

PUBLIC UTILITY DISTRICT NO. 1
OF ASOTIN COUNTY, WASHINGTON
MEETING MINUTES
October 6, 2014

.....

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.

.....

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.

BUDGET HEARING:

Commissioner Ridge opened the Hearing for the 2015 Budget at 5:30 p.m.

Staff Input

The manager provided an overview of the 2015 Budget. He highlighted several expense categories stating that \$4.64 million has been estimated for expenses in 2015. He discussed the addition of a new employee in 2015 as part of a plan to address pending retirements and discussed office, vehicle and equipment and capital improvement project expenditures planned for the year. The manager provided a report on work accomplished to date on the Capital Improvement Plan adopted in 2012 as part of the Comprehensive Water System Plan (WSP). The manager also discussed improvements budgeted for the office including roofing, break room, bathroom and entry area updates.

The manager stated that \$4.94 million has been estimated for Budgeted Resources in 2015. He stated that the budget includes a \$0.50 increase in the Minimum Monthly Charge for multi-family and single family service sizes ¾” to 1 ½” and \$1.00 for services sizes 2” to 8” and an increase in the consumptive Water Rate from \$0.89 to \$0.93 per unit for Residential, Multi-Family, Commercial and Industrial customers. The effective combined rate increase if adopted would be 4.4%.

He stated that the adopted WSP included a system financial analysis that provided for a 4, 5 and 5 percent rate increase respectively each year for the years 2015-2017. The purpose for considering a rate increase is to maintain the fund balance and financial stability of the PUD in order to meet the demand for system improvements as identified in the WSP and to meet increasing operational costs. The last water rate was last increased in 2010 and monthly minimum charge was increased in 2011.

The manager stated that Budgeted Resources less Budgeted Expenses leaves \$300,000 in unappropriated receipts remaining which, if achieved will be used to build up our reserves to the level before the major construction projects in 2012 where nearly \$400,000 in reserves was utilized.

Commissioner Input

Commissioners asked questions and were provided with details regarding the proposed rate increases for discussion. The Commission stated their approval of the budget and the need for the rate increase to maintain the level of spending on capital improvement projects identified in the Comprehensive Water System Plan. The Commission stated that even with the increase, PUD water rates remain far less than neighboring communities. The Board stated that the large payoff of debt and the fiscally conservative management of the PUD have kept rates reasonable and affordable for customers while maintaining the quality, reliability and integrity of the water system.

Public Input

There were no questions or input from the public.

Close Hearing

Commissioner Ridge declared the hearing closed at 6:00 p.m.

Reconvene Regular Meeting

The regular meeting was reconvened at 6:00 pm.

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 September 22, 2014 Regular Meeting and payment of the Transaction Vouchers covering vouchers #1817 and #1818 and vouchers #3260EFT through #3275EFT in the amount of \$33,094.68 and Blanket Transaction Voucher Approval Document covering vouchers #32991 through #33048, and Electronic Transaction Vouchers #14100101, #14100201, #14100202, #14100301, #14100302, #14101401, #14101402 and #14102401 in the amount of \$250,996.30. 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

Resolution 14-412 – Adopting the 2015 Budget

The manager presented Resolution 14-412 which provides for the adoption of the 2015 Budget. He stated that based upon discussion during the Hearing he recommended adoption of the 2015 Budget.

MOTION by Commissioner Gary Hicks and seconded by Commissioner Don Nuxoll to approve Resolution 14-412 adopting the 2015 Budget. The question was called for on the motion. The motion passed 3-0.

Resolution 14-413 – Setting the 2015 Water Rates, Charges and Fees

The manager presented Resolution 14-413 which sets the Water Rates, Charges and Fees effective January 1, 2015. The manager stated that the adopted 2015 Budget provides for a rate increase in the Monthly Minimum Charge and Residential, Multi-Family, Commercial and Industrial Water Rates. In addition, the Resolution provides for an increase in Monthly Fire Protection Services Charge and the Conference Room Rent will increase from \$5.00 to \$25.00.

MOTION by Commissioner Gary Hicks and seconded by Commissioner Don Nuxoll to approve Resolution 14-413 adopting the Water Rates, Charges and Fees effective January 1, 2015. The question was called for on the motion. The motion passed 3-0.

MANAGER'S REPORT

13th Street Main Replacement Project – the manager reported that the operations crew has completed services up to Sycamore Street and tied-in the water main in the intersection. This week they will tie-in services between Sycamore and Chestnut. The crew had to break from the project for a week to catch up on service installation and system maintenance. The PUD will be replacing 33 of the 52 sidewalks through Sycamore.

New Services and Maple Lane Subdivision – the manager reported that 16 new services have been purchased since August 1st. He stated that the nine (9) services purchased for the Maple Lane have been installed.

Heights Reservoirs Interior Recoating Project – the manager reported that the 1 million gallon Clarkston Heights Reservoir was drained last week in preparation for the contractor to begin work on the Recoating Project. A welder is onsite today and will be cutting a hole into the tank tomorrow for equipment access. Preparation work is planned to begin tomorrow with the crew taking down the anodes in the tank on Wednesday.

2013 Audit – the manager reported that he has not received word yet when the 2013 Audit will be completed. He stated that they have received a couple of requests for information since the State Auditors were on site.

Bob Sischo WFOA Award – the manager reported that for the seventh consecutive year Treasurer Bob Sischo has received a Professional Finance Officers Award from the Washington Finance Officers Association. He stated that Bob is active in the WFOA and regularly attends workshops and meetings. The Commission congratulated Mr. Sischo on this achievement.

COMMISSIONER’S REPORT

Commissioner Ridge and Commissioner Hicks attended the Washington PUD Association Water Workshop in Anacortes, Washington, September 23-26. Both stated that this year’s conference was one of the best they’ve attended. It was the 20th Annual Conference and had the largest attendance ever. Commissioners spoke regarding sessions they attended.

ADJOURNMENT

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