

PUBLIC UTILITY DISTRICT NO. 1
OF ASOTIN COUNTY, WASHINGTON
MEETING MINUTES
December 12, 2022

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President Greg McCall 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, Clarkston, Washington.
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ROLL CALL: PRESENT Commissioners: Greg McCall, Don Nuxoll and Judy Ridge.
Staff: Tim Simpson and Bob Sischo.

MINUTES OF MEETING AND VOUCHER APPROVAL

MOTION by Commissioner Judy Ridge and seconded by Commissioner Don Nuxoll to approve the consent agenda approving the minutes of the November 22, 2022 Regular Meeting and December 7, 2022 Special Joint Meeting with the Clarkston City Council and Payroll Vouchers 2124 – 2126 and Electronic Payroll Vouchers 6587EFT – 6602EFT in the amount of \$47,850.84 and Electronic Accounts Payable Vouchers 22120501, 22120502, 22120503, 22120701, 22120702 and 22121901 and Accounts Payable Vouchers 43371 – 43429 in the amount of \$226,557.01. The question was called for on the motion. The motion passed 3-0.

OLD BUSINESS

City of Clarkston Sewer System Contract Operation

The manager presented a Draft PUD and City of Clarkston City Sewer System Operator Agreement. He stated that, at the end of the joint meeting, held between the Clarkston City Council and PUD Board of Commissioners, on Wednesday, December 7 to discuss PUD contract operations of the City's sewer system, the Council, by consensus, directed the city staff and the City Attorney to take the next steps toward the development of an agreement that provides for PUD contact operation. The manager contacted PUD legal counsel at Foster Garvey regarding the result of the joint meeting and a review of the 2019 City Sewer System Contract Operator Agreement was scheduled by counsel for Friday, December 9. The meeting included PUD management staff, the City Mayor and the City Clerk. Commissioner McCall was invited but was unable to attend. Joining from Foster Garvey was PUD legal counsel and bond counsel. Counsel led us through the entire Agreement with very few changes identified to be made. There are two primary changes to the original Agreement. One change is the mayor's request for the PUD be responsible for directing the spending of their \$1.5 million in American Relief Plan Act (ARPA) funding for sewer collection system improvements. The other primary change is the Agreement's effective dates. Both parties agreed that the goal is to approve the Agreement before January 31, 2023 with an effective date of February 1, 2023 and operation commencement on April 1, 2023. Language regarding the operation date will be flexible allowing the deferral of the operation date if the PUD is not ready. The Board asked several questions regarding the Agreement and the process.

NEW BUSINESS

Resolution 22-503 – Setting a Local Utility District Formation Hearing Date

The manager presented Resolution 22-503 which sets a hearing date for the formation of a Local Utility District (LUD). A Petition was submitted by 20 landowners, on Friday, November 18, requesting the formation of an LUD for the extension of gravity sewer to serve approximately 48 properties in the area of Bursell Drive and 18th Street between 5th and 6th Avenues. State law requires that when ten percent of the landowners in a proposed LUD have petitioned for formation, the Board is required to set a hearing date on the formation of the LUD, to hear those for and against the improvement.

On Tuesday, November 29, a Petition against the formation of the LUD was submitted by 25 property owners – a majority in the proposed boundaries of LUD. Five of the signatures were from property owners who had signed the Petition requesting the establishment of the LUD. Signatures on both Petitions were verified by staff as the owners of the property.

Legal counsel stated that even though there is a petition against forming the LUD the Board is still required to set a hearing date. However, because a majority has provided a signed petition against, the hearing would ultimately be cancelled. Based on the Revised Code of Washington, a majority against would require the denial of the Petition to form the LUD. The steps counsel stated that the PUD will need to take to ensure legality of the process is to: adopt the LUD hearing date Resolution, publish a notice of the LUD hearing date in the Tribune at least 15 days prior to the LUD Hearing and notify property owners of the hearing date via certified mail. Counsel also stated that for the mailed notices, they recommend that the taxpayer's name and address be confirmed against the county tax rolls immediately before mailing. The manager stated that the landowners name and address have been verified by the County Assessor.

Signers of the Petition to form the LUD were present and President McCall allowed their request to speak regarding the hearing. They requested that hearing be allowed to be held in spite of the majority against. President McCall stated that the law will be followed, with regards to the hearing, and public comment can be made during the regular meeting that follows the LUD hearing if it is canceled. The manager stated that Resolution 22-503 sets the LUD formation hearing date at the first Board meeting of 2023, on Tuesday, January 10 at 5:30 pm. Counsel has reviewed and approved of the Resolution.

MOTION by Commissioner Judy Ridge and seconded by Commissioner Don Nuxoll to adopt Resolution 22-503 setting a Local Utility District Formation Hearing Date of January 10, 2023 at 5:30 pm. The question was called for on the motion. The motion passed 3-0.

Resolution 22-504 – Adopting the 2023 Budget

The manager presented Resolution 22-504 which provides for the adoption of the 2023 Budget (Budget). At the November 22, 2022 Board meeting, an overview of revenue, expenses and reserves that make up the Budget was provided. There was detailed discussion regarding items identified in the Budget and outlined in the Budget Narrative. The manager reported on several updates to the Budget completed after the draft Budget review.

MOTION by Commissioner Judy Ridge and seconded by Commissioner Don Nuxoll to approve Resolution 22-504 adopting the 2023 Budget. The question was called for on the motion. The motion passed 3-0.

Resolution 22-505 – Setting the 2023 Water Rates, Charges and Fees

The manager presented Resolution 22-505 which provides for the setting of Water Service Rates, Charges and Fees effective January 1, 2023. The Water Consumptive Rate will increase to \$1.20 per unit. The Monthly Minimum Charge will increase for all account categories; \$1.00 for 3/4 to 1 1/2-inch meters, \$2.00 for 2 to 4-inch meters and \$4.00 for 6-inch meters and \$5.00 for 8-inch meters. The Multifamily unit charge will increase from \$11.00 to \$11.50 per unit per month, the first increase since 2020. Installation Fees are adequate to meet material, labor and equipment costs and an increase is not recommended. The City of Clarkston's Wastewater Treatment Plant budget will increase approximately 9.5% in 2023. Even with the budgeted increase, a sewer rate increase is not recommended for 2023.

MOTION by Commissioner Judy Ridge and seconded by Commissioner Don Nuxoll to approve Resolution 22-505 setting Water Rates, Charges and Fees effective January 1, 2023. The question was called for on the motion. The motion passed 3-0.

Award Bids for 2023 Stock and Capital Improvement Project Material

The manager stated that bids were requested from vendors on the Vendor Roster for water main and service replacement material for stock and for the planned 2023 Capital Improvement Projects (CIP). The bid results from each vendor for each bid request are as follows: Stock Material; Ferguson Waterworks – \$14,246.98, Core & Main – \$15,081.94 and HD Fowler Company – \$15,701.59. 11th Street Project; Ferguson Waterworks – \$111,530.89, HD Fowler Company – \$113,963.28 and Core & Main – \$114,511.84. 14th Street Project; Ferguson Waterworks – \$95,212.29, HD Fowler Company – \$96,127.31 and Core & Main – \$98,199.16. The manager stated that bids were tabulated and calculations were checked multiple times. Ferguson Waterworks is the lowest responsible bidder for the Stock Material at \$14,246.98 and for the 2023 CIP material for both projects at \$111,530.89 for 11th Street and \$95,212.29 for 14th Street.

MOTION by Commissioner Judy Ridge and seconded by Commissioner Don Nuxoll to award the bid for Stock Material to Ferguson Waterworks in the amount of \$14,246.98 and award the bids for the 2023 Capital Improvement Projects material to Ferguson Waterworks in the amounts of \$111,530.89 for the 11th Street Project and \$95,212.29 for the 14th Street Project. The question was called for on the motion. The motion passed 3-0.

Change the Tuesday, December 27, 2022 Meeting Date

The manager stated that the Tuesday, December 27, 2022 meeting is scheduled the day staff returns from the Christmas holiday. He requested changing the meeting to Wednesday, December 28 to allow time for preparation, delivery and Commissioner review of Board Packets. Commissioner Ridge stated that she would be out of town that day but will join the meeting by phone. The manager stated that Board meeting packets would be delivered on Tuesday, December 27.

MOTION by Commissioner Don Nuxoll and seconded by Commissioner Judy Ridge to approve changing the Tuesday, December 27, 2022 to Wednesday, December 28, 2022 at 5:30 pm. The question was called for on the motion. The motion passed 3-0.

MANAGER'S REPORT

Development Activity – Installation of the approximate 1,000 feet of water main, which connects the Bennett Hill Subdivision to Allen Drive, has been completed and the line has been filled. This week the contractor is pouring concrete footings to secure the pipe on the hillside. The next steps will be to pressure test the water main, flush and take a water quality sample. Once a satisfactory sample is received, the line will be activated upon completion of the pressure reduction valve start-up.

PUD Staff attended a meeting with Asotin County staff and the developers of 33 acres of property above Pleasant View Drive. The proposed 55 lot development will be called Clarksvew Estates. The County will require a secondary access road. The PUD will require the installation of a water main from Swallows Nest Drive up the secondary access road to the development. The development will also require a booster pump station and a properly sized reservoir. PUD engineers will need to complete a hydraulic analysis to ensure adequate water supply from the water main on Swallows Nest Drive to the development and reservoir. The manager showed the Board a map of the proposed development.

COMMISSIONER'S REPORT

Commissioner McCall attended the WPUDA Annual Conference Wednesday, November 30 through Friday, December 2. He reported that the Water Committee agenda focused on opportunities for infrastructure funding. He requested that WPUDA staff develop a comprehensive funding spreadsheet that includes all funding opportunities for PUDs with web links and staff contacts. At the primary meeting of the Annual Conference attendees heard from Congresswoman Cathy McMorris Rodgers about news from Washington DC, heard an update from the Bonneville Power Administration, were provided a State of the Association address from WPUDA Executive Director George Caan, heard from a speaker on water supply and climate impacts and a speaker on the advancement of fusion energy.

PUBLIC COMMENT

Members of the public were present and provided comment regarding the LUD formation hearing and the development of a comprehensive sewer system plan.

ADJOURNMENT

There being no further business the meeting was adjourned at 7:00 p.m.