

PUBLIC UTILITY DISTRICT NO. 1
OF ASOTIN COUNTY, WASHINGTON
MEETING MINUTES
April 23, 2018

President Don Nuxoll 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: Don Nuxoll, Judy Ridge and Greg McCall.

Staff: Manager Tim Simpson.

Members of the public were present.

MINUTES OF MEETING AND VOUCHER APPROVAL

MOTION by Commissioner Judy Ridge and seconded by Commissioner Greg McCall to approve the consent agenda approving the minutes of the April 10, 2018 Regular Meeting and payment of the Transaction Vouchers covering Electronic Transaction Vouchers #4698EFT through #4714EFT in the amount of \$33,724.47 and Blanket Transaction Voucher Approval Documents covering Electronic Transaction Vouchers #35 – #36 and vouchers #38263 through #38284 in the amount of \$110,019.81. 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

Water Rights Usage Request – Tscemincum Bottling Company

The manager introduced Tscemincum Bottling Company owner Rick Keane and stated that Mr. Keane contacted him inquiring about the use of PUD water rights for a well his company would plan to drill for the water bottling/beverage bottling plant. The manager stated that he told Mr. Keane that using our water right could be possible but asked him about using our water without drilling a well. He stated that he did not want to use chlorinated water and wanted water directly from the aquifer for bottling.

Immediately after talking with Mr. Keane, the manager contacted Dan Tolleson, Department of Ecology, about the PUD adding a point of diversion on our water rights for a well that will be drilled in the future for a commercial project. Mr. Tolleson stated that adding a new well to the Asotin PUD water rights to serve a commercial project such as the proposed bottled water plant shouldn't be an issue provided it remains within the service area of the PUD and the proposed well is constructed into the same body of public ground water.

Mr. Keane stated that initially he would be using 10 acre-feet of water annually or 3.2 million gallons with a potential of up to 100 acre feet at full production in a few years.

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The manager stated that we currently have 10,202 acre feet of water rights with approximately 4,950 of it being utilized. Mr. Keane is aware that he will bear the burden of all costs associated with submittal and review of the water right change application process. Mr. Keane stated he is working on locating the plant at 1400 block of Port Drive. He stated that his plan is to have the plant running by March of 2019. Mr. Keane requested a minimum 5-year water rights usage contract.

The Board expressed concerns about the construction of the well and protecting the aquifer with a properly constructed well. Mr. Keane addressed those concerns stating that the well will be drilled to state standards by a professional commercial well driller. The manager stated that the well would be inspected regularly and that proper setbacks for well-head protection will be required. The Board also expressed concerns about what would happen to the well if the bottling company went out of business.

After further discussion the Board directed the manager to contact legal counsel regarding the water rights usage request. The Board requested counsel review the submittal of a water right change application to ensure that it will not impair or jeopardize our current water rights and for the development of a contract that provides for transfer of the well or control of the well if the bottling company goes out of business. It was agreed to have Commissioner Nuxoll participate in a conference call with counsel.

Award Traffic Control Bid for the 5th and 6th Streets Water Main Project

The manager stated that Bids were requested from vendors on our Small Works Roster for traffic control for our 5th and 6th Streets, from Bridge Street to Diagonal, Water Distribution Main Improvement Project. The project will replace 1,900 feet of 2-inch galvanized and 6-inch steel water distribution main with 8-inch PVC and customer water service lines will be upgraded or replaced. The bid results from each vendor with sales tax included are as follows: Clearwater Traffic Control – \$16,931.67 and Perfection Traffic Control – \$29,872.12. Clearwater Traffic Control is the lowest responsible bidder in the amount of \$16,931.67.

MOTION by Commissioner Judy Ridge and seconded by Commissioner Greg McCall to award the traffic control bid for the 5th and 6th Streets Water Main Improvement Project to Clearwater Traffic Control in the amount of \$16,931.67. The question was called for on the motion. The motion passed 3-0.

MANAGER'S REPORT

Operations Activity – The manager reported that concrete replacement and paving on the Sunrise Drive and 7th Street Project has been completed. He reported that the budget for the project was \$180,000 and current cost estimates show that it will come in at \$110,000. Planning for the 5th and 6th Streets, Bridge Street to Diagonal water main improvement project has been ongoing with the State Department of Transportation giving final approval for work on 6th Street part of Highway 129. The manager stated that the crew has been flushing water mains, valve operating, repairing/replacing control valves at Well No. 7, leak repairs and installing new services.

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Capital Improvement – The manager reported that from 2012-2017 staff completed 83 projects replacing 42,808 feet or 8.1 miles of water main at a cost of \$3.5 million. Projected cost for these projects in our plan was \$5.5 million. There were 419 water service lines replaced, 60 water system tie-overs and 2,360 feet of water main abandoned.

Water System Plan – The manager reported that the Washington State Departments of Health and Ecology have received copies of the Draft Water System Plan for their review and comment. State law allows them 90 days for review. Once comments and questions received are addressed our engineering firm will make a final presentation at which time the Board will adopt the Water System Plan. The deadline for adoption is August 2018.

Vehicle and Equipment Arrivals – the manager reported that the 2018 Ford F-550 Crew Truck cab and chassis has arrived at Titan Truck Equipment in Spokane but the Knapheide utility service body is delayed due to high demand and won't arrive until the end of May. The Vactor Truck is still on schedule to arrive June.

COMMISSIONER'S REPORT

Commissioner Ridge attended the Washington PUD Association meetings on April 18-20 in Mount Vernon, Washington. She reported on the dedication of Skagit PUDs new \$14.4 million dollar, 6.4 million gallon concrete reservoir and booster pump station. She reported that work is being done in the interim on legislation regarding bid limits for PUDs to complete their own projects. Work is being done on a communication plan promoting PUDs as clean energy providers.

Commissioner Ridge will be attending the Energy Northwest Board meeting on April 24-26 in Richland, Washington. The election of Board of Directors and Executive Board members is the primary focus of the meetings. She received endorsement for voting for 5 candidates for the Executive Board.

Commissioner Ridge will be attending the Public Power Council meetings on May 2-3 in Portland, Oregon.

ADJOURNMENT

There being no further business the meeting was adjourned at 6:35 p.m.