

**Minutes of the Regular Commission Meeting of
Public Utility District No. 1 of Okanogan County
Okanogan PUD Auditorium
1331 2nd Avenue North, Okanogan, WA
June 29, 2010
2:30 p.m.**

Present: Board: David Womack, Ernest Bolz, Trish Butler
Staff: John Grubich, Doug Adams, Don Coppock, Ron Gadeberg,
Tina DeLap, Michael Beach, J.D. Adams
Other: Michael Howe - Legal Counsel
Sheila Corson - The Chronicle

Summary Agenda

- I. Call to Order – 2:30 p.m.
- II. Pledge of Allegiance
- III. Business Meeting
 - 1. Review of Agenda
 - 2. Approval of Consent Agenda
 - a) Minutes of 6-15-10
 - b) Vouchers
 - c) Transfer of Accounts
 - 3. Public Comment
 - 4. Unfinished Business
 - 5. New Business
 - a) Employee Service Awards
 - 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 2:30 p.m.

II. Pledge of Allegiance

The Pledge of Allegiance was recited.

III. Business Meeting

1. Review of Agenda

Commissioner Womack noted the addition of New Business item b) WPUA Resolution and the addition of an Executive Session for the purpose of discussing pending litigation.

2. Approval of Consent Agenda Items

a) Minutes

Minutes of the June 15, 2010 regular meeting were submitted for approval.

b) Vouchers

Vouchers in the amount of \$2,303,613.18 were submitted for approval.

c) Transfers of Accounts

No balances were submitted for transfer.

Commissioner Bolz moved to approve the consent agenda as presented. Commissioner Butler offered a second to the motion, which carried 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 introduced Michael Beach, who began his career with the District as a Warehouseman in 1985. Beach became an Electro-Mechanic in 1989, completed the Metering Apprenticeship Program and became Wireman Foreman in 2007.

Grubich also introduced Okanogan Lineman Journeyman J.D. Adams. Adams began his career with the District in 2005 as a Warehouseman, entered the Apprentice Program in 2006 and earned his Journeyman certificate in January, 2010.

b) Change In By-Laws of the Washington Public Utility District Association (WPUA)

As a result of recent reform discussions and notices of intent to withdraw from two member utilities, WPUA presented a resolution to amend this year's withdrawal notification deadline from June 30th to October 31st. The June deadline will be reinstated for subsequent years.

Commissioner Bolz moved to approve the WPUA Resolution titled, "Consent in Lieu of Special Meeting". Commissioner Butler offered a second to the motion, which carried with unanimous approval.

6. Manager's Report

General Manager John Grubich reported:

- Director of Finance/Auditor Don Coppock, Treasurer Janet Crossland and Grubich, attended a conference call with BankAmerica on June 29th. Due to the District's long-standing relationship with BankAmerica, staff felt it prudent to review their pricing options in addition to those offered by Co-Bank.
- Staff met with representatives of Seattle Northwest Securities in preparation for future bond issuances. A first draft of the bond prospectus is expected next week. Comments from Foster Pepper Bond Counsel Nancy Neraas will be included. The District anticipates entering the bond market in September - October, 2010.
- An Interlocal agreement was signed with the King County Directors' Association (KCDA) Purchasing Department authorizing the District to purchase qualifying items under the state's contract.
- The Andrew York Lineman Rodeo was held in East Wenatchee June 19 - 20th. Several District employees and spouses volunteered for various duties and participated in competitive events. The Okanogan crew placed 6th out of 16 teams from throughout the U.S. and Canada.

Manager of Operations Doug Adams provided a report on the new headquarters building:

- The Power Resource and Information Technology (IT) departments received access to the server room and authorization to begin moving critical computer equipment in on Friday, June 25th.
- Staff currently housed in portable office trailers will be moving into the new building this week to facilitate removal of the temporary trailers.
- Construction crews continue to repair items on the final checklist in anticipation of turning the keys over to the District on July 2nd.
- Primary moving efforts will commence on Tuesday, July 6th.

7. Other Business

No Other Business items were presented for discussion.

8. Future Planning

No Future Planning items were reported.

9. Meetings

Commissioner Bolz spent a partial day at the Lineman Rodeo in East Wenatchee on June 19th.

Commissioner Butler attended a PURMS Executive Meeting on June 16th and the PURMS Semi-Annual Board meeting on June 17th.

Commissioner Womack attended a pre-Board meeting in Okanogan on June 28th.

IV. Executive Session

The regular meeting recessed at 3:00 p.m. and reconvened into executive session at 3:01 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 45 minutes, with no action anticipated.

At 3:40 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 3:41 p.m.

David A. Womack, President

Ernest J. Bolz, Vice-President

ATTEST:

Trish Butler, Secretary