

PUBLIC UTILITY DISTRICT NO. 1
OF ASOTIN COUNTY, WASHINGTON
MEETING MINUTES
March 23, 2021

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President Greg McCall presiding, the Public Utility District No. 1 of Asotin County Meeting was called to order at 10:00 a.m. The meeting was held by teleconference in accordance with the Washington State Governor's Proclamation 20-28, dated March 24, 2020, due to the novel Coronavirus (COVID-19) and Proclamation 20-28.15, dated January 19, 2021, extending the original and subsequent Proclamations.
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ROLL CALL: PRESENT Commissioners: Greg McCall, Don Nuxoll and Judy Ridge.

Staff: Tim Simpson and Bob Sischo.

MINUTES OF MEETING AND VOUCHER APPROVAL

MOTION by Commissioner Judy Ridge and seconded by Commissioner Don Nuxoll to approve the consent agenda approving the minutes of the March 9, 2021 Regular Meeting and payment of Electronic Payroll Vouchers #5880EFT – #5896EFT in the amount of \$37,457.84 and Electronic Accounts Payable Vouchers #21031901, #21031902 and #21031903 and Accounts Payable Vouchers #41578 – #41605 in the amount of \$49,607.31. The question was called for on the motion. The motion passed 3-0.

COVID-19 UPDATE

The manager reported that the governor extended the Rate Payer Assistance Proclamation, 20-23-15, prohibiting the disconnection of customers due to nonpayment and the charging of late fees, to July 31, 2021. All counties in the state moved to Phase 3 yesterday. With the move there has been no guidance regarding open public meetings. Commissioner McCall stated that only one PUD is meeting in person. He recommended that we continue to meet remotely until further guidance. The manager stated that the office has remained closed for over a year. The Commission stated that, out of caution, the office should remain closed at least through the end of April or until Asotin County is allowed to move into Phase 4.

The manager reported that the total dollar amount of accounts currently past due is approximately \$57,750; \$6,000 lower than the last report. \$25,500 of the delinquent accounts are over 120 days past due. 107 door tags for cycles 1-3 were generated and distributed on March 10th and 49 payments were received. Door tags for cycles 4-6 will be generated near the end of the week. The Community Action Agency has received federal funds and customers will be directed to them for assistance.

OLD BUSINESS

Automated Meter Reading Meter Replacement Program Plan

The manager stated that at the last Commission meeting he presented a plan addressing the proposed Automated Meter Reading (AMR) Meter Replacement Program. The AMR meter replacement is identified in the Capital Improvement Plan (CIP) as a part of the PUDs 2018 Water System Plan update with the project scheduled for 2025. After reviewing other AMR systems and looking at our investment in our current system, staff have determined that staying with the current system would be the best strategic move. The product warranty and product support have significantly improved factoring into the decision to the develop a plan to upgrade the AMR system rather than replace it. The plan identified will save the PUD a significant amount over what was initially proposed. At the meeting, I stated my support for the recommendation by staff and you stated your approval of the plan presented.

The manager stated that the first step in the plan was to test older meters for accuracy. These early 1990's meters were not replaced when the original AMR system was installed beginning in 2004 but were retrofitted with registers and MXUs, the automated meter data transmitters. The meter test results showed that the average meter accuracy was 99.5%. He stated that the high meter accuracy will allow us to proceed to the next step, which is to begin upgrading MXUs to the current version utilizing the funds that currently set aside. When the MXU is replaced the water meter lids will be replaced with high density plastic or metals MXU compatible lids allowing the MXU to be moved out of the pit attaching it to the lid. Relocation of the MXU to the surface will provide better reading ability for our meter reading units and will allow for a fixed system in the future.

The manager stated that staff met with Sensus Technologies this week and discussed the AMR plan. Sensus stated that the cost of the MXU's would be \$125.00 each. A new MXU compatible lid will cost approximately \$40.00. Both of these combined with sales tax would put the cost at \$180.00 for each of our 7,300 meters for a total of \$1.314 million. Retrofitting the older meters with new MXU's, rather replacing them, will reduce the total estimated \$2.8 million cost of project by nearly \$1.5 million. He stated that with Board approval of the plan, this multi-year project will begin later this year and should conclude by 2024 or 2025. After discussion regarding prices and meter lid quality, Commissioners stated their support for moving to the next step of the plan and directed the manager to proceed.

Valleyview Drive Property Options

The manager stated that at the previous Commission meeting he reported that the purchase of the four parcels and 7.63 acres of property on Valleyview Drive was complete and he presented the Board with options regarding the sale of the two-house rental property on .39 acres along with the adjacent .75-acre property which includes the well. The two properties are joined together due to the fact that the septic drain field for the rental houses is on the well property. He stated that we learned from Ecology that the water rights cannot be transferred to PUD water rights due to relinquishment from non-use. The manager recommended decommissioning of the well and selling the houses and property as is.

The Board concurred with the well decommissioning recommendation and directed the manager to seek cost estimates from a certified well driller. He reported Uhlenkott Well Drilling was contacted and they estimated the cost at \$20,000. Seeking a no-cost alternative, the manager contacted the Department of Ecology asking if the well could be decertified, eliminating the cost of decommissioning and possibly increasing the sale value of the property. Ecology stated that the water right certificate on the well can be voluntarily relinquished without any affect to PUD water rights. The only requirement from Ecology is the completion and submittal of a 2-page voluntary relinquishment form.

The manager reported that discussion at the last Commission meeting, regarding the installation of sewer main to serve the rental houses, led to you directing me to seek an estimated cost for sewer installation from a contractor. At the last meeting he presented an estimated engineers' cost of \$150,000, or \$275 per foot, for installing 550 feet of sewer main on 2nd Avenue to serve the houses. Extending the sewer 230 feet, to serve the adult home, would cost an additional \$60,000. Staff contacted M.L. Albright and they recently bid a municipal project, at an average depth of 6 to 8 feet, for \$243.00 per foot. Sewer installation near the rental house would be at the 7-to-8-foot depth based upon the elevation and grade shots taken by staff, however, in order to serve the adult home and other homes going west, the sewer will need to be 12 to 15 foot deep due to the road grade. Going to this depth would cost an additional \$80 per foot. There is a basalt rock shelf on 2nd Avenue that could increase the price. Based on this information, the cost of constructing 780 feet of sewer main is estimated at \$225,000.

The manager stated that another route for installing sewer to the rental homes, that could serve the adult home and other homes, is down the draw to the sewer main that is in the road on the PUDs Pomeroy Gulch property. PUD staff would cut a road and then install the sewer main using rented large equipment. The cost of installing sewer in this location is estimated at \$42,000. When speaking with neighbors and the owner of the adult home, regarding connection to the sewer, there was little interest and each stated they would only connect when their septic system failed. The manager stated that it was his opinion that the cost of installing sewer would not provide additional value in selling the property and running sewer this route does not benefit the rest of the customers in the basin. He also stated that if sewer installation is a selected option, it will be late this fall or early next year before sewer could be installed. PUD staff are scheduled into the fall with capital improvement projects and if sewer installation is contracted out, a detailed design will need to be developed prior to bidding.

The manager reported that the final piece of research completed was to engage a realtor to seek their input and provide a market analysis of the property. After inspecting the homes, walking the property and looking at comparisons, the realtor stated that the best option for the PUD is to market both lots together, as they currently sit, leaving the well active and stating that the purchaser has the ability to connect to sewer in Pomeroy Gulch. The “ability to connect to sewer” means the purchaser pays the cost of running a lateral down the draw and connecting to our sewer main.

The manager stated that based upon the information gathered, the lowest cost option and best return on investment would be to decertify the well and sell both properties together in a timely manner. The Board concurred with the recommendation but after discussion regarding sewer main installation, they requested additional information in developing sewer to serve customers in this area.

NEW BUSINESS

There were no items presented under New Business.

MANAGER’S REPORT

Operations Activity – the manager reported that a new control panel at River’s Bend Reservoir was installed on for Tuesday, March 16 with programming completed the next day. The remaining reservoir inspection for Scenic Hills and Port of Wilma will be completed on March 31st and April 1. The motor starter for Well No. 7 is scheduled to arrive by month end with installation in early April.

Capital Improvement Projects – the manager reported that last week the operations crew began installation of water main on 14th Street between Chestnut and Libby Streets. The project will replace over 1,600 feet of steel and galvanized water main and remove a couple of dead ends.

Development Activity – the manager reported that comments, additions and corrections for the water and wastewater installation plans for the 29-lot development on 4th Avenue were submitted to the developer’s engineer for review.

COMMISSIONER’S REPORT

Commissioner McCall and Commissioner Ridge attended virtual Washington PUD Association (WPUDA) meetings March 17-19. Commissioner Ridge reported that at the New Commissioners Orientation meeting speakers provided attendees with basic information regarding telecommunications and the Northwest Open Access Network (NOANet), the Bonneville Power Administration and water and energy service and issues.

Commissioner Ridge reported that at the Legislative Committee meeting, attendees were provided updates regarding legislation that is still alive in the session. There are several bills WPUDA is tracking that are opposed and supported. Many bills dropped off at the last cutoff on March 9th, the last day to consider and pass bills in house of origin. The next cutoff is March 26th which is the last day to read bills in committee reports. Discussion occurred regarding energy issues in Texas during the storm event.

Commissioner McCall reported on the Water Committee meeting. He stated that during the roundtable it was reported that very few bills are alive at this point in the session. Lead and copper water system testing and PFAS legislation was discussed. He reported that the state has a budget surplus and will be receiving \$15 billion in funding from the federal government. Due to the surplus and receipt of federal funds, utilities are seeking relief due to the moratorium on disconnects and fees due to nonpayment. Arrearages for utilities, both public and private, have increased \$200 million during the past year due to the pandemic and moratoriums. He reported that during the Board of Directors meeting it was stated that in-person WPUDA meetings will occur beginning in July. Voting for the slate of officers will be conducted at next month's meeting. A reduction in Business and Occupations Taxes for utilities was discussed. Commissioner McCall reported that he was asked to be a member of the WPUDA Finance Committee.

Commissioner McCall will be attending a virtual Energy Northwest New Commissioner meeting on Wednesday, March 24 and virtual WPUDA Water Committee meeting on Thursday, March 25.

Commissioner Nuxoll will be attending a virtual Public Utility Risk Management System Administrative Committee meeting on Thursday, March 25.

Commissioner Ridge will be attending a virtual Public Power Council meeting on Thursday, April 1.

ADJOURNMENT

There being no further business the meeting was adjourned at 10:55 a.m.