



**Minutes of the Regular Commission Meeting of
Public Utility District No. 1 of Okanogan County
Okanogan PUD Auditorium
1331 2nd Avenue North, Okanogan, WA
November 18, 2019 - 3:00 PM**

Present: Board: Jerry Asmussen, Bill Colyar, Scott Vejraska
Staff: Steve Taylor, Don Coppock, Ron Gadeberg, Janet Crossland,
Jeri Timm, Wendy Foth, Katie Pfitzer, Randy Bird, Mindy Morris,
Rob Gillespie, Fred Burke, Sheila Corson, Matt Stevie
Other: Heidi Appel, General Counsel
Catrin Bryan, Director of Dam Safety, McMillen Jacobs Assoc.
Public: Chris Fisher

- I. Call to Order
- II. Business Meeting
 1. Pledge of Allegiance
 2. Review of Agenda
 - Approval of Consent Agenda
 - a) Minutes of November 4, 2019, Regular Meeting
 - b) Special Minutes from November 4, 2019
 - c) Vouchers
 3. Old Business
 - a) 2020 Proposed Budget Hearing
 4. New Business
 - a) Catrin Bryan, Director of Dam Safety, McMillen Jacobs Associates – Annual Enloe Dam Safety Training Presentation
 - b) Resolution No. 1696 – Reimbursement of Bonds
 - c) Resolution No. 1697 – Rate Stabilization
 - d) Resolution No. 1698 – Updating General Provisions
 5. Manager’s Report
 - a) General Manager, Steve Taylor - Administrative Report
 - b) Don Coppock, September Financial Report
 - c) Ron Gadeberg, Power/Telecom Report
 - d) Janet Crossland, October Treasurers Report
 - e) Randy Bird, Operations Strategic Work Plan Update
 - f) Don Coppock, Finance Strategic Work Plan Update
 6. Other Business
 7. Public Comment
 8. Next Board meeting December 2, 2019 @ 3:00 p.m.
 9. Commissioners Meetings Attended
 - III. Executive Session
 - IV. Adjournment

Summary Agenda

I. Business Meeting

1. Pledge of Allegiance

Meeting attendees recited the Pledge of Allegiance.

2. Review of Agenda

No changes to the agenda.

3. Approval of Consent Agenda

a) Minutes

Meeting minutes from November 8, 2019, were submitted for approval.

b) Special Meeting Minutes

Meeting minutes from Budget Workshop on November 8, 2019, submitted for approval.

c) Vouchers

Vouchers submitted for approval: 1870, 152866 through 152928 totaling \$386,688.38; 1871 through 1874 and 152929 through 152939 totaling \$337,092.81; 152940 through 153016 totaling \$356,829.07.

Commissioner Colyar moved, seconded by Commissioner Vejraska, to approve consent agenda items (a) through (c). The motion carried unanimously.

4. Old Business

2020 Proposed Budget Hearing

The 2020 Proposed Budget Hearing was called to order. Director of Accounting, Finance, and Administration Don Coppock announced the budget workshop to follow at 6:00 p.m. will include a review of Power Supply & Generation.

General Manager Taylor and Coppock reported they went back to staff to see where cuts could be made and have worked on reducing the 2020 budget as requested by the Commission to help reduce the proposed rate increase. General Manager Taylor explained to the Board that a position was not filled for a relief Customer Service Representative and talked about closing the Omak office. Coppock reported the savings of closing the Omak office would be around \$84,000 per year. The Customer Service Representative from Omak office would be able to fill the relief position that was not filled.

Budget hearings will also be held at 3:00 p.m. during the regular Commission meetings until the budget is approved prior to December 31, 2019. Hearing no public comments, the Budget hearing was recessed until the December 2, 2019, Commission meeting.

5. New Business

a) Catrin Bryan, Director of Dam Safety, McMillen Jacobs Associates

The District's Dam Safety Engineer for Enloe Dam, Catrin Bryan of McMillen Jacobs, provided the Board of Commissioners with annual training on the responsibilities, liabilities, and public safety of dam ownership, including periodic briefings on dam safety responsibilities and commitments. In addition, Catrin presented a summary of the low flow inspection efforts that were conducted in August.

b) Resolution No. 1696 – Reimbursement of Bonds

Commissioner Colyar offered a motion to approve the first reading of Resolution No. 1696, seconded by Commissioner Vejraska. Motion carried unanimously.

c) Resolution No. 1697 – Revising Rate Stabilization Reserve

There was a discussion about separating the establishment of a Vehicle Replacement Reserve Fund from the Rate Stabilization Reserve Resolution. Staff will bring back separate resolutions at next meeting.

Commissioner Vejraska offered a motion to approve the first reading of Resolution No. 1696, seconded by Commissioner Colyar. Motion carried unanimously.

d) Resolution No. 1698 – Updating General Provisions

Commissioner Vejraska offered a motion to approve the first reading of Resolution No. 1696, seconded by Commissioner Colyar. Motion carried unanimously.

6. Manager's Report

a) Administrative Report

General Manager Taylor reported he signed the following:

- Tentative Agreement for local bargaining with IBEW Local No. 77
- Ecology Turbo Waste authorization for Jeri Timm to sign District annual dangerous waste reports through an online system
- Veolia ES Technical Solutions, LLC – Contract for Recycling and Disposal of Various Waste Streams in an amount not to exceed \$30,000
- BPA letter sent regarding NVEC Foster Creek Load reimbursement
- Centracomm – Agreement for professional service for migrating from Cisco, Configure and implement Juniper SRX345 in the amount of \$3,150
- Max J. Kuney Company - Change Order No. 8 for a no-cost extension of time to December 31, 2019.

Taylor also reported, as stated at the last Board Meeting, that he signed a State Environmental Policy Act (SEPA) checklist and issued a Mitigated Determination of Non-Significance for the District's proposed Enloe Dam Safety Repair and Maintenance Project. Due to an attachment being inadvertently excluded from the SEPA Checklist, the District is re-noticing the determination. The comment period will begin on November 21th and run for 14 days. SEPA documents will be made available on our website, to multiple

agencies, any interested party or individual, and a notice will be published in the newspaper.

General Manager Steve Taylor reported he attended the legislative luncheon along with Commissioner Colyar on November 7 and traveled to Portland for the Public Power Council Annual meeting along with Commissioner Colyar and Ron Gadeberg.

b) Don Coppock – September Financial Report

Director of Accounting & Finance Don Coppock gave a financial report providing copies of the customer statistical comparison of the Equity Management Plan to actuals for the 12 months ending September 30, 2019. Additionally, Broadband customer statistics were provided. Detailed information will be available on the District's website.

c) Ron Gadeberg – Power/Telecom Report

Director of Power Resources and Broadband Services Ron Gadeberg reported negative wholesale power sales for October in the amount of \$36,043.00, which placed 2019 sales under budget by \$187,201. Retail sales for September 2019 totaled \$3,258,829, which placed retail sales \$43,733 under budget. Combined year-to-date wholesale and retail sales are \$3,740,517 under budget.

Gadeberg also reported we received the 2019 power audit slice credit in the amount of \$52,460.00.

d) Janet Crossland – Treasurers report

Treasurer Janet Crossland presented an overview of cash transactions for October 2019. The District began the month with \$21,584,252.29 in cash and investments on hand. There were cash receipts of \$4,750,487.10 in cash and \$6,452.26 in interest. Warrants paid totaling \$4,139,866.69, for an ending balance of cash and investments of \$22,201,324.96. Crossland also reported that October is the month the District is required to send to the State unclaimed warrants. Over the year, several thousand payments are sent out from the District, and several hundred are unclaimed. The District's Accounting Technician, Travis Olson, works very diligently to return these payments to people. Crossland was happy to report that only 23 warrants out of several hundred were turned over as unclaimed funds due to Olson's hard work.

e) Randy Bird – Operations Strategic Work Plan updated

Operations Manager, Randy Bird, reported on Operations Strategic Plan with the following third quarter highlights:

- Operations Departments has had 225 Service Orders, 451 locates, 391 collections, 94 Customer Work Orders and 118 outages

Crews have been working on the following jobs:

- Chicken Creek
- Crazy Rapids
- Underground pump station replacement
- Dixon Hill Riverside rebuild
- Sandflat underground completed

f) Don Coppock – Finance Strategic Work Plan update

- CWPU Vice-Chair wrapped up on September 4
- 2018 Accountability exit conference was November 5th with a clean audit
- 2018 Moss Adams completed but will be back for 2019 on December 9th
- Financial studies – EMP Debt Service Study staff received on October 25
- Standard & Poors annual surveillance submitted in September

7. Other Business

Don Coppock reported Trango bus service is wanting to put benches and covered waiting areas by the Districts building in Tonasket.

8. Public Comment

Chris Fisher, ratepayer, and employee of the Colville Confederated Tribe reported on Tribe sponsored sediment testing behind Enloe dam.

9. Next Board Meeting

The next scheduled Commission meeting is Monday, December 2, 2019, beginning at 3:00 p.m.

10. Commissioner Meetings Attended

Commissioner Colyar attended the Legislative luncheon with General Manager Taylor on November 7th and also traveled to Portland on November 12, 13 & 14 for the NWPPA and NoaNet meetings.

Commissioner Vejraska attended the watershed meeting on November 7 and spent an hour at the Omak office today, November 18.

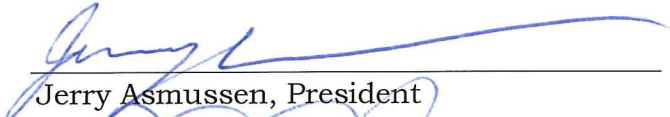
Commissioner Asmussen traveled to Olympia on November 12, attended WPUDA Commissioners Education and Communication meetings on the 13th and 14th WPUDA Committee meeting, and on November 15 attended the Board of Directors meeting and traveled home.

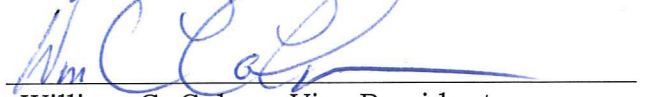
II. Executive Session

The regular meeting recessed at 5:31 p.m. and immediately reconvened into executive session at 5:40 p.m. to discuss with legal counsel representing the District current litigation and legal risks under RCW 42.30.110(1)(i) and performance of a public employee under RCW 42.30.110(1)(g). The executive session was expected to last 30 minutes, with no action anticipated. The executive session recessed at 5:55 p.m.

III. Meeting Adjournment

There being no further business to discuss, the meeting adjourned at 5:55 p.m.


Jerry Asmussen, President


William C. Colyar, Vice President

ATTEST:


Scott Vejraska, Secretary