

PUBLIC UTILITY DISTRICT NO. 1
OF ASOTIN COUNTY, WASHINGTON
MEETING MINUTES
May 8, 2017

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President Don Nuxoll presiding, the Public Utility District No. 1 of Asotin County Meeting 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 Greg McCall.

PUD Staff: General Manager Tim Simpson.

Members of the public were present.

MINUTES OF MEETING AND VOUCHER APPROVAL

MOTION by Commissioner Greg McCall and seconded by Commissioner Don Nuxoll to approve the consent agenda approving the minutes of the April 24, 2017 Special Meeting and minutes of the April 24, 2017 Regular Meeting and payment of the Transaction Vouchers covering vouchers #1899 through #1901 and vouchers #4307EFT through #4323EFT in the amount of \$30,829.12 and Blanket Transaction Voucher Approval Document covering vouchers #36992 through #37065 and Electronic Transaction Vouchers #17050201, #17050501, #17050502, #17051801 and #17052601 in the amount of \$361,584.00. The question was called for on the motion. The motion passed 2-0.

OLD BUSINESS

Tyler Technologies Software Service Agreement and Conversion

The manager presented a Tyler Technologies Software Service Agreement which provides for the purchase of MUNIS Enterprise Resource Planning Software and the conversion of the current system to the MUNIS software. Our counsel along with Tyler's technology attorney made changes to the Agreement requesting additions and amendments focusing in the area of Cybersecurity and data protection. Tyler's corporate attorney conducted his review and provided his re-marked-up version of the Agreement. Tyler's attorney stated that most, if not, of all our concerns about a data breach and security changes are addressed in their security standards and compliance document. In order to obtain the document we have to sign a Confidentiality and Non-Disclosure Agreement (NDA). Tyler's attorney did agree with some of the revisions we requested.

Our legal counsel and Foster Pepper's technology attorney found the language changes and amendments provided by Tyler's corporate attorney to be acceptable. The manger stated that our concerns about a data breach and Cybersecurity have been met with acceptable language. Tyler increased and provided new liability insurance policies and addressed Cybersecurity indemnification. We completed and signed the NDA as recommended by counsel in order to obtain the document(s) regarding their data security. The manager stated that everything is in order and recommended approval by the Board.

MOTION by Commissioner Greg McCall and seconded by Commissioner Don Nuxoll to approve Tyler Technologies Software Service Agreement providing for the purchase of and conversion to MUNIS software and authorizing the General Manager to execute the Agreement. The question was called for on the motion. The motion passed 2-0.

NEW BUSINESS

Award Bids for 8th Street Water Main Replacement Project

The manager presented bids received for material, traffic control and asphalt patching for the 8th Street Water Distribution Main Replacement Project. The project will replace steel water main with 3,000 feet of 8-inch PVC water line along with replacing a number of customer services lines. The manager reported that for material, Ferguson Waterworks is the lowest responsible bidder at \$68,096.71; for traffic control and Perfection Traffic Control is the lowest responsible bidder at \$15,898.20. He reported that for asphalt replacement and patching, Morgan Industries was the lowest bidder at \$65,980.85 but their bid was deemed unresponsive.

Morgan teamed with a company called Harry Johnson Plumbing who required that the contract for the work be in their name only because they are backing Morgan with the bid bond. This issue raised a red flag for staff due to the fact that Johnson Plumbing is not our Small Works Roster. Our legal counsel was contacted about the issue and he advised that we could not enter into the contract with Johnson because they are not on the Roster. The contract would have to be under Morgan's name if they were to be considered the lowest responsible bidder. Morgan contacted staff today and stated they could not meet the bid bond requirements, therefore they were deemed unresponsive.

The manager stated that the next lowest bid was provided by Poe Asphalt and Paving at \$90,905.75. After further discussion of the issue, the manager recommended awarding the asphalt replacement and patching bid for the 8th Street Project to Poe Asphalt.

MOTION by Commissioner Greg McCall and seconded by Commissioner Don Nuxoll to award the 8th Street Project material bid to Ferguson Waterworks in the amount of \$68,096.71, the traffic control bid to Perfection Traffic Control in the amount of \$15,898.20 and asphalt patching to Poe Asphalt and Paving in the amount of \$90,905.75 and authorizing the General Manager to execute necessary contracts. The question was called for on the motion. The motion passed 2-0.

MANAGER'S REPORT

Capital Improvement Projects – the operations crew has installed 1,450 feet of the 3,000 feet of steel water main being replaced on the 8th Street Project starting at Fair Street running south to Diagonal Street. The crew began 4 – 10 hour days starting today.

Customer Newsletter – the PUD customer newsletter was presented to the Board for review. The newsletter will be inserted with the May billing statements and put on the PUD website for access by customers.

Water Quality and Water Use Efficiency Reports – the annual Water Quality (WQR) and Water Use Efficiency (WUE) Reports were presented to the Board for review. The manager stated that the WQR is commonly called the Consumer Confidence Report and all Group “A” community water systems must provide their customers with a report each year about the quality of water they serve. Group A water systems serve 15 or more connections or 25 or more people. He stated the WUE is a result of the municipal water law passed in 2003 and requires Group A systems to develop and implement a water use efficiency plans encouraging consumers to use water more efficiently. The manager explained the purpose and requirements of each report. A notice will be provided on the May billing statements that the reports are available for customers on the PUD website.

Executive Session Law Update – the Legislature adopted an amendment to the Revised Code of Washington, 19.255.010 and 42.56.590, which authorizes executive sessions for public agencies. The amendment provides for the harmonization of the Open Public Meetings Act (OPMA) with the Public Records Act in relation to information technology security matters and allows the governing body of a public agency to hold an executive session under the OPMA to consider matters of information technology, system security and vulnerability. The bill takes effect 90 days after adjournment of the regular session.

Financial Report – The manager reported that through April revenue stands at approximately \$1.22 million and expenses are at \$1.32 million. The Operating Fund balance is \$2.015 million.

COMMISSIONER’S REPORT

There were no Commissioner reports provided.

ADJOURNMENT

There being no further business the meeting was adjourned at 6:00 p.m.