

PUBLIC UTILITY DISTRICT NO. 1
OF ASOTIN COUNTY, WASHINGTON
MEETING MINUTES
March 15, 2016

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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 February 22, 2016 Regular Meeting and payment of the Transaction Vouchers covering vouchers #1860 and #1861 and vouchers #3824EFT through #3840EFT in the amount of \$32,469.33 and Blanket Transaction Voucher Approval Document covering vouchers #35460 through #35543, and Electronic Transaction Vouchers #6030201, #16020402, #16030202, #16030401, #16032101 and #16032501 in the amount of \$199,200.88. The question was called for on the motion. The motion passed 3-0.

OLD BUSINESS

There were no items presented under Old Business.

NEW BUSINESS

New Service Installation Charges

The manager presented information regarding a proposal to increase the new service Installation Fee. He stated that new service installation costs for 2015 were recently compiled and the numbers show that the average cost of installation for a 1-inch service in 2015 was \$1,798.00. Our current Installation Fee for a 1-inch service is \$1,650.00. The last Installation Fee increase was in January 2010.

The manager stated that the cost of material was updated last fall and he believes what we are finally seeing is the full effect of the lead-free material requirement that was adopted in 2014. He stated material prices have increased significantly in the last two years.

The manager stated that he has calculated the installation cost of a 1-inch service for 2016 and a short service installation is estimated to cost \$1,790.00 and a long service is estimated to cost \$2,518.00. The average between the two types of service lengths is \$2,154.00. He stated that this amount does not provide any excess dollars to put towards capital improvement. He recommended setting the cost of a 1-inch service at \$2,500.00 in order to have a minimal amount going towards capital improvement.

He stated that in addition, if the 1-inch service Installation Fee is increased the fees for the 1 ½ inch service up to an 8-inch service would increase as well based on a weighting factor used to calculate the larger service fees because of the demand they place on the system. The manager presented a spreadsheet identifying what those costs would be if the \$2,500.00 Fee was chosen. The manager requested that we eliminate the offering of a 3-inch service because customers can either go to a 2-inch or 4-inch service depending on the water use needs. The document also included what other utilities in the region are charging for service installations. He stated that other utilities have an undetermined amount for the larger services. Discussion ensued on whether we should offer the same.

The manager stated that he also reviewed street cut costs and stated that the average cost of street cuts has increased as well based on last year's average cost of street cut patching that was required for new services. He recommended increasing the street cut fee from \$250.00 to \$400.00. The Commission directed the manager to amend the Installation Fee and the street cut fee to the recommend amounts. They directed that new services 4-inch and larger will be set at the minimum amount provided in the spreadsheet with consideration for negotiated additional costs if necessary dependent on soil conditions, location and other potential issue. The manager stated that the new fees will be provided for in the form of a resolution at the next meeting for the Board's consideration.

Landfill Lift Station Ownership Transfer

The manager reported that he, Director of Operations, Craig Riehle and Operations Foreman, Bob Wimer, met Monday, March 14th with Asotin County Public Works Director Dustin Johnson and Asotin County Regional Landfill Supervisor Steve Becker to discuss issues with the lift station located at the landfill. The manager stated that this lift station, which handles methane gas and leachate from the decomposing of garbage, was transferred to the PUD as part of the sewer system transfer from the County in January 2010. Recent issues with the one of the lift station pumps and the explosive and caustic nature of the methane gas led the PUD to discuss with the County the re-assumption of ownership of this lift station.

The manager stated that the County is willing to re-assume ownership of the lift station once it is serviced, the lift station pumps are repaired or replaced and the electrical panel is upgraded to current regulations and standards of operation. The County requested that the costs associated with the lift station repairs would be shared. The County will handle the lift station upgrades. The only other requirement is that the County remain connected to the wastewater collection system.

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The Commissioners stated that they were acceptable to the transfer of the landfill lift station back to County and agreeable to the arrangements discussed at the meeting between the County and the manager. The Commission directed the manager and counsel to develop a transfer agreement for the lift station identifying the arrangements made and holding the PUD harmless from any issues regarding the caustic nature of the methane gas leaching from the landfill into the lift station.

Change the Tuesday, March 22nd Commission Meeting to Tuesday, March 29th

The manager requested changing the next Commission meeting from Tuesday, March 22, 2016 to Tuesday, March 29, 2016 due to commissioner travel.

MOTION by Commissioner Don Nuxoll and seconded by Commissioner Judy Ridge to approve changing the Tuesday, March 22, 2016 Commission Meeting to Tuesday, March 29, 2016 at 5:30 pm. The question was called for on the motion. The motion passed 3-0.

MANAGER'S REPORT

17th Street Water Main Project – The manager reported that tomorrow, operations staff will begin the installation of 8-inch PVC water main to replace 4-inch, 6-inch and 10-inch steel water main on 17th Street from 4th Avenue and Hillcrest Way. Operations staff has been divided into two (2) groups; operations and maintenance and construction.

Well No. 3 Onsite Chlorinator – The manager reported that work began yesterday on the installation of the new ClorTec Onsite Sodium Hypochlorite generator at Well No 3. The new chlorine generation system replaces the original system purchased in 2002. Many of the older components will still be used in the new system.

Delinquent Account Collections – The manager reported that in response to an increase in the write off of uncollected accounts we have shortened the allowable days for delinquency. Bob Sischo, Director of Finance and Administration, shared with the Commission efforts and directives that were issued to staff to ensure the timely collection of past due accounts.

Customer Information and Billing Software – The manager reported that our customer information and billing system, Eden Systems, installed in 2004 is being phased out. We will look to another Tyler Technology Product called Munis. We are already using a number of Tyler Products. A Request for Proposal on the new system will go out later this year with the cost of the system provided for in the 2017 Budget.

Asotin County Library Grant – The manager reported that he is working with the Asotin County Library on a grant to digitize old water system photos and documents to be included on the Washington Rural Heritage website for Asotin County. The Washington State Library is handling the grant.

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Bob Wimer Certification – The manager reported that Bob Wimer passed his written and practical exam and received his Commercial Driver’s License – A.

Financial Report – The manager reported through February revenue stands at \$676,000 and expenses are at \$714,000. He stated that expenses usually outpace revenue this time of year until we hit our peak water use. The Operating Fund balance is \$2.26 million.

COMMISSIONER’S REPORT

Commissioner Ridge attended the Public Power Council meeting in Portland Oregon on March 2-3. She stated that the focus of the meetings was cybersecurity and the Bonneville Power Administration Focus 2028.

EXECUTIVE SESSION

Commissioner Hicks adjourned the regular meeting into Executive Session at 6:25 pm to discuss personnel issues. He stated that the Executive Session would last 10 minutes.

Commissioner Hicks called the regular meeting back to order at 6:35 pm. He stated that no decisions were made in Executive Session.

ADJOURNMENT

There being no further business the meeting was adjourned at 6:35 p.m.