

PUBLIC UTILITY DISTRICT NO. 1
OF ASOTIN COUNTY, WASHINGTON
2017 BUDGET HEARING
MEETING MINUTES
October 3, 2016

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Vice-President Don Nuxoll presiding, the Budget Hearing of the Public Utility District No. 1 of Asotin County was called to order at 5:30 p.m. at the PUD Office at 1500 Scenic Way.

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ROLL CALL: PRESENT Commissioners: Don Nuxoll and Judy Ridge.

PUD Staff: General Manager Tim Simpson.

Members of the public were present.

2017 Budget – Open Hearing

Commissioner Nuxoll opened the Public Hearing for the 2017 Budget at 5:30 p.m.

Staff Input

The manager provided an overview of the 2017 Budget. The manager stated that \$5.036 million has been estimated for Budgeted Resources in 2017. He stated that the budget includes an increase in the Monthly Minimum Charge for Residential, Multi-Family, Commercial and Industrial customers. \$1.00 for meter sizes 3/4 inch, 1 inch and 1½ inch, \$2.00 for 2 inch and 3 inch meters and \$3.00 for 4 inch, 6 inch and 8 inch meter sizes for the residential, commercial and industrial accounts. A \$1.00 increase in the Multi-Family Monthly Minimum Charge is also included. The manager stated that the monthly fire protection service charges are also proposed to increase in 2017.

The manager stated that the rate increase is based on the financial analysis conducted when we developed the Comprehensive Water System Plan (WSP) in 2012. He stated that goal is to ensure that we have adequate funds going towards capital improvements each year while providing for increases in fixed costs. The manager shared a rate comparison showing the PUD's 2017 proposed rates as compared with the cities of Asotin, Lewiston, Moscow and Pullman and the Lewiston Orchards Irrigation District.

The manager highlighted several expense categories stating that \$5.035 million has been estimated for expenses in 2017. He discussed the payoff of the Operations Facility Loan this year, employee benefits and expenses, the update of the customer information/billing computer software, the replacement of the manager's vehicle and the backhoe, the capital improvement project expenditures and the engineering services for the update of the Comprehensive Water System Plan.

Commissioner Input

Commissioner Ridge stated that she did not see the need for replacing the manager's 2010 vehicle at this time due to its low miles and lack of mechanical issues with the 2003 vehicle driven by the Director of Finance. Commissioner Nuxoll concurred. The manager stated that the funds for replacement of the vehicle will remain in reserve until mechanical issues require the replacement of the 2003 Ford Taurus.

Public Input

Newly appointed Commissioner Greg McCall asked several questions regarding budget items.

Close Hearing

Commissioner Nuxoll declared the hearing closed at 5:55 p.m.

NEW BUSINESS:

Resolution 16-432 – Adopting the 2017 Budget

The manager presented Resolution 16-432 which provides for the adoption of the 2017 Budget. He stated that based upon discussion during the Hearing he recommended adoption of the 2017 Budget without inclusion of the purchase of a new manager's vehicle.

MOTION by Commissioner Don Nuxoll and seconded by Commissioner Judy Ridge to approve Resolution 16-432 adopting the 2017 Budget. The question was called for on the motion. The motion passed 2-0.

Resolution 16-433 – Setting the 2017 Water Service Rates, Charges and Fees

The manager presented Resolution 16-433 which sets the Water Service Rates, Charges and Fees effective January 1, 2017. The manager stated that the adopted 2017 Budget provides for an increase in the Monthly Minimum Charge for Residential, Multi-Family, Commercial and Industrial customers and the Monthly Fire Protection Service Charge as discussed earlier.

MOTION by Commissioner Judy Ridge and seconded by Commissioner Don Nuxoll to approve Resolution 16-433 adopting the Water Service Rates, Charges and Fees effective January 1, 2017. The question was called for on the motion. The motion passed 2-0.

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ADJOURNMENT:

Commissioner Nuxoll adjourned the 2017 Budget Hearing meeting at 6:05 p.m.