

PUBLIC UTILITY DISTRICT NO. 1
OF ASOTIN COUNTY, WASHINGTON
MEETING MINUTES
September 8, 2009

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.

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

PUD Staff: General Manager Tim Simpson, Treasurer
Bob Sischo and Counsel Scott Broyles

MINUTES OF MEETING AND VOUCHER APPROVAL:

MOTION by Commissioner Judy Ridge and seconded by Commissioner Don Nuxoll to approve the consent agenda giving approval of the minutes of the August 25, 2009 Regular Meeting and payment of the Transaction Vouchers covering vouchers #1439EFT through #1452EFT and vouchers #1669 and #1670 in the amount of \$25,094.56 and Blanket Transaction Voucher Approval Document covering vouchers #27203 through #27258, and Electronic Transaction Voucher #09090201, #09090202, #09090401, #09090402, and #09090403 in the amount of \$101,822.62. The question was called for on the motion. Passed 3-0

OLD BUSINESS

County Wastewater System Ownership Transfer – System Transfer Agreement

Counsel Scott Broyles reported that he is close to completing a draft Memorandum of Understanding (MOU) between the PUD and County for the transfer of their wastewater collection system. The manager reported that Treasurer Bob Sischo is working with Eden Systems, our customer information system provider and the County's software provider to transfer sewer customer data to the PUD database.

Port of Whitman County – Port of Wilma Contract Fees Moratorium Request

Counsel Scott Broyles reported that he received a call from the Port of Whitman County attorney seeking information about the Port's requested changes to their Water Sales Contract and Operations and Maintenance Agreement with the PUD for the Port of Wilma Water System. Counsel stated that a draft amendment to the water sales contract and the operations and maintenance agreement would be available by the end of the week.

NEW BUSINESS

Bonneville Power Administration Energy Conservation Agreement

The manager presented an Energy Conservation Agreement (ECA) with the Bonneville Power Administration (BPA). As a place holder for potential energy conservation projects, BPA is requesting that we agree to a budget of \$1,000 for conservation projects. The agreement provides for an uninterrupted transition of conservation projects across rate periods.

The manager stated that ECA provides the PUD with a budget for incentives above and beyond the Conservation Rate Credit (CRC) over the next two years. Secondly, should the PUD start a large project within the next two years that won't be completed until 2012 or after, the ECA provides a guaranteed funding mechanism for the incentive even if there is no rate credit in 2012 and beyond. The ECA covers five fiscal years, FY 2010-2014. There is no obligation to spend the \$ 1,000. If within the next two years, we find we need more than the \$1,000, it can be easily increased just by contacting BPA with the dollar amount needed.

MOTION by Don Nuxoll, seconded by Judy Ridge approving the Energy Conservation Agreement with the Bonneville Power Administration and authorizing the General Manager to execute the Agreement. The question was called for on the motion. Passed 3-0.

Bonneville Power Administration Power Sales Agreement Amendment

The manager presented an Amendment to the Power Sales Agreement with the Bonneville Power Administration (BPA). The contract amendment is a result of the Regional Dialogue Process.

The manager stated that last year, BPA and customers anticipated the need to work out inconsistencies in the Tired Rates Methodology (TRM) and the Regional Dialogue contracts. For this reason, Chapter 12 of the TRM included a special provision that allows BPA to propose changes to the TRM if, prior to Feb. 1, 2009, the agency and representatives of the public customers subject to the PF Preference rate agreed on the changes that would be needed. BPA staff and public power representatives met earlier this year and agreed on a list of proposed modifications to the TRM. That "cleanup list" was issued Jan. 30, 2009 and the contract amendment followed.

MOTION by Judy Ridge, seconded by Don Nuxoll approving the Amendment to the Power Sales Agreement with the Bonneville Power Administration and authorizing the General Manager to execute the Agreement. The question was called for on the motion. Passed 3-0.

Energy Northwest NuScale Modular Nuclear Pre-Development Agreement

The manager presented a Pre-Development Agreement with Energy Northwest regarding participation in the NuScale Modular Nuclear Technology Study. The purpose of the study is to review the feasibility of sighting a modular technology nuclear plant near the existing Columbia Generating Station and to develop a work plan with the Nuclear Regulatory Commission (NRC). Asotin PUD is joining with Kittitas PUD and Ferry PUD as a grouped participant in the study. Kittitas PUD will act as the group's representative. The Asotin PUD initial participation fee is \$5,000.00.

MOTION by Judy Ridge, seconded by Don Nuxoll approving the NuScale Modular Nuclear Pre-Development Agreement with Energy Northwest and authorizing the General Manager to execute the Agreement. The question was called for on the motion. Passed 3-0.

City of Clarkston – Financial Participation in their Waste Water Treatment Plant Study

The manager stated that Jim Martin, Public Works Director for the City of Clarkston requested financial participation by the PUD in the study and development of a planning document for their wastewater treatment plant. After discussion the Board postponed a decision on the request until the issue of the transfer of ownership of the County's wastewater collection system to the PUD becomes a certainty.

Change the September 22, 2009 Meeting Date and Time

The manager stated that due to travel and meeting schedules it has been requested that the regular board meeting be changed from Tuesday, September 22, 2009 to Monday, September 21, 2009. Commissioner Nuxoll stated that he and the general manager have an Asotin County ordinance update meeting starting at 5:30 pm that same day and requested the PUD Board meeting begin at 4:30 pm.

MOTION by Judy Ridge, seconded by Don Nuxoll changing the regularly scheduled Board of Commissioners meeting date and time from Tuesday September 22, 2009 to Monday, September 21, 2009 beginning at 4:30 pm. The question was called for on the motion. Passed 3-0.

MANAGER'S REPORT

Truck and Utility Body Quotes – The manager stated that he has requested quotes on a 2010 ¾ ton truck and utility service body. The vehicle and service body will be packaged together for the quote saving the PUD one step in the process.

Port of Clarkston Grant Application – The manager stated that the Port of Clarkston has applied for a grant from the Public Works Board to construct a water distribution main from Ben Johnson road to the proposed industrial park. The engineering design has been completed for the project. As a part of the grant application the Port is also seeking funding for designing the wastewater system. The manager stated the City of Asotin and City of Clarkston were also applying for the same grant. Asotin applied for funding of the intertie with the PUD and Clarkston applied for a lighting improvement project.

2010 Budget – The manager stated that he is in the process of developing the 2010 Budget. He stated that a budget for operation of the wastewater collection system will not be developed until it is certain that the PUD will assume ownership. The 2010 Budget Hearing is scheduled for Monday, October 5th.

WPUDA Meetings – The manager will be attending the Washington PUD Association Manager's Section meeting in Olympia on Wednesday, September 16th.

COMMISSIONER'S REPORT

Commissioner Nuxoll attended the Stormwater Advisory Committee meeting on August 26th and the Drinking Water Source Committee meeting on September 2nd. He will be attending a Watershed Planning Unit meeting on Thursday, September 10th.

Commissioner Ridge will be attending an Energy Northwest CEO Search Committee meeting in on September 10th. On Saturday September 12th she will be traveling to attend an Energy Northwest Board Workshop being held in Atlanta Georgia.

Commissioner Hicks will be attending the Washington PUD Association meetings in Olympia September 16-18.

ADJOURNMENT

There being no further business the meeting was adjourned at 6:20 pm.