

PUBLIC UTILITY DISTRICT NO. 1  
OF ASOTIN COUNTY, WASHINGTON  
MEETING MINUTES  
July 22, 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.

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 July 9, 2019 Regular Meeting and payment of Electronic Payroll Vouchers #5198EFT – #5214EFT in the amount of \$36,509.03 and Electronic Accounts Payable Vouchers #19071904, #19071905 and #19071906 and Accounts Payable Vouchers #39718 – #39757 in the amount of \$107,295.80. The question was called for on the motion. The motion passed 3-0.

OLD BUSINESS

City Sewer System Operator Agreement

The manager stated that during discussion regarding compensation for allocable administrative overhead costs at the July 9, 2019 meeting, the Commission expressed concerns about providing a set monthly compensation amount to the City and felt that the \$1,500.00 per month compensation should go towards the estimated \$400,000 in projects identified in the WWTP project list and the over \$500,000 that will be spent on the development of a comprehensive sewer system plan. The manager stated that as directed, he removed the allowance for monthly compensation from the Draft City Sewer System Operator Agreement and sent the amended Agreement to City of Clarkston Mayor, Monika Lawrence.

The manager reported that Mayor Lawrence responded by phone within a couple of hours of receiving the amended Agreement and requested that the PUD consider at least keeping the allocable administrative overhead cost language in the Agreement but modify it to state that the City would be compensated for these costs on an as-needed basis at an hourly rate established by the City based on key staff salary and benefits. The manager reported that he contacted President Ridge to discuss the Mayor's proposal and she concurred with the requested compensation language. Language for allocable administrative overhead costs was reinstated and sent to the Mayor on Thursday, July 11 for her review.

The manager reported that he had not heard from the Mayor for several days and contacted her on Wednesday, July 17 to ask if any progress had been made on the review of the proposed compensation language. The Mayor stated that she was meeting with the City attorney that afternoon to discuss the proposed language and whether their insurance carrier, Washington Cities Insurance Authority (WCIA) would be requiring that the City provide insurance coverage on the WWTP. The manager received word, after their meeting, that the compensation language was acceptable, however, they had not heard from WCIA yet regarding the necessity of the City providing insurance coverage. For the sake of moving forward, the manager recommended to the City that the language in Section 11 remain as is until further notice. If WCIA does not require the City to provide insurance, the manager stated that the language that would need to be changed is from "the City shall insure..." to "the PUD shall insure..."

## Meeting Minutes

July 22, 2019

Page 2

On Thursday, July 18, he sent Foster Pepper attorney Steve DiJulio the amended Agreement for he and Joe Brogan's review informing him that the City and PUD held a joint meeting to review the City Sewer System Operator Agreement and have come to a consensus on the amendments.

The manager reported that he and Director of Operations Craig Riehle attended a meeting on Thursday, July 11 with Public Works Director, Kevin Poole to discuss the City's contract with Latah Sanitation, Inc. (LSI) for sludge disposal. LSI stated that the price per ton for sludge disposal will increase from \$52.10 per ton to \$52.96 beginning in January 2020. Their Clearwater Disposal site in Lewiston is a certified Tier 2 disposal site. The manager stated that he contacted the Asotin County Landfill about taking the sludge from the WWTP and found out that they have not taken sludge at the landfill since 1986 and they do not intend to seek permitting to do so due to the cost and effort involved.

The meeting with Mr. Poole continued with a 30% design review of the proposed Filter Building project. This is the largest cost project on the WWTP list at an estimated \$150,000. The purpose of the Filter Building is to filter processed effluent and send it back into the WWTP for use in the wastewater processes. The current filters are antiquated and when they fail, they spray water throughout the building hitting the current electric panels. The plan is to build a separate building for all of the electrical components and upgrade the existing filters to include an automatic backwash system. The current equipment has created many after hour call-outs and at times does not filter the water properly. Commissioner Nuxoll asked if the WWTP could use PUD water for its effluent processing. Commissioner Nuxoll stated that this would be a much less expensive solution to the Filter Building issues. The manager stated he would talk to the Plant Supervisor, Wes Ison and Mr. Poole about this idea.

### NEW BUSINESS

No were no items presented under New Business.

### MANAGER'S REPORT

2018 Audit Exit Conference – the manager reported that he, Commissioner Ridge and Bob Sischo attended a 2018 Audit Exit Conference with Audit Lead, Andrew Chilton and Program Manager Alisha Shaw. The auditor's joined by phone to save travel costs. There were two (2) recommendations provided as a result of the Audit. The first recommendation dealt with the requirement to make available to the public, once a year, the list of projects awarded under the Small Works Roster and purchases awarded under the Vendor Roster. The second recommendation was an aggregate of issues related to our financial statement preparation and review. The issues are not material to the financial statements and have already been resolved with our accounting firm. This is the PUDs 32nd consecutive clean audit.

Operations Activity – the manager reported that in reviewing the lead pigtail replacement project staff found one remaining service. A car has been parked over where they need to work and the City was contacted to request the resident to move it. Once this service has been replaced a full report on the project will be provided. The crew has tied 17 customers services to the 12-inch water main the Chestnut Street Project. They have completed one (1) tie-in at the intersection of Van Arsdol and there are four (4) more tie-ins to complete. One tie-in is at Well No. 1 which will be completed this fall after the irrigation season. Once the last tie-in is complete, the 1,340 feet of 8-inch steel water main on the north side on Chestnut Street between 14<sup>th</sup> and 15<sup>th</sup> Streets will be abandoned.

Lake Haven Utility District Lawsuit – the manager stated that as previously report Lakehaven Water and Sewer District challenged the authority of the City of Federal Way to levy an excise tax on the “gross receipts” of water-sewer districts that provide service in the city. King County Superior Court ruled last October in Federal Way’s favor and upheld the tax. The decision has been appealed to the state Supreme Court and they are waiting to hear if they will accept the case. The Washington PUD Association considered filing an amicus brief in the case but declined an effort stating that there was limited interest in WPUDA doing a special assessment of its members to pay for such a brief and they have no money in its budget to pay for such brief. However, the Washington Water Utility Council (WWUC), of which our PUD is a member, will consider an amicus brief at their member meeting on Friday, July 26.

### COMMISSIONER’S REPORT

Commissioner Ridge attended the Washington PUD Association (WPUDA) meetings July 17-19 in Leavenworth, Washington. She reported that a panel was held by District 12 legislators on the importance of hydropower and engaging your legislators to get legislation important to PUDs passed. During a water utility roundtable, she reported the Kitsap PUD has begun using their own utility staff for construction. During the energy committee there was discussion regarding electric utility requirements to determine cost effectiveness of their energy efficiency programs and how utilities are being mandated to provide low income assistance and energy efficiency for buildings and businesses. Renewable Hydrogen production was also discussed. Douglas PUD and WPUDA were successful in getting SB 5588 passed and signed by the Governor which authorizes PUDs to manufacture and sell renewable hydrogen. She provided a brochure from the Renewable Hydrogen Alliance located in Portland, Oregon.

Commissioner Ridge will be attending Energy Northwest meetings on July 24-25 in Richland, Washington.

Commissioner Ridge will be attending the Public Power Council meetings on August 7-8 in Portland, Oregon.

### ADJOURNMENT

There being no further business the meeting was adjourned at 6:27 p.m.