

**Minutes of Regular Commission Meeting of
Public Utility District No. 1 of Okanogan County**

**Okanogan PUD Auditorium
1331 2nd Avenue North, Okanogan, WA
October 28, 2008
1:30 PM**

Present: Board: Ernest Bolz, Trish Butler, David Womack
Staff: John Grubich, Doug Adams, Don Coppock, Ron Gadeberg, Rene Scott, Tina DeLap, Kathy Gordon, Steve McClellan
Attorney: Michael Howe
Public: Sheila Corson, The Chronicle
Jim Oakley, Energy Northwest

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 10-14-08
 - b) Vouchers
 - c) Transfer of Accounts
 - 3. Public Comment
 - 4. Unfinished Business
 - a) 2009 Budget Hearing
 - b) Draft Budget Calendar
 - 5. New Business
 - a) Employee Service Awards
 - 6. Manager's Report
 - 7. Power Report
 - 8. Other Business
 - 9. Future Planning
 - 10. Meetings
- IV. Executive Session
- V. Adjournment

I. Call to Order – Pledge of Allegiance

President Bolz called the Regular meeting to order at 1:30 p.m. The Pledge of Allegiance was recited.

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

1. Approval of Agenda:

Manager John Grubich noted an Executive Session would occur for the purpose of discussing legal and personnel issues.

Commissioner Womack moved, seconded by Commissioner Butler, to approve the Agenda as presented. The motion carried unanimously.

2. Approval of Consent Agenda Items:

a) Minutes:

Minutes of the October 14, 2008 regular meeting were submitted for approval.

b) Vouchers:

Vouchers in the amount of \$1,579,627.73 were submitted for approval.

c) **Transfers of Accounts:**

No account transfers were submitted for approval.

Commissioner Butler moved to approve the Consent Agenda. Commissioner Womack seconded the motion. Upon the vote, the motion received unanimous approval.

3. **Public Comment:**

Commissioner Bolz introduced Jim Oakley with Energy Northwest, who was in attendance.

No other Public Comments were offered.

4. **Unfinished Business:**

a) **2009 Budget Hearing**

Commissioner Bolz recommenced the Budget Hearing. Director of Finance / Auditor Don Coppock noted discussion of Capital Items will occur at the next meeting. No further questions were presented, so the budget hearing was recessed until the November 4th Board meeting.

b) **Draft Budget Calendar**

Director of Finance / Auditor Don Coppock presented the Draft Budget Calendar, which assigns dates to discuss key items during the budget process. Coppock explained the calendar is a framework to follow, but can be adjusted as needed throughout the budget process.

5. **New Business:**

a) **Employee Service Awards**

Manager John Grubich commended Okanogan Customer Service Supervisor Kathy Gordon for her 15 years with the District. Gordon noted she has enjoyed working for the PUD.

Grubich also commended Okanogan Lineman Steve McClellan for his 10 years of service to the District. McClellan is a Lineman Journeyman in the Okanogan area.

6. **Manager's Report:**

Manager John Grubich and Power Resource Manager Ron Gadeberg were joined by Chuck Wagers and Debbie Kenny from Douglas County PUD to meet with BPA officials October 24th regarding proposed Slice/Block contracts. The proposed contracts are under review by legal counsel & staff. BPA has set a deadline of December 1, 2008 for contracts to be signed.

Grubich informed the Commissioners that he had signed a contract with Christensen Associates not to exceed \$86,136.15 for preparation of an Emergency Response plan as a part of the FERC requirement for the Enloe Project.

Grubich also entered into a contract with Geo Engineering for Geotechnical studies for the new headquarters building site in Okanogan in the amount of \$13,400.00.

Grubich, Manager of Operations Doug Adams, Director of Regulatory and Environmental Affairs Dan Boettger, and Ron Gadeberg met with Fortis BC in Osoyoos last week, exchanging information on the status of current and proposed generation projects.

Doug Adams explained the power outage which took place at 11:00 a.m. today. Three fuses were blown in the Omak Substation, affecting about 1400 customers in the Omak area. Power was off for about ninety minutes.

7. Power Report:

No Power Report was presented.

8. Other Business:

No Other Business items were presented.

9. Future Planning:

Commissioner Bolz noted the 5-year plan for capital projects would be discussed at the next budget hearing.

10. Meetings:

Commissioner Butler attended the WPUA Conference from October 15th to 17th in Olympia and the Energy Northwest All-Member Forum October 23rd and 24th in Richland.

Commissioner Womack attended the WPUA Meetings in Olympia October 15th to 17th, and the Energy Northwest All-Member Forum October 23rd and 24th in Richland.

Commissioner Bolz traveled October 21st to attend the Energy Northwest Board Meeting on October 22nd, followed by the All-Member Forum on October 23rd and 24th in Richland.

The next regularly scheduled Board Meeting will take place Tuesday, November 4, 2008 in the Okanogan PUD auditorium beginning at 1:30 p.m.

IV. Executive Session

The Regular Meeting was recessed at 2:35 p.m. and reconvened into Executive Session at 2:40 p.m. to review the performance of a public employee pursuant to RCW 42.30.110 (1) (g), and 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 one hour, with no action anticipated. At 3:40 p.m. the Executive Session was recessed and immediately reconvened for an additional 30 minutes. At 4:10 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 4:10 p.m.

Ernest J. Bolz, President

Trish Butler, Vice-President

ATTEST:

David Womack, Secretary