

PUBLIC UTILITY DISTRICT NO. 1
OF ASOTIN COUNTY, WASHINGTON
MEETING MINUTES
November 12, 2013

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President Judy Ridge 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.

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ROLL CALL: PRESENT Commissioners: Judy Ridge, Gary Hicks and Don Nuxoll.

PUD Staff: General Manager Tim Simpson and Counsel Scott Broyles.

Members of the public were present.

MINUTES OF MEETING AND VOUCHER APPROVAL:

MOTION by Commissioner Gary Hicks and seconded by Commissioner Don Nuxoll to approve the consent agenda approving the minutes of the October 21, 2013 Regular Meeting and payment of the Transaction Vouchers covering vouchers #1789 and #1790 and vouchers #2911EFT through #2926EFT in the amount of \$32,715.46 and Blanket Transaction Voucher Approval Document covering vouchers #31938 through #31998, and Electronic Transaction Vouchers #13110501, #13110502, #13111201 and #13112201 in the amount of \$178,102.94. The question was called for on the motion. The motion passed 3-0.

OLD BUSINESS

Port of Wilma Progress Report for Water System Transfer and Sewer System Upgrades

The manager presented an update regarding the transfer of the Port of Wilma water system to the PUD and on the progress of the update of the wastewater system. The manager stated that he received an email from Debbie Snell, Port of Whitman County Properties and Development Manager, stating that the US Army Corp of Engineers will be mailing the easement reassignment letters by Friday, November 8th with copies of the letter to be sent to the PUD. He stated that copies of the letter have not been received in the office as of today. Once they are received they will be forwarded to Counsel for his review and inclusion in the documents being prepared for the transfer of ownership of the Port of Wilma water system to the PUD.

The manager reported that he has not heard anything new regarding the proposed septic system. He stated that the last information he received was from the Whitman County Health District where they stated that the proposed new septic system drainfield would only be capable of serving current Port population but would not support future growth.

NEW BUSINESS

Billing Statements Survey Insert Request

The manager presented a survey provided by the group Clarkston Empowering People & Impacting Choices (EPIC). He stated that the community survey is for adults and is regarding the use of alcohol and drugs by youth in Clarkston. The Community Coordinator for the coalition is requesting that this survey be inserted and mailed out with our monthly billing statements. The inserts will only go to those in our 2nd billing cycle of the month which are predominantly Clarkston residents.

The Community Coordinator stated that our assistance last year in getting the survey out into the community was very helpful and they received good data that they used to help develop a strategic plan to address underage drinking problems in our community. She stated this new survey will provide additional data. The manager stated that the Board approved insertion of a similar survey for this group last year.

MOTION by Commissioner Don Nuxoll and seconded by Commissioner Gary Hicks to approve the insertion of the Community Survey with PUD billing statements. The question was called for on the motion. The motion passed 3-0.

Resolution 13-403 – Amending the Personnel Policy

The manager presented Resolution 13-403 which provides for amendment of the Personnel Policy. The manager requested an amendment to Chapter 1 – Introduction-Purpose-Application – Section 1.1 – Introduction and to Chapter 4 – Compensation, Amend Section 4.7 – Classification Salary Ranges. He stated that in Chapter 1, under the first section, he is proposing to add disclaimer language stating that if our current Personnel Policy does not match recently adopted federal, state and local laws those laws supersede our policy. This is to ensure that as laws, rules and regulations change faster than we are able to keep up or amend our policy we are covered with the language. Under Chapter 4 he is proposing to increase the salary ranges in most salary range categories or classifications.

Counsel stated that he did not like the entirety of the language addition in Chapter 1. He stated the Board could adopt the Resolution while noting that the language would be modified slightly to ensure that it meets our policy needs and the intent that the manager was looking for.

MOTION by Commissioner Gary Hicks and seconded by Commissioner Don Nuxoll to approve Resolution 13-403 amending the Personnel Policy with Chapter 1 language modification. The question was called for on the motion. The motion passed 3-0.

Resolution 13-404 – Amending the Management and Administrative Policy

The manager presented Resolution 13-404 which provides for amendment of the Management and Administrative Policy. He requested an amendment to Chapter 1 – General – Section 1.1 – Purpose and the addition of Chapter 5 – Billing Procedures, Account Adjustments and Voids. The manager stated that in Chapter 1, under the first section, he is proposing to add the same language as added for the Personnel Policy. He stated that per Counsel’s request the language will be modified after Resolution adoption.

The manager stated that the Resolution also provides for the adding of a policy under Chapter 5 which was developed in response to a recommendation made as a result of our 2012 annual audit. At the conclusion of the 2012 Audit, the Auditor stated that the District should ensure that all customer account adjustments and clerical errors are supported, monitored, processed and approved according to policy. The issue which prompted the audit recommendation was voids created when a cashier entered the wrong payment amount, voided the transaction and then reentered the correct payment. The auditor viewed the lack of policies and procedures and sign off by management as a deficient control item prompting the recommendation.

MOTION by Commissioner Gary Hicks and seconded by Commissioner Don Nuxoll to approve Resolution 13-404 amending the Management and Administrative Policy with Chapter 1 language modification. The question was called for on the motion. The motion passed 3-0.

MANAGER’S REPORT

Dead End Main Elimination – the manager reported that the operations crew completed the elimination of a two dead-end mains at the intersection of 16th and Poplar Streets near the Clarkston Golf and Country Club. The water line was tested for water quality, was found satisfactory and water services were changed over to the new line. He stated that the dead-end elimination will improve water quality in the area and that the project is part of the PUD’s capital improvement projects outlined in the 2012 Water System Plan.

Landscaping Project – the manager reported that the landscaping project is nearing completion and should be concluded by next week. He stated that the project meets our commitment under the State mandated Water Use Efficiency plan adopted by the Board to provide for Xeriscape or low water use plants and a drip irrigation system.

Installation Cost of Service Analysis – the manager reported that he spent time analyzing the costs associated with the installation of a new 1-inch water service. The reason for the review was that material associated with the water service will be required to be lead-free by January 2014. This change has increased the cost of material. After examination of the material, labor and equipment costs associated with the new service, he concluded that the average cost of service is less than what is being charged and therefore will not

need to be increased. The manager stated that he would review costs periodically in 2014 to ensure costs do not exceed the fee charged for a service installation.

Water Right Purchase Request – the manager reported that former Ecology Water Master Bill Neve contacted him. Mr. Neve is working with a company to bring a non-traditional pulp mill to Lyons Ferry and is in need of 500 acre feet of water rights. He stated that he would like to purchase rights from our PUD if they are available. The Board stated that they would not sell any of the PUD water rights but would be interested in leasing our rights. The manager was directed by the Board to contact Ecology regarding the prospect of leasing our water rights to the pulp mill at Lyons Ferry.

COMMISSIONER'S REPORT

Commissioner Nuxoll attended the PURMS semi-annual meeting in Burien, Washington on November 7th. He stated that in spite of the Affordable Care Act Asotin PUD still has its health insurance and is grandfathered in under the Act. He stated that Pacific Underwriters had their insurance cancelled because they changed it last year. He stated that 2018 is the year where the most significant changes under the Act will take effect. He stated that state law will soon change requiring 80% retention of reserves up from 70%. This increase in retention will require an assessment of the membership. He stated that he has completed his term as Chairman of the PURMS Board and Treasurer Bob Sischo has completed his term as Chair of the PURMS Operations Committee.

Commissioner Ridge attended Energy Northwest Board Meetings on October 22nd and 23rd followed by the ENW Member Forum on October 24th and 25th. She stated that the Forum was well attended and that the Columbia Generating Station (CGS) is running at record levels. She attributed the success of the CGS to CEO, Mark Reddemann who has been successful in improving the management and culture of Energy Northwest.

ADJOURNMENT

There being no further business the meeting was adjourned at 6:25 p.m.