

**MINUTES OF THE REGULAR MEETING OF JULY 9, 2009  
OF  
PUBLIC UTILITY DISTRICT NO. 1  
OF  
THURSTON COUNTY, WASHINGTON**

The first regular meeting for July 2009, of the Commissioners of Public Utility District No. 1 was called to order on Tuesday July 9, 2009, at 921 Lakeridge Way SW, Suite 201, Olympia, WA 98502, commencing at 5:00 p.m. Commissioners Alan Corwin, Paul Pickett and Chris Stearns were present. Also present were John Weidenfeller, the District's General Manager (GM), Julie Parker, the District's Chief Financial Officer (CFO), Kim Gubbe, the District's Operations Manager (OM), Don Taylor the District's Attorney (arrived at 6:00 p.m.), and Jennifer Anderson, Clerk to the Board.

Commissioner Corwin called the general meeting to order at 5:04 p.m.

**Approval of agenda:**

Commissioner Corwin requested a motion for approval of the agenda.

**Commissioner Corwin requested that the agenda be modified by removing Resolution 09-34 Task Contract Hatton Godat Pantier, Inc. from the Consent Calendar and including it in the Action Items section. Commissioner Stearns moved adoption of the modified agenda, Commissioner Pickett seconded and all approved.**

**Public Comment**

Commissioner Corwin opened the Public Comment Section session.

Stewart Henderson from the Thurston Climate Action Team addressed the Board regarding this groups' efforts towards ~~achieving~~ establishing a consortium of local governments to access funding for renewable energy generation and energy efficiency projects. The Board agreed to schedule an agenda item on the next meeting for Mr. Henderson to make a full presentation.

Commissioner Corwin closed the Public Comment section.

**Consent Calendar:**

- Improvement Authorizations
- Approval of Minutes: June 23, 2009
- Prequalification of Contractors – Small Works Roster
- Travel Approvals
- Other –
- Voucher Approval
  - 1) Accounts Payable 6/24/09, 7/1/09
  - 2) Payroll 7/6/09

**Commissioner Pickett moved to adopt the consent calendar, Commissioner Stearns Seconded, all approved.**

### **Executive Session**

Commissioner Corwin opened an Executive Session at 5:15 p.m. to discuss personnel issues ~~potential litigation and real estate acquisitions~~ (RCW 42.31.110). The Board closed the Executive Session at 5:27 p.m. and returned to the Regular meeting.

### **Presentation:**

None

### **Staff Presentations:**

General Manager's Report: John Weidenfeller, General Manager

The GM presented a written report. There was discussion regarding acquisitions of new systems and how to best use our borrowing power. The GM presented a staff recommendation to not proceed with making an offer for the Littlerock Water Company, and the Board concurred.

Regarding the Line of Credit and Bond Issue, the Board discussed how ~~to best finance~~ vehicle replacement fits into long term credit. The GMHe noted that 6 RFP proposals were received for the Tanglewilde/Thompson Place projects; the interview and selection process will begin on July 17<sup>th</sup>. Commissioner Pickett requested that Commissioner Districts be included on the new GIS map. Commissioner Corwin asked if there are items that can be eliminated from the assignment sheet. The GM stated that the task to meet with the Chehalis Tribe has been problematic for him. Commissioner Pickett commented that part of the strategic plan included outreach to tribes. He suggested the GM begin with talking to Lennea Magnus, Director of Planning. The Board would like the GM to continue efforts to meet with the Chehalis, Nisqually and Squaxin tribes, but as a medium priority, as his schedule allows.

Operations Manager's Report: Kim Gubbe, Operations Manager

The OM presented a written report.

Chief Financial Officer's Report:

The CFO & GM met with Brian Ferris, Thurston County IT Department. She would like to order the T-1 line and new server immediately. She also requested approval to start working on an Interlocal Agreement to begin the process of contracting for IT support beginning August.1.

**Commissioner Pickett moved to authorize the CFO to proceed with ordering installation of a T-1 line, purchase a new server and to begin working on an Interlocal Agreement with Thurston County to provide IT support. Seconded by Commissioner Stearns, all approved.**

Commissioner Pickett asked the CFO to provide a "mini-view" of the budget at eachas part of the variance report at the second monthly meeting, consisting of a list of any significant amounts of unspent budgeted funds and any amounts of funds overspent or needed for unbudgeted items.

The CFO also provided the Commissioners with a sign-up sheet and information about the PUD picnic on July 18<sup>th</sup>.

### **Information Discussion of Operations/Policy Issues:**

## 2010 Budget Overview - Selected Topics

The CFO presented several worksheets to the Board. There was discussion regarding Commissioner compensation. The CFO noted the substantial increase in compensation this year creates a budget ~~crisis~~overrun for this item. She asked each Commissioner to provide her with the number of meetings they anticipate attending in 2010. Commissioner Pickett suggested as ways to control costs: 1) One Commissioner be designated by the Board to attend any given meeting, and 2) Commissioners keep in mind the requirement that per diem is for work that takes the better part of a day. Commissioner Corwin recommended that a distinction be made between compensation for extra meetings and the regular meetings; the CFO requested authorization to implement this in 2010 as a line item.

Due to the low CPI, she does not anticipate requesting a COLA for employees in 2010. Commissioner Corwin does not believe the cost of living has actually decreased for the employees and requested a modest placeholder.

The Dues and Subscriptions list was presented so that the Commissioners had a record of what we've done in the past for consideration of where we want to be in 2010.

### **Legal Report:**

Legal Report: Don Taylor, PUD Attorney

Mr. Taylor reported that the Deed for the transfer of real property in Pierce County has been recorded. He noted that Resolution 09-34 had been modified to meet his suggestions. He also commented that Resolution 09-33 is appropriate because we supply water to the property and therefore the owner of the property must be held responsible for payment of the service. Mr. Taylor disclosed that he has a client who owns property at Tempo Lake and is awaiting authorization from the client to disclose information he has about Tempo Lake; he noted there are problems that need to be resolved to make it a good, workable system.

### **Executive Session**

Commissioner Corwin opened an Executive Session at 6:38 p.m. to discuss potential litigation and real estate acquisitions (RCW 42.31.110). The Board closed the Executive Session at 7:20 p.m. and returned to the Regular meeting.

### **Resolutions:**

Resolution 09-33 Property Owner Responsibility for Water Bills

**Commissioner Stearns moved to adopt Resolution 09-33 Property Owner Responsibility for Water Bills, Commissioner Pickett seconded, all approved.**

Resolution 09-34 Task Order Contract Hatton Godat Pantier, Inc.

**Commissioner Pickett moved to adopt Resolution 09-34 Task Order Contract Hatton Godat Pantier, Inc., Commissioner Stearns seconded, all approved.**

### **Action Items:**

#### Adoption of 2010 Goals

The Board agreed to strike “major” from paragraph 2.c.

**Commissioner Pickett moved to adopt the 2010 Goals as amended, Commissioner Stearns seconded, all approved.**

#### **Commissioner Reports:**

Commissioner Stearns

Commissioner Stearns attended WRIA and reported concerns about the loss of funding. He also attended the Chehalis Partnership meeting; they are taking on cleaning up watersheds through community outreach and education. He will attend TRPC on July 10<sup>th</sup>.

Commissioner Pickett

Commissioner Pickett spoke with Lon at TRPC who is proposing establishment of a committee that Commissioner Pickett would like to serve on. He met with Stewart Henderson, who spoke to the Board earlier in the meeting.

Commissioner Corwin

Commissioner Corwin spent Tuesday afternoon on Capitol Hill; he spoke with Legislative Aides in the offices of Congressmen Brian Baird and Adam Smith. His main subject of discussion concerned the arsenic parts per billion requirement. He pointed out that meeting this requirement is a financial burden on smaller water systems and asked that they look into a policy change.

#### **Summary of Assignments:**

1. Commissioner Corwin will attend the WPUDA round-table and board meetings.
2. The GM will attend the WPUDA water committee meeting.
3. CFO will provide a mini-view of the budget each month.
4. Commissioner Stearns will attend TRPC on July 10<sup>th</sup>.
5. GM will see if Commissioner Districts can be included on the new GIS map.
6. GM to continue efforts to meet with the Chehalis, Nisqually and Squaxin tribes.

#### **Adjournment:**

**There being no further business, Commissioner Pickett moved to adjourn the Thurston PUD Board meeting at 7:52 p.m., seconded by Commissioner Stearns, all approved.**

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President

Attest:

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Secretary