

**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  
December 15, 2009  
1:30 PM**

**Present:** Board: Trish Butler, Ernest Bolz, David Womack  
Staff: John Grubich, Doug Adams, Don Coppock,  
Ron Gadeberg, Janet Crossland, Derek Miller,  
Dan Boettger, Julie Pyper  
Public: Sheila Corson - The Chronicle  
Carman Bliss, Leona Bliss

**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 12-1-09
    - b) Vouchers
    - c) Transfer of Accounts
  - 3. Public Comment
  - 4. Unfinished Business
    - a) Resolution No. 1494 – Adoption of 2010 Budget
  - 5. New Business
    - a) 2009 Budget Adjustment – Transformer Rebuild
    - b) Resolution No. 1497 – Amendment of Retirement Plans
    - c) Holiday Office Schedule
  - 6. Manager’s Report
  - 7. Power Report
  - 8. Treasurer’s Report
  - 9. Future Planning
    - a) Board Meeting Schedule
  - 10. Meetings
- III. Adjournment

**I. Call to Order**

Commission President Trish Butler called the regular meeting to order at 1:30 p.m. and led participants in the Pledge of Allegiance.

**II. Business Meeting**

**1. Approval of Agenda**

President Butler and staff noted the addition of **Resolution No. 1497 - Amendment of Retirement Plans** under item **b) New Business** and **Holiday Office Schedule** under item **c) New Business**. The need for an executive session was removed from the agenda.

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

**2. Approval of Consent Agenda Items**

**a) Minutes**

Minutes of the December 1, 2009 regular meeting were submitted for approval.

**b) Vouchers**

Vouchers in the amount of \$1,297,871.28 were submitted for approval.

c) **Transfers of Accounts**

Transfers of accounts in the amount of \$1,663.91 were submitted for approval.

Commissioner Womack moved to approve the consent agenda as presented. Commissioner Bolz seconded the motion, which received unanimous approval.

3. **Public Comment**

Carman Bliss commented on the economic times in relation to the recent news article regarding the PUD's budget. He asked the Board to consider cutting costs rather than implementing the wage adjustment and new positions as proposed in the 2010 Budget.

4. **Unfinished Business**

a) **Resolution No. 1494 - Adoption of the 2010 Budget**

President Butler introduced Resolution No. 1494, adopting the final budget for the year 2010.

Butler addressed the effect of increased power supply costs and provided other reasoning to support the 2010 budget as it stands. Commissioner Bolz indicated his desire for a hiring freeze during 2010 and wage increase restriction that would correspond with the Union employees' negotiated wage. Following further discussion, Commissioner Womack moved to approve Resolution No. 1494 for adoption of the 2010 budget as introduced by President Butler. Commissioner Bolz seconded the motion, which received unanimous approval.

5. **New Business**

a) **2009 Budget Adjustment - Transformer Rebuild**

General Manager John Grubich informed the Board of the need for a line item adjustment of \$108,592.42 to the 2009 budget for the Gold Creek Substation transformer rebuild (for a total cost of \$574,591.06) to accommodate the changes required for completion of the project. The additional items added to the project's original budget of \$466,000.00 include oil, nitrogen regulator system, 18 new fans, control cabinet, arrester brackets, 6 high side CTs and 8 low side CTs. Grubich noted that the cost of the refurbished unit is at least \$200,000.00 less than a new model.

Commissioner Bolz moved to approve, as presented by staff, a 2009 budget adjustment for the transformer rebuild for use at the Gold Creek Substation (increase of \$108,592.42, for a total refurbished cost of \$574,591.06). Commissioner Womack seconded the motion, which received unanimous approval.

b) **Resolution No. 1497 - Amendment of Retirement Plans**

General Manager Grubich introduced Resolution No. 1497, restating the 457(b) Deferred Compensation Plan and the 401(a) Defined Contribution Plan administered by John Hancock - Retirement Plan Services. As a "sponsoring employer" under Internal Revenue Service (IRS) guidelines, the District is required to periodically adopt Model Amendments to its 457(b) and 401(a) Plans. The present Amendment incorporates the Pension Protection Act of 2006; the Heroes Earnings Assistance and Relief Tax Equity Act; the Worker, Retiree and Employer Recovery Act of 2009 along with other modifications for the plans to be in compliance with the IRS code.

Commissioner Bolz moved to adopt Resolution No. 1497. Commissioner Womack seconded the motion, which received unanimous approval.

c) **Holiday Office Schedule**

General Manager Grubich requested the Board authorize all District offices to close at 1:00 p.m. on December 24, 2009 to accommodate staff's observance of the Christmas holiday.

Commissioner Womack moved to authorize all District offices to close at 1:00 p.m. on Christmas Eve 2009. Commissioner Bolz seconded the motion, which received unanimous approval.

**6. Manager’s Report**

Operations Manager Doug Adams reported on construction of the new headquarters building. Temporary power has been installed, roof installation is nearly complete, and the crews expect to have the building enclosed by the end of next week.

**7. Power Report**

Power Resource Manager Ron Gadeberg provided a wholesale and retail power budget update. With electrical loads less than expected due to a mild temperature month, actual wholesale power sales for the month of November were \$459,675.00 (\$150,000.00 above the original estimate).

**8. Treasurer’s Report**

Janet Crossland presented the November 2009 month-end Treasurer’s Report. The District started November with \$27 million of cash and investments on hand. After payment of warrants and a bond principal and interest payment of \$1,196,247.63, the District ended the month with \$25 million in cash and investments.

**9. Future Planning**

**a) Board Meeting Schedule**

The 2010 Board meetings have been set for January 5, 19; February 2, 16; March 2, 23; April 6, 20; and May 4, 25.

**10. Meetings**

Commissioner Butler attended the PURMS annual meeting in Seattle on November 11-12, 2009 and the WPUDA Annual Meeting in Centralia on December 2-4, 2009.

Commissioner Bolz attended the WPUDA Annual Meeting in Centralia on December 2-4, 2009 and traveled to Seattle on December 8, 2009 for a NoaNet meeting December 9, 2009.

Commissioner Womack attended the WPUDA Annual Meeting in Centralia December 2-4, 2009.

**III. Adjournment**

There being no further business to discuss, the meeting was adjourned at 2:41 p.m.

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Trish Butler, President

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David Womack, Vice-President

ATTEST:

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Ernest J. Bolz, Secretary