

PUBLIC UTILITY DISTRICT NO. 1
OF ASOTIN COUNTY, WASHINGTON
MEETING MINUTES
October 28, 2008

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 and Don Nuxoll.

PUD Staff: General Manager Tim Simpson, Treasurer Bob Sischo, Board Secretary Roberta Tilden and Attorney Scott Broyles.

Members of the public were present.

MINUTES OF MEETING AND VOUCHER APPROVAL:

MOTION by Commissioner Don Nuxoll and seconded by Commissioner Judy Ridge to approve the consent agenda giving approval of the minutes of the October 14, 2008 Regular Meeting and payment of the Transaction Vouchers covering vouchers #1142EFT through #1156EFT in the amount of \$22,080.58 and Blanket Transaction Voucher Approval Document covering vouchers #26277 through #26308, and Electronic Transaction Voucher #20081017, #20081021, #2008102201, #2008102401 and #2008102801 in the amount of \$259,889.22. The question was called for on the motion. Passed 2-0

The General Manager spent a few minutes explaining the PUD to the attending students.

OLD BUSINESS

Property Acquisition

The General Manager reported that as directed by the Board, he spoke with the Washington State Auditor's Office regarding the PUD entering into an owner financed agreement for purchasing the property above our office. The Director for Legal Affairs at the State Auditor's office stated that it was legal for the PUD to enter into an owner financed agreement if we purchase this property. The Manager stated that he has spoken with the owner about the terms of the agreement. The owner is acceptable to the offer of \$220,000 for the property. He requested \$20,000 down with a 10-year payoff of the remaining principal. He requested an interest rate of 6%. The Manager stated that the owner is willing to adjust the interest rate similar to what the PUD can get at a local bank. The Board requested a payoff clause in the agreement after five years. The Manager will need to talk to the property owner about this because he is concerned about the capital gains tax.

Attorney Scott Broyles explained that there would need to be a deed of trust and a promissory note. The Commissioners directed the Manager and counsel to pursue acquisition of the property above the PUD office. Commissioner Ridge was designated to attend meetings with the Manager, counsel and owner. The Manager will contact the owner and set up an initial meeting to discuss the terms of the agreement

NEW BUSINESS

Identity Theft Prevention Program

The manager stated that the Fair and Accurate Credit Transaction Act, FACT Act, was signed into law in 2003. The Act directed the Federal Trade Commission (FTC) to develop and adopted guidelines and standards requiring utilities and other agencies to develop an Identity Theft Prevention Program.

The purpose and goal of the FACT Act, the FTC standards and the subsequent Identity Theft Prevention Program (Program) guidelines is to protect customer personal and account information from identity theft. The FACT Act and FTC guidelines require the development of policies and procedures and consequent adoption by the governing board of an Identity Theft Prevention Program on or before November 1, 2008.

Treasurer Bob Sischo and the Manager have completed the development of an Identity Theft Prevention Program. After completion it was reported that the FTC extended deadline for adoption of a policy to May 1, 2009. The Treasurer stated that some steps have already been taken to implement the program. Many older outdated documents have been shredded and a document auditor is coming from Spokane to help us update our document storage processes.

Resolution 08-339 Amending the Management and Administrative Policy

The Manager presented Resolution 08-339 which amends the Management and Administrative Policy and Procedures Manual, adding Chapter 4 – Identity Theft Prevention Program.

MOTION by Don Nuxoll, seconded by Judy Ridge amending the Management and Administrative Policy. The question was called for on the motion. Passed 2-0.

Resolution 08-340 Appointing an ID Theft Program Privacy Officer

The Manager presented Resolution 08-340 which appoints an Identity Theft Prevention Program Privacy Officer. The Manager stated that the FACT Act and the policy require the appointment of a Program Committee. This Committee will include the General Manager, Board President, Customer Service Representative and the Privacy Officer. This Committee will meet once a year and will provide an annual report to the Board about the Identity Theft Prevention Program.

The Privacy Officer serves under the direction of the General Manager and by appointment from the Board of Commissioners. The Privacy Officer will oversee and implement the Identity Theft Prevention Program policies and procedures adopted by the Board. The Resolution appoints or designates the Treasurer of the District as Privacy Officer.

MOTION by Don Nuxoll, seconded by Judy Ridge appointing the Treasurer of the District as the Identity Theft Prevention Program Privacy Officer. The question was called for on the motion. Passed 2-0.

Change the November 11, 2008 meeting to November 10, 2008

The Manager stated that Tuesday, November 11, 2008 is Veteran's Day, a legal holiday for the PUD. He requested changing the Tuesday, November 11, 2008 regular Board meeting to November 10, 2008 beginning at 5:30 pm.

MOTION by Don Nuxoll, seconded by Judy Ridge to change the November 11, 2008 regular meeting to November 10, 2008 beginning at 5:30 pm. The question was called for on the motion. Passed 2-0.

Treasurer Bob Sischo Receives Washington Finance Officer's Award

Commissioner Ridge congratulated Treasurer Bob Sischo on being awarded the distinction of being a Professional Finance Officer by the Washington Finance Officer's Association. The award recognizes ongoing training and education. The announcement of the award appeared in the Business section of the Lewiston Morning Tribune on Sunday, October 26, 2008.

MANAGER'S REPORT

Residential Exchange Rebate – The Bonneville Power Administration (BPA) has provided a rebate in the amount of \$21,508.00 for charges related to the Residential Exchange Program. The Manager would like to use the rebate to help Vineland Cemetery complete their irrigation system improvement project or for other water conservation activities such as helping our electric customer Quail Ridge Golf Course to improve their system in order to conserve energy.

Conservation Renewal Credit – The BPA has set aside \$7,500.00 of charges paid over time into a Conservation Renewal Credit (CRC) program. \$2,500.00 will be used to help Vineland Cemetery with their sprinkler system update. Another portion of the CRC funds will be used to help Quail Ridge Golf Course pay for an upgrade of their pumping system that will save energy. This money must be spent or it has to be returned to the BPA. Projects mentioned will be reviewed by BPA for energy savings.

Xeriscape Landscaping – the Manager met with the Asotin County Master Gardener's and the WSU Extension Agent today to discuss a potential xeriscape landscaping project using the PUD office grounds. As a part of our Water Use Efficiency plan adopted in January, one of the Board goals was to promote drought tolerant landscaping. To set the example the Manager is discussing with the Master Gardeners and the WSU Extension Agent plans to turn the PUD lawn along Scenic Way into a xeriscape demonstration area. The County will be placing a sidewalk along Scenic Way and they are likely to use a portion of the PUD property. The Manager felt it would be a good opportunity to look into a project and meet the goal we had set. If the project moves forward the landscaping will include a PUD sign.

Election Information Meeting – The Manager stated that the Election Information Meeting held on Wednesday October 15th was well attended. There was good support for the PUD sewer authority ballot proposition. The Manager stated that he has received several calls for more information on the sewer issue. He also stated to those interested that if the proposition is supported by customers the PUD would conduct a feasibility study and engage customers in a series of public meetings with the County before a final decision is made. Asotin County is working on new sewer ordinances.

Standby Generator – The final payment has been made to Energy Northwest for their work on the Well No. 7 standby generator. The generator will be operated once a week. We are currently looking for a new fuel tank for the generator. The generator will be setup on a regular 6-month maintenance schedule similar to the booster station generators.

Clearwater Power Company – The Clearwater Power Company will be conducting their seventy-first annual membership meeting on November 14, 2008.

Public Works Board – The Manager will be attending a Public Works Board Infrastructure Workgroup Sub-committee Meeting on Friday October 31, 2008 in Spokane.

COMMISSIONER’S REPORT:

Commissioner Nuxoll attended a Watershed Planning meeting in Pomeroy on October 16, 2008. The next meeting will be held in December. Commissioner Nuxoll explained to those attending that the PUD is the lead agency for the Watershed Planning in this area.

Attorney Scott Broyles mentioned that an elected official’s meeting for regional stormwater planning issues will be held on November 18, 2008 at Walla Walla Community College. \$600,000.00 was made available in grant money to assist with the planning efforts. Attorney Broyles stated that by January 2010 a stormwater utility will have been setup and each resident will be charged a fee. He stated that \$140,000 is available to help start the utility. During the planning process the PUD was mentioned as an option for providing billing services. Commissioner Nuxoll said he will be attending the meeting. The Manager stated that he will contact the Regional Stormwater Program Coordinator to get more information about the meeting and the PUD providing billing services

ADJOURNMENT

There being no further business the meeting was adjourned at 6:21 pm.