

PUBLIC UTILITY DISTRICT NO. 1
OF ASOTIN COUNTY, WASHINGTON
MEETING MINUTES
January 9, 2024

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President Don Nuxoll 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: Don Nuxoll, Judy Ridge and Greg McCall.
Staff: Tim Simpson and Bob Sischo.

MINUTES OF MEETING AND VOUCHER APPROVAL

MOTION by Commissioner Greg McCall and seconded by Commissioner Judy Ridge to approve the consent agenda approving the minutes of the December 28, 2023 Regular Meeting and Payroll Vouchers 2169 – 2171 and Electronic Payroll Vouchers 7203EFT – 7227EFT in the amount of \$65,337.96 and Electronic Accounts Payable Voucher 23122801–23122803, 24010501–24010505, 24010801–24010804, 24011901, 24011902 and 24012501 and Accounts Payable Vouchers 44779 – 44832 in the amount of \$548,515.12. 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

Award 2024 Capital Improvement Project Material Bids

The manager stated that bids were requested from vendors on the Vendor Roster for water main and service replacement material for the planned 2024 Capital Improvement Projects. The bids were separated between mainline material and mainline valves due to the fact that Core and Main could not supply the specified American Standard valves. The bid results from each vendor for each bid request, with sales tax included, are as follows: Mainline Material; Ferguson Waterworks–\$183,015.24, Core & Main–\$188,750.01 and HD Fowler Company–\$191,187.32; Mainline Valves; Ferguson Waterworks–\$70,447.97, HD Fowler Company–\$70,686.57 and Core & Main–no bid. The manager stated that bids were tabulated and calculations were checked multiple times. Ferguson Waterworks is the lowest responsible bidder for the Mainline Material at \$183,015.24 and the Mainline Valves at \$70,447.97 for the 2024 Capital Improvement Projects.

MOTION by Commissioner Judy Ridge and seconded by Commissioner Greg McCall to award the bids for the Mainline Material, for \$183,015.24, and the Mainline Valves, for \$70,447.97, to Ferguson Waterworks. The question was called for on the motion. The motion passed 3-0.

Northwest Municipal Advisors Services Agreement

The manager presented a Services Agreement with Northwest Municipal Advisors (NWMA). NWMA is a financial advisory firm that specializes in assisting public entities in finance capital projects. He stated that with the City Sewer System Ownership Transfer Agreement becoming effective January 1, 2024, there are several tasks that will need to be completed prior to solidifying the date for the transfer of ownership: the spending of the City's \$1.5 million in American Relief Plan Act funding on the sewer main replacement projects, the transfer of easements, the transfer of the Public Works Board and Department of Ecology loans and the retirement of City's 2011 and 2013 Revenue Bonds. The retirement of the City's revenue bonds requires the services of NWMA in order to obtain financing.

The manager stated that bond counsel, Stacie Amasaki, with Foster Garvey, will assist in the legal portion of the debt financing along with our legal counsel Joe Brogan. The total amount to finance, at the end of 2023, is \$4.24 million. There are two financing options that can be explored; a revenue bond or bank loan which is private bond financing. The manager stated that private bond financing through banks was competitive early in 2023 but with the banking crisis, banks were less likely to provide the funding and if they did it was for a shorter term at higher interest rates. The public bond interest rate has remained steady at around 4% and has a longer term. The public bond financing process takes 3 to 4 months and the cost is approximately 1.5% of the bond value. Request for proposals will be solicited from banks. The Board stated that they want both financing options to be explored.

MOTION by Commissioner Greg McCall and seconded by Commissioner Judy Ridge to approve the Agreement with Northwest Municipal Advisors and authorize the General Manager to execute the Agreement. The question was called for on the motion. The motion passed 3-0.

Resolution 24-525 – Amending the Management and Administrative Policy

The manager presented Resolution 24-525 which provides for amendment of the Management and Administrative Policy. Director Sischo is recommending amendments and additions to Chapter 3 – Fixed Assets which will become Chapter 3 – Capital Assets. The amendment(s) in this policy is to the term “Fixed” Assets which will now become “Capital” Assets which is the proper title for a public agency’s assets. The addition to the policy is Section 3.9 – Subscription-Based Information Technology Arrangements (SBITA). The General Accounting Standards Board has issued GASB 96 which details the reporting of SBITAs. Included in the GASB 96 guidance is the requirement to implement a policy to govern the identification, valuation, and review of all service-based technology arrangements. This new GASB will affect our 2023 audit. The primary reason for the SBITA is that public agencies have moved away from physical computers and programs to cloud-based services.

MOTION by Commissioner Judy Ridge and seconded by Commissioner Greg McCall to approve Resolution 24-525 amending the Management and Administrative Policy. The question was called for on the motion. The motion passed 3-0.

MANAGER’S REPORT

Capital Improvement Activity – 900 MXUs for the Automated Meter Reading (AMR) Project have arrived. With the arrival of the MXUs the AMR Project will enter into Phase 3 of the 4 phases this year. The motor for Well No. 1 has arrived and work on replacing well components will begin in 2-3 weeks.

City Sewer System Activity – The Wastewater Treatment Plant (WWTP) Operations and Maintenance Manual will be submitted to the Department Ecology (Ecology) this week for their review and comment. A pre-bid meeting for the Sewer Collection System Main Replacement Project was held on Thursday, January 4 with two primary contractors attending. Bids are due Tuesday, January 16 and if the bid totals are within range of the engineer’s estimate, a meeting with the City of Clarkston Public Works Committee will be held that afternoon to review the bids. If the PUDs recommendation for a lowest responsible bidder is acceptable to the Committee, they will take a recommendation for approval and award to the Clarkston City Council at their meeting on Monday, January 22. Director of Operations, Craig Riehle and the manager met with Ecology yesterday to discuss the current sewer main replacement projects standards and specifications and discuss the proposed update of the General Sewer Plan (GSP). Ecology stated that the GSP will not have to be updated. Ecology stated that it makes more sense to complete a comprehensive sewer system plan after taking over ownership of the City’s system.

COMMISSIONER'S REPORT

Commissioner Ridge and Commissioner McCall will virtually attend the Washington PUD Association meetings January 10 to January 12.

Commissioner Ridge will virtually attend the Public Power Council meeting on Thursday, January 11.

ADJOURNMENT

There being no further business the meeting was adjourned at 6:30 p.m.