

PUBLIC UTILITY DISTRICT NO. 1
OF ASOTIN COUNTY, WASHINGTON
MEETING MINUTES
August 12, 2008

Vice President Gary Hicks 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.

ROLL CALL: PRESENT Commissioners: Gary Hicks and Don Nuxoll.

PUD Staff: General Manager Tim Simpson, Treasurer Bob Sischo, Board Secretary Roberta Tilden and Attorney Scott Broyles.

MINUTES OF MEETING AND VOUCHER APPROVAL:

MOTION by Commissioner Don Nuxoll and seconded by Commissioner Gary Hicks to approve the consent agenda giving approval of the minutes of the July 21, 2008 Regular Meeting and payment of the Transaction Vouchers covering vouchers #1639 through #1640 and 1064EFT through 1079EFT in the amount of \$26,179.25 and Blanket Transaction Voucher Approval Document covering vouchers #26011 through #26077, and Electronic Transaction Voucher #20080804, #2008073101, #208073102, #2008080401, #2008080601 and #2008080602, in the amount of \$135,832.82. The question was called for on the motion. Passed 2-0

Energy Northwest

Jim Oakley from Energy Northwest reported that the Columbia Generating Station has reached 374 days of continuous runtime, the 3rd longest continuous run. The record is 484 days. The Nuclear plant is scheduled for refueling in the spring 2009. Mr. Oakley discussed an issue with wind turbines and how the Bonneville Power Administration is having some problems with peak wind overloading the system. A 40 megawatt test facility has been constructed in Alaska to test load shedding during peak times. New contracts with BPA for putting wind online include provisions for load shedding when the electrical grid is maxed out. Gear box problems with some windmills have been resolved but there is now a problem with the bearings wearing out too quickly-about every three years. Energy Northwest is working with Siemens to change the design of the bearings. The Radar Ridge Wind Energy Site is located on land that is owned by the Department of Resources. They are concerned about Marble Merlots and other birds being injured by the wind turbines. Energy Northwest is keeping an eye on the site, but there doesn't seem to be a problem. The electrical grid is nearing capacity in some areas. Plans are being made to resolve issues for the long term. Mr. Oakley spoke about meter technology and automation.

OLD BUSINESS

Standby Generator

The manager reported that the electrical code issue with the automatic transfer switch for the standby generator at Well No.7 has been resolved. The inspectors from Underwriter's Laboratory did not have to come on site to inspect the switch and informed the state electrical inspector that the switch meets code. The electrical inspector accepted the transfer switch but will require placards for proper signage. The placards have been ordered to place on the generator.

The manager reported that Eric Schultz, an electrical engineer from CH2MHILL was here today to inspect the Well No.7 motor starter and standby generator to determine why the generator and starter won't run the well. After completing some test starts on the well motor to determine amperage and voltage, Mr. Schultz changed the motor starter electrical load from an initial 50% to 65%. The generator was started and the motor starter was turned on. The motor started and when the starter went to 100% load, the generator had no problem running the well at full speed. The reduced amperage when the starter moved from 65% to 100% was enough to run the well with the 1.3 megawatt generator. A new motor starter will not have to be purchased. There will be a couple more tests to ensure that the system will run smoothly. Mr. Schultz will provide a report of his findings.

Vehicle Storage Building

The manager stated that construction began on the vehicle storage building on Monday August 11, 2008. They are now in the process of drilling holes for the poles.

NEW BUSINESS

Online Bill Payment and Electronic Bill Payment

Treasurer, Bob Sischo stated that there were 1,683 electronic and credit card payments in July. Over the past year twenty-three percent of the revenue received was from electronic or credit card payments. He stated that he and the manager were presented with a demonstration of the online payment program by DataProse. DataProse is the company that the PUD uses to print and mail the PUD monthly billing statements. The program would allow the customer to go online using a customer selected identification and password and view up to three months of billing statements and pay their bill by

credit or debit card. The cost to the PUD for the service is \$400.00 a month plus thirty-five cents for each credit or debit card transaction processed. There would be no hardware or software purchase necessary. The site is secure for our customers.

Treasurer Sischo stated that in addition to online payments, the opportunity to provide customers with electronic statements also exists with the DataProse system. Providing statements electronically through the online payment program would save the cost of bill printing and mailing. Each customer who participates would be notified by email that their statement is available. The manager stated that an incentive would be provided to encourage customers to sign up. He asked the Commission if they would support proceeding with the online payment and electronic billing program. The Commissioners agreed that the PUD should proceed as planned.

Treasurer Sischo also explained steps being taken to ensure that customer data is safe in order to meet the new FACTA law passed by congress which becomes effective November 1st. The manager stated that further policies will be developed to address the handling of sensitive customer information.

Operations Shop Architect Selection

The manager stated that four (4) Statements of Qualifications were received from architectural firms for the design of the operations shop. After review of each architect's qualifications, the manager stated that he is recommending Castellaw Kom Architects for the project. The cost of design services will be negotiated and a contract developed for approval by the board.

MOTION by Don Nuxoll, seconded by Gary Hicks, approving the selection of Castellaw Kom Architects for design of the Operations Shop and authorizing the General Manager to negotiate a contract for professional services. The question was called for on the motion. Passed 2-0

MANAGER'S REPORT

Chlorination System – The upgrade to the ClorTec onsite chlorine generation system is underway. The upgrade will increase the size of the chlorine generation from 36 pounds per day to 72 pounds per day. Due to the increased chlorine dosage over the past two years the ClorTec system could not keep up with water demand. The upgrade should be completed by next week.

City of Asotin – The crew is installing 600 feet of 8” PVC for the City near the football field between the bridge and the tennis courts. Keltic Engineering and the City had requested our assistance due to the timing issue between when they received approval from the Corp of Engineers to begin and when school starts. An observer from the Nez Perce Tribe is on site but no bones or artifacts have been found thus far. The City of Asotin will be paying for all labor, materials and equipment used on the project.

Vineland Cemetery – Installation of the 4” PVC water main will begin the last week of August. The pipe has been purchased and the sprinkler system material will be ordered soon. The system probably won’t be finished till spring of next year. The project is about a month behind schedule at this time.

Copier – The new Konica Copier is on site and working very well. It only cost about half of the amount budgeted for a new copier and has more features such as scanning and printing. A component has been ordered to enable the copier to be used as a fax machine.

Janitor – The current janitor has been given a thirty day contract termination notice. The new janitorial service, Allied Janitorial will begin on September 1, 2008.

Sewer – The sewer authority ballot proposition was submitted to the County Auditor on July 22nd. The request for authority will likely be Proposition 1 on the ballot. An article appeared in the Lewiston Morning Tribune and the PUD Association’s *FridayFax*. There have been very few comments regarding this issue and all have been positive.

COMMISSIONER’S REPORT:

The commissioners had nothing to report.

ADJOURNMENT

There being no further business the meeting was adjourned at 6:37 pm.