

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

**Okanogan PUD Auditorium
1331 2nd Avenue North, Okanogan, WA
April 15, 2008
12:30 PM**

Present: Board: Ernest Bolz, Trish Butler, David Womack
Staff: Don Coppock, Ron Gadeberg, Derek Miller,
Steve Brown, Tina DeLap
Attorney: Michael Howe
Public: Bill Swayze – CommunityNet
Sheila Corson – The Chronicle
Del Shove

Summary Agenda

- I. Call to Order
- II. Business Meeting – 1:30 p.m.
 - 1. Approval of Agenda
 - 2. Consent Agenda Items
 - a) Minutes of 4-1-08
 - b) Vouchers
 - c) Work Orders
 - d) Transfers of Accounts
 - 3. Public Comment
 - 4. Unfinished Business
 - 5. New Business
 - a) NoaNet Request for Funding Assistance
 - b) Bid No. 349-08 – PVC Conduit Purchase
 - c) Telecom Survey
 - 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 1:30 p.m. The Pledge of Allegiance was led by Commissioner Womack.

II. Business Meeting:

1. Approval of Agenda:

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

2. Approval of Consent Agenda Items:

a) Minutes:

The Minutes of the April 1, 2008 regular meeting were submitted for approval.

b) Vouchers:

Vouchers in the amount of \$950,819.27 were submitted for approval.

c) Work Orders:

Work Orders in the amount of \$79,330.00 and Telecom Work Orders in the amount of \$114,905.14 were submitted for approval.

d) Transfer of Accounts

No transfers of accounts were submitted for approval.

Commissioner Womack moved to approve the Consent Agenda with the exception of work orders, which will be discussed separately. Commissioner Butler seconded the motion, which carried unanimously.

A telecom work order for fiber backbone extension to the District's Spectacle Lake Substation was explained by Power Resource Manager Ron Gadeberg. The District chose to extend fiber rather than installing a wireless tower at this location to provide more reliable SCADA services in compliance with NERC standards and to meet future needs for automated meter reading (AMR) implementation and wholesale communications.

Commissioner Butler moved, seconded by Commissioner Womack, to approve the work orders as presented. The motion carried unanimously.

3. Public Comment:

Bill Swayze of CommunityNet noted they have paid in excess of \$565,000 for retail telecommunication services since 2005, and inquired about the District's current and future plans for wireless tower construction.

Staff reported population density standards need to be met in order to justify the \$50,000.00 financial outlay for a tower installation. The Board noted a telecom system evaluation is currently underway.

4. Unfinished Business:

No Unfinished Business items were presented.

5. New Business:

a) NoaNet Request for Funding Assistance

Commissioner Bolz presented a Business Continuity and Members Draft Report from NoaNet for the acquisition of a third fiber route serving central Washington. NoaNet is asking for loan guarantees totaling \$1.5 million. The District's portion would be \$82,500.00.

Board and staff members had previously hesitated to approve funding a route that would not provide redundancy or direct benefits to the District. NoaNet gave members 60 days (beginning April 9, 2008) to approve the proposal or risk being expelled as members.

Following a discussion of NoaNet's By-Laws, reliability and possible repercussions if the District withholds approval of the project, this item was tabled until the April 29, 2008 Board Meeting. Commissioner Bolz will research the reliability and age of the proposed line prior to that meeting.

b) Bid No. 349-08 – PVC Conduit Purchase

Bid No. 349-08 for the purchase of 2" and 3" schedule 40 conduit was presented by Director of Finance/Auditor Don Coppock. Three bids were received. Staff recommends awarding Bid No. 349-08 to the lowest bidder, Consolidated Electrical Distributors (CED) of Wenatchee.

Commissioner Womack moved to award Bid No. 349-08 to Consolidated Electrical Distributors in the amount of \$60,883.04. Commissioner Butler seconded the motion, which received unanimous approval.

c) Telecom Survey

The Washington PUD Association (WPUDA) has elected a committee to study feasibility of a state-wide telephone survey of 500 telecom users. Data gathered could be useful to present to legislators, and to determine future telecommunication trends and needs. The WPUDA Telecom Survey Committee is recommending that members participate in the survey as presented.

Commissioner Bolz estimated the District's cost for participation in the survey at \$2,000.00. Staff and Commissioners noted response may be poor due to the current overabundance of political telemarketing, and due to the technical nature of the survey questions.

This agenda item was tabled for renewed discussion at the April 29, 2008 Board Meeting.

6. Manager's Report:

Director of Finance / Auditor Don Coppock presented the Manager's Report:

Residential Exchange Agreement funds in the amount of \$1,679,453.00 have been received from Bonneville and invested in a segregated account, pending a final accounting from BPA.

A labor agreement may be presented for approval at the next Board meeting, pending the results of ongoing negotiations.

An outage affecting customers between Okanogan and Brewster occurred on the afternoon of April 14, 2008. Staff quickly located and repaired the problem, which was caused by a broken crossarm near Malott.

Brewster Meter Reader Ron Mackie has accepted the Limited Assignment Meter Reader position in Okanogan. Applications are being sought for a replacement Meter Reader in Brewster. The Assistant Superintendent position has closed and applications are under review.

Power Resource Manager Ron Gadeberg noted April power sales are well above budgeted estimates due to strong market prices.

7. Other Business:

No Other Business Items were presented.

8. Future Planning:

Commissioners requested a study of the Telecom Department's potential future wireless tower installations.

9. Meetings:

Commissioner Bolz attended a NoaNet meeting in Seattle April 9, 2008.

Commissioner Butler had no meetings to report.

Commissioner Womack attended a WPUA Board of Directors teleconference April 8, 2008.

The next Okanogan PUD Board of Commissioners meeting is scheduled for April 29, 2008 beginning at 1:30 p.m. in the Okanogan PUD auditorium.

III. Executive Session:

The regular meeting was recessed at 3:00 p.m. and immediately convened into executive session 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 ten minutes, with no action anticipated.

At 3:10 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 3:10 p.m.

Ernest J. Bolz, President

Trish Butler, Vice-President

ATTEST:

David Womack, Secretary