

PUBLIC UTILITY DISTRICT NO. 1
OF ASOTIN COUNTY, WASHINGTON
MEETING MINUTES
March 12, 2018

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President Don Nuxoll presiding, the Public Utility District No. 1 of Asotin County Meeting was called to order at 6:00 p.m. at the PUD Office at 1500 Scenic Way.

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ROLL CALL: PRESENT Commissioners: Don Nuxoll, Judy Ridge and Greg McCall.

Staff: Manager Tim Simpson and Treasurer Bob Sischo.

Members of the public were present.

MINUTES OF MEETING AND VOUCHER APPROVAL

MOTION by Commissioner Judy Ridge and seconded by Commissioner Greg McCall to approve the consent agenda approving the minutes of the February 26, 2018 Regular Meeting and payment of the Transaction Vouchers covering vouchers #1932 – #1933 and Electronic Transaction Vouchers #4647EFT through #4663EFT in the amount of \$35,920.32 and Blanket Transaction Voucher Approval Documents covering vouchers #38098 through #38161 and Electronic Transaction Vouchers #20 – #24 in the amount of \$196,542.12. The question was called for on the motion. The motion passed 3-0.

OLD BUSINESS

There were no items presented under Old Business.

NEW BUSINESS

There were no items presented under New Business.

MANAGER'S REPORT

Lead Service Lines – The crew continued work on the Lead Service Line Removal project on 10th Street and a portion of 9th Street. To date, 30 services have been excavated and replaced and no lead pigtailed were found. The service lines were completely replaced from the main to the meter because they were old galvanized pipe. This project will be on hold until this fall due to our water main project schedule.

Operations Activity – The manager reported that the crew started the Sunrise Drive and 7th Street water main replacement project on Monday March 5th. This project replaces approximately 2,000 feet of 4-inch and 6-inch steel water main with C900 PVC. 45 customer water services lines will also be updated and/or replaced. To date they have installed 730 feet of main line and should be done with this portion by early next week.

Craig Riehle WDM Certification – The manager reported that Director of Operations, Craig Riehle, recently took and passed a State water professional certification exam and is now certified as a Water Distribution Manager III.

Quail Ridge Golf Course – The manager reported that he spoke with Paul McCarthy at Quail Ridge. The manager informed him of the PUDs recent activity regarding options researched related to the electrical line that serves the golf course. He stated that he also spoke to Mr. McCarthy about changing out their pond pumps to a single phase variable speed pump so they could be served by Avista without extension of a new electric distribution line. Mr. McCarthy stated that he would be interested in the PUD pursuing that idea. Mr. McCarthy also provided data regarding their water usage. Based on their usage of 180,000 gallons a day, their monthly cost would be \$7,440 or \$37,200 over a 5-month period. If calculated based on the Industrial Rate their cost over the 5-month season would be \$20,271. Their annual electrical costs range from \$13,500 to \$16,000. The manager stated that he would like to explore the cost of providing a backup generator for their pond pumps. He stated they just replaced their well motor at a cost of \$10,000.

Lewis Clark Valley GIS Aerial Imagery – The manager reported that a Geographic Information System (GIS) aerial imagery flight will be conducted soon. Governmental agencies in the Lewis Clark Valley are combining resources to pay for the flight and GIS imagery. Nez Perce County is the lead agency for the project. The PUDs cost for the \$24,600 project will be approximately \$3,735. The last imagery flight was conducted in 2015 and PUD cost at the time was \$4,475.

Munis Conversion Update – Treasurer Bob Sischo provided an update regarding the Budget Billing program under MUNIS. He stated that the new program will require annual reconciliation of budget billing accounts. In preparation of the change to the new software a letter will be sent to the 200 plus budget billing customers stating that accounts will be reconciled in September prior to the changeover and start up again beginning January 1, 2019. Customers will be notified of the annual reconciliation. The manager stated that the Budget Billing portion of our Water Administrative Code will need to be amended to address the new procedures.

COMMISSIONER'S REPORT

Commissioner Ridge attended the Public Power Council meetings March 7-8 in Portland, Oregon. She reported that the Carbon Tax issue was the main topic. The Carbon Tax legislation failed to pass the Washington State Legislature this session. Many are reporting that the tax is not about reducing carbon but about revenue gain. She reported that the McMorris-Rodgers congressional legislation, House Bill 3144, was another primary topic with PPC seeking guidance regarding support for legislators that have signed on to the bill. The bill calls for common-sense operation of the hydro system.

Commissioner Ridge will be attending the Washington PUD Association meetings March 13-16 in Olympia, Washington.

Commissioner Nuxoll and Treasurer Bob Sischo attended the Public Utility Risk Management System (PURMS) meetings March 7-8 in Burien, Washington. Commissioner Nuxoll reported that the purchase of cybercrime insurance by PURMS has proven valuable because the first breach at a member utility through phishing scam has occurred. The breach was discovered due to a wire transfer requested through their local bank. The Treasurer stated that our wire transfers require two signatures for controls.

Meeting Minutes

March 12, 2018

Page 3

The Treasurer stated that the response by the insurance firm has been good and the deductible is only \$10,000. Employee data has been breached and the firm has 45 days to investigate before staff is notified. The result will be criminal prosecution if the perpetrator is found. Commissioner Nuxoll reported that the Committee reviewed claims and lawsuits and the results have prompted PURMS to increase liability limits on claims from \$60 million to \$100 million per occurrence.

The Treasurer reported that PURMS member utilities will no longer have to purchase Treasurer's Performance Bonds individually. PURMS will purchase these bonds for the group for approximately the same cost annually. The Treasurer stated that Commissioner Nuxoll requested review by PURMS of our Health Insurance wellness plan and other covered benefits. The Administrator reviewed our plan and reported that in a couple of areas we did not meet the Affordable Care Act (ACA) requirements. In addition, mammograms and other wellness benefits will be updated along with ensuring that hearing aids are covered at \$3,000 every 3 years. The Commission concurred with the ACA changes and Health Insurance Plan updates.

ADJOURNMENT

There being no further business the meeting was adjourned at 6:40 p.m.