

**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  
February 2, 2010  
1:30 p.m.**

**Present:** Board: David Womack, Ernest Bolz, Trish Butler  
Staff: John Grubich, Doug Adams, Don Coppock, Ron Gadeberg,  
George Webster, Verle Rowton, Debbie Dibble, Dan Boettger,  
Nick Christoph, Tina DeLap  
Other: Michael Howe - Legal Counsel  
Public: Sheila Corson - The Chronicle

**Summary Agenda**

- I. Call to Order
- II. Pledge of Allegiance
- III. Business Meeting – 1:30 p.m.
  - 1. Review of Agenda
  - 2. Approval of Consent Agenda
    - a) Minutes of 1-19-10
    - b) Vouchers
    - c) Transfer of Accounts
  - 3. Public Comment
  - 4. Unfinished Business
  - 5. New Business
    - a) Employee Service Awards
    - b) Resolution No. 1500 - Sole Source Purchasing of Substation Equipment
  - 6. Manager's Report
  - 7. Other Business
  - 8. Future Planning
  - 9. Meetings
- IV. Executive Session
- V. Adjournment

**I. Call to Order**

Commission President David Womack called the regular meeting to order at 1:36 p.m.

**II. Pledge of Allegiance**

Commissioner Womack led meeting participants in recitation of the Pledge of Allegiance.

**III. Business Meeting**

**1. Review of Agenda**

Legal Counsel Michael Howe noted a thirty minute executive session would be held immediately following the regular business meeting for the purpose of discussing pending litigation, with no action anticipated.

**2. Approval of Consent Agenda Items**

**a) Minutes**

Minutes of the January 19, 2010 regular meeting were submitted for approval.

**b) Vouchers**

Vouchers in the amount of \$2,783,859.13 were submitted for approval.

**c) Transfers of Accounts**

No account transfers were submitted for approval.

Commissioner Bolz moved to approve the consent agenda as presented. Commissioner Butler offered a second to the motion, which passed unanimously.

**3. Public Comment**

No public comments were offered.

**4. Unfinished Business**

No unfinished business items were presented.

**5. New Business**

**a) Employee Service Awards**

General Manager John Grubich presented service awards to the following employees:

Debbie Dibble began her career with the District on February 1, 2005 as an Information Systems Technician. Debbie still holds that position, working out of the Okanogan headquarters facility.

Verle Rowton has been with the District since January 29, 1990, when he was hired as a Groundman to assist the District with pole testing. He became a Lineman Trainee 8 months later and achieved Journeyman Lineman status in 1994. Verle became the Oroville Serviceman in 2002, and holds that position still.

George Webster also began his career with the District as a temporary Groundman in 1989, becoming a full-time Lineman Trainee in 1990. George became a Journeyman Lineman in 1994 and achieved his current position as Brewster Crew Foreman in 2005.

**b) Resolution No. 1500 - Sole Source Purchasing of Substation Equipment**

Resolution No. 1500 was introduced by Manager of Operations Doug Adams for the purpose of waiving competitive bidding on the purchase of substation equipment limited to a sole source. This procedure allows the District to purchase and install standardized substation equipment without following competitive bid procedures.

Commissioners discussed purchasing protocol and the benefits of standardizing equipment located in District substations. Inventory requirements would be simplified and efficiency improved by the use of consistent equipment. Worker training and safety would also be enhanced with standardized substation equipment.

Commissioner Bolz entered a motion to waive competitive bid requirements when the purchase of standardized substation equipment is clearly and legitimately limited to a single source of supply. Commissioner Butler offered a second to the motion. Upon the vote, the motion carried with unanimous approval.

**6. Manager's Report**

General Manager John Grubich introduced Director of Regulatory and Environmental Affairs Dan Boettger and Environmental Technician Nick Christoph. Boettger presented a flowchart of the licensing process and outlined the District's progress so far in efforts to relicense Enloe Dam.

Various environmental, fish and stream flow issues were discussed. The Federal Energy Regulatory Committee (FERC) issued a "Notice of Application Ready for Environmental Analysis" and began soliciting comments on December 28, 2009. Agencies have 60 days to file comments and the District will have 45 days to respond to those comments.

Grubich gave an update on Initiative 937. A consortium of IOU’s, major power users and PUD’s are seeking legislative amendments to the initiative due to its excessive Renewable Portfolio Standards (RPS) requirements. The bill is not expected to pass this legislative season.

Grubich, Chief Engineer Derek Miller and Environmental Technician Jeff Deason will attend a meeting with DNR staff in Olympia on February 8<sup>th</sup> to discuss potential settlement opportunities regarding the Methow Transmission Project.

Attorney Kirk Gibson, formerly of Ater Wynne, has joined the firm of McDowell, Rackner & Gibson. The District has previously utilized Mr. Gibson’s legal expertise on energy related issues.

**7. Other Business**

Commissioner Bolz noted the new headquarters facility will not remain orange. Metal siding will cover this structural layer.

Commissioner Womack noted that Energy Northwest is seeking candidates for an open position on their Board of Directors. At BPA’s request, Energy Northwest is looking for candidates with nuclear experience.

**8. Future Planning**

R.W. Beck will conduct a Rate Design Workshop beginning at noon on February 16, 2010 in conjunction with the next regularly scheduled Board meeting.

**9. Meetings**

Commissioners Womack, Bolz and Butler attended the Methow Transmission Project Eminent Domain hearing in Okanogan County Superior Court on Thursday, January 21, 2010.

**IV. Executive Session**

The regular meeting recessed at 2:22 p.m. and reconvened into executive session at 2:30 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). The executive session was expected to last approximately 30 minutes, with no action anticipated.

At 3:00 p.m. the executive session was recessed and the regular session resumed.

**V. Adjournment**

There being no further business to discuss, the meeting was adjourned at 3:00 p.m.

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David A. Womack, President

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Ernest J. Bolz, Vice-President

ATTEST:

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Trish Butler, Secretary