

**Minutes of the Regular Commission Meeting of
Public Utility District No. 1 of Okanogan County
Okanogan PUD Auditorium
1331 2nd Avenue North, Okanogan, WA
February 17, 2009
1:30 PM**

Present: Board: Trish Butler, David Womack, Ernest Bolz (via telephone)
Staff: John Grubich, Doug Adams, Don Coppock,
Janet Crossland, Tina DeLap
Legal: 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. Approval of Consent Agenda
 - a) Minutes of 2-3-09
 - b) Vouchers
 - c) Transfer of Accounts
 - 3. Public Comment
 - 4. Unfinished Business
 - 5. New Business
 - a) Resolution No. 1479 Declaring Equipment Surplus
 - 6. Manager’s Report
 - 7. Treasurer’s Report
 - 8. Other Business
 - 9. Future Planning
 - 10. Meetings
- III. Executive Session
- IV. Adjournment

I. Call to Order – Pledge of Allegiance

Commission President Trish Butler called the Regular meeting to order at 1:35 p.m. The Pledge of Allegiance was recited.

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

1. Approval of Agenda:

Commissioner Butler noted a ninety minute Executive Session would be held for the purpose of discussing pending litigation and review of a public employee, with no action anticipated.

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

2. Approval of Consent Agenda Items:

a) Minutes:

Minutes of the February 3, 2009 regular meeting were submitted for approval.

b) Vouchers:

Vouchers in the amount of \$2,106,817.65 were submitted for approval.

c) Transfers of Accounts:

Transfers of accounts in the amount of \$3,676.52 were submitted for approval.

Commissioner Womack moved to approve the consent agenda. Commissioner Bolz seconded the motion. Upon the vote, the motion passed unanimously.

3. Public Comment:

No public comments were offered.

4. Unfinished Business:

No unfinished business items were presented.

5. New Business:

a) Resolution No. 1479 Declaring Equipment Surplus

Resolution No. 1479 was presented for the purpose of declaring obsolete or unneeded transformers as surplus and authorizing their sale or disposal.

Commissioner Womack moved to approve Resolution No. 1479 declaring equipment surplus and authorizing its sale or disposal. Commissioner Bolz seconded the motion. Upon the vote, the motion carried unanimously.

6. Manager's Report:

- General Manager John Grubich updated the Board on a pending contract with Qwest for broadband fiber services. Qwest will be unable to provide the requested services as a result of insufficient capacity.
- A contract being executed with 360 Networks, LLC for broadband services will increase District revenues by \$23,000 per month. The District will receive a one time, non-recurring charge for installation of a communication hut in the Oroville substation.
- Manager of Operations Doug Adams reported on Automated Metering Infrastructure (AMI) proposals. Original bid documents incorporated a provision for awarding the bid in part or in its entirety. Initial research supports the feasibility of granting meter purchases to one vendor and awarding supply and installation of system software to a different vendor. A workshop for AMI vendor demonstrations has been scheduled immediately preceding the March 3, 2009 Board meeting.
- Director of Finance/Auditor Don Coppock reported on an update to District computer hardware. Internal District operations currently occur over one network server. To enhance the network infrastructure and provide a more fault tolerant platform, proposals for a virtual network infrastructure have been sent out. This upgrade will facilitate migration from Novell GroupWise products to Microsoft products and enhance system reliability. Staff anticipates offering recommendations at the next Board meeting.
- Director of Finance/Auditor Don Coppock noted the Washington State Auditor's Office financial reports are now online. Reports may be viewed on the State's website, or Coppock has printed copies available.

7. Treasurer's Report:

Treasurer Janet Crossland summarized the District's cash flow report for the month ending January 31, 2009. BPA residential rate credits posted to customer accounts resulted in a reduction in retail sales, and current interest rates negatively affected District returns on investments. These factors contributed to lower cash flows during January, 2009.

Commissioner Womack asked if residential exchange credits would affect budget pay plan customers. Calculation options and potential adjustments were discussed.

8. Other Business:

No other business items were presented for discussion.

9. Future Planning:

A workshop presentation on AMI Smart Metering Systems will occur at 12:30 p.m. on March 3, 2009.

10. Meetings:

Commissioner Womack attended a WPUDA Legislative meeting via conference call on February 5, 2009. Impacts of climate change and Initiative 937 were discussed.

Commissioner Bolz attended a NoaNet meeting on February 11, 2009.

The next regularly scheduled Board meeting will take place on Tuesday, March 3, 2009 beginning at 1:30 p.m. in the Okanogan PUD auditorium.

III. Executive Session:

The regular meeting was recessed at 2:10 p.m. and reconvened into executive session at 2:15 p.m. to review the performance of a public employee pursuant to RCW 42.30.110 (1) 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 ninety minutes, with no action anticipated.

At 3:45 p.m. the executive session was recessed and immediately reconvened for an additional hour. At 4:45 p.m. the executive session was recessed and the regular session resumed.

IV. Adjournment:

There being no further business to discuss, the meeting was adjourned at 4:45 p.m.

Trish Butler, President

David Womack, Vice-President

ATTEST:

Ernest Bolz, Secretary