

PUBLIC UTILITY DISTRICT NO. 1
OF ASOTIN COUNTY, WASHINGTON
MEETING MINUTES
October 22, 2012

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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.

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ROLL CALL: PRESENT Commissioners: Don Nuxoll, Judy Ridge and Gary Hicks.

PUD Staff: General Manager Tim Simpson and Counsel Scott Broyles.

Members of the public were present.

MINUTES OF MEETING AND VOUCHER APPROVAL:

MOTION by Commissioner Gary Hicks and seconded by Commissioner Judy Ridge to approve the consent agenda approving the minutes of the October 9, 2012 Regular Meeting and payment of the Transaction Vouchers covering vouchers #2523EFT through #2537EFT in the amount of \$26,450.00 and Blanket Transaction Voucher Approval Document covering vouchers #30760 through #30789, and Electronic Transaction Vouchers #12101902, #12101903, #12102201, #12102501 and #12103101 in the amount of \$177,315.41. The question was called for on the motion. The motion passed 3-0.

OLD BUSINESS

There was no Old Business presented.

NEW BUSINESS

DRAFT Water Rights Usage Contract Review

The manager presented a DRAFT Water Rights Usage Contract with Benchmark for leasing and use of PUD water rights. Benchmark has requested use of 3,600 acre feet of PUD water rights. The manager stated that the request will require expansion of our water rights usage area through a Water System Plan amendment and a change application submittal to the Department of Ecology for adding Benchmark's well as a point-of-diversion from PUD wells. Counsel stated his concern about jeopardizing hard-fought PUD water rights due to the intent of the water right use for agriculture purposes. Benchmark also intends to use the water right for commercial rock extraction. Counsel proposed addressing the issue with water rights attorney Joe Brogan. The Board of Commissioners directed the manager to set up a conference call with Mr. Brogan and PUD Counsel in order to obtain counsel on the subject.

Change the Tuesday November 13, 2012 meeting to Thursday, November 15, 2012

The manager stated that due to Commissioner travel he is requesting that the meeting scheduled for Tuesday November 13, 2012 meeting to Thursday, November 15, 2012 to begin at 5:30 pm.

MOTION by Commissioner Judy Ridge and seconded by Commissioner Gary Hicks to change the next regular meeting from Tuesday November 13, 2012 meeting to Thursday, November 15, 2012 to begin at 5:30 pm. The question was called for on the motion. The motion passed 3-0.

MANAGER'S REPORT

Water Projects Update – the manager reported that contractor M.L. Albright & Sons (Albright) has installed water main to the intersection of 11th Street and Highland Avenue. Albright is completing tie-ins of the main line at the intersections of 7th, 8th and 9th Streets. PUD staff started and completed the extension of a water main approximately 400 feet south from the intersection of Linda Lane and 26th Street. The splitting of property on 26th Street required the owner to install a fire hydrant near his home. As a part of installing the hydrant the owner will be adding a new service and relocating his existing service. The manager stated that the extension was completed in such a way as to allow for future expansion south on 26th Street.

Sewer Projects Update – the manager stated that the 25th – 26th Streets and 8th Avenue sewer project was scheduled to start today but was delayed due to Stormwater application and construction notification requirements. The Stormwater application was completed and notification of the project will be provided to the public on Wednesday. The project will begin on Monday, October 29th. The Valleyview Drive sewer project is scheduled to begin on Monday November 5th.

COMMISSIONER'S REPORT

Commissioner Ridge attended the Washington PUD Association 2013 Budget Committee meeting on October 17-18, 2012. She was selected by WPUDA President, Karl Denison to serve on the WPUDA 2013 Budget Committee. She reported that the PUD Association budget was developed and approved. A line item was added for building maintenance now that the building is getting older. She reported that our PUD and other smaller PUDs will see a slight increase in their annual dues. Commissioner Hicks took issue with this increase and several other items on the budget. He stated that he would address his questions at the Association Board meeting in November

Commissioner Ridge reported that Government Relations Director Erik Poulsen has resigned and his position will not be replaced. WPUDA will utilize contract lobbyists

for government relations. The previous Communications Director is no longer working for WPUDA and the time frame for a replacement has not been identified. She reported that during the meeting the topic of the annual meeting in December was discussed. Some felt that it was not necessary to have an annual meeting in December since there is a meeting and officer election in April. She stated that this issue will be discussed at the full board meeting in November. Commissioner Ridge reported that video conferencing equipment is in place and will be used regularly for commissioner and other meetings. Use of this equipment will save PUDs the cost of traveling to Olympia for meetings. She reported that the basement portion of the WPUDA building is now rented.

Commissioner Ridge stated that she will be attending Energy Northwest Board meetings on Tuesday and Wednesday, October 23rd and 24th and the Member Forum on Thursday and Friday, October 25th and 26th in Richland, Washington.

Commissioner Nuxoll stated that he will be attending the Public Utility Risk Management System (PURMS) PUD Self-Insurance annual meeting on Wednesday and Thursday, November 7th and 8th in Burien, Washington. He will also be attending a Washington State Supreme Court hearing on Tuesday, November 13th regarding a stream issue between the Department of Ecology and a rancher from our watershed.

ADJOURNMENT

There being no further business the meeting was adjourned at 6:20 p.m.