

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

**Okanogan PUD Auditorium
1331 2nd Avenue North, Okanogan, WA
August 5, 2008
11:00 AM**

Present: Board: Ernest Bolz, Trish Butler, David Womack
Staff: John Grubich, Doug Adams, Don Coppock, Ron Gadeberg,
Derek Miller, Randy Bird, Bill Ingram, Steve Brown, Tina DeLap
Attorney: Michael Howe
Steve Jones, Marten Law (Executive Session teleconference)
Public: Sheila Corson - The Chronicle
Jake Barker, Lineman Rodeo Scholarship Recipient

Summary Agenda

- I. Power Resource Workshop 11:00
- II. Call to Order
- III. Business Meeting – 1:30 p.m.
 - 1. Approval of Agenda
 - 2. Approval of Consent Agenda
 - a) Minutes of 7-15-08
 - b) Vouchers
 - c) Work Orders
 - d) Transfer of Accounts
 - 3. Public Comment
 - 4. Unfinished Business
 - Resolution No. 1463 – Delegation of Authority
 - 5. New Business
 - a) Lineman Rodeo Results Presentation
 - b) Professional Service Agreement – Entrix
 - c) Professional Service Agreement – Ripplinger Engineering
 - d) Resolution No. 1466 Declaring Equipment Surplus
 - e) Professional Service Agreement – Ednetics, Inc.
 - f) Salary Program Implementation
 - 6. Manager’s Report
 - 7. Power Report
 - 8. Other Business
 - 9. Future Planning
 - a) Future Board Meeting Schedule
 - 10. Meetings
- IV. Executive Session
- V. Adjournment

I. Power Resource Workshop

A Power Resource Workshop convened at 11:00 a.m. Power Resource Manager Ron Gadeberg gave a presentation to the Board on District power resources versus load growth. Comparisons were shown for critical water years, median water years and half-to-median water years. The District is expected to be deficient in power resources by 2011 in a critical water year, or by 2018 in an average water year. High load growth is primarily attributed to increased customer consumption and reduced conservation. The District is actively seeking ways to meet future growth needs in the most fiscally advantageous manner possible.

II. Call to Order – Pledge of Allegiance

President Bolz called the Regular meeting to order at 1:30 p.m. and the Pledge of Allegiance was recited.

III. Business Meeting, 1:30 p.m.

1. Approval of Agenda:

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

2. Approval of Consent Agenda Items:

a) Minutes:

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

b) Vouchers:

Vouchers in the amount of \$4,127,773.52 were submitted for approval.

c) Work Orders:

Engineering work orders in the amount of \$377,412.26 were submitted for approval.

d) Transfer of Accounts

Transfers of accounts in the amount of \$180.64 were submitted for approval.

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

3. Public Comment:

No Public Comments were offered.

4. Unfinished Business:

a) Resolution No. 1463 – Delegation of Authority

Board and staff resumed discussions on Resolution No. 1463 delegating contracting, purchasing and work order approval authority to the manager.

Commissioner Womack entered a motion to approve Resolution No. 1463 with a not to exceed amount of \$250,000 for contracts and professional services. Commissioner Butler seconded the motion. Upon the vote the motion passed unanimously.

5. New Business:

a) Lineman Rodeo Results Presentation

Jake Barker, the Lineman Rodeo scholarship recipient, introduced himself and thanked the Board for their contributions to the Lineman Rodeo. Jake plans on continuing his education in the field of Engineering at Eastern Washington University.

District Lineman Bill Ingram and Assistant Construction Superintendent Randy Bird reported on the success of this year’s rodeo. Event organizers and participants thanked the PUD for their assistance and participation.

b) Professional Service Agreement – Entrix

Manager of Operations Doug Adams presented a request to the Board to authorize a Professional Service Agreement with Entrix for Shanker’s Bend/Similkameen River Appraisals.

Commissioner Butler moved to authorize the manager to enter into a Professional Service Agreement with Entrix for the Similkameen River Appraisal Level Study in an amount not to exceed \$200,000.00. Commissioner Womack seconded the motion, which passed with unanimous approval.

c) Professional Service Agreement – Ripplinger Engineering

Chief Engineer Derek Miller presented a Professional Service Agreement with Ripplinger Engineering for Phase 2 of the Brewster Substation repairs.

Commissioner Womack moved to authorize the Manager to enter into a professional Service Agreement with Ripplinger Engineering in an amount not to exceed \$50,000.00 for the Brewster substation feeder and switching structure rebuild. Commissioner Butler seconded the motion, which received unanimous approval.

d) Resolution No. 1466 – Declaring Equipment Surplus

Director of Finance/Auditor Don Coppock presented Resolution No. 1466 for the purpose of declaring outdated computer equipment surplus and authorizing their disposal.

Following a discussion of disposal options, Commissioner Butler moved to approve Resolution No. 1466 declaring equipment surplus. Commissioner Womack seconded the motion. Upon the vote, the motion carried unanimously.

e) Material Purchase – Ednetics, Inc.

Power Resource Manager Ron Gadeberg presented a request to replace outdated telecom equipment which has reached its capacity.

Commissioner Butler moved to authorize the Manager to enter into a material purchase agreement with Ednetics in an amount not to exceed \$35,000.00 for the purchase of a telecom router and associated hardware. Commissioner Womack seconded the motion, which carried unanimously.

f) Salary Program Implementation

Manager John Grubich presented a request for authorization to approve salary adjustments in isolated cases exceeding previously set criteria in an effort to standardize employee wages within industry ranges.

Commissioner Butler moved to authorize the Manager to make salary adjustments exceeding previously set thresholds. Commissioner Womack seconded the motion. Upon the vote, the motion received unanimous approval.

6. Manager’s Report:

Manager Grubich expressed satisfaction with the development, implementation and reception of the employee evaluation program. Supervisors were commended for completing evaluations in a timely manner.

Staff and Legal Counsel interviewed three potential architectural firms for the District’s main office building in Okanogan. Zeck-Butler Architects of Spokane was chosen. Information will be presented to the Board once contract negotiations are finalized.

The BPA/Slice CEO Manager’s group is holding monthly meetings in conjunction with Public Power Council meetings in Portland to discuss BPA contract issues.

7. Power Report:

Power Resource Manager Ron Gadeberg presented a current power report. Revenues year to date

continue to exceed budgeted expectations.

8. Other Business:

No Other Business items were presented.

9. Future Planning:

A Conservation Workshop will be held from 12:30 to 1:30 pm August 26, 2008.

Future Board Meetings were scheduled for September 9, 23; October 14, 28; November 11, 18, 25; December 2, 9, 16, 23, 2008; and January 6, 2009.

10. Meetings:

Commissioner Butler attended WPUDA meetings July 16th – 18th in East Wenatchee and an Energy Northwest meeting in Portland on July 23rd.

Commissioner Womack attended WPUDA meetings July 16th – 18th in East Wenatchee.

The next Regular Board Meeting will take place at 1:30 p.m. August 26, 2008 in the Okanogan PUD auditorium. A one hour Conservation Workshop beginning at 12:30 p.m. will precede the Regular meeting.

IV. Executive Session

The regular meeting was recessed and reconvened into executive session at 3:00 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 approximately one hour, with no action anticipated.

At 4:00 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 4:00 p.m.

Ernest J. Bolz, President

Trish Butler, Vice-President

ATTEST:

David Womack, Secretary