

PUBLIC UTILITY DISTRICT NO. 1
OF ASOTIN COUNTY, WASHINGTON
MEETING MINUTES
December 12, 2023

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Vice 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, Clarkston, Washington.
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ROLL CALL: PRESENT Commissioners: Judy Ridge and Greg McCall. Don Nuxoll by phone.
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 November 28, 2023, Regular Meeting and Payroll Vouchers 2164 – 2168 and Electronic Payroll Vouchers 7153EFT – 7177EFT in the amount of \$86,676.91 and Electronic Accounts Payable Voucher 23120501, 23120502, 23120503, 23120504 and 23121801 and Accounts Payable Vouchers 44648 – 44723 in the amount of \$574,638.02. The question was called for on the motion. The motion passed 3-0.

OLD BUSINESS

There were no items presented under Old Business.

NEW BUSINESS

Resolution 23-515 – Accepting the Asotin County Franchise Agreement

The manager presented Resolution 23-515 which provides for the acceptance of an updated Franchise Agreement with Asotin County. The original January 1996 Franchise expired in 2021 and a renewal was requested by the PUD. The Franchise was recently updated and new language was added to include the operation and maintenance of a wastewater collection system. A hearing on Franchise Agreement was held during the Asotin County Board of Commissioners meeting on Monday, November 27 and public comment on the Franchise was accepted through Friday, December 1 at 12:00 pm. There were no comments provided and the Board of County Commissioners approved the Franchise Agreement at their meeting on Monday, December 4. The Agreement is for a term of 25 years expiring in 2048. The manager requested authorization to execute the Agreement.

MOTION by Commissioner Greg McCall and seconded by Commissioner Don Nuxoll to approve Resolution 23-515 accepting the Asotin County Franchise Agreement and authorizing the General Manager to execute the Agreement. The question was called for on the motion. The motion passed 3-0.

Resolution 23-516 – Adopting the 2024 PUD Budget

The manager presented Resolution 23-516 which provides for the adoption of the 2024 PUD Budget. At the Board meeting on Tuesday, November 28, an overview of revenue, expenses and reserves that make up the 2024 Budget was provided. There was detailed discussion regarding items identified in the Budget and outlined in the Budget Narrative.

MOTION by Commissioner Greg McCall and seconded by Commissioner Don Nuxoll to approve Resolution 23-516 adopting the 2024 PUD Budget. The question was called for on the motion. The motion passed 3-0.

Resolution 23-517 – Setting the 2024 Water Rates, Charge and Fees

The manager presented Resolution 23-517 which sets the Water Service Rates, Charges and Fees effective January 1, 2024. The Water Consumptive Rate will increase to \$1.25 per unit. The Monthly Minimum Charge will increase for all account categories; \$1.00 for 3/4 to 1 1/2-inch meters, \$5.00 for 2 to 4-inch meters and \$8.00 for 6-inch meters and \$10.00 for 8-inch meters. The Multifamily unit charge will increase from \$11.50 to \$12.00 per unit per month. The manager stated that the Monthly Fire Protection Service Charge will increase \$5.00 per month, per service size category, a Hydrant Meter Deposit Fee was added in the amount of \$500.00 and the Hydrant Meter Use Minimum Charge will increase from \$50.00 to \$100.00. The manager stated that Installation Fees for new services are adequate to meet material, labor and equipment costs and an increase is not recommended.

MOTION by Commissioner Greg McCall and seconded by Commissioner Don Nuxoll to approve Resolution 23-517 setting the Water Rates, Charges and Fees effective January 1, 2024. The question was called for on the motion. The motion passed 3-0.

Resolutions 23-518, 23-519 and 23-520 – Setting the Electric Rates, Charges and Fees

The manager presented Resolutions 23-518, 23-519 and 23-520 which set the General Service, Irrigation Service and the Pumping Load Service Electric Rates for a 3-year period beginning January 1, 2024 through December 2026. The increase in electric rates affects our only electric customer, Quail Ridge Golf Course, and is necessary due to an increase in federal power costs, transmission costs and distribution and maintenance costs. The last increase to electric rates was on January 1, 2020.

MOTION by Commissioner Greg McCall and seconded by Commissioner Don Nuxoll to approve Resolutions 23-518, 23-519 and 23-520 which set the General Service, Irrigation Service and the Pumping Load Service Electric Rates for a 3-year period beginning January 1, 2024. The question was called for on the motion. The motion passed 3-0.

Resolution 23-521 – Adopting the 2024 City of Clarkston Sewer System Budget

The manager presented Resolution 23-521 which provides for the adoption of the 2024 City of Clarkston Sewer System Budget. At the Board meeting on Tuesday, November 28, an overview of revenue, expenses and reserves that make up the 2024 Budget was provided. There was detailed discussion regarding items identified in the Budget and outlined in the Budget Narrative.

MOTION by Commissioner Don Nuxoll and seconded by Commissioner Greg McCall to approve Resolution 23-521 adopting the 2024 City of Clarkston Sewer System Budget. The question was called for on the motion. The motion passed 3-0.

Resolution 23-522 – Setting the 2024 City of Clarkston Sewer System Service Rates, Charges and Fees

The manager presented Resolution 23-522 which sets the City of Clarkston Sewer System Rates, Charges and Fees effective January 1, 2024. The Resolution provides for a 7% rate increase for City sewer customers. The City proposed rate increases were 14.6% per year for 6 years. Water use for January and February of 2023 will be the basis for the monthly sewer consumption charges for 2024.

MOTION by Commissioner Greg McCall and seconded by Commissioner Judy Ridge to approve Resolution 23-522 setting the City of Clarkston Sewer System Rates, Charges and Fees effective January 1, 2024. The question was called for on the motion. The motion passed 3-0.

Resolution 23-523 – Commissioner Compensation

The manager presented Resolution 23-523 which sets Board of Commissioner Compensation per the Office of Financial Management (OFM) effective January 1, 2024. He stated that PUD Commissioner compensation is set by the State Legislature and in 2008 the law was updated to include an increase every 5 years to be determined by OFM based upon the consumer price index for "wage earners and clerical workers, all items" compiled by the Bureau of Labor and Statistics, U.S. Department of Labor during that five-year period. OFM determined that the increase in per diem and monthly salaries was 26.16% over the five-year period from October 2018 to October 2023. In accordance with the requirements, OFM submitted for publication the new dollar thresholds for per diem compensation and salaries. Based on the PUDs annual revenue, commissioner per diem compensation is set at \$161 per day and the salary is \$2,339 per month.

MOTION by Commissioner Don Nuxoll and seconded by Commissioner Greg McCall to approve Resolution 23-523 setting Commissioner Compensation effective January 1, 2024. The question was called for on the motion. The motion passed 3-0.

Resolution 23-524 –City of Clarkston and PUD Sewer System Transfer Agreement

The manager presented Resolution 23-524 providing for approval of the Sewer System Transfer Agreement between the City of Clarkston and PUD allowing for the transfer of ownership of the City of Clarkston Sewer System, Wastewater Treatment Plant (WWTP) and other numerated assets to the PUD. At their meeting on Monday, December 11 the Clarkston City Council unanimously approved the Agreement by Resolution 2023-18. PUD and City Resolutions will be noted in the Agreement and the Resolutions will become attachments to the Agreement. The manager stated that the Agreement has an effective date of January 1, 2024 with a Title Transfer Date to be mutually agreed upon by both Parties. The ownership transfer date is dependent upon obtaining funding for retirement of the City's revenue bonds that paid for the upgrade of the WWTP, and the completion of the Sewer Main Replacement Projects utilizing the City's \$1.5 million in American Relief Plan Act (ARPA) funding. Funding requires that the sewer system remain under City ownership until the sewer main replacement projects are complete and the funding is expended. The manager requested authorization to execute the Agreement.

MOTION by Commissioner Greg McCall and seconded by Commissioner Don Nuxoll to adopt Resolution 23-524 approving the City of Clarkston and PUD Sewer System Transfer Agreement effective January 1, 2024, with a Title Transfer Date to be mutually agreed upon by both Parties, and authorizing the General Manager to execute the Agreement. The question was called for on the motion. The motion passed 3-0.

City of Clarkston and PUD Interlocal Agreement for Sewer System Improvements

The manager presented an Interlocal Agreement for Sewer System Improvements between the City of Clarkston and the PUD. He stated that the use of the City's ARPA funding required the development of the Agreement in order to detail the construction of improvements, authorize the PUD to be the City's representative during design, bidding and project construction and outlines the allocation of payment to the selected contractor for the improvements. Design and bid documents are complete and bids for the project will be advertised soon. The manager requested authorization to execute the Agreement.

MOTION by Commissioner Judy Ridge and seconded by Commissioner Greg McCall to approve Interlocal Agreement between the City of Clarkston and the PUD authorizing the General Manager to execute the Agreement. The question was called for on the motion. The motion passed 3-0.

Change the Tuesday, December 26, 2023 Meeting Date

The manager stated that Tuesday, December 26, 2023 is a scheduled staff Christmas holiday. He requested changing the meeting to Thursday, December 28 to allow time for preparation, delivery and Commissioner review of Board Packets on Wednesday, December 27. Commissioner Ridge stated that she would be out of town that day but will join the meeting by phone.

MOTION by Commissioner Greg McCall and seconded by Commissioner Don Nuxoll to approve changing the Tuesday, December 26, 2023 regular meeting date to Thursday, December 28, 2023 at 5:30 pm. The question was called for on the motion. The motion passed 3-0.

MANAGER'S REPORT

Capital Improvement Activity – Specialty Pump Service began work yesterday on the Well No. 1 rehabilitation project by pulling all components of the well. Pulling of the well was completed today.

Administrative Activity – Director Sischo reported that the 2022 Audit has concluded and an Audit Exit Conference has been scheduled for Tuesday, December 19.

City Sewer System Activity – WWTP electrical items and grounding continued to be checked-off the list and plans are underway for the replacement of probes in the aeration basin.

COMMISSIONER'S REPORT

There were no Commissioner reports presented.

ADJOURNMENT

There being no further business the meeting was adjourned at 6:40 p.m.