

PUBLIC UTILITY DISTRICT NO. 1
OF ASOTIN COUNTY, WASHINGTON
MEETING MINUTES
February 22, 2011

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.

ROLL CALL: PRESENT Commissioners: 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 February 8, 2011 Regular Meeting and payment of the Transaction Vouchers covering vouchers #1930EFT through #1943EFT in the amount of \$23,685.87 and Blanket Transaction Voucher Approval Document covering vouchers #28819 through #28851, and Electronic Transaction Vouchers #11020801 and #11022202 in the amount of \$20,855.78. The question was called for on the motion. The motion passed 2-0.

OLD BUSINESS

Water Rights Change Application

The manager reported that he spoke last week with Department of Ecology staff Dan Tolleson regarding his summary of our water rights. The manager provided the board a document titled "2011 Summary of Asotin County PUD Water Rights." The manager stated that Mr. Tolleson has looked at the historic records and determined that if the PUD moves its surface water rights to groundwater the PUD has a total of 10,202 acre feet of water available annually. The manager stated that the current groundwater rights equal 6,645 acre feet. If the water rights change application is approved 3,557 acre feet of water rights will be moved from surface water to groundwater and the remaining 13,243 acre feet of surface rights currently available for use by the PUD would either remain in the river or could be put into permanent trust. The total water right quantity stated is what has been proven to be put to beneficial use over time. The manager was asked about the trust water right program. The manager stated that putting the remaining surface water rights water into trust program is as exhaustive a process as submitting a change application and requires nearly the same research and documentation.

The manager stated that Mr. Tolleson told him that he would try and have all documents ready for public comment by June. Mr. Tolleson stated that he wanted to get our application process completed due to proposed staffing changes that will affect the agency beginning in July. The manager stated that attorney Joe Brogan and PUD counsel Scott Broyles are reviewing the document and a conference call to discuss the water rights with Mr. Tolleson and other Ecology staff will occur within the next two weeks.

Port of Clarkston Economic Development Administration Grant Application

The manager reported that he and Counsel Scott Broyles, Asotin County counsel and staff and Port of Clarkston counsel and staff met on Wednesday, February 16th to discuss the Port's proposed submittal of a grant application to the United States Department of Commerce Economic Development Administration (EDA) for infrastructure funding of Phase 1 and 2 of their proposed Sustainable Business Park. The manager stated that the purpose of the meeting was to discuss the development of Port operations and maintenance agreements for water, wastewater and roads with the PUD and County.

The manager stated that under the grant the EDA requires the applicant to own water and sewer infrastructure and roads and operate and maintain those elements for a period 20 years. The Port asked the County and the PUD to sign on as co-applicants with the Port. Both the county's attorney and PUD counsel along with commissioners rejected being a co-applicant because of the unwanted obligations co-signing would entail.

Upon conclusion of the meeting the PUD and the County agreed to entertain operations and maintenance agreements so the Port could make application to the EDA. The agreements will need to be develop and agreed upon before the EDA application due date of March 10th. The manager stated that the PUD board may need to move their next meeting from March 8th to March 7th in order to allow an additional day for the Port to get the application submitted. He stated that this would be conditioned on whether the PUD received and viewed the agreement with the Port as acceptable.

NEW BUSINESS

City of Clarkston Intergovernmental Cooperation Agreement – Sewer Evaluation Report

The manager presented the 2011 City of Clarkston Intergovernmental Cooperation Agreement which provides for the PUD development of the City's annual sewer evaluation report. The City uses PUD customer water consumption information from January and February meter readings to calculate their monthly sewer billing.

MOTION by Commissioner Judy Ridge and seconded by Commissioner 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. The motion passed 2-0.

Asotin County Work For Others Interlocal Agreement

The manager presented an annual Work For Others Agreement with Asotin County which allows the County's Road Department to provide work for the PUD upon request. Each time the PUD needs assistance on a project or other operational issue a County "Request for Work" form will need to be submitted to the County for approval.

MOTION by Commissioner Judy Ridge and seconded by Commissioner Don Nuxoll approving the Asotin County Work For Others Interlocal Agreement and authorizing the General Manager to execute the agreement. The question was called for on the motion. The motion passed 2-0.

MANAGER'S REPORT

Port of Wilma Water System – the manager reported that he spoke with the Port of Whitman County Executive Director Joe Poire about operations and maintenance at the Port of Wilma. His new staff will be trained to operate and maintain the system. Mr. Poire stated that this arrangement would be temporary until the PUD assumed ownership of the system. At this statement the manager told Mr. Poire that he would encourage their counsel to develop an agreement for transfer of ownership to the PUD for review.

COMMISSIONER'S REPORT

Commissioner Ridge attended the Washington PUD Association meetings Wednesday through Friday, February 16-18th. She stated that she met the new executive director. She stated that talking points that Grays Harbor PUD wanted to include in the trip to Washington D.C. have become an issue and will need to be resolved. She stated that Clark PUD wants to come back into the Association as a water only member.

ADJOURNMENT

There being no further business the meeting was adjourned at 6:10 pm.