

PUBLIC UTILITY DISTRICT NO. 1
OF ASOTIN COUNTY, WASHINGTON
MEETING MINUTES
February 11, 2009

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: Judy Ridge, Gary Hicks and Don Nuxoll.

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

Members of the public were present.

MINUTES OF MEETING AND VOUCHER APPROVAL:

MOTION by Commissioner Don Nuxoll and seconded by Commissioner Judy Ridge to approve the consent agenda giving approval of the minutes of the January 27, 2009 Regular Meeting and payment of the Transaction Vouchers covering vouchers #1651 through #1656 and #1250EFT through #1263EFT and in the amount of \$43,735.91 and Blanket Transaction Voucher Approval Document covering vouchers #26592 through #26629, and Electronic Transaction Voucher #2009020301, #2009020302, #2009020501, #2009020502, and #2009020503 in the amount of \$204,882.57. The question was called for on the motion. Passed 3-0

Old Business

Asotin County Sewer System

The manager reported that several proposals were submitted for the county sewer system condition assessment and feasibility study. He stated that he and County Engineer, Joel Ristau are reviewing the proposals and will meet on Friday, February 13, 2009 to narrow the proposals to the top two. The manager stated that a firm will be selected and presented to the board at the February 24, 2009 meeting. The manager stated that no work has occurred on the Clarkston and County wastewater treatment agreement.

Solar Energy Project

The manager stated that, as directed by the board, he contacted Mike Nelson, Washington State University staff to discuss a potential solar energy project. Mr. Nelson worked with Kitsap PUD on their recently installed solar demonstration project. Mr. Nelson stated that he would like to visit our office and take pictures. The manager would time his visit

with a regular board meeting in order to have Mr. Nelson provide a presentation to the board.

Mr. Nelson stated that a typical solar system would be in the 3 ½ to 10 kilowatt range. He stated that the installed price is approximately \$8.00 per watt. At the kilowatt range stated this would put the project costs between \$28,000 and \$80,000. Because we are a public entity we are not eligible for the Washington State production incentive of \$2,000. Mr. Nelson stated that the highest efficiency you can achieve with proven technology is 15%. He stated that there is a product on the market that is rated at 22% efficiency but the technology is unproven and its estimated life is 5 to 10 years. The expected life of the proven technology is 30 plus years. He stated that the efficiency formula typically used is cost divided by watts installed over time. The manager stated that Mr. Nelson will contact him once he selects a date for a visit.

Commissioner Nuxoll stated that during the site visit the storage units should also be examined for installation of solar panels due their higher location and lack of obstructions. The manager stated that he has contacted Bonneville Power about the project and will work with them and Avista power as the project proceeds.

NEW BUSINESS

Write Off of 2005 Uncollected Bad Debt

The manager stated that the Administrative Policy requires board approval for the write-off of bad debts after the customer's accounts remain uncollected for more than three (3) years. The 2005 accounts submitted for write-off were sent to the collection agency and will continue to be pursued. The write-off moves the bad debt from the system to bad debt accounts receivable. Customers that have been sent to collection and want to sign up for service again must pay previous bad debt before receiving service. Any amounts received after approval of write-off become miscellaneous income.

The 2005 Bad Debt includes 81 uncollected bad debt accounts in the amount of \$4,924.07. This amount represents .0019 percent of our \$2.568 million in metered sales for the year 2005.

MOTION by Judy Ridge, seconded by Don Nuxoll to approve the write off of 2005 uncollected bad debt. The question was called for on the motion. Passed 3-0.

City of Clarkston Annual Sewer Evaluation Report Agreement

The manager presented the City of Clarkston Intergovernmental Cooperation Agreement which provides for the PUD development of the annual sewer evaluation report. The City uses PUD customer water consumption information for January and February to calculate monthly sewer billing.

MOTION by Judy Ridge, seconded by Don Nuxoll approving the City of Clarkston and PUD Intergovernmental Cooperation Agreement for the Annual Sewer Evaluation Report and authorizing the general manager to execute the agreement. The question was called for on the motion. Passed 3-0

MANAGER'S REPORT

Well 7 Standby Generator Fuel Tank – The manager stated that a representative from the company who will be supplying the fuel tank for the Well 7 standby generator was on site today to take pictures of the generator and evaluate the site. The fuel tank will sit outside of the generator on the concrete pad. The expected delivery and installation is the second week of March. The site visit revealed additional work that will need to be performed to tie in the fuel line before setting and installation of the tank.

Sole Source Aquifer Committee – the manger received a call from the City of Lewiston Water Operations manager Dave Six regarding the formation of a sole Source Aquifer Committee. The City, LOID and other interested utilities are being asked to participate and to include 1 to 2 customers on the committee. An advertisement will go out asking for volunteers. The commission was asked to think of any potential candidates. Meetings will begin sometime in March. The PUD was responsible for getting the Environmental Protection Agency to provide sole Source designation to the Lewiston Basin Aquifer in the early 1990's.

Regional Stormwater Committee – the manager received a letter today from Cheryl Sonnen, Regional Stormwater Coordinator stating that he had been selected to serve on the Storm Water Advisory Group. The purpose of the group is to discuss stormwater issues and develop recommendations to the City Councils and County Commissioners for the educational program and the utility formation. The first meeting is scheduled for Tuesday, February 17, 2009 from 2:00 to 4:00 pm at the Asotin County Library.

Bonneville Power Rates – the manager received a note from our BPA account executive stating that the estimate 9.4% rate increase planned for the years 2010-2011 will likely be higher due to the fact that current snow pack is at 87% of average and BPA's secondary revenue is down \$100 million. Rates are also complicated by the proposed Direct Service Industry provision of power and the Residential Exchange program costs.

Highland Avenue Project – The PUD has 15 more services to relocate on the County's Highland Avenue Improvement Project between the 1300 and 1400 block of Highland Avenue. Staff should have all services relocated by the end of February.

Port of Clarkston Project – the crew began installation of approximately 400 feet of 8" main in the Port of Clarkston near the wastewater treatment plant. The line is being relocated due to a building being constructed on or near the existing main. The current main line was installed by the Army Corp in 1976 prior to locating the current road and is 50 to 60 feet off the roadway. In order for the Port to provide development opportunities the line needs to be redirected and placed a safe distance away from potential construction. Once installed the old section of the main will be abandoned in place.

NetBill Online Payment Program – the Treasurer, Bob Sischo presented the Board with information regarding our new online payment program. Currently 25% of our customers use automatic payment in some form. In January, the first month it was offered, over 125 customers used the program. As customers become more familiar with what is offered usage should increase. In addition to paying online customers can elect to receive a statement notification by email versus receiving a printed bill. This saves the PUD approximately \$0.52 cents per customer per month in bill processing and mailing charge. The 1,000 ACH customers will be approached to consider signing up for paperless billing.

Facility Re-key and Lock Change – the Treasurer presented a cost estimate he received for rekeying the office and other facilities and changing all locks. The cost estimate was approximately \$4,400.00 and accounts for 20 doors and 70 locks to be re-cylindrical and re-keyed. The purpose of the project is for security reasons. Each key will be stamped and a key distribution log will be kept. The board requested additional bids on the project before the manager makes a decision.

COMMISSIONER'S REPORT:

Commissioner Ridge will be attending the Washington PUD Association and the Energy Northwest (ENW) board meetings on February 18 - 20, 2009 in Olympia Washington.

Commissioner Nuxoll will be attending the Watershed Planning Unit meeting on Thursday, February 11, 2009 in Pomeroy Washington.

Commissioner Hicks stated that he would not be in attendance at the next regular board meeting on Tuesday, February 24, 2009.

ADJOURNMENT

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