

PUBLIC UTILITY DISTRICT NO. 1
OF ASOTIN COUNTY, WASHINGTON
SPECIAL MEETING – BOARD WORK SESSION MINUTES
April 24, 2017

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President Don Nuxoll presiding, the Public Utility District No. 1 of Asotin County Special Meeting was called to order at 4:00 p.m. at the PUD Office at 1500 Scenic Way.

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ROLL CALL: PRESENT Commissioners: Don Nuxoll, Judy Ridge and Greg McCall.

PUD Staff: General Manager Tim Simpson and Director of Operations Craig Riehle.

Members of the public were present.

WORK SESSION:

Operations and Maintenance Report

Operations Director, Craig Riehle continued his previous meeting presentation providing an overview of PUD operations and maintenance. He shared information on how a Pressure Regulator Valve (PRV) works providing a handout and video describing a PRV in operation. Craig spoke about our Cross Connection Control Program and provided State Department of Health list of high-hazard facilities that require backflow prevention.

Craig discussed the City of Asotin Booster Pump Station pump replacements. He stated that the two (2) new pumps costs approximately \$25,000.00 but utilizing the PUD staff and our operation and maintenance contract with them he estimated that the City saved nearly \$50,000.00 by having the PUD do the replacement.

Craig spoke on the relocation and replacement of 900 feet of 4-inch steel main off of Clemans Road. He addressed local utility and government project activity. He spoke about the Fleshman Way/SR-129 Interchange Project getting underway, the Washington Department of Transportation Bridge Street grinding and overlay project and our work replacing older water service lines in anticipation of this project. He stated that Freedom Northwest Credit Union is installing a drive-through ATM at 12th and Bridge Street. He spoke of City of Clarkston's Public Works Director, Jim Martin, retiring at the end of May and awaiting to meet the City's new hire as well as waiting for the County Health District to hire a new Health Inspector.

Craig presented the Board with a map identifying all of the steel water main throughout our water distribution system that is targeted for replacement. Craig highlighted the water main replacement and other improvement projects that we are planning to complete this year as time and budget allows: 8th Street from Fair Street to Elm Street (in progress), Poplar Street from Burns Street to 13th Street, Scenic Hills Service Saddle Replacement, Lydon Court & SR-129 Project, Schaefer Drive and Schweiter Lane Project, McCarroll Street from Libby to Highland and 7th Street & Sunrise Drive Project.

Finance and Administration Report

The General Manager provided an update regarding a claim against Klickitat PUD being represented by the Public Utility Risk Management Services (PURMS). PURMS Administrator, Dick Rodruck, stated that the Klickitat Highway 8 fire has been in dispute with the Department of Natural Resources (DNR) for some time. DNR's claim was about \$1,600,000 with an additional \$350,000 in legal fees so far. PURMS took part in a court-mandated mediation and it was settled for \$1,300,000. He stated that based on current expenditures in this claim the Fund will pay about \$630,000 of that with the rest paid by AEGIS. The payment will result in an assessment; with the current Fund balance the assessment will be around \$900,000 depending on the timing and amount spent on other claims. The manager provided a handout showing the Asotin PUD assessment.

The manager reported that Tyler Technologies corporate attorney completed review of the additions and amendments to their Software Service Agreement provided by our legal counsel. Tyler's attorney stated that most, if not, of all our concerns about a data breach and security changes are addressed in their security standards and compliance document. The manager stated that the Agreement has been sent to our legal counsel for review.

Association Membership Reports

a.) Washington PUD Association (WPUDA)

Commissioner Ridge reported on several pieces of legislation that were of interest to the Association. Senate Bill 5036 clarifies the authority for PUDs to enter into unit priced contracts and was signed by the Governor with an effective date of July 23, 2017. Senate Bill 5711 regarding pole attachments is stuck in committee. Bills regarding water use and infrastructure funding may be dealt with during the extended legislative session where the state budget will need to be resolved.

Commissioner McCall reported on the New Commissioner Orientation. He stated that emphasis was placed on good communication with our customers and being more visible in our community. Ideas discussed were; attending chamber luncheons, fair booths, newsletters and customer appreciation events. He stated that the topic of how to set rates was discussed along with a presentation about Energy Northwest.

b.) Public Power Council (PPC)

Commissioner Ridge had nothing to report but stated that she would be attending PPC meetings on May 3-4 in Portland, Oregon.

c.) Energy Northwest (ENW)

Commissioner Ridge stated that ENW has received another anonymous employee letter addressing concerns about management. She stated that she is not at liberty to discuss the contents of the letter. She will be attending ENW meetings this week on April 24-26 in Richland, Washington.

d.) Northwest Public Power Association (NWPPA)

Commissioner Ridge had nothing to report but stated that she would be attending the NWPPA Annual Conference and Membership Meeting on May 7-10 in Sunriver, Oregon.

e.) American Public Power Association (APPA)

The manager reported that the tax exempt status of municipal bonds is on the forefront of what the APPA is working on in Congress.

f.) Northwest River Partners (NWRP)

The manager reported that NWRP continues to follow court hearings/decisions regarding the biological opinion and fish activities and continues to do an outstanding job educating the public on the benefits of non-carbon hydropower.

g.) American Water Works Association (AWWA)

The manager stated that the Drinking Water State Revolving Loan Funding, which provides states with water infrastructure funding, is at the forefront of the AWWA agenda.

Local Government Activities Report

The manager reported that Naslund Disposal is relocating to the Port of Clarkston business park – Turning Pointe. The Asotin County Fire District No. 1 applied for HUD funding to install a vehicle wash station at the building they purchased on Appleside. He stated that the application and wash station triggered an Environmental Protection Administration (EPA) review because our aquifer was designated a Sole Source Aquifer by EPA in the early 1990's. EPA's review stated that the wash station would harm our aquifer and the District will be required to connect the wash station to our sewer system.

ADJOURNMENT

The Special Meeting – Board Work Session was adjourned at 5:25 p.m.