

PUBLIC UTILITY DISTRICT NO. 1
OF ASOTIN COUNTY, WASHINGTON
MEETING MINUTES
November 9, 2010

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.

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 giving approval of the minutes of the October 25, 2010 Regular Meeting and payment of the Transaction Vouchers covering vouchers #1698 and #1699 and vouchers #1828EFT through #1842EFT in the amount of \$26,592.61 and Blanket Transaction Voucher Approval Document covering vouchers #28499 through #28548, and Electronic Transaction Vouchers #10110501, #10110502, #20101119, #20101122 and #20101129 in the amount of \$198,197.14. The question was called for on the motion. The motion passed 3-0.

OLD BUSINESS

Port of Clarkston – Water Line Project for Proposed Business Park

The manager reported that he recently met with the Port of Clarkston manager and their contract engineer to discuss both the sewer line extension and water line extension to their proposed business park on Evans Road. Operations staff reviewed the water line extension design and provided input on various items. The manager stated that the water line project has been put out for bid. The manager stated that policy requires developers to install an 8-inch line for water main extensions. In order to plan for potential future growth the manager requested the design and installation of a 12-inch water main. The manager stated that per past practice the PUD will pay the incremental cost between the installation of an 8-inch line and a 12-inch line. This is the most cost effective way for the PUD to plan for future growth. The manager stated that upsizing the line in the future would cost significantly more than spending the money up front. The manager stated that he should have an estimated cost in early December and an agreement will be developed between the Port and the PUD for payment of the incremental cost difference.

NEW BUSINESS

Department of Ecology E-Cycle Program Billing Insert Request

The manager presented a Washington State Department of Ecology E-Cycle Washington Program billing insert. Ecology has requested insertion of this program announcement with our monthly billing statements. Ecology is encouraging the public to recycle computers, monitors, televisions and other electronic components rather than putting them in the local landfills. The manager stated that if approved by the Commission, Ecology will pay for the cost of insertion of the flyer.

MOTION by Commissioner Judy Ridge and seconded by Commissioner Don Nuxoll to approve the insertion of the Washington State Department of Ecology E-Cycle Program flyer with our billing statements. The question was called for on the motion. The motion passed 3-0.

MANAGER'S REPORT

Snake River Pump Station Graffiti – the manager reported that seniors from Asotin High School contacted him requesting permission to develop a mural and paint Snake River pump house by Critchfield Road as part of a senior class project. The manager told them to propose some design ideas and he would present them to the commission for review. The board stated that they liked the idea and directed the manager will work with them on this project. The manager stated that a customer also expressed an interest in designing a mural and painting the pump house.

City of Asotin Intertie – the manager reported that the crew made significant progress on the intertie between the PUD and the City. He stated that they have extended pipe to wastewater treatment plant where the new line will be tied into the existing line.

Municipal Water Law Challenge – the manager reported that the Washington State Supreme Court has ruled in favor of municipalities 9-0 regarding the challenge to the 2003 Municipal Water Law that stated the inchoate or unused water rights that municipalities hold are rights in good standing and are not subject to relinquishment based on beneficial use. The manager reported that he spoke with Ecology staff regarding the ruling and about reinitiating the process of our water change application that was submitted before the court challenge. Ecology staff stated that they would have to wait for approval by management to proceed. Ecology staff cited how budget cuts have reduced employees available to process applications. The manager stated that we are first in line for change applications for our area but we do not necessarily want to be the first one out of the gate. Counsel will contact water rights attorney Joe Brogan to discuss our strategy moving forward.

Staff News – the manager reported that Treasurer Bob Sischo recently received certification as a Public Fund Investment Manager through the national Government Finance Officers Association. Operations Foreman Joe Louis recently celebrated his 35th year of employment with the water system. He started in 1975 with the Washington Water Power Company. GIS Coordinator Craig Riehle successfully completed his initial employment probationary period. The manager stated that Craig has done a fantastic job of moving our mapping system from AutoCAD to GIS making it a useful tool for staff.

COMMISSIONER'S REPORT

Commissioner Nuxoll attended the PURMS Annual meeting on November 3 and 4, 2010 in Burien, Washington. He stated that they continue to work on six (6) resolutions that will be adopted by PURMS members. He stated that five (5) resolutions deal with changes to health care laws and rules on the national and state level. These resolutions will be presented to each member within the next two months. One resolution that will be presented before the end of this month deals with the property and liability insurance formula. The new formula will reduce our costs approximately \$4,000.00 per year.

Commissioner Nuxoll stated that they have cancelled a one million dollar excess liability policy that was found unnecessary. He reported that the treasurers and officer's liability insurance language and coverage will be updated to provide a better comprehensive policy. He reported that our cost for administration of our self-insurance pool is approximately 4% as compared to the average 20% for other insurance programs.

Commissioner Nuxoll will be attending a Watershed Planning Unit meeting on Wednesday, November 17, 2010 at the PUD office.

Commissioner Ridge attended an Energy Northwest Board of Directors meeting on October 25 and 26, 2010 followed by the Energy Northwest Forum held on October 27 and 28, 2010 in Richland, Washington. She mentioned staff reorganization that has taken place. A new person has been hired in the chief nuclear administrator position.

Commissioner Ridge will be attending an Energy Northwest Board of Directors meeting on November 17 and 18, 2010.

Commissioner Hicks attended the Energy Northwest (ENW) Forum held on October 27 and 28, 2010 in Richland, Washington. He reported that one of the co-founders of Green Peace was a guest speaker. He is a proponent of nuclear power because it is clean, safe and renewable. Commissioner Hicks reported on ENW's efforts regarding small scale nuclear and our participation in the study group. He reported that the group worked on developing strategy and direction for ENW. He stated that current strategies were renewed and new direction was added.

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ADJOURNMENT

There being no further business the meeting was adjourned at 6:15 pm.