

PUBLIC UTILITY DISTRICT NO. 1
OF ASOTIN COUNTY, WASHINGTON
MEETING MINUTES
September 22, 2020

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President Judy Ridge presiding, the Public Utility District No. 1 of Asotin County Meeting was called to order at 10:00 a.m. The meeting was held by teleconference in accordance with the Washington State Governor's Proclamation 20-28, dated March 24, 2020, due to the novel Coronavirus (COVID-19) and Proclamation 20-28.9, updated September 2, 2020, extending the original and subsequent Proclamations.

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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 September 8, 2020 Regular Meeting and payment of Electronic Payroll Vouchers #5676EFT – #5692EFT in the amount of \$36,463.05 and Electronic Accounts Payable Vouchers #20090901, #20090902, #20091702, #20091801, #20091802 and #20091803 and Accounts Payable Vouchers #41067 – #41106 in the amount of \$137,944.97. The question was called for on the motion. The motion passed 3-0.

COVID-19 UPDATE

The manager reported that the governor has amended the Open Public Meetings Act Proclamation (20-28.10) to allow in-person meetings for public agencies only where wildfires have substantially interrupted or degraded telecommunications services.

The manager reported that revenue from delinquent account fees and disconnects, to date, is down approximately \$50,000 as compared to last year at this time. The total dollar amount of delinquent accounts currently past due is \$47,626, approximately \$10,000 higher than the last report. 49 payments were received for the 99 doors tags that were sent out for billing cycles 1-3. 171 door tags for billing cycles 4-6 went out at the end of August and 94 payments were received. Door tags for this cycle will be generated tomorrow.

OLD BUSINESS

There were no items presented under Old Business.

EXECUTIVE SESSION

Commissioner Ridge adjourned the regular meeting into Executive Session at 10:05 a.m. to discuss the acquisition of real estate per RCW 42.30.110(1)(b). Commissioner Ridge stated that the Board would be in Executive Session for 20 minutes.

Commissioner Ridge called the regular meeting back to order at 10:20 a.m. She stated that no decisions were made in Executive Session. The Board directed the manager to develop a real estate sale and purchase agreement for review by the seller and the Board.

NEW BUSINESS

Snake River Estates – Silcott Hills Residential Development

The manager reported that the PUD has been approached regarding a proposed 95-lot residential development in Silcott Hills above Chief Timothy Park called Snake River Estates. The property owners approached the PUD for guidance because they intend to develop a public water system for the lots rather than each landowner drilling a well. A well is available for use with the lower portion of the development. The manager and staff have been discussing the project with the landowners' engineer for several weeks and met with him and Washington State Department of Health Regional Engineer, Andy Cervantes on Thursday, September 10th to discuss the necessary steps to develop a Group B or Group A water system. Mr. Cervantes stated that the best and most efficient route was for the owners to develop a Group A system utilizing the PUD. He stated that for a Group B system, only 9-lots could be developed. On the sale of the 10th lot they would have to complete a water system plan.

Mr. Cervantes stated that in order for the PUD to help them through this process we would need to reactivate our Satellite Management Agency (SMA) status which was dropped prior to approval of the 2018 Water System Plan update. He also stated that the well that the landowners want to use for the public water system will need to be inspected, will have to meet DOH standards and the water quality will need to be tested and pass the standards applied to a Group A well. After the meeting, Mr. Cervantes and the landowner's engineer visited the well and the PUD received a good report on its condition. The well is 360 feet deep and produces 100 gallons per minute.

The manager reported that on Tuesday, September 15th, Director of Operations, Craig Riehle and the manager met with the landowners and their engineer to discuss the development and the PUDs interest in assistance with setting up a Group A system, contract operation and eventual ownership. He provided a preliminary design map showing the development. It is estimated that they could serve 30 lots for Phases 1 and 2 with the initial well and a reservoir that will be constructed near the well. Fire flow requirements are currently being discussed with the Fire District Chief. As the system develops south, up the hill, a new larger well will be drilled and a new larger reservoir would need to be constructed in order to meet daily demand. The lower reservoir would be relocated once the new facilities are operational. The water main will be 8-inch C-900 PVC and the service sizes will need to be determined based upon the size of property and customer use but will be a minimum 1-inch line.

The landowners are aware that they will bear the cost of the entire development including the planning and development of the water system plan, construction documents, costs associated with utilizing the PUD's engineering firm and the drilling of the larger well and placement of the reservoirs. The development would be required to meet PUD construction standards before acceptance.

After discussion of the proposed development and Group A water system, the Board provide approval for the manager to reactivate the PUDs Satellite Management Agency status and to cautiously proceed with assisting the landowner in the development of a water system for the Snake River Estates.

MANAGER'S REPORT

Well No. 5 Repairs – the manager reported that the motor starter for Well No. 5 arrived and was made operational on Thursday, September 17th. Minor adjustments we made the next day and the well was operated for several hours. The well was flushed again yesterday and water quality samples were taken. Once a water sample is satisfactory the well will be placed back online.

Operations Activity – the manager reported that last Thursday, after a satisfactory water quality sample on the 615 feet of new 6-inch PVC water main on 13th Street between Fair and Bridge Streets, the operations crew completed the project with the tie over of the water main and rebuild and tie over of 15 customer service lines. Concrete work and paving of the street are scheduled for next week. A new control panel for River’s Bend Reservoir was ordered yesterday. The current panel is obsolete and has created issues with the operation of the fire flow and booster pumps at the site. Capital improvement project planning for 2021 is underway. The pulling and inspection of the components for Well No. 3 and a new motor starter for Well No. 7 have been identified as projects next year.

Financial Report – the manager reported that revenue, to date, is \$4.07 million and expenses are at \$3.46 million. He stated that even though net revenue is good we are behind on our budgeted reserve obligation by approximately \$210,000. This number is reflected in the lagging water sales in May and June due to rain and the decline in delinquent account fees. Water production in September is approximately 20 million gallons higher than last year at this time which will help offset the lack of water sales however, he is estimating a \$150,000 to \$170,000 shortfall in revenue by year end. Reserve for capital improvements projects (CIP) for 2021 will absorb the shortfall. He stated that even with the CIP reserve hit, there will be a carryover of approximately \$50,000 in the fund plus we do not have a debt payment next year. He has estimated that there will be \$720,000 available for CIP next year.

COMMISSIONER’S REPORT

Commissioner McCall remotely joined the Washington PUD Association virtual Water Committee roundtable and Board of Director meetings September 17-18. He reported that the Legislature will not do much in the way of water legislation next year in order focus on the budget deficit created by the shutdown of businesses due to the COVID-19 pandemic. Discussion also was held regarding water right adjudication and the cost of culvert replacement. He reported that it was stated that the cost of pipe and materials is going up and that we should consider stockpiling material for next years projects. The manager stated that he would look into pricing and report back to the Board. Commissioner McCall stated that at the Board meeting there was discussion regarding federal funds being released to PUDs and the internal organization changes made to ensure continuity with John Kounts’ pending retirement.

Commissioner Ridge will be remotely attending the Public Power Council meeting on October 8th.

ADJOURNMENT

There being no further business the meeting was adjourned at 11:02 a.m.