

PUBLIC UTILITY DISTRICT NO. 1
OF ASOTIN COUNTY, WASHINGTON
MEETING MINUTES
February 26, 2013

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Vice - President Gary Hicks 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: Gary Hicks and Don Nuxoll.

PUD Staff: General Manager Tim Simpson, Treasurer Bob Sischo and Counsel Scott Broyles.

Members of the public were present.

MINUTES OF MEETING AND VOUCHER APPROVAL:

MOTION by Commissioner Don Nuxoll and seconded by Commissioner Gary Hicks to approve the consent agenda approving the minutes of the February 12, 2013 Regular Meeting and payment of the Transaction Vouchers covering vouchers #2648EFT through #2662EFT in the amount of \$26,230.08 and Blanket Transaction Voucher Approval Document covering vouchers #31157 through #31195, and Electronic Transaction Vouchers #13022001, #13022201, #13022202, #13022501 and #13030501 in the amount of \$166,583.01. The question was called for on the motion. The motion passed 2-0.

OLD BUSINESS

Port of Wilma Progress Report for Water and Sewer System Upgrades

That manager reported that he received and has reviewed the proposed design of the new drain field and septic system. The cost of the new system is estimated between \$65,000 and \$70,000. The Port has decided that before they spend funds on the new system they will further investigate the current septic system. The Port's engineer believes that the entire drain field is not plugged and may be able to be rehabilitated. The manager stated that PUD staff will meet with the Port and Whitman County Health Department officials on Wednesday, February 27 at 1:00 pm to dig in and around the current drain field.

The manager stated that since reporting at the last meeting that all work has been completed to bring the Port of Wilma Water System up to PUD standards he contacted the State Department of Ecology (Ecology) regarding moving water rights from the Port of Wilma to the PUD and the State Department of Health (Health) regarding changing ownership of the system to the PUD. He stated that the process with Health was fairly easy and straight forward. Health required an update to the Water Facilities Form with the new owner, updated the contact information and identification of the intertie between

the PUD and the Port. The system will remain under its own unique Public Water System Identification until such time as we decide to merge it with our system. The reason for not merging it into the PUD at this time is due to the water rights not yet being assigned to the PUD. The manager reported that as an added step towards full ownership he received a letter from Health stating that the amendment to our Water System Plan (WSP) to add the Port of Wilma to the PUD service territory has been approved. He stated that the WSP amendment included the expansion of our water rights place of use territory to encompass most of Asotin County.

The manager reported that the process to move water rights from under the Port of Whitman County to the PUD is a bit more complicated. The manager spoke with Ecology staff Dan Tolleson regarding the proper course of action to move the Port's 2,000 acre feet of water rights under the PUD's umbrella of water rights. It was originally thought that we would be able to use the fairly new Conforming Documents process for Water Rights Changes and Transfers to transfer the rights to the PUD from their current status of non-community, non-municipal to municipal water rights. Mr. Tolleson stated that since the Port does not have a minimum of 15 residential services the rights cannot be conformed to municipal water rights. He stated the process to change these rights would be a water right change application submittal. The manager stated that through this process there is a potential to lose water rights that have not been put to beneficial use. After further discussion with Mr. Tolleson it was recommended that we leave the water rights as is because they stay with the water system even though they are under the Port's name and seek making a change down the road when we need them.

Counsel Scott Broyles stated that he does not favor Mr. Tolleson's approach and would like to discuss this issue with water rights attorney Joe Brogan. He is concerned along with the Commissioners about getting the water rights under our name to complete the ownership transfer. The Commissioners directed the manager to set up a meeting with Mr. Brogan with himself and Counsel to discuss the Port's water rights.

NEW BUSINESS

There was no new business presented.

MANAGER'S REPORT

Sewer Projects Update – the manager stated that the 25th – 26th Streets and 8th Avenue sewer project main line placement has been completed. The contractor is now working on installing laterals service lines to each property. He stated that a couple more customers requested and have been connected to the sewer system.

Water Reservoir Inspection and Cleaning – the manager reported that LiquiVision Technologies, a professional diving, reservoir cleaning and inspection company, spent last Thursday, February 21st through Saturday, February 23rd inspecting and cleaning our water reservoirs including the Port of Wilma reservoir. Before they enter the reservoir the diver and their equipment is disinfected to ensure the water is not contaminated. The manager reported that the reservoirs are structurally sound. Our oldest reservoirs, the 1 million and 2 million gallon Clarkston Heights Reservoirs need to be drained, sand blasted on the inside and resealed. The 53 year old plus interior coating is blistering and is in need of removal. The manager stated that the work on both of these reservoirs will be completed this fall.

2013 Water and Sewer Projects – the manager reported that water and sewer projects for 2013 are currently being developed and designed.

COMMISSIONER'S REPORT

Commissioner Hicks attended the Washington PUD Association meetings being held in Olympia on February 13-15, 2013. He reported that WPUDA is busy with the current legislative session, tracking and following bills that are of interest to PUDs. He stated that all other business is going well and that Executive Director George Caan is doing a good job leading the Association.

ADJOURNMENT

There being no further business the meeting was adjourned at 6:10 p.m.