

PUBLIC UTILITY DISTRICT NO. 1
OF ASOTIN COUNTY, WASHINGTON
MEETING MINUTES
October 8, 2018

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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.

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ROLL CALL: PRESENT Commissioners: Don Nuxoll, Judy Ridge and Greg McCall.

Staff: Manager Tim Simpson, Treasurer Bob Sischo and Director of Operations Craig Riehle.

Members of the public were present.

MINUTES OF MEETING AND VOUCHER APPROVAL

MOTION by Commissioner Greg McCall and seconded by Commissioner Judy Ridge to approve the consent agenda approving the minutes of the September 24, 2018 Regular Meeting and payment of the Transaction Vouchers covering Vouchers #1956 – #1958 and Electronic Transaction Vouchers #4885EFT – #4901EFT in the amount of \$39,171.09 and Blanket Transaction Voucher Approval Documents covering Electronic Transaction Vouchers #83 – #88 and vouchers #38809 through #38861 in the amount of \$173,050.87. The question was called for on the motion. The motion passed 3-0.

ENERGY NORTHWEST PRESENTATION

Energy Northwest (EN) Chief Executive Officer (CEO) Brad Sawatzke and Chief Communication Officer Mike Paoli attended the PUD meeting as part of their effort to visit all members of EN. Mr. Sawatzke was appointed as CEO in April of this year. Mr. Sawatzke brings over 30 years of nuclear experience to the position. He presented an overview of his experience in the nuclear industry, the EN leadership team, their excellence model, energy services and development, non-nuclear generation projects and the Horns Rapid Solar, Storage and Training Center. Mr. Sawatzke spoke of the energy and economic value the Columbia Generating Station (CGS) nuclear power plant provides for the Northwest and the energy production records broken over the past two years. He also spoke of other generation projects they oversee in Washington, Oregon and California. Mr. Sawatzke addressed the carbon-free energy that CGS produces, the refinancing of BPA debt and dollar savings provided to Northwest and the future of nuclear power and modular nuclear reactor investments.

OLD BUSINESS

There were no items presented under Old Business.

NEW BUSINESS

Water Main Extension Request on 26th Street

The manager presented a request by Larry Kinney for the extension of the water main on 26th street between Linda Vista and 6th Avenue to serve two (2) properties he subdivided this summer. He stated that Mr. Kinney lives at 2577 26th Street and the properties are just south of this location.

The manager reported that In June of this year the PUD was presented with a Replat of Lot 1 of Lacy Addition by Asotin County. Prior to the receipt of the Replat, Mr. Kinney came to our office and spoke with Craig Riehle, Director of Operations, regarding water service options. He was told that a water main line does not exist in 26th Street in front of the property in question therefore prospective buyers who bought a lot would be required to run a water service from a meter box off of the water main south on 6th Avenue or north to horse trail behind Linda Vista where a PUD water main exists. At the County Planning Commission meeting held on July 17, 2018 the Replat was discussed under new business and the Replat states that there is no water main in 26th Street and prospective buyers will need to be advised by the Asotin County PUD as to the location of potential water connections.

The manager stated that during the past two weeks we received visits from two parties interested in purchasing the lots and they were told of the available water service options. On Thursday, September 27th, Mr. Kinney along with the prospective buyers met with Craig about water availability and again he stated the available options. At that point Mr. Kinney requested that the PUD extend the water main to serve these two lots and that the PUD should do this at our own expense. Craig stated to Mr. Kinney that if an extension were to occur he and/or the prospective buyers would have to pay for the main extension.

Craig spoke with the manager on Monday, October 1st regarding Mr. Kinney's request. The estimated cost to extend the water main and serve the lots would be \$72,000. The current asphalt is made up of pieces of used asphalt and there is a potential that we would have to pave the entire road disturbed during construction with 2 inches of asphalt which would increase the cost estimate approximately \$28,000. Extending the water main would be extremely expensive for serving only two customers and there is minimal benefit to the PUD to extend it. The manager recommended that the Board deny Mr. Kinney's request that the PUD extend the water main to serve these lots.

Mr. Kinney spoke and stated his understanding of not expending the funds to extend the water main to serve the property he subdivided. He stated that he just wanted to get water to properties for the people who have purchased them. The manager stated that the PUD wants to help provide the connections where possible. He stated that the original location on 6th Avenue has been denied by the County because they do not want the water lines in the right-of-way. Karts Riggers, Asotin County Building Official, was in attendance and spoke on the issue. Several options for other water service locations were discussed with Mr. Kinney. Commissioners encouraged Mr. Kinney and the property buyers to work with PUD staff to find suitable locations to provide water service.

Change the Tuesday, October 23, 2018 Regular Commission Meeting to Monday, October 22, 2018

The manager requested changing the next Commission meeting date from Tuesday, October 23, 2018 to Monday, October 22, 2018 due to commissioner travel.

MOTION by Commissioner Judy Ridge and seconded by Commissioner Greg McCall to approve changing the meeting from Tuesday, October 23, 2018 to Monday, October 22, 2018 at 5:30 pm. The question was called for on the motion. The motion passed 3-0.

Set 2019 Budget Hearing Date

The manager stated that the 2019 Budget is near completion and recommended setting a 2019 Budget Hearing Date for Monday, October 22, 2018 at 5:00 pm prior to the next regular commission meeting.

MOTION by Commissioner Greg McCall and seconded by Commissioner Judy Ridge to approve setting a 2019 Budget Hearing for Monday, October 22, 2018 at 5:00 pm. The question was called for on the motion. The motion passed 3-0.

MANAGER'S REPORT

Operations Activity – the manager reported that the crew continues the replacement of service lines identified as having a potential lead pig tail, which is typically 12 to 18 inches long. To date, 114 of the 176 identified services have been completed with 15 lead pigtails having been found. The crew will complete 10 more services with the remainder of the project scheduled for completion in early 2019.

2017 Fiscal Year Audit – the manager reported that a 2017 Fiscal Year Audit Entrance Conference was held on Monday, October 1, 2018. Commissioner Nuxoll was in attendance at the meeting with the State Auditors. He reported that the Auditor completed their onsite visit today. The audit should be completed by month end with an Audit Exit Conference and audit reports to follow in November.

COMMISSIONER'S REPORT

Commissioner Ridge and Commissioner McCall attended the Washington PUD Association Water Workshop on September 26-28 in Suquamish, Washington in the Kitsap PUD service territory. Commissioner McCall stated that the workshop was good and an opportunity to learn what other PUDs do with construction activities, and automated meter reading systems. He stated that we are fortunate at our PUD regarding on water rights as compared to other utilities. He reported on the state-of-the-art treatment facility recently constructed by Kitsap PUD which removed a sewage outfall into the ocean port and treats the sewage to the point where the water can be injected back into the aquifer. Commissioner Ridge reiterated Commissioner McCall's comments regarding the workshop. She stated it is also a good opportunity to hear from regulatory agencies about updates and programs that affect our PUD.

Commissioner Ridge attended the Public Power Council meetings October 3-4 in Portland. She reported that discussion centered on the Bonneville Power Administration's (BPA) costs, fish management costs and the refinancing of debt by Energy Northwest for BPA.

ADJOURNMENT

There being no further business the meeting was adjourned at 7:05 p.m.