

**Minutes of the Regular Meeting of the Okanogan County  
Public Utility District Board of Commissioners  
Held in Okanogan October 28, 2003**

Present:

Board:	David Womack, Darrel Bunch, Donald Johnson
Staff:	Frederick Burke, Larry Felton, Joe Miller, Janet Crossland, Debra Peters, Jerry Day, Tina DeLap, Steve Brown, Julie Pyper
Other:	Michael Howe, Legal Counsel
Public:	Jere Gillespie, Kathleen Hirschstein, Ann McCreary, David Sexton, John Andrist, Brian Kirchner, Susie Ives, William Colyar, David Grooms

President Womack called the meeting to order at 8:30 a.m., and asked for any additional agenda items. Commissioner Johnson submitted the Tetra Tech EIS Contract progress report as an additional agenda item. Ann Ringwood's 9:00 a.m. presentation was deleted from the agenda at her request.

**Summary Agenda**

1. Approval of Minutes
2. Approval of Work Orders
3. Approval of Vouchers
4. Approval of Transfer of Accounts
5. Public Comment
6. 2004 Budget Hearing
7. Resolution No. 1267
8. Resolution No. 1266
9. Power Supply Report
10. Telecom Report
11. Tetra Tech EIS Contract Progress Report
12. Public Comment
13. Meetings
14. Executive Session - Litigation

**1. Approval of Minutes:**

Commissioner Bunch moved, and Commissioner Johnson seconded, to approve the Minutes of the October 14, 2003 regular meeting. The motion carried.

**2. Approval of Work Orders:**

The following work order was submitted for approval:

03-0452     George Miller, Sr., 8568C West Fork Rd.                     \$858.00

Commissioner Bunch moved, and Commissioner Johnson seconded, to approve the work order. The motion carried.

**3. Approval of Vouchers:**

Vouchers No.'s 79143 through 79170 in the amount of \$170,000.84, and No.'s 79253 through 79291 in the amount of \$1,118,830.12 were approved for payment from the revenue fund.

Commissioner Bunch moved, and Commissioner Johnson seconded, to approve the vouchers. The motion carried.

**4. Transfer of Accounts:**

The following accounts/invoices were submitted for write-off/collection due to nonpayment:

Bowers, Angela & Lance	\$59.78
Brimlow, Mark	252.54
Brimlow, Mark	97.92
Ivory Pine Country	454.12
Marchand, Donna L.	161.49
Najera Mota, Gloria H.	6.40
Pool, Joshua Ray	109.14
Ramirez, Lisa & Rosalio	150.23
Rodriguez, Wendy B.	118.05
Vanatta, Mandy D.	481.98
Wilson, Brad C. & Melissa	337.72
Total	\$2,229.37

In addition, the closed commercial account for Johnny B's DVDs #41223-9 in the amount of \$57.71 was submitted for transfer to the residential account of John T. and Mary J. Brick #37762-2.

Commissioner Bunch moved, and Commission Johnson seconded, to approve the account transfers. The motion carried.

**5. Public Comment:**

Kathleen Hirschstein, on behalf of Vicky Welch, recommended the meetings be taped and the Minutes be transcribed so everyone is represented accurately.

**6. 2004 Budget Hearing:**

Director of Finance Frederick Burke presented a comparison of the 2004 proposed and final budgets, and Resolution No. 1265 adopting the final budget for 2004.

The budget incorporates the adjustments presented at the last meeting, and does not include a rate increase. The budget anticipates receipts by the Revenue Fund during 2004 in the amount of \$37,005,000 and expenditures of \$39,181,500, for a total variance of \$2,176,500.

Public comment was received during the budget hearing from Kathleen Hirschstein, Brian Kirchner, John Andrist, and William Colyar and David Grooms of Verestar.

Commissioner Bunch moved, and Commissioner Johnson seconded, to adopt Resolution No. 1265. The motion carried. Although the approved budget does not reflect a rate increase for 2004, the Commission will re-evaluate the cash position at year end when the Treasury Report is available.

**7. Resolution No. 1267:**

Frederick Burke presented Resolution No. 1267 to establish a cash management goal for the District. At the October 14, 2003 meeting, the Commission established the total allocated funds for the Temporary Cash Reserve account and the Revenue Fund Less Warrants Outstanding account at a combined total of \$6 million to be allocated at the Finance Department's discretion.

Commissioner Bunch moved, and Commissioner Womack seconded, to adopt Resolution No. 1267. Upon the vote, Commissioner Johnson voted nay. The motion carried.

**8. Resolution No. 1266:**

Commissioner Womack introduced Resolution No. 1266 adopting rules and procedures for meetings held by the Board of Commissioners. This Resolution includes the revisions proposed by Attorney Howe, and represents the action at the October 14, 2003 meeting to repeal Resolutions No. 811, 814 and 1201 and delete several sections including the section regarding Minority Reports, reference to Roberts Rules of Order, audio recording of meetings, and recording of individual public comments in the Minutes. Commissioner Womack recommended deleting Section 3(f) that states it shall be the duty of the President of the Commission to suggest but not make motions for adjournment.

Commissioner Womack moved, and Commissioner Bunch seconded, to adopt Resolution No. 1266.

Commissioner Johnson moved, and Commissioner Bunch seconded, to amend Resolution No. 1266 to include the stipulation that any Commissioner who may disagree with the form or content of the Minutes which have been adopted by the majority of the Commission shall have the right to file such Minutes in a Minority Report (as provided for by Resolution No. 811). Upon the vote Commissioner Womack voted nay. The motion carried.

Commissioner Johnson moved to amend Resolution No. 1266 to provide that the Recording Secretary shall make an audio recording of meeting proceedings to accompany the Minutes. The motion failed for lack of a second.

Commissioner Johnson moved to amend Resolution No. 1266 to include the stipulation that any individual who wishes their comments recorded in the Minutes must submit those comments in writing. The motion failed for lack of a second.

Commissioner Womack moved, and Commissioner Bunch seconded, to amend Resolution No. 1266 to delete Section 3(f), which states that it shall be the duty of the President of the Commission to suggest but not make motions for adjournment. The motion carried.

Following discussion and upon the vote to adopt the entirety of Resolution No. 1266 as amended, Commissioners Johnson and Womack voted nay. The motion failed.

Commissioner Womack moved, and Commissioner Bunch seconded, to adopt Resolution No. 1266 without amendment, except to delete Section 3(f) that states it shall be the duty of the President of the Commission to suggest but not make motions for adjournment. Upon the vote, Commissioner Johnson voted nay. The motion carried.

## **9. Power Supply Report:**

Power Resource Engineer Larry Felton outlined the impact of a possible settlement of the lawsuit challenging the contracts BPA entered into in 2000 with Investor-Owned Utilities (IOUs). At issue is the level of benefits afforded the IOUs under the Northwest Power Act of 1980. The Act directs these benefits go directly to small farm and residential customers of the IOUs in the form of rate relief. If the settlement succeeds, BPA is expected to eliminate the 2.2% Block rate increase in October 2003 and further reduce Block and Slice rates by 7.4%, which could equate to an estimated \$1.5 million savings for the District. As a party to the lawsuit, the District would be required to execute a Stipulation and Agreement for Settlement, and a Slice Settlement Agreement.

## **10. Telecom Report:**

Telecom Manager Joe Miller provided an update on the Wireless Pilot Project, and requested the Board continue the Okanogan/Omak portion of the project through November. The system is just now entering into full operational load. The additional time operating under these normal conditions will provide staff with the opportunity to fine-tune the system to insure it maintains industry standards of reliability. The Oroville node will not be completed until December due to a fiber shipment delay. A letter of invitation to participate in the Wireless Project has been sent to all interested ISPs. The City of Pateros authorized the District to run fiber overhead in areas of the City not otherwise serviced underground until such time the District can install the fiber underground.

**11. Tetra Tech EIS Contract Progress Report:**

The progress report from Tetra Tech on the EIS Contract for the Methow transmission line project was discussed. A review of the Memorandum of Understanding with the Forest Service and other issues will be discussed at the November 4, 2003 Commission meeting.

**12. Public Comment:**

Kathleen Hirschstein noted the importance for the Minutes to reflect public comment.

Brian Kirchner offered comment regarding the nuisance of yard sale signs on the PUD poles.

**13. Meetings:**

Commissioner Johnson reviewed his handout on the highlights of the Washington PUD Association board meetings he attended on October 16 – 17, 2003 in Mt. Vernon. He will attend a WPUDA workshop on November 12 – 13, 2003 to review a BPA/IOU settlement agreement.

Commissioner Womack reviewed items of interest from the WPUDA board meetings he attended on October 16 – 17, 2003 in Mt. Vernon. He also toured Enloe Dam with the Power Resource Engineer on October 21, 2003.

The next Okanogan PUD Board meeting is scheduled for 8:30 a.m., November 4, 2003 at the Okanogan PUD Auditorium.

**14. Executive Session – Litigation:**

President Womack recessed the Board into executive session at 11:50 a.m. to discuss litigation.

President Womack reconvened the Board into regular session at 12:30 p.m.  
There being no further business to discuss, the meeting adjourned at 12:30 p.m.

David A. Womack, President  
Darrel E. Bunch, Vice-President  
Donald W. Johnson, Secretary