

**MINUTES OF THE REGULAR MEETING OF NOVEMBER 25, 2014
OF
PUBLIC UTILITY DISTRICT NO. 1
OF
THURSTON COUNTY, WASHINGTON**

The second regular meeting for November 2014 of the Commissioners of Public Utility District No. 1 was called to order on Tuesday, November 25, 2014, at 921 Lakeridge Way SW, Suite 301, Olympia WA 98502, commencing at 5:00 p.m. Commissioners Russell Olsen and Chris Stearns were present; Commissioner Linda Oosterman was excused from the meeting due to illness. Also present were John Weidenfeller, the District's General Manager (GM), Kim Gubbe, the District's Operations Manager (OM), Julie Parker, the District's Chief Financial Officer (CFO), and Kurin Rosado, Clerk to the Board. Joe Rehberger, Chief Legal Counsel, was excused from the meeting.

Call to Order: Commissioner Stearns called the regular meeting to order at 5:00 p.m.

After reciting the Pledge of Allegiance, Thurston County Sheriff John D. Snaza administered the Oath of Office for Commissioner Russell Olsen.

Commissioner Stearns called for a short recess. The regular meeting was resumed at 5:19 p.m.

Approval of Agenda: Commissioner Olsen made a motion to approve the agenda as presented; Commissioner Stearns seconded, all in favor.

Consent Calendar:

Approval of Minutes: November 12, 2014

Prequalification of Contractors: None

SMA Contracts: None

Correspondence: None

Travel Approvals: None

Other: None

Voucher Approval:

Accounts Payable: November 13, 2014, November 20, 2014

Payroll: November 20, 2014

Commissioner Olsen made a motion to approve the Consent Calendar as presented; Commissioner Stearns seconded, all in favor.

Public Comments: None

Discussion Items:

Information or Discussion of Operations/Policy Issues:

Discussion of Commissioners' Assignments

A matrix of the currently assigned duties for each Commissioner, and those proposed at the last meeting, was provided to all present. Commissioner Stearns contacted the County's Environmental Health Department and found that the Groundwater Advisory Group had been eliminated. However, the Thurston Conservation District still meets. This group is not an enforcement agency and plans for area clean-up, primarily related to livestock. Commissioner Stearns would like to learn more about NoaNet and become an observer for that organization,

which would be wrapped into the WPUDA Telecommunications matrix item. It was also noted that these are just recommendations, as one Commissioner is excused from the meeting, and are subject to a final vote of the Commissioners.

Commissioner Olsen would like Commissioner Stearns to remain as the primary voting delegate for the Washington Public Utility District Association (WPUDA) Telecommunications Committee. Commissioner Stearns suggested that Commissioner Olsen become the primary for Thurston Regional Planning Committee (TRPC); Commissioner Stearns would become the secondary voting delegate. The matrix will be revisited during the December 9 regular meeting.

Action Item(s):

Resolution 14-33 SMA Fees

Adoption of this resolution will establish the SMA fees for 2015. CFO Parker pointed out that these fees are adjusted annually, to include an overhead fee for increased costs. **Commissioner Olsen made a motion to adopt Resolution 14-33 as presented; Commissioner Stearns seconded, all in favor.**

Resolution 14-34 Miscellaneous Fees and Charges

The purpose of this resolution is to approve the miscellaneous fees and charges for 2015. This resolution includes the increased Chlorine Credit and the increased Ready to Serve Rate that was omitted from Resolution 14-20. **Commissioner Olsen made a motion to adopt Resolution 14-27 as presented; Commissioner Stearns seconded, all in favor.**

Legal Report: None

Presentations:

Staff Presentations:

General Manager's Report: John Weidenfeller, General Manager

GM Weidenfeller provided a written report. Commissioner Olsen, GM Weidenfeller, and the consulting engineers met with the Tanglewilde Park and Recreation Board on November 20. Doug Eklund, with Jerome W. Morrissette & Associates, will compile a list of park improvements that were discussed. Another meeting with the Tanglewilde Park and Recreation District Board is scheduled for December 18. A Community Meeting will be scheduled for January 22, 2015 at Lydia Hawk Elementary School in the library by the PUD.

The PUD will own the Country Meadows East No. 2 water system on December 1, 2014. Informational packets were sent to Forest Glen water system homeowners regarding a community vote on December 6. The PUD assumed ownership of the Webster Hill water system on November 1; the District was able to slightly reduce the monthly bill for Webster Hill customers until late 2015 when the standard PUD rates will be initiated for the customers.

GM Weidenfeller and Emily Banks, the PUD's Technical Assistant, attended a Hazard Mitigation Plan update meeting. The County and a consortium of other public organizations, led by TRPC, is in the process of updating the Hazard Mitigation Plan to be eligible for federally funded hazard mitigation funds. It is updated every five years. GM Weidenfeller has a meeting on December 8 with John Kounts (WPUDA) and the State Auditor's Office (SAO) about

regulations related to on-call contracting. The SAO exit interview for the annual audit is scheduled for December 16; Commissioner Olsen will call into the exit meeting.

Operations Manager's Report: Kim Gubbe, Operations Manager

OM Gubbe provided a written report. OM Gubbe reported that the possible acquisition of the Holiday Valley water system has been put on hold until January 2015. She also reported that the PUD has hired a temporary Field Technician I. As the position is only temporary, the employee does not receive health benefits. If hired as permanent full-time, the position would begin receiving health benefits.

OM Gubbe will schedule a pump test for the Hawk Acres water system. This test will determine the capacity of the well and the correct pump to use. This is a high priority issue.

Chief Financial Officer's Report: Julie Parker, Chief Financial Officer

CFO Parker provided a written report. CFO Parker explained that the *Salaries and Meeting Stipends* line item for the Commissioners is above the prorated budgeted expenditure. This is because a waiver was budgeted for (but the waiver was not taken resulting in a higher expense) and there were several extra Commission meetings. She doesn't anticipate any budget adjustments, but she will present any adjustments during the first regular meeting in December.

Commissioner Topics, Discussion and Reports:

Commissioner Stearns reported that the PUD was present at a Thurston County Chamber event on January 14, 2015. Commissioner Stearns also met with Senator Fraser and John Kounts on how to fund the Public Works Trust Fund.

Commissioner Olsen had a conference call with NoaNet about the Telecommunications project. He asked NoaNet to restructure the timeframe, accountability, and intent sections of the scope of work NoaNet presented. It is the Commissioner's hope to move forward with the project by the end of the year.

At 6:45 p.m., Commissioner Stearns announced the Board would enter an Executive Session for the purpose of discussing acquisition of real estate as authorized by RCW 42.30.110 (1)(g) for 10 minutes. At 6:55 p.m., it was announced that the Executive Session would extend for 13 more minutes. The Executive Session was closed at 7:08 p.m. No actions were taken.

Summary of Assignments:

1. Remove the Groundwater Advisory Group from the Commissioner Assignment Matrix.
2. Research the requirements on becoming a member of NoaNet.
3. Follow-up with Commissioner Oosterman to sign necessary documents when she next visits the PUD office.
4. Ensure that the December 2014 and January 2015 meetings for the Tanglewilde-Thompson Place Generator is added to the Commission schedule.
5. Send out a letter to the Tanglewilde residents, who are members of the Tanglewilde Park and Recreation District inviting them to attend the January 22, 2015 meeting at 7:00 p.m. at the Lydia Hawk Elementary School.

6. Provide a report on the meter reading procedure and payment options to Commissioner Olsen for the new Marvin Road Water Company customers.
7. Follow up with Thurston County Economic Development Council (EDC) regarding an application for the PUD.
8. Continue the discussion about Board Member assignments at the next meeting.

Adjournment: Commissioner Olsen made a motion to adjourn the meeting; Commissioner Stearns seconded, all in favor. The meeting was adjourned at 7:09 p.m.



Linda Oosterman, Commissioner and President

Attest:



Russell E. Olsen, Commissioner and Secretary