

**Minutes of the Regular Commission Meeting of  
Public Utility District No. 1 of Okanogan County  
Okanogan PUD Auditorium  
1331 2<sup>nd</sup> Avenue North, Okanogan, WA  
August 18, 2009  
1:30 PM**

**Present:** Board: Trish Butler, David Womack, Ernest Bolz  
Staff: John Grubich, Doug Adams, Don Coppock,  
Ron Gadeberg, Dan Boettger, George Howe, Tina DeLap  
Legal: Michael Howe  
Public: Ray Ellis, Richard Erickson, Craig Boesel and Frank Kline -  
Okanogan County Electric Co-Op; Loren Torgerson and  
Roger Huestis – Washington State Department of Natural  
Resources; Janet Thompson, Annie Fitzsimmons, Michael  
Zoretic; Sheila Corson - The Chronicle; Marcy Stamper -  
Methow Valley News

**Summary Agenda**

- I. Call to Order, 1:30 p.m.
- II. Business Meeting
  - 1. Approval of Agenda
  - 2. Approval of Consent Agenda
    - a) Minutes of 8-4-09
    - b) Vouchers
    - c) Transfer of Accounts
  - 3. Public Comment
  - 4. Unfinished Business
  - 5. New Business
    - a) Resolution No. 1489, Eminent Domain
    - b) Resolution No. 1490, Inactive Services
  - 6. Manager's Report
  - 7. Other Business
  - 8. Future Planning
  - 9. Meetings
- III. Executive Session
- IV. Adjournment

**I. Call to Order**

The regular meeting was called to order at 1:30 p.m. by Commission President Trish Butler, followed by recitation of the Pledge of Allegiance.

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

**1. Approval of Agenda:**

Commissioner Butler noted a 30-minute Executive Session would be held immediately following Unfinished Business for the purpose of discussing potential litigation.

Butler advised meeting participants that public comments would be permitted during the discussion of New Business item a) Resolution No. 1489 – Eminent Domain.

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

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

**a) Minutes**

Minutes of the August 4, 2009 regular meeting were submitted for approval.

**b) Vouchers**

Vouchers in the amount of \$1,138,778.84 were submitted for approval.

**c) Transfers of Accounts**

No account transfers were submitted for approval.

Commissioner Bolz moved to approve the consent agenda. Commissioner Womack seconded the motion. Upon the vote, the motion carried with unanimous approval.

**3. Public Comment:**

No public comments were offered.

**4. Unfinished Business:**

No unfinished business items were presented.

**III. Executive Session:**

The regular meeting was recessed at 1:32 p.m. and reconvened into executive session at 1:35 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 thirty minutes, with no action anticipated.

At 2:05 p.m. the executive session was recessed and the regular session resumed with no action taken.

**5. New Business:**

**a) Resolution No. 1489, Eminent Domain**

Commission President Trish Butler opened the floor for public comments on Resolution No. 1489 authorizing the use of eminent domain to acquire property rights necessary for construction of a new transmission line serving the Methow Valley.

Michael Zoretic, attorney for Trevor Kelpman, Dan Gebbers and Reba Gebbers, requested the PUD reroute the line to avoid his clients' parcels or face further litigation, delays and expense. Zoretic acknowledged the previous verbal agreement from Dan Gebbers to grant an easement in return for power to stock feeding stations, but stated it was irrelevant as verbal agreements are not enforceable under Washington law. Although not representing the DNR, Zoretic also commented on the District's ability to obtain permission or condemnation rights over DNR lands.

Annie Fitzsimmons, representing Janet Thompson, read excerpts from the EIS and stated the District should reroute the line to avoid her property and her sister's (Janet Thompson). Fitzsimmons also addressed access to roads in the Methow River Ranches Phase II covered by Home Owners Association (HOA) covenants. District Legal Counsel Mick Howe asked Fitzsimmons who should be contacted to resolve this question. Thompson stated she or Annie could be contacted directly regarding this issue, however both also noted the HOA has not hired an attorney yet. Thompson volunteered to provide contact information once an attorney was hired.

Ray Ellis, General Manager of Okanogan County Electric Co-op, spoke in support of the District's choice of the Pateros to Twisp line. Ellis noted the P-T route makes the most sense electrically and economically, and is also a very viable source of conservation. As the primary recipient of power to the Methow Valley, the Co-Op will share the cost of energy through wheeling charges. Ellis noted the Pateros to Twisp route is shorter, will put less strain on the

Okanogan line and could save enough energy to power up to 300 homes. Commissioner Bolz moved to approve Resolution No. 1489, noting his disappointment that the eminent domain process had to be used when neighbors should be interested in helping each other and their communities. Commissioner Womack seconded the motion. Womack and Bolz both reiterated that it is still the District’s preference to acquire mutually acceptable easements from private and state landowners. Upon the vote, Resolution No. 1489 passed with unanimous approval.

**b) Resolution No. 1490 - Inactive Services**

Resolution No. 1490 was presented to formalize District procedures for inactive services. Legal Counsel Mick Howe outlined procedural clarifications made to the resolution.

Commissioner Womack moved to approve Resolution No. 1490 regarding inactive electrical services. Commissioner Bolz offered a second to the motion, which passed unanimously.

**6. Manager’s Report:**

General Manager John Grubich noted:

- A contract addendum has been signed with Entrix for an additional \$15,304 to complete appraisal studies on the proposed Enloe Dam and Shanker’s Bend projects, bringing the contract total to \$230,304.
- A public meeting will be held at 7:00 p.m. Monday, August 24, 2009 at The Depot in Oroville to hear results of the recently completed Similkameen River Appraisal Level Study.
- Excavation is done on the District’s new headquarters building and foundation footings have been poured. Walls are being framed and construction is on schedule.

**7. Other Business:**

No other business items were presented.

**8. Future Planning:**

No future planning items were presented.

**9. Meetings:**

Commissioner Butler attended a meeting with PUD staff and DNR staff including Commissioner of Public Lands Peter Goldmark on August 10, 2009 in Okanogan. Butler noted PUD Right of Way Superintendent Roy Schwilke and Chief Engineer Derek Miller did an excellent job in presenting information on the District’s vegetation management plan and the Methow Transmission Project.

**IV. Adjournment:**

There being no further business to discuss, the meeting was adjourned at 2:30 p.m.

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Trish Butler, President

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David Womack, Vice-President

ATTEST:

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Ernest Bolz, Secretary