

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

**Okanogan PUD Auditorium
1331 2nd Avenue North, Okanogan, WA
February 19, 2008
1:30 PM**

Present: Board: David Womack, Ernest Bolz, Trish Butler
Staff: John Grubich, Doug Adams, Don Coppock, Derek Miller
Ron Gadeberg, John MacDonald, Steve Brown, Tina DeLap,
Jeff Rhoads, Melody Kells
Attorney: Michael Howe
Public: Sheila Corson – The Chronicle

Summary Agenda

- I. Call to Order
- II. Business Meeting – 1:30 p.m.
 - 1. Approval of Agenda
 - 2. Consent Agenda Items
 - a) Minutes of 2-5-08
 - b) Vouchers
 - c) Work Orders
 - d) Transfers of Accounts
 - 3. Public Comment
 - 4. Unfinished Business
 - 5. New Business
 - a) Contract DB 2007-02 Amendment #1, R2 Resource Consultants
 - b) Contract LF 2005-02 Amendment #5, Entrix, Inc.
 - c) Employee Service Awards
 - d) Resolution No. 1452 - Establishing DS-1 (T1) Telecom Rates
 - e) Resolution No. 1453 – Establishing Petty Cash Reserves for District Offices
 - f) Professional Service Agreement - The Rowland Company
 - g) Professional Service Agreement - Itron
 - 6. Manager's Report
 - 7. Other Business
 - 8. Future Planning
 - 9. Meetings
- III. Executive Session
- IV. Adjournment

I. Call to Order:

President Bolz called the meeting to order at 1:34 p.m.

II. Business Meeting:

1. Approval of Agenda:

Commissioner Bolz moved to amend the agenda by adding the following items under paragraph

5. New Business:

- g) Itron / Staker software
- h) NoaNet Acquisition Discussion
- i) WPUA Telecom Survey

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

2. **Approval of Consent Agenda Items:**

a) **Minutes:**

The Minutes of the February 5, 2008 regular meeting were submitted for approval. Commissioner Bolz requested an amendment to the Minutes under section 5a) **Discussion of Pledge of Allegiance at Board Meetings.** The February 5, 2008 Minutes will be amended to reflect Commissioner Womack making the motion and Commissioner Butler seconding the motion to say the Pledge of Allegiance at Board Meetings.

Commissioner Womack moved to approve the Minutes of the February 5, 2008 Board meeting as amended. Commissioner Butler seconded the motion, which carried unanimously.

b) **Vouchers:**

Vouchers in the amount of \$982,854.45 were submitted for approval.

c) **Work Orders:**

Work Orders in the amount of \$133,587.29 were submitted for approval, and Telecom Work Orders in the amount of \$38,619.50 were submitted for approval.

d) **Transfer of Accounts**

No transfers of accounts were submitted for approval.

Commissioner Womack entered a motion and Commissioner Butler seconded the motion to approve the Consent Agenda. The motion carried unanimously.

3. **Public Comment:**

No Public Comments were offered.

4. **Unfinished Business:**

No Unfinished Business items were presented.

5. **New Business:**

a) **Contract DB2007-02 Amendment #1, R2 Resource Consultants**

Manager of Operations Doug Adams presented Amendment #1 to contract DB2007-02 between the District and R2 Resource Consultants for fisheries engineering services at Enloe Dam. This amendment updates the Scope of Work and dollar amount for 2008.

Following discussion, Commissioner Womack moved to approve staff's recommendation to authorize the Manager to sign Professional Service Agreement DB2007-02 Amendment #1 with R2 Resource Consultants in an amount not to exceed \$30,000. Commissioner Butler seconded the motion, which carried unanimously.

b) **Contract LF 2005-02 Amendment #5, Entrix Inc.**

Manager of Operations Doug Adams presented Contract LF2005-02 Amendment #5 to address Entrix's 2008 Scope of Work for relicensing efforts at Enloe Dam.

Commissioner Womack moved to approve the recommendation by staff to authorize the Manager to enter into contract LF 2005-2 Amendment #5 for 2008 with Entrix, Inc in an amount not to exceed \$641,161.00. Commissioner Butler seconded the motion, which carried unanimously without further discussion.

c) Employee Service Awards

Manager Grubich introduced Tonasket Serviceman Jeffrey Rhoads, Okanogan Customer Service Representative Melody Kells and District Administrative / Executive Assistant Tina DeLap. Rhoads has been with the District since 1987, previously as a Lineman. Kells and DeLap were both hired for part time positions in 1999, and gained full-time status effective in 2003. The Board commended these employees for their years of service to the District and its customers.

d) Resolution No. 1452 – Establishing DS1 (T1) Telecom Rates

Telecom Network Engineer John MacDonald introduced Resolution No. 1452 for the purpose of re-establishing DS1 (T1) Telecom rates inadvertently left out of the 2007 Telecom rate schedule amendments.

Commissioner Butler moved to approve Resolution No. 1452 Establishing DS-1 (T1) Rates on the District’s Telecommunication System. Commissioner Womack seconded the motion, which received unanimous approval.

e) Resolution No. 1453 – Establishing Petty Cash Reserves for District Offices

Director of Finance/Auditor Don Coppock presented Resolution 1453, to increase the amount of petty cash at each District office. This increase allows Customer Service Representatives to have a backup cash drawer for balancing, and will procedurally integrate better with the new NISC software.

Commissioner Butler moved to approve Resolution No. 1453 Establishing Petty Cash Reserves for District Offices. Commissioner Womack seconded the motion. Upon the vote, the motion carried unanimously.

f) Professional Service Agreement – The Rowland Company

Manager John Grubich presented a Professional Service Agreement to continue utilizing The Rowland Company for legislative lobbying services in 2008.

Commissioner Butler moved to authorize the Manager to enter into a Professional Service Agreement with The Rowland Company for an amount not to exceed \$30,000. Commissioner Womack seconded the motion, with a request that Rowland give the Board a preview of upcoming issues prior to the next legislative session, and a summary at the end of the current session. The motion passed with unanimous approval. Staff will add a legislative preview and summary to The Rowland Company’s Scope of Work.

g) Professional Service Agreement – Itron

Chief Engineer Derek Miller presented a proposal from Itron to install and implement Staker software, provide user training and create an interface with the District’s mapping, accounting and GPS systems. This change will assist the District in applying uniform design standards, managing work flow and automating the work order process.

Commissioner Womack moved to authorize the manager to enter into a Professional Service Agreement with Itron for developing and providing Staker software to the Engineering Department, in an amount not to exceed \$131,530.00. Commissioner Butler seconded the motion, which passed unanimously.

h) NoaNet Acquisition Discussion

As a result of recent BPA outages affecting a primary NoaNet circuit serving the Quincy area, NoaNet is researching the acquisition of a company to provide a redundant fiber route. The company is expected to cost between \$4 - \$8 million dollars, with the District's liability being \$130,000 - \$400,000.

The Board requested more definitive cost estimates, and directed staff to research options for NoaNet to utilize the District's fiber backbone as a potential route. Manager John Grubich and Telecom Network Engineer John MacDonald will research and present options to the Board prior to NoaNet's March 12, 2008 meeting.

i) WPUDA Telecom Committee Survey

The Washington PUD Association (WPUDA) has proposed a random telephone survey of 600 telecom customers in the State of Washington to research usage and future trends. The survey would cost approximately \$25,000, with the District's portion being \$2,000. A 300-sample survey of Okanogan County customers would cost an additional \$10,000. The Board elected to table discussion of this item until further information is received from WPUDA.

6. Manager's Report:

- Cost of Service Studies: Richard Cuthbert and Anisha Hathiramani of RW Beck met with District staff Tuesday, February 12, 2008 to discuss their company's procedure for completing a Cost of Service Study.
- Strategic Planning: The District's Strategic Planning Retreat will occur March 28 – 30, 2008 at The Icicle Village Resort in Leavenworth.
- Summit Meeting: Cooperative Benefits and Financial Services (CBFS) is hosting a seminar titled The Summit on Compensation and Rewards in Spokane June 5 & 6th
- Visit to Olympia: Manager Grubich and lobbyist Jim Rowland visited with Representative Kretz and Senator Morton regarding issues relating to Okanogan PUD.

7. Other Business:

No Other Business Items were presented.

8. Future Planning:

No Future Planning Items were presented.

9. Meetings:

Commissioner Bolz traveled to Okanogan PUD February 12th for a conference call regarding Shanker's Bend, to Seattle for a NoaNet Meeting February 13th and to Olympia for WPUDA meetings February 14th & 15th.

Commissioner Womack traveled to Olympia February 13th to attend WPUDA Legislative and Board Meetings February 14th & 15th.

The next regularly scheduled Board Meeting will take place beginning at 12:30 p.m. March 4, 2008 in Okanogan.

III. Executive Session:

The regular meeting was recessed at 3:10 p.m. and reconvened into executive session 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 20 minutes, with no action anticipated.

At 3:30 p.m. the executive session was recessed with no public announcement.

IV. Adjournment:

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

Ernest J. Bolz, President

Trish Butler, Vice-President

ATTEST:

David Womack, Secretary