 101 Session in Olympia on January 16, visited Capitol Hill and attended a WPUDA Legislative Reception Thursday, January 17, and attended a Pole Attachment Hearing and WPUDA Board meeting Friday, January 18, 2008.

Commissioner Bolz visited Capitol Hill, attended a Telecom Committee Meeting and attended WPUDA's Legislative Reception Thursday, January 17, 2008. Commissioner Bolz also attended a Pole Attachment Hearing Friday, January 18, 2008.

The next Okanogan PUD Board of Commissioners meeting is scheduled for February 5, 2008 at 1:30 p.m. in the PUD Auditorium at 1331 2nd Avenue North in Okanogan.

IV. **Executive Session:**

The regular meeting was recessed at 2:55 p.m. and reconvened into executive session at 3:00 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 approximately thirty minutes, with no action anticipated.

At 3:25 p.m. the executive session was recessed with no public announcement.

V. Adjournment:

There being no further business to discuss, the meeting was adjourned at 3:25 p.m.

Ernest J. Bolz, President

Trish Butler, Vice-President

ATTEST:

David Womack, Secretary