

PUBLIC UTILITY DISTRICT NO. 1
OF ASOTIN COUNTY, WASHINGTON
MEETING MINUTES
July 16, 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, Treasurer Bob Sischo and Counsel Scott Broyles.

Members of the public were present.

MINUTES OF MEETING AND VOUCHER APPROVAL:

MOTION by Commissioner Don Nuxoll and seconded by Commissioner Gary Hicks to approve the consent agenda approving the minutes of the June 25, 2013 Regular Meeting and payment of the Transaction Vouchers covering vouchers #2787EFT through #2802EFT and vouchers #1780 and #1781 in the amount of \$29,908.51 and Blanket Transaction Voucher Approval Document covering vouchers #31570 through #31642, and Electronic Transaction Vouchers #13070202, #13070203, #13070501, #13070502, #13072301, #13082401, #13072601, #13072602 and #13072901 in the amount of \$205,876.64. 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 reported that there has been no movement regarding the Port's wastewater system since the last meeting. The manager reported that Counsel Scott Broyles contacted Port of Whitman County attorney Bruce Ensley requesting a meeting to discuss the ownership title transfer of the Port of Wilma Water System to the PUD. A date was set that conflicted with the manager's schedule and he contacted Mr. Ensley and requested a meeting date for the week of July 15th. Mr. Ensley stated in a return email that Executive Director Joe Poire would not be available until July 24th or 25th. Mr. Ensley stated that he would be in contact once he could get a date set with Mr. Poire.

2nd Avenue to Scenic Way Sewer Main Extension Project

The manager stated that at the June 25th meeting he presented the Board with a breakdown of the estimated cost of construction for the 2nd Avenue to Scenic Way Sewer Expansion Project utilizing PUD staff to install the proposed 600 foot sewer main line.

He stated that the total cost of material and equipment is estimated at \$25,884. Labor costs for the approximate 4 week long project is estimated at \$29,000. Labor represents 5 employees for 120 hours each at \$36/hour including benefits. The manager stated that even though we will be paying our staff regardless of what work they are doing at the time he felt it important for the Board to see the associated labor costs. The total cost of the project with material, equipment and labor is estimated at \$54,884.

The manager stated that at the last meeting the Board also discussed the possibility of constructing only 300 feet of sewer main from Scenic Way to the northeast corner of Richard Bigelow's property leaving the remaining 300 feet up to 2nd Avenue for a later date. He stated that the total cost of material and equipment for the 300 foot sewer main project is estimated at \$17,457. Labor costs for the approximate 2 week long project is estimated at \$14,500. Labor represents 5 employees for 80 hours each at \$36/hour including benefits. The total cost of the 300 foot sewer project is estimated at \$31,957.

The manager stated that at the previous meeting the Board stated their preference that the PUD crew constructs the sewer main and complete the project but discussed in detail the 300-foot option versus the full 600-foot option. Concern was raised regarding the fact that only one customer would be able to connect to the line running up to 2nd Avenue whereas 7 to 8 customers could connect to the lower half of the line running from Scenic Way to Mr. Bigelow's property. This concern was countered with the fact that as a PUD we have always taken main lines through a customer's property to the point where the next customer can pick it up. Discussion also ensued regarding having a stranded investment with the 600 foot line versus the minimum incremental cost to complete the entire project putting us in a position for future expansion. Since the item was listed for "discussion" only a decision on the project was postponed until the next regular meeting.

Commissioner Hicks asked if sewer on 2nd Avenue would have only one potential connection. The manager stated that this is correct. There are only two houses on the street and one is already connected to the sewer on Scenic Way. He stated that the primary purpose of constructing the line up to 2nd Avenue is to provide for future use for customers on Valley View Drive and west on 2nd Avenue. Commissioner Nuxoll stated that he took a look at the area and Mr. Bigelow's property and agrees that it would be best if the entire 600 foot project was completed. The Board discussed the incremental cost difference and felt that it was minimal and would be in the best interest of both the property owner and the PUD to complete entire proposed project.

MOTION by Commissioner Don Nuxoll and seconded by Commissioner Gary Hicks to approve the 2nd Avenue to Scenic Way Sewer Expansion Project utilizing PUD operations staff to complete the project and constructing the entire 600 feet of sewer main as designed. The question was called for on the motion. The motion passed 3-0.

NEW BUSINESS

Change Tuesday July 23, 2013 Meeting to Tuesday July 30, 2013

The manager requested changing the next meeting from Tuesday July 23, 2013 to Tuesday July 30, 2013 at 5:30 pm to provide two weeks in between meetings. Commissioner Ridge stated that she would not be present for the meeting but would join either by video or by phone.

MOTION by Commissioner Gary Hicks and seconded by Commissioner Don Nuxoll to approve changing the Tuesday July 23, 2013 to Tuesday July 30, 2013 to begin at 5:30 pm. The question was called for on the motion. The motion passed 3-0.

MANAGER'S REPORT

25th Street and 8th Avenue Sewer Main Extension – the manager stated that work on installation of approximately 300 feet of 8-inch sewer line and a manhole from the existing sewer main on 8th Avenue south into the 25th Street cul-de-sac began this week. He stated that this is the first sewer main construction project that PUD staff have done. He stated that this project will give them good experience going into construction of the 2nd Avenue and Scenic Way sewer main project. He stated that the crew has already installed 150 feet of main and will likely complete the main line and manhole installation this week. This will be followed up with the construction of five (5) lateral lines to the right-of-way of customer property.

Water Production and Sales – the manager reported that production is up 90 million gallons over last year through June. He stated that revenue is up \$105,000. The increase in production and revenue over last year is due to hotter weather and rainfall that is 3.25” less than last year through the end of June.

Watershed Planning Funding – the manager reported that he was notified by the Department of Ecology that funding in the amount of \$249,333 for a watershed planning project and support activities has been approved. These funds will be available for support of the WRIA 35 Watershed Planning Director for two (2) years and for projects undertaken. Additional funding in the amount of \$27,500 is available from the Snake River Salmon Recovery Board and another \$90,000 is pending approval from Ecology. The status of the \$40,000 Ecology budget item for completion of the instream flow rule-making process is still unknown. Funding for stream flow gauge maintenance will not be provided with several of the stream gauges being removed.

BPA Administrator Placed on Leave – the manager reported that the Bonneville Power Administrator and the Chief Operating Office were placed on administrative leave pending an investigation into illegal hiring practices and retaliation towards employees who were cooperating with the investigation.

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COMMISSIONER'S REPORT

Commissioner Ridge discussed the Washington PUD Association meeting being held in Asotin Wednesday through Friday of this week. The PUD Executive Committee including the Executive Director George Caan will be visiting the PUD office on Wednesday afternoon.

Commissioner Ridge will be attending Energy Northwest meeting in Richland, Washington July 23-25, 2013.

ADJOURNMENT

There being no further business the meeting was adjourned at 5:55 p.m.