

PUBLIC UTILITY DISTRICT NO. 1
OF ASOTIN COUNTY, WASHINGTON
MEETING MINUTES
February 9, 2010

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, Don Nuxoll and Judy Ridge.

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

Members of the public were present.

MINUTES OF MEETING AND VOUCHER APPROVAL:

MOTION by Commissioner Judy Ridge and seconded by Commissioner Don Nuxoll to approve the consent agenda giving approval of the minutes of the January 25, 2010 Regular Meeting and payment of the Transaction Vouchers covering vouchers #1679 and #1680 and vouchers #1574EFT through #1587EFT in the amount of \$25,002.09 and Blanket Transaction Voucher Approval Document covering vouchers #27668 through #27717, and Electronic Transaction Voucher #20100502, #10020201, #10020202, #10020501 and #10020503 in the amount of \$241,242.01. The question was called for on the motion. The motion passed 3-0.

OLD BUSINESS

Sanitary Sewer System Transfer Transition

The manager reported to the Board regarding the transition of operation of the sanitary sewer from the County to the PUD. The manager stated that improvements to the lift station at Bridge Street have been completed. Improvements to correct issues with the lift station at Westwind Court are under development. New grinder pumps will be installed to improve flow and reduce maintenance. Backup pumps and equipment for the lift stations are starting to arrive.

The manager stated that he has received several more calls from homeowners requesting extension and connection to the sewer system because of failing septic systems. The manager stated that he is working with engineer Warren Watts to provide a preliminary design in order to determine costs for two extensions on the 1300 and 1500 block of Elm Street. He stated that the proper way to install sewer main line is go from one manhole to the next to ensure the proper grade. There is approximately 320-350 feet between each sewer manhole. He stated that a couple of other requests for extension are under review.

The manager stated that he and Commissioner Nuxoll met with Debbie Schneider on Wednesday January 27th to request permission to connect and to assume operation of her private sewer line which extends from Libby Street south towards Benjamin Street. The purpose of the connection is for the planned development on Highland Avenue. Initially the developer planned to connect sewer in the development through an easement to the City's sewer line on 13th Street. The manager stated that County and PUD staff investigated the area and discovered that a private sewer line was available directly to the north of the development. The private sewer flows into the PUD sewer line on Libby Street. The manager reported that Mrs. Schneider considered the request but later declined the connection and assumption of her private sewer line. The developer will connect as originally planned to the City of Clarkston sewer main on 13th Street. The manager stated that he will be working with City Public Works Director Jim Martin to determine ownership of the planned development sewer system. The development is within the PUD service area but will connect to the City line.

The manager stated that he continues to work with the homeowner at 3121 21st Street to discuss a proposed STEP (Septic Tank Effluent Pump) System to resolve a failing septic system on the property. The County came to the conclusion that the STEP system was the least cost alternative and is recommending its approval. The manager stated that during the discussion it was discovered that the sewer main at 10th Avenue where the STEP system would connect is 25 feet deep. The manager investigated the preferred alternative of constructing a gravity line for the area and contacted a local contractor to get a cost estimate to determine if the project is feasible. The estimated cost of the project was \$200 per foot or \$200,000 for the 1,000 foot line. The manager stated that the cost is unfeasible to serve only one customer. He stated that he has developed a letter and a survey to send to homeowners in the area seeking their interest in connecting to a sewer line if it were constructed. He stated that the letters would be sent out next week.

The manager reported that the liens the County has filed for delinquent accounts has been delivered to the PUD. Because of the County's effort to collect liens in December and January and to make payment arrangement with those who could not come up with funds to pay off their debt the total amount has been reduced from approximately \$145,000 to \$98,000. The PUD will take proactive steps to collect the funds by first mailing a letter seeking payment and/or arrangements for payment. If there is no response to the first letter then a second letter will be sent detailing the events that will occur if arrangements are not made. If there is still no response a final letter will go out detailing the PUDs intent send the debt to collection. He stated that he and the Treasurer have been working with counsel on the lien process.

The manager stated the first billing with sewer fees shown on the billing statement will be processed and mailed on Thursday, February 11th. There was approximately \$11,000 of past due billing from the County that will be included in the statements.

Sewer System Policies and Procedures

The manager presented proposed changes to the Sewer Administrative Code and the Septic Tank Effluent Pump (STEP) System policy. He stated that in December the Board adopted both policy manuals which provide for customer service and operations and maintenance of the sewer collection system and STEP Systems. He stated that after a little over a month of experience on operation of the sewer collection system several issues have surfaced that may require amendment of these policies. The manager presented excerpts from both policies that need to be discussed. They include: the requirement for connection of sewer within 5 years of sewer extension that is within 200 feet of property, the point of delivery of service or operating in the right-of-way which affects the 18th Street Local Improvement District (LID) established in the 1980's and the STEP System Policy regarding PUD maintenance, repair and replacement of pumps and equipment.

After discussion of each item the Board expressed support to change the requirement or mandate for connection to sewer within 5 years of construction of a sewer main to a connection to the system only if a septic system fails or if there is new construction. The Board supported the vacating of easements on the 18th Street LID to ensure the PUDs responsibility ends where the customer connects to the sewer main. The Board supported a change to the STEP System policy by eliminating the requirement of the PUD to maintain and repair pumps and equipment in customer-owned STEP Systems, to vacate easements and ensure the PUDs responsibility ends with the customer's point of connection to the sewer main. The Board expressed that they would prefer that the PUD continue to inspect STEP Systems annually. The manager stated that customer service is preeminent and that even though we would remove responsibility for a customer-owned STEP System staff will always be willing to assist a customer with an issue with their system. He stated that a couple of pumps and necessary equipment will be kept in inventory to assist customers. The manager stated that he would make changes to the policies as discussed and bring the proposed changes back to the Board for further discussion and approval at the meeting on February 23rd.

NEW BUSINESS

Assignment of County Public Works Trust Fund Sewer System Loan to the PUD

The manager presented a document which provides for the assignment of Asotin County's Public Works Trust Fund Loan (PWTF) for sewer construction to the PUD. He stated that as a part of the Sewer Transfer Agreement the PUD agreed to assume debt the County was able to convert to the PUD.

The manager stated that the original PWTF loan amount, taken out in 1991, was \$968,400.00. The interest rate on the loan is one percent (1%). The current outstanding debt that will transfer and be assigned to the PUD is \$79,284.21. He stated that two payments remain on the loan with the final payment scheduled for July 2011. The manager stated that the County Board of Commissioners approved the PWTF assignment contract at their meeting on Monday, February 8, 2010.

MOTION by Commissioner Judy Ridge and seconded by Commissioner Don Nuxoll approving the assignment of the Asotin County Public Works Trust Fund Sewer System Loan to the PUD and authorizing the General Manager to execute the agreement. The question was called for on the motion. The motion passed 3-0.

Selection of Consultant for Mapping Database Conversion to GIS

The manager stated that in January he advertised a Request for Proposal for converting the PUDs mapping database to a Geographical Information System (GIS). He stated that the response to the advertisement was exceptional. In total twenty one (21) proposals were received out of nearly forty (40) requests for review our proposal. He stated that proposals arrived from firms throughout the country.

The manager stated that he reviewed all proposals basing his selection criteria on effort made to learn about our project, content of the proposal, project approach, experience, staff qualifications, ability to execute and past performance. After careful consideration of all of the qualifications of the firms that submitted proposals, he recommended the selection of Murray, Smith and Associates, Inc. of Boise Idaho to provide services for converting the current PUD mapping database to a GIS system. The manager stated that if the Board approves his recommendation the next step is to negotiate a contract for services and present the contract for approval by the Board at the February 23rd meeting.

MOTION by Commissioner Don Nuxoll and seconded by Commissioner Judy Ridge approving the selection of Murray Smith and Associates, Inc. to provide services for converting the PUD mapping database to a Geographical Information System and authorizing the General Manager and Counsel to negotiate a contractual services agreement. The question was called for on the motion. The motion passed 3-0.

MANAGER'S REPORT

Solar Presentation – The manager reported that Tom Anderson of Advanced Solar Energy has been scheduled to provide a presentation and discuss options for installing a solar demonstration project on the PUD office building at the March 9, 2010 Board meeting .

Water Main Extension Projects – The manager reported that two water main replacement projects are under developed. One project will replace the main on 5th Street between Sycamore and Elm Street. The City of Clarkston is moving into a building across from City Hall and their fire department is requiring the placement of a fire hydrant. The water main is undersized at 4 inch and will need to be replaced with a 6 inch or larger line to accommodate the placement of a hydrant. The line in question is cast iron and was installed in 1901, 4 years before the City of Clarkston was incorporated. The manager stated that although the main is 109 years old it doesn't leak and is in good condition.

Automated Meter Conversion – The manager reported that 211 of the planned 628 meters scheduled for register retrofit or replacement have been converted. The manager stated that this year's conversion should be completed by the end of March. He stated that after this year only two more years remain on the conversion schedule.

COMMISSIONER'S REPORT

Commissioner Nuxoll attended a Watershed a Drinking Source Water Protection meeting with the City of Lewiston and Lewiston Orchards Irrigation District (LOID) on Thursday, February 4th. LOID and Lewiston adopted their joint source water protection plan. The group will begin the process of outreach into the community regarding the protection of our source of drinking water. Commissioner Nuxoll stated that part of the process is to locate and decommission abandoned wells. Brochures will be delivered to customers in the valley by the end of February. Various venues such as County Fairs and other activities are being look at for public educational outreach.

Commissioner Nuxoll will be attending a Watershed Planning Unit meeting on Thursday, February 18th.

Commissioner Ridge attended an Energy Northwest board meeting held on January 27-28, 2010. She stated that a 60% failure rate was reported for bearings on the wind turbines at Nine Canyon. ENW is in the midst of a lawsuit with Siemens on the issue. Commissioner Ridge stated that the suit will be settled out of court. Commissioner Ridge presented the results of the member survey on energy generation. She stated that the CEO search continues and that no current vice-presidents were interviewed creating some angst among the senior executives. She stated that the Member Forum has been scheduled for October 27-28, 2010.

Commissioner Ridge will be attending an Energy Northwest Board of Directors meeting which will happen in concurrence with the PUD Association meetings being held in Olympia on February 18-19, 2010.

ADJOURNMENT

There being no further business the meeting was adjourned at 6:30 pm.