

PUBLIC UTILITY DISTRICT NO. 1
OF ASOTIN COUNTY, WASHINGTON
MEETING MINUTES
March 13, 2023

.....
President Don Nuxoll presiding, the Public Utility District No. 1 of Asotin County Meeting was called to order at 9:00 a.m. at the PUD Office at 1500 Scenic Way, Clarkston, Washington.
.....

ROLL CALL: PRESENT Commissioners: Don Nuxoll, Judy Ridge and Greg McCall.
Staff: Tim Simpson, Bob Sischo and Craig Riehle.

MINUTES OF MEETING AND VOUCHER APPROVAL

MOTION by Commissioner Judy Ridge and seconded by Commissioner Greg McCall to approve the consent agenda approving the minutes of the February 28, 2023 Regular Meeting and Payroll Vouchers 2133 – 2135 and Electronic Payroll Vouchers 6686EFT – 6703EFT in the amount of \$46,935.37 and Electronic Accounts Payable Vouchers 23030301, 23030302, 23030303, 23030701, 23030702, 23031501 and 23032701 and Accounts Payable Vouchers 43635 – 43692 in the amount of \$367,411.78. The question was called for on the motion. The motion passed 3-0.

OLD BUSINESS

Clarkston City Sewer System Contract Operation Transition Activity

The manager reported that Advanced Control Systems (ACS) was onsite at the Wastewater Treatment Plant (WWTP) again on Tuesday, March 7 and resolved the remaining issues identified for repair at their last visit. ACS has a better understanding of the WWTP SCADA system which will aid in their development scope of work for upgrading the system. Consor Engineers provided a Scope of Work for design of sewer collection system pipe bursting utilizing the City’s \$1.5 million in American Relief Act Plan (ARPA). Engineering services will include update of our Standards and Specifications for sewer construction, design of the pipe bursting project, development of bid documents and project engineering. The total cost is estimated at \$155,000 or 10% of the total \$1.5 million project. The schedule includes the kick-off at the end of this month with design completed and approved in September with bidding of construction to follow. Based on this time frame, construction will likely begin in early 2024. The ARPA funds are required to be committed by 2024 and construction completed by 2026. The Department of Ecology (Ecology) has recommended a comprehensive WWTP O&M Manual update. Keller Associates engineers provided a scope of work for the update in the amount of \$14,260. Work on this Ecology required update will commence in June. Staff is mapping defects in sewer collection system based on City reports. A demonstration video on sewer point repair was shown.

The manager presented a letter received from Greg Dobb, Ecology Environmental Engineer and manager of the City’s National Pollutant Discharge Elimination System (NPDES) permit, regarding their review of the City of Clarkston and PUD City Sewer System Operator Agreement. The basis of their review is the NPDES permit and requirements under state law to review the Agreement (RCW 70.140.040(9)) which states “before any service agreement is entered into by the public body, it shall be reviewed by the department of ecology to ensure consistency with the purposes of chapters.” The review also followed guidelines outlined in Ecology publication 92-109 Water Quality Program Permit Writer’s Manual chapter 3 section 9, “Owner/Operator Agreements”. The basis for review of the Agreement also includes the intent to transfer the City Sewer System, specifically the WWTP to PUD ownership. Ecology provided comments, recommendations and posed several questions. In summary, Ecology is requiring the PUD to apply for an NPDES permit separate from the city and they want the city and the PUD to clarify roles and responsibilities stated in the Agreement regarding meeting the NPDES permit.

The manager stated that upon receipt of the letter, he contacted PUD legal counsel, Joe Brogan, notifying him of the letter and requesting an opportunity to discuss. A meeting was held via conference call with Mr. Brogan on Tuesday, March 7 with City of Clarkston Attorney Todd Richardson and Public Works Director Kevin Poole. Also, in attendance were both PUD Directors, Craig Riehle and Bob Sischo. The purpose was to discuss the content of the letter and the required PUD application for an NPDES permit. From the meeting, PUD counsel developed a draft Addendum to the Agreement, based on the list under item No. 2 of the letter, and provided it for review by Thursday, March 9. The City is currently reviewing the draft Addendum and the goal is to have a final version available for City Council and PUD Board of Commissioner approval by month end meetings. Director Riehle spoke with Mr. Dobb and the NPDES permit application is simple as the PUD will be allowed to use the details of the City's 2020 application adding PUD data to the document. The purpose of applying for the permit now is that the current one may take until 2026 to approve and submitting a permit application now guarantees that the PUD permit is in the pipeline should ownership transfer occur before 2026.

At their meeting tonight, the Clarkston City Council will have the first reading of an updated Franchise Agreement with the PUD. The manager initiated the updated due to operation and maintenance of their wastewater collection system within City limits. A PUD Resolution, accepting the franchise agreement, will be presented for Board consideration at the March 28th meeting. The manager presented a draft letter to landlords and tenants, developed by Director Bob Sischo, regarding sewer service billing procedural changes with PUD billing of city sewer system charges in April. Beginning with the first billing on April 28, 2023, the charge for sewer utilities will be billed to the utility account associated to the service location. This means that the responsible customer currently receiving a water only utility bill at the service address will begin receiving sewer charges on their utility bill. Sewer only accounts will no longer be processed. The Board discussed the letter and approved of its contents. The manager reported that bill print and mailing company sent the March 2022 PUD newsletter with the city customer billing statements today on February 28th instead of the March 2023 Newsletter. They apologized for the mistake and have removed charges associated with the error and will discount future inserts.

NEW BUSINESS

ROK Technologies GIS Mapping Cloud Migration and Cloud Services Agreements

The manager stated that a Request for Proposal (RFP) was advertised seeking proposals from qualified firms that provide ESRI Geographical Information Services (GIS) Mapping Cloud Services with specialized expertise in GIS Cloud Migration and GIS Cloud Managed Services. The Cloud migration and services were identified in the 2023 Budget. The PUD customer information system and SCADA system are provided through cloud-based services. As data grows the need for more computers to store the data and backup servers large enough to accommodate this data increases. The GIS mapping data is so large that additional servers need to be added. In addition, utilizing mapping in the field puts the PUD in a vulnerable position from cyber-security attacks. GIS in-field tablets are the weakest link and moving to a cloud-based service will reduce that risk significantly.

Responses to the RFP were received from eight (8) firms. Both Directors reviewed proposals for services, virtually attended presentations and scored and ranked each firm. ROK Technologies was ranked the highest and was selected to provide GIS Cloud Migration and GIS Cloud Managed Services for the PUD. ROK Technologies comes highly recommended from ESRI. ROK provided three (3) Agreements – a Master Agreement, a Service Level Agreement and Statement of Work. The Board reviewed and discussed the agreements with ROK Technologies for GIS Cloud Migration and GIS Cloud Managed Services.

The manager stated that the cost of implementation is \$17,000 and the initial monthly cost is \$5,965 but will go down to \$5,385 per month 3 months after establishing the cloud services platform and with the execution of a 3-year agreement. The annual costs include automatic ESRI GIS mapping upgrades and other services. The manager recommended approval and authorization to execute the agreements.

MOTION by Commissioner Greg McCall and seconded by Commissioner Judy Ridge to approve ROK Technologies GIS Mapping Cloud Migration and Cloud Services Agreements and authorize the General manager to execute the agreements. The question was called for on the motion. The motion passed 3-0.

Draft City Sewer System Rates and Rate Resolution

The manager presented for review and discussion a draft City Sewer System Rate Resolution. He stated that the Monthly Base Charge and the Monthly Sewer Charge, for both residential and commercial classifications, mirror the current combined total of City sewer customers' bills with the state utility tax built into the rate. After testing multiple accounts with multiple different factors in both the sewer base rate and consumption rate, staff are confident that the sewer rates are calculating correctly in our billing software. Staff compiled two different test files to send to our bill print and mailing vendor to ensure that the new charges and consumption factor appear correctly on the statements. The Board discussed that rates and billing of City Sewer System customers.

Draft City Sewer System 2023 Budget

The manager presented a draft City Sewer System 2023 Budget and Budget Narrative for review and discussion. He stated that the Budget represents a 9-month operation period of April 1 to December 31, 2023. Shown in the Budget is the City Budget, a 12-month PUD Budget and the 9-month PUD Budget. He stated that the total City Sewer System Budgeted Revenue is estimated at \$4.55 million. The largest source of revenue is from the Sewer Services Charges in the amount of \$1.725 million or 38% of total revenue. 33% of revenue, or \$1.5 million comes from the ARPA funding. 17%, or \$788,700, comes from City Sewer Fund Reserves. 12%, or \$537,300, comes from PUD Sewer Treatment charges, interest income and miscellaneous charges. \$3.631 million has been estimated for Budgeted Expenses. 35% or \$1.6 million of total expenditures are for capital improvement projects including \$1.5 million for sewer collection system main replacement utilizing city ARPA funds. 29% or \$1.32 million of expenditures are for operation and maintenance of the WWTP and sewer collection system, utility taxes and \$570,825 for WWTP revenue bond and loan payments. 16% or \$710,625 of expenditures is for wages, benefits and payroll taxes. \$920,000 or 20% of the total budget has been designated as set aside for Sewer System Fund Reserves. Details of revenue and expenses were discussed along with discussion of the reserve accounts that will be transferred to the PUD after April 1, 2023 per the operations agreement.

Organizational Changes

The manager presented a proposed organizational chart and stated that the addition of contract operation of the City of Clarkston Sewer System has provided an opportunity for the management team to review the PUD organizational structure. Upon review and discussion, organizational changes have been developed that ensure duties are being performed and work is being accomplished efficiently and effectively. The manager stated that with any change, the opportunity to improve how the PUD functions and provides customer service is the top priority. He recommended that the "Operations Foreman" title be changed to "Operations Superintendent" and "The WWTP Superintendent" be changed to "WWTP Supervisor." These are logical changes based on the current roles of Bob Wimer, Operations Foreman, and Wes Ison, WWTP Superintendent. Changes were made to the Operations Superintendent job description to identify additional duties and responsibilities.

The manager recommended the addition of two new positions and job descriptions titled Utility Crew Leader and Construction Supervisor. Bob Wimer's responsibilities have expanded with City Sewer System contract operation and having a dedicated Utility Crew Leader will ensure day-to-day field supervision. The Construction Supervisor position will be responsible for overseeing and inspecting developer and contractor hired construction projects. This role has been filled on an as-needed-basis but with the addition of on-going construction work on the City Sewer System, dedicating an employee to this position is necessary. This will be crucial given the fact that we will be helping the City spend their \$1.5 million in ARPA funds on sewer system pipe-bursting projects. New staff will not be hired for these new positions. The Utility Crew Leader position will be opened internally for application by utility crew members and Robert Gall has been identified for the Construction Supervisor position.

The manager recommended the addition of a new position and job description titled Backflow and Meter Service Technician. This position is the result of work towards development of a Cross-Connection Control and Backflow Prevention Program which began at the Board's direction in 2019. This position will encompass cross connection control, backflow prevention, meter reading, meter technology and a host of customer service duties. This position will be filled internally.

The manager reported that due to the organizational changes a person was hired into a utility operations staff position after advertising the position and interviews were conducted. His name is Chandler Frasier and he comes to the PUD with experience and with a Class "A" Commercial Driver's License. This position was part of the 2023 Budget and discussed during our budget adoption process. Hiring him now allows for training to get him up to speed before any future retirements and allows the proposed organizational changes to be made. The PUD organizational chart and the proposed positions and job descriptions were discussed.

Resolution 23-509 – Amending the Personnel Policy

The manager presented Resolution 23-509 which amends the Personnel Policy amending current job descriptions and adding the new positions and job descriptions presented during discussion regarding organizational changes.

MOTION by Commissioner Judy Ridge and seconded by Commissioner Greg McCall to adopt Resolution 23-509 amending the Personnel Policy. The question was called for on the motion. The motion passed 3-0.

MANAGER'S REPORT

Operations Activity – The operations crew is conducting water main flushing. The Bridge Street Lift Station grinder pump failed last week and will need to be replaced. The cost of replacement is approximately \$25,000. This was an unplanned expense and funds for replacement will come out of the Sewer Operation Fund. The estimated delivery of the grinder pump is 8 to 10 weeks.

Development Activity – A judge from Walla Walla ruled in favor of Marvin Entel regarding a lawsuit against the County on their requirement for a secondary fire access road for the Grandview Ridge Subdivision. The County Board of Commissioners voted unanimously to appeal the decision. The PUD has discussed with Mr. Entel the extension of a 10-inch water main to serve the new subdivision and improve water service to existing customers. Jeff Port's engineered design and request for an extension of the pressurized sewer main on Appleside Boulevard to properties on 3rd Avenue has been approved. A Developer Agreement will be required before for work can begin.

COMMISSIONER'S REPORT

Commissioner Ridge virtually attended a Public Power Council (PPC) meeting on Thursday, March 2. She reported that the CEO discussed PPCs upcoming trip to Washington D.C. and the 30 appointments scheduled to speak with congressmen and congresswomen and their staff regarding Bonneville Power Administration (BPA) rates, the federal deficit, the national debt limit and permitting reform to speed up energy infrastructure projects. PPC topics and discussion included de-energizing of the Willamette Dams, western market expansion, the post-2028 contracts and BPA's tariff case and 2024 rate case.

Commissioner McCall and Commissioner Ridge will be virtually attending Washington PUD Association meetings March 16-17.

ADJOURNMENT

There being no further business the meeting was adjourned at 10:25 a.m.