

PUBLIC UTILITY DISTRICT NO. 1
OF ASOTIN COUNTY, WASHINGTON
MEETING MINUTES
December 11, 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: Tim Simpson and Bob Sischo.

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 November 27, 2018 Regular Meeting and payment of the Transaction Vouchers covering Vouchers #1962 – #1965 and Electronic Transaction Vouchers #4953EFT – #4969EFT in the amount of \$48,767.54 and Blanket Transaction Voucher Approval Documents covering Electronic Transaction Vouchers #104 – #109 and vouchers #39022 – #39082 in the amount of \$194,808.68. 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 18-460 – Thanking Mike Smolinski for 35 Years of Service

The manager presented Resolution 18-460 which provides for an expression of gratitude to Mike Smolinski for his 35 years of service to the utility system; 31 of which were with the PUD. Mike will be retiring from the PUD effective December 31, 2018. He stated that it has been our practice to adopt resolutions thanking employees who are retiring or leaving the PUD after many years of service.

MOTION by Commissioner Greg McCall and seconded by Commissioner Judy Ridge to approve Resolution 18-460 thanking Mike Smolinski for 35 years of service. The question was called for on the motion. The motion passed 3-0.

Resolution 18-461 – Amending the Personnel Policy

The manager presented Resolution 18-461 which provides for amendment of Chapters 7 and 10 of the Personnel Policy. In Chapter 7 – Leave from Employment, he proposed the elimination of the “Floating Holiday” under Section 7.3 – Personal Leave. The 8 hours has always been added to an employee’s Personal Leave Accrual Rate and it is not necessary to identify this in the Policy. In Section 7.3.4 – Personal Leave Cash Out, the manager requested the removal of the term “Retirement” and any reference to this term in this section and creating a new section 7.10 – Retirement.

The manager stated section 7.10 – Retirement specifically addresses when an employee is seeking to retire from employment; the required time frame for announcing retirement, the use of accrued personal leave until the official retirement date and the requirement for a retirement agreement with the employee which would detail their pending retirement from employment and outline any benefits provided under the Personnel Policy. In addition, language was added that states “upon notification of retirement the accrual of personal leave will discontinue.” This language eliminates a loop hole in the policy that would have allowed an employee to retire towards the end of the year with a retirement date the following year. The annual accrual of personal leave on January 1st would extend their personal leave bank creating an additional liability for the PUD while the employee is on payroll but not working. This has never happened but the potential exists and the loop hole needs to be closed.

The manager stated that in Chapter, Section 10.6 – Use of Credit Card for Travel Expense and Purchases, the amendment to this section came from the credit card policy review during the 2017 fiscal year annual audit. The State Auditors required the addressing of three areas that are outlined in RCWs 43.09.2855 and 42.24.115 but not identified in our policy. These areas are; distribution of credit cards, i.e., who receives a credit card, authorization and control of credit cards and credit card limits. This will be an accountability audit recommendation item and although we have not had the audit exit conference yet, the manager stated that he thought it would be prudent to amend this policy now. The amendments proposed were reviewed by the auditor they stated that it appears their concerns were addressed.

MOTION by Commissioner Judy Ridge and seconded by Commissioner Greg McCall to approve Resolution 18-461 amending the Personnel Policy. The question was called for on the motion. The motion passed 3-0.

Change Tuesday, December 25, 2018 Regular Meeting Date

The manager recommended changing the regular Board of Commissioners meeting date of Tuesday, December 25, 2018, Christmas Day, to a date that works for the Board. Commissioner Nuxoll recommended meeting on Monday, December 31st at 10:30 am.

MOTION by Commissioner Judy Ridge and seconded by Commissioner Greg McCall to approve changing the meeting from Tuesday, December 25, 2018 to Monday, December 31, 2018 at 10:30 am. The question was called for on the motion. The motion passed 3-0.

MANAGER’S REPORT

Operations Activity – the manager reported that the crew flushing the sewer system in the Port of Wilma and will begin flushing Year 1 of our schedule. Years 6 and 7 have already been completed. The crew has been performing various maintenance projects on facilities, sewer lift stations and hydrants.

Paid Family Leave – the manager reported that he had budgeted \$2,800 for the new Paid Family Leave adopted by the Legislature in 2017. Premium collection the new Paid Family and Medical Leave program is set to begin on January 1, 2019. The premium rate is 0.4 percent of an employee’s gross wages. The employer would be responsible for 37 percent of the premium and the employee would be responsible for 63 percent of the premium. Because we have less than 50 employees the PUD does not have to pay the employer portion. The law provides for the employer to pay the employee portion. The Board affirmed their 2019 Budget decision to pay for the employee portion of this new program.

2017 Audit – the manager reported that the State Auditor’s Office completed the 2017 Fiscal Year Audit soon. Due to the depth and length of time needed to review financial statements, primarily with regard to the write-off and cleanup of fixed assets, the Auditors amended their budget by \$2,375.00. There are Two (2) audit exit recommendations. One being the amendment of our credit card policy and the other being the aggregate of minor issues related to our financial statements. An Audit Exit Conference will be held on Monday, January 7, 2019 at 2:30 pm. Commissioner Nuxoll will be in attendance. The manager stated that this the PUDs 31st consecutive clean audit.

Avista Merger with Hydro One Rejected by Washington UTC – the Washington State Utilities and Transportation Commission rejected the proposed acquisition of Avista by Toronto-based Hydro One, saying in a December 5th order that it would not serve the public interest. The UTC stated that the merger agreement does not adequately protect Avista or its customers from political and financial risk, nor does it provide a net benefit to customers as required by state law. In a recent news brief an analyst stated that Avista remains a likely target for takeover. They won’t remain a stand-alone company.

COMMISSIONER’S REPORT

Commissioner Ridge and Commissioner McCall attended the Washington PUD Association Annual Meeting on December 5-7, 2018 in Tulalip, Washington. Commissioner Ridge reported on the conference speakers and their topics. Commissioner McCall reported on the speaker who provided a history of water. He spoke about the decline of water borne illnesses in many countries once chlorination was instituted in 1908. He spoke about the various foundations that bring clean drinking water to those underdeveloped countries. He stated he will do more research into these organizations and would like to see our PUD offer our customers the opportunity to donate to support these efforts.

Commissioner Nuxoll stated that the Board Work Session on Monday, December 10, 2018 regarding Public Utility Risk Management Insurance (PURMS) Pool was very good and that the Administrators attendance, information presented and discussion provided was valuable to the Board.

Commissioner Ridge will be attending the Public Power Council Annual Meeting on December 12-13, 2018 in Portland, Oregon.

ADJOURNMENT

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