

**MINUTES OF THE REGULAR MEETING OF JUNE 8, 2010  
OF  
PUBLIC UTILITY DISTRICT NO. 1  
OF  
THURSTON COUNTY, WASHINGTON**

The first regular meeting for June 2010, of the Commissioners of Public Utility District No. 1 was called to order on Tuesday, June 8, 2011 at 921 Lakeridge Way Suite 201, Olympia, WA 98502 commencing at 4:00 p.m. Commissioners Chris Stearns, Paul Pickett and Alan Corwin 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, and Tom McDonald, the District's Attorney and Jennifer Anderson, Clerk to the Board.

Commissioner Stearns called the general meeting to order at 4:05 p.m.

**Approval of agenda:**

**Workshop**

**Planning Session of Strategic Goals & Commissioner Priorities**

The Commissioners reviewed and defined their 2011 strategic goals and priorities.

**Public Hearing:**

None

**Public Comment**

None

**Commissioner Corwin's Report from WPUDA Telecommunications Committee**

Commissioner Corwin reported to the Board about the WPUDA Telecommunications Committee meeting that he attended. He described an interesting approach being used by Pacific PUD. Commissioner Pickett reported on conversations he had with the Port of Olympia regarding telecomm needs in Tumwater. The GM will contact NoaNet to see if they could speak at a future meeting or as part of a tour or nearby facilities.

**Consent Calendar:**

Improvement Authorizations - None

Prequalification of Contractors – Small Works Roster - None

Travel Approvals – None

Approval of Minutes: May 25, 2010

**Resolutions:**

Resolution 10-40 Water System Plan – Revised Contract

**Other – Voucher Approval**

1) Accounts Payable 5/19/2010, 5/26/2010, 6/2/2010

2) Payroll 6/4/2010

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

**Presentations**

**General Manager's Report – John Weidenfeller, General Manager**

The GM presented a written report. Commissioner Corwin asked the GM to contact Yelm about our role in the southeast County.

**Operations Manager's Report – Kim Gubbe, Operations Manager**

The OM presented a written report.

**Chief Financial Officer's Report – Julie Parker, Chief Financial Officer**

There is not a CFO report at the first monthly meeting.

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

**Future Office Options**

Commissioner Pickett provided an update to the Board and provided a map of properties owned by Thurston County. He will be meeting with the PUD's real estate agent later in the week to discuss the PUD's property needs.

**Discussion – Watershed Planning**

Commissioner Corwin reported on the WIRA 11 Planning Unit meeting he attended. The methodology for determining the value of a water right and water banking were discussed. WRIA funding was also discussed. Commissioner Corwin asked the GM to contact Amy at the Washington Water Trust to find out their methodology of pricing water rights. Commissioner Corwin described the funding proposal for the Planning Unit. They are asking for token support from all participants. The Board asked the CFO to include dues to the Planning Unit in the draft 2011 budget.

**Pederson Place Corrosion Control Treatment**

The Commissioners discussed meeting with the Pederson Place customers to explain to them what DOH is requiring and what it will cost. The Board directed staff to:

- Move ahead with a surcharge to help cover the costs of the DOH requirements;
- Set up a meeting with residents;
- Send residents a letter explaining the situation and announcing the meeting; and
- Contact DOH about an extension on the compliance schedule to the end of 2010.

**Water Use Efficiency Goals for Group A Water Systems**

The OM provided draft goals to the Board. The goals were discussed; staff will present their recommendation as an action item at the next meeting.

**Artesian Well**

The Commissioners discussed continuing a relationship with the City of Olympia in which they will continue to be involved in the Artesian Well, including continuing to provide the labor for well testing. The Board directed the GM to pursue an on-going partnership with Olympia. Commissioner Stearns expressed his desire that employee safety be taken into account in any agreement. The PUD Chief Counsel will review our legal obligations to ensure that we are addressing any potential conflicts.

**Action Items:**

None

**Legal Report - Tom McDonald**

Chief Counsel McDonald reported to the Commissioners about:

- His work on the lease extension. Commissioner Pickett asked that staff contact the office landlord to see if better signage can be installed to help customers find the PUD office.
- The lawsuit against Jefferson County regarding tax authority.
- The PUDs authority to use liens to collect on unpaid bills. Mr. McDonald will review which RCW would need to be amended to allow PUD lien authority for Attorney fees.
- Support for the Lathrop water system sale.
- An appeal to DOH for an incorrect determination of ineligibility.

The GM will contact DOH to find out more about grants to consolidate Group B systems.

**Resolutions:**

Resolution 10-42 2010 Bond

**Commissioner Corwin moved to adopt Resolution 10-42 2010 Bond. Commissioner Pickett seconded and all approved.**

**Commission Reports**

**Commissioner Corwin's Report**

Commissioner Corwin's report was included in the telecommunications and planning discussion earlier in the meeting.

**Commissioner Pickett's Report**

Commissioner Pickett reported to the Board about the WPUA water committee meeting he attended. He described his discussion with DOH regarding CWSP development, and Mason PUD #1's interest in the same issue.

**Commissioner Stearns' Report**

Commissioner Stearns attended the Chehalis Partnership meeting and the Deschutes River TMDL Advisory Committee meeting.

**Executive Session:** Potential Litigation & Real Estate Acquisitions (RCW 42.30.110)

**Commissioner Pickett moved to recess to an executive session for the purpose of potential litigation & real estate acquisitions which was expected to last approximately 20 minutes, and to return to the regular session when concluded. Seconded by Commissioner Corwin**

and all approved. Commissioner Stearns opened the executive session at 7:26 p.m. The Presiding Officer announced at 7:46 that the Executive Session would be extended 20 minutes to 8:01, then announced at 8:01 that the Executive Session would be extended 15 minutes to 8:16, then announced at 8:16 that the Executive Session would be extended 15 minutes to 8:31. The executive session ended at 8:25 p.m. and the Board returned to the regular session.

#### Assignments

GM: Schedule a NOANET Presentation for the Commission.

GM: Talk to Yelm about our role in the southeast county.

GM: Talk to Washington Water Trust about their methodology for pricing water rights.

CFO: Include dues to the WRIA 11 Nisqually Planning Group in the draft 2011 budget.

Staff: Schedule a meeting for Pederson Place to discuss corrosion control treatment in mid-July; proceed with developing a corrosion control treatment; and request a deadline extension from DOH.

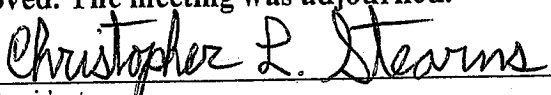
Counsel: Review our agreements regarding the Artesian well to ensure they are not in conflict with our legal obligations.

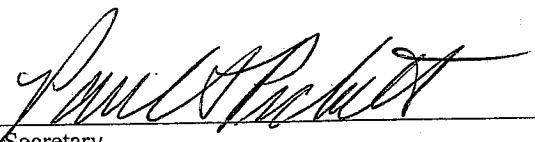
Staff: Talk to landlord about improving the signage

Counsel: Specify which RCW would need to be amended to allow PUD lien authority for Attorney fees.

GM: Get information about consolidating B systems

Commissioner Pickett moved to adjourn the regular meeting at 8:25 p.m. Seconded by Commissioner Corwin and all approved. The meeting was adjourned.

  
\_\_\_\_\_  
President

Attest:   
\_\_\_\_\_  
Secretary