

PUBLIC UTILITY DISTRICT NO. 1  
OF ASOTIN COUNTY, WASHINGTON  
MEETING MINUTES  
May 28, 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 and Bob Sischo.

Members of the public were present.

MINUTES OF MEETING AND VOUCHER APPROVAL

**MOTION** by Commissioner Greg McCall and seconded by Commissioner Don Nuxoll to approve the consent agenda approving the minutes of the May 14, 2019 Regular Meeting and payment of Electronic Payroll Vouchers #5132EFT – #5147EFT in the amount of \$34,545.81 and Electronic Accounts Payable Vouchers #19052001 and #19052002 and Accounts Payable Vouchers #39532 – #39556 in the amount of \$38,500.22. The question was called for on the motion. The motion passed 3-0.

OLD BUSINESS

Clarkston WWTP Operation Contract Development

The manager introduced Scott Lewis, Business Development Account Manager with Apollo Solutions Group (Apollo). He stated that in April 2018 the City of Clarkston (City) entered into an Agreement with Apollo to construct a 100kW Solar Photo Voltaic (PV) System at the Wastewater Treatment Plant (WWTP). Mr. Lewis provided a document showing the project cost and benefit summary. He stated that since the time the Agreement was entered into the total project cost has decreased slightly to \$679,291. Apollo and the City have secured a grant from TransAlta Energy in the amount of \$280,000 and has applied for a grant through the Washington State Department of Commerce (Commerce) for \$272,000. If the Commerce grant comes through the total out of pocket costs for the City would be \$127,291. Mr. Lewis stated that this could be further reduced by \$20,741 is the project contingency is not needed and the measurement and verification service fee is not renewed saving another \$3,437. The contingency and measurement costs, if not used, would further reduce the out of pocket to \$103,113. He stated that the Solar PV System is guaranteed by Apollo to produce 122,400 kilowatt hours of energy providing estimated annual energy savings in the amount of \$9,939.

The Commission asked Mr. Lewis about the warranty on the system, the number of solar panels, the current cost of each panel and the expected energy efficiency. He stated that there is a 10-year manufacturer warranty on the 282 panels slated for the project. If one needed to be replaced after the warranty it would cost \$300. The solar project is rated at a 14% energy efficiency. Commissioner McCall stated that he is concerned about the significant cost of the project for the minimal savings it provides. The Commission discussed the funds available from the City to pay for the project. The manager stated that the City told him that they do not have the resources available in their Sewer Reserve Fund to pay for the out of pocket costs. They would have to do an inter-department fund transfer with payback from sewer revenues for whatever time period they determine. The Commission stated that there appears to be many other needs at the WWTP before the need for the solar project.

Mr. Lewis stated that there are four (4) scenarios related to the solar project funding; 1) The City is awarded and accepts the Commerce grant and they authorize proceeding with the project at the WWTP; 2) The City is awarded and accepts the Commerce grant and the project gets relocated on another City property; 3) The City is awarded the Commerce grant and they decline to accept it and the project does not proceed at which the City would have to pay Apollo \$18,500 for their services developing the project; and 4) The City does not get awarded the grant and there is no project and they do not owe anything to Apollo for their services. Commissioner Nuxoll stated that the PUD supports solar projects and understands their importance but given the timing of the PUD taking over the operations and the potential operation and maintenance needs of the plant, it would be better if we wait a few years before taking on a solar project. Mr. Lewis thanked the Commission for inviting him and allowing him to present the information about the solar project. He stated that he understands the position the PUD is in and knows the Commissioners want to make the best possible decisions for the PUD and community.

The manager reported that a meeting with Foster Pepper attorney's Joe Brogan and Steve DiJulio to begin development of a contract with the City for operations of their WWTP and sewer collection system has been scheduled for Friday, May 31 at 1:00 pm. Commissioner Nuxoll, Bob Sischo, Craig Riehle and the manager will be attending. A WWTP tour will be scheduled for the week of June 17th.

## NEW BUSINESS

### Award Material Bid for Chestnut Street Water Main Abandonment Project

The manager presented material bids received for the abandonment of the duplicate steel water main on Chestnut Street from 14th Street, near Well No. 1, to 15th Street. Multiple leaks have occurred on the line and it is not necessary to replace it because there is a water main on the opposite side of the street. The manager stated that the 2019 Budget designated \$50,000 towards this project. He reported that bids were requested from vendors on our Vendor Roster for material for this project. The material is being used for switching customer service lines from the water main being abandoned to the other existing distribution line which also serves as the pump line from Well No. 1. One customer was switched over last year as an experiment to ensure that being on the pump line would not affect their water pressure or quality of service. The test resulted in no issues for the customer. The bid results from each vendor are as follows (all bids are shown with sales tax): Ferguson Waterworks – \$38,407.28; Core and Main (Formerly HD Supply) – \$39,872.55 and HD Fowler Company who provided a bid but failed to meet the requirements of the bid. The manager recommended awarding the bid for material for the project to Ferguson Waterworks, the lowest responsible bidder, in the amount of \$38,407.28.

**MOTION** by Commissioner Don Nuxoll and seconded by Commissioner Greg McCall awarding the Chestnut Street Project material bid to Ferguson Waterworks in the amount of \$38,407.28. The question was called for on the motion. The motion passed 3-0.

## MANAGER'S REPORT

2018 Fiscal Year Audit – the manager reported that an Entrance Conference was held today with the State Auditor's Office for the 2018 Fiscal Year Audit. The manager, Commissioner Ridge and Bob Sischo attended the Conference. The audit scope includes accountability, safe guarding of assets and financial statement presentation. They will focus on procurement and the MUNIS accounting software conversion as well as ensuring the financial statements are presented fairly. He stated they will conclude their field work this week and the estimated audit cost this year is \$16,000 plus travel. The Entrance Conference document was provided to the Commission.

Critchfield Booster Station – The manager reported that he signed the closing documents today for the sale of the Critchfield Booster Station property and building. The buyers will be signing tomorrow.

Operations Activity – the manager reported that the lead pigtail replacement project is nearly complete and none of the remaining services replaced to date have had lead pigtails. Water and sewer main installation continues at the Appleside Townhome Development. The Bridge Street Lift Station project is near completion and the date for switching to the above-ground control panel is scheduled for the week of June 17<sup>th</sup>. A broken valve at the intersection of 3<sup>rd</sup> Avenue and Appleside Boulevard is scheduled for replacement on Thursday, May 30. Plans are underway for replacing approximately 650 feet of 6-inch steel main that resides on our Well No. 7 property. Project costs are minimal and will be done in preparation for cleanup and maintenance at the well. Tom West's last day of work is Thursday, May 29. He will be on vacation status until his official retirement date on December 31, 2019. The manager stated that Tom has set the standard for the Serviceman position and will be missed.

### COMMISSIONER'S REPORT

Commissioner Ridge attended the Northwest Public Power Association Annual Conference on May 19-22 in Sacramento, California. She reported that the keynote speaker talked about finding out what customers want from their utility, engaging them and getting out ahead of it. Other speakers spoke of the increase in the use of electric vehicles both trucks and cars, how wildfire surveillance and protection has reached the digital age with the cameras and sensors on mountains for quicker response and how social media has changed how we operate and need to for us to be aware that cameras are everywhere.

Commissioner Ridge will be attending the Public Power Council meetings on June 5-6 in Portland, OR.

Commissioner Nuxoll will be attending the Public Utility Risk Management meeting on June 5-6 in Burien, Washington.

Commissioner McCall will be attending the LC Valley Chamber of Commerce meeting on May 29.

### ADJOURNMENT

There being no further business the meeting was adjourned at 7:03 p.m.