

PUBLIC UTILITY DISTRICT NO. 1
OF ASOTIN COUNTY, WASHINGTON
MEETING MINUTES
May 14, 2019

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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.

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

Staff: Tim Simpson.

Members of the public were present.

MINUTES OF MEETING AND VOUCHER APPROVAL

MOTION by Commissioner Don Nuxoll and seconded by Commissioner Greg McCall to approve the consent agenda approving the minutes of the April 22, 2019 Regular Meeting and payment of Payroll Vouchers #1980 – #1982 and Electronic Payroll Vouchers #5116EFT – #5131EFT in the amount of \$39,666.74 and Electronic Accounts Payable Vouchers #19050301, #19050302, #19050701, #19050702, #19051601 and #19052401 and Accounts Payable Vouchers #39452 – #39531 in the amount of \$302,296.15. The question was called for on the motion. The motion passed 3-0.

OLD BUSINESS

Cross Connection Control and Backflow Prevention Program

The manager stated that as a follow up to previous conversations about backflow prevention at the April 22, 2019 meeting, he contacted Clark Public Utilities about their customer compliance rates. Clark stated they average 90% compliance for facilities designated as high hazards. They will discontinue water service for high hazard facilities if they do not comply with annual testing requirements. As for facilities designated as medium to low hazards, the average for compliance is 85%. They will take corrective action if needed but strive to achieve voluntary compliance through education and interaction with customers. They utilize a three-letter notification process, billing inserts, irrigation safety brochures and will perform site visits as needed.

The manager reported that staff contacted the City of Pullman about their Backflow Prevention Program. Pullman's program is like many other entities; Customers are responsible for testing backflow devices and they require testing on all devices. Their program is handled by multiple employees. They utilize a software program that allows testers to input backflow assembly test reports online.

The City of Lewiston stated that their compliance rate is very high for all hazards. They provided the PUD with their compliance notices that they send to their customers. They send a 1st notice 6 weeks before the test due date. Fifteen days after the due date, if they devices has not been tested, they send a second notice which gives the customer another 30 days to comply. After that expires, they send a 3rd notice which gives customers 14 days to comply or water will be shut off (fire lines remain on). The 3rd notice is signed by the public works director. They said that they have shut off water twice in the past 3 years. Lewiston staff stated that the threat of shutting off water has proven to be very effective.

NEW BUSINESS

Resolution 19-463 – Surplus and Transfer of Property to Port of Clarkston

The manager presented Resolution 19-463 which provides for the surplus and transfer of a 3-inch sewer line to the Port. The Resolution also authorizes the manager to execute of the Bill of Sale that provides for the transmittal of the sewer line to the Port. At the last meeting, the manager presented a request from the Port for use of a 3-inch High-Density Polyethylene (HDPE) class 160 pressure sewer line, originally installed from the Turning Pointe Business Park on Evans Road to 6th Avenue near the County Landfill. The Port wants to use the line for their Rural Broadband Expansion Project and their plans to bring fiber optic cable internet and communications connectivity to the Asotin County Landfill and the Clarkston Heights.

The PUD accepted this line through a Bill of Sale and Transmittal process in July 2011 as part of the Port's utility development at Turning Pointe. In February 2014, engineering plans were developed and this line was determined to be undersized and could not handle the sewer flows from the Park. At the Port's initial request for use of the sewer line for fiber the Board chose to keep the line and plan for a redundant water service feed for the Turning Pointe but line has been unused since that date.

MOTION by Commissioner Greg McCall and seconded by Commissioner Don Nuxoll to adopt Resolution 19-463 approving the surplus of the 3-inch Sewer Line and authorizing the manager to execute the Bill of Sale providing for the transmittal of the sewer line to the Port of Clarkston. The question was called for on the motion. The motion passed 3-0.

Critchfield Booster Station Surplus Property Offer

The manager presented two offers received for the Critchfield Booster Station (CBS) property and building. One offer was from Cameron Tinder for \$25,000.00 and one from Schurman's Hardware for \$26,000.00. An offer for the CBS was presented to the Board of Commissioners at their meeting on April 9, 2019 and after discussion of the offer the manager was directed to advertise the CBS for sale seeking additional offers in order to ensure due diligence in selling the property. The CBS was appraised in June 2012 for \$47,000 and made surplus and bids were advertised but none were received. The CBS was then advertised seeking offers and four (4) offers were received with the highest at \$22,000. All offers were rejected by the Board. In September of 2012 an offer of \$35,000 was made but the individual did not follow through and acceptance of his offer was rescinded in 2013. The manager recommended accepting the offer from Schurman's Hardware in the amount of \$26,000.00

MOTION by Commissioner Don Nuxoll and seconded by Commissioner Greg McCall to accept the offer from Schurman's Hardware in the amount of \$26,000.00 for the property and building known as the Critchfield Booster Station. The question was called for on the motion. The motion passed 3-0.

Real Estate Purchase and Sale Agreement – Critchfield Booster Station Property

The manager presented a Real Estate Purchase and Sale Agreement between the PUD and Schurman's Hardware for the Critchfield Booster Station (CBS) property and building. He stated that the Agreement details the terms that control the sale of the CBS outlining the purchase price, the necessary title insurance commitment, conveyance, closing costs and closing of the sale. The manager stated that the PUD will be paying the excise tax on the transaction and the buyer will be paying the recording costs.

MOTION by Commissioner Don Nuxoll and seconded by Commissioner Greg to approve the Real Estate Purchase and Sale Agreement with Schurman's Hardware for the Critchfield Booster Station property and building. The question was called for on the motion. The motion passed 3-0.

Resolution 19-464 – Relating to the Sale of the Critchfield Booster Station Property

The manager presented Resolution 19-464 which identifies the steps taken to surplus the Critchfield Booster Station property, the acceptance of the offer, the authorization of the manager to execute the Purchase and Sale Agreement and providing authorization for the manager to execute closing documents, including the statutory warranty deed on behalf of the PUD. Title insurance commitment will need to be obtained and a closing date for the property will be set after this commitment.

MOTION by Commissioner Don Nuxoll and seconded by Commissioner Greg McCall to approve Resolution 19-464 relating to the sale of the Critchfield Booster Station property and building and authorizing the manager to execute the Purchase and Sale Agreement and close the sale on behalf of the PUD. The question was called for on the motion. The motion passed 3-0.

City of Clarkston Joint Engagement Letter for WWTP Operation Contract Development

The manager presented a Joint Letter of Engagement with the City of Clarkston for Foster Pepper's legal services for the development of a contract with the City for operation of their Wastewater Treatment Plant (WWTP) and sewer collection system. The manager reported that at their meeting last night, the City Council unanimously approved the execution of the Letter by Mayor Monika Lawrence.

The manager reported on meetings that have led to the presentation of the Joint Engagement Letter by our general counsel Joe Brogan at Foster Pepper. It started with the meeting with the City of Clarkston Public Works Committee on Tuesday, May 7, 2019, attended by the manager, Commissioner Nuxoll and Bob Sischo to discuss the next steps towards the development of a contract for PUD operation of the WWTP and sewer collection system. At the meeting Mayor Lawrence provided a Draft White Paper about the transfer of operations to the PUD that was given to the entire Council. The Committee stated their readiness to proceed with legal counsel to begin the process of developing an operations contract. A tentative date of September 1, 2019 for PUD takeover of operations of the WWTP was discussed.

The manager further reported that on Wednesday, May 8, 2019, he, Bob Sischo and Craig Riehle met with the WWTP employees to answer questions related to their proposed transfer to employment with the PUD upon approval of an operations contract. In attendance was Mayor Monika Lawrence, Public Works Director Kevin Poole and Clerk/Treasurer Steve Austin. During the meeting salary, benefits, personnel matters and what management of the WWTP and sewer system would look like under the PUD was discussed. Employees expressed concerns about proper funding to ensure sound operation of the WWTP. The manager ensured them that the PUD would look at the needs of the WWTP and sewer collection system and budget accordingly. The manager stated that the meeting went well and that the employees were passionate about running the WWTP properly and as efficient as possible and they expressed their willingness to being under PUD management because we are utility focused.

The manager stated that this was the final step in the process of the City's requirement by State Labor Law to provide economic reasoning for the move and meet with the union for negative impact negotiations. The union has signed off on the transfer of employees to PUD employment as part of an operations contract. The manager stated the PUD can now begin the contract development process.

MOTION by Commissioner Don Nuxoll and seconded by Commissioner Greg McCall to approve the Joint Letter of Engagement with Foster Pepper for the development of a contract for PUD operation of the City of Clarkston's Wastewater Treatment Plant and collection system and authorizing the General Manager to execute the Letter. The question was called for on the motion. The motion passed 3-0.

MANAGER'S REPORT

2018 Fiscal Year Audit – the manager reported that the State Auditor's Office will be onsite tomorrow to begin the 2018 Fiscal Year Audit.

Operations Activity – the manager reported that the operations crew has continued flushing the system and meter box cleaning. For the lead pigtail replacement project, 6 of 40 remaining services were replaced and no lead pigtails were found. Inspecting of the sewer main installation at the Appleside Townhome Development began and the crew tapped the fire line for the new seed plant in the Port of Clarkston. Testing of PUD and City of Asotin backflow prevention devices was conducted and the EPA mandated Unregulated Contaminant Monitoring samples were taken.

COMMISSIONER'S REPORT

Commissioner Ridge attended the Energy Northwest (EN) meetings on April 23-26 in Richland, Washington. She reported that Whatcom County PUD has rejoined EN after several years of absence. The Columbia Generating Station (CGS) refueling outage has begun and will last 34 days. 1,200 contract employees have been hired to help with the refueling process. Prior to the refueling, the CGS ran 333 consecutive days. She reported that the Packwood Hydro-Generation facility is running at 100% capacity and the Nine Canyon Wind Project is at 99%. She reported that they did have a gear box issue with one turbine. Electric Vehicle charging stations are being installed through out the state as usage of these vehicle increases. She reported that a guest speaker told Commissioners that good leadership always asks why and that they should invest in the development of their managers.

Commissioner Ridge will be attending the Northwest Public Power Association Annual Conference on May 19-22 in Sacramento, California.

ADJOURNMENT

There being no further business the meeting was adjourned at 6:25 p.m.