

PUBLIC UTILITY DISTRICT NO. 1
OF ASOTIN COUNTY, WASHINGTON
MEETING MINUTES
November 10, 2015

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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.

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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 approving the minutes of the October 27, 2015 Regular Meeting and payment of the Transaction Vouchers covering vouchers #1845 and #1846 and vouchers #3692EFT through #3708EFT in the amount of \$32,898.65 and Blanket Transaction Voucher Approval Document covering vouchers #35045 through #35106, and Electronic Transaction Vouchers #15110301, #15110302, #15110501 and #15110601 in the amount of \$228,996.32. The question was called for on the motion. The motion passed 3-0.

ENERGY NORTHWEST PRESENTATION

Energy Northwest Chief Executive Officer Mark Reddemann and Brad Sawatzke, Vice President of Nuclear Generation; Chief Nuclear Officer were in attendance and made a presentation regarding Energy Northwest and the Columbia Generating Station. Joining them were Carla Martinez, Public Affairs Supervisor and Vicki Watilo, Member Relations Program Manager. Mr. Reddemann stated that they are on their second tour of visiting all member utilities. They provided a handout titled "Excellence in Performance and Member Services".

Mr. Sawatzke presented information regarding their excellence model and employee performance and plant performance and cost information regarding the Columbia Generating Station Nuclear power plant. He also discussed performance of their wind, solar and hydro projects. Mr. Reddemann presented information regarding how Energy Northwest could partner with member utilities to provide some economies of scale when similar goods and services are purchased by Energy Northwest and member utilities. He stated that he is also exploring ways Energy Northwest's could use their expertise to the benefit of member utilities.

OLD BUSINESS

There were no items presented under Old Business.

NEW BUSINESS

Well No. 3 Onsite Chlorine Generator System Quote Award

The manager stated that in October the Board adopted the 2016 Budget which provided \$85,000.00 for the replacement of the Well No. 3 onsite sodium hypochlorite generating system. The current system, installed in 2002, has reached the end of its useful life and the components in the system are no longer supported by the manufacturer. If the system fails, parts would be difficult to find.

The manager stated that due to the 8 to 12 week lead time it takes to get the equipment he requested quotes for a new system for Well No. 3. Utilizing the Material, Equipment and Vehicle Vendor Roster process which allows for the receipt of quotes, he sent quote requests to two (2) vendors and both authorized vendors provided quotes. The results of the quotes for the Well No. 3 Onsite Chlorine Generating System are as follows:

<u>Vendor</u>	<u>System</u>	<u>Quote</u>
PSI, Inc. (Whitney Equipment)	MicrOclor	\$101,130.30
De Nora Water Technologies (Pump Tech)	ClorTec	\$ 72,266.70

The manager stated that sales tax is included in the total price and quotes include installation, training and startup. He stated that based on the quotes received he recommended purchasing the ClorTec Onsite Chlorine Generating System for Well No. 3 from De Nora Water Technologies in the amount of \$72,266.70.

MOTION by Commissioner Judy Ridge and seconded by Commissioner Don Nuxoll to award the quote for the Well No. 3 Onsite Sodium Hypochlorite Generating System to De Nora Water Technologies in the amount of \$72,266.70. The question was called for on the motion. The motion passed 3-0.

MANAGER'S REPORT

Port of Wilma Sewer System – The manager reported the Port of Wilma sewer lift station upgrades were completed last week and both stations are operating properly. He stated that the LOSS system appears to be working properly as well. One issue remains to be resolved regarding the drain field but the Port and the contractor are working on it now. The manager stated that upgrading the Port of Wilma system is complete and PUD assumption of the system can be finalized with the Port of Whitman County.

2014 Fiscal Year Audit – The manager reported that State Auditors will be onsite Monday, November 16th to begin the 2014 fiscal year audit. The manager stated that the Tri-Cities team was too busy so we are back to being audited by the Pullman team this year. He reported that he and the Treasurer Bob Sischo have identified a firm that will be used to review our internal audit and prepare our financial statements for 2015. This firm will also review and make a recommendation about our Other Post Employment Benefit (OPEB) calculation required to be disclosed in 2015 financial statements.

SCADA System Support Services – The manager reported that he advertised a request for qualifications for SCADA system support services. He stated that three (3) firms submitted statements of qualifications. From those three Trindera Engineering was selected to provide SCADA System support services.

COMMISSIONER’S REPORT

Commissioner Ridge attended Energy Northwest (ENW) Board meetings and the ENW Power Forum in Richland, Washington October 28-30. She stated that the Forum was excellent and well-attended. The focus was on utilities working together to pool their resources and talents to benefit one another. She stated that there was a presentation regarding small-scale nuclear power. They are moving forward on these systems.

Commissioner Ridge stated that she would be attending the Washington PUD Association meetings in Olympia on November 18-20.

Commissioner Hicks attended the Public Utility Risk Management System semi-annual meeting in Burien, Washington November 4-5. He reported that two resolutions were passed and adopted. He stated that excess liability coverage (EIM) needs to be purchased for our PUD the cost of which is approximately \$2,500 per year. He said this coverage will protect us in the event of excess claims.

ADJOURNMENT

There being no further business the meeting was adjourned at 7:00 p.m.