

**MINUTES OF THE REGULAR MEETING OF NOVEMBER 10, 2015
OF
PUBLIC UTILITY DISTRICT NO. 1
OF
THURSTON COUNTY, WASHINGTON**

The first regular meeting for November 2015 of the Commissioners of Public Utility District No. 1 was called to order on Tuesday, November 10, 2015, at 921 Lakeridge Way SW, Suite 301, Olympia WA 98502, commencing at 5:00 p.m. Commissioners Russell Olsen and Chris Stearns were present for the meeting; Commissioner Linda Oosterman was present via teleconference. Also present were John Weidenfeller, the District's General Manager (GM), Kim Gubbe, the District's Operations Manager (OM), Joe Rehberger, Chief Legal Counsel, and Kurin Rosado, Clerk to the Board. Julie Parker, the District's Chief Financial Officer (CFO) was excused from the meeting.

Call to Order: Commissioner Olsen called the regular meeting to order at 5:00 p.m. The Pledge of Allegiance was recited by all present.

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

Consent Calendar:

Approval of Minutes: October 27, 2015

Prequalification of Contractors – Small Works Roster: None

SMA Contracts: None

Correspondence: None

Travel Approvals: None

Voucher Approval:

Accounts Payable: October 28, 2015, November 4, 2015

Payroll: November 5, 2015

Resolution: Resolution 15-43, Evergreen Vista Emergency Waiver of Competitive Bidding Requirements

Other: Letter, Notification of Emergency Water Outage at the Tilley Road Water System and Waiver of Competitive Bidding Requirements

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

Public Comments: None

Discussion Items:

Asset Management Plan, Capital Financial Plan, 20 Year Budget

GM Weidenfeller requested to cancel the Special Meeting scheduled for November 17, to discuss the Asset Management Plan (AMP), the Capital Financial Plan (CFP), and the 20 Year Budget; instead these subjects will be discussed during the first Commission meeting in December, December 8.

Action Items:

Resolution 15-38, Restricted Accounts

The purpose of this resolution is to confirm the maintenance and management of restricted accounts.

Resolution 15-39, 2016 Ad Valorem Tax

Pursuant to RCW 84.55.120, this resolution is required to establish the level of the regular property tax levy to be collected in 2016 at the highest lawful amount.

Resolution 15-40, Lost Tax Resolution

The purpose of this resolution is to authorize a refund levy of \$1,214.41 to make up for lost tax dollars due to refunds given to taxpayers as a result of changes in value.

Resolution 15-41, Substantial Need Resolution

The purpose of this resolution is to establish substantial need to authorize the District to levy the full one percent (1%) increase in property tax which is in excess of the rate of inflation this year.

Resolution 15-42, Adopt 2016 SMA Fees and Charges

The purpose of this resolution is to adopt the Satellite Management Agency (SMA) fees for 2016.

Commissioner Stearns made a motion to adopt Resolutions 15-38, 15-39, 15-40, 15-41, and 15-42 as presented; Commissioner Oosterman seconded, all in favor.

Legal Report:

Mr. Rehberger addressed a question posed by Commissioner Stearns – what is the status in state law for first responders and protections from individuals imitating firemen, police officers, utility workers, and other government workers? Mr. Rehberger referred to RCW 9A.60, which covers fraud and impersonation; he also referred to RCW 9A.61, which deals with defrauding a public utility. In short, there is no specific law against impersonating a utility worker, but this action may fall under the broadly written RCW 9A.61.

Presentations:

Staff Presentations:

General Manager's Report: John Weidenfeller, General Manager

GM Weidenfeller provided a written report. GM Weidenfeller and OM Gubbe met with representatives of the Cedar Ridge Estates water system in Thurston County on November 5; their HOA may be interested in acquisition by the PUD. The exit meeting for the State Auditor's annual audit is scheduled for December 8.

Operations Manager's Report: Kim Gubbe, Operations Manager

OM Gubbe provided a written report. OM Gubbe received confirmation that the Tanglewilde generator project can now move forward, following a comment letter received from the County regarding the pocket gopher study. She estimates that the project will be completed by the end of January, but a new timeline will be configured with Mr. Doug Eklund, the PUD's Consulting Engineer.

The Hawk Acres water system generator must be replaced – the malfunction was due to a power surge, and representatives with Puget Sound Energy (PSE) are working with staff during the claims process. Staff is completing the State Environmental Policy Act (SEPA) review. The Lew's 81st water system mainline has been installed, and the crew is waiting for the new reservoir to cure. This process takes about a month, and the reservoir cannot be filled until it is completely cured.

Chief Financial Officer's Report: Julie Parker, Chief Financial Officer
CFO Parker was excused from the meeting; she will provide a written report at a later meeting.

Commissioner Topics, Discussion and Reports:

Commissioner Oosterman had nothing to report.

Commissioner Stearns had a brief discussion with Tumwater Mayor Pete Kmet regarding telecommunications within that city. He attended a League of Women Voters meeting, where the topic primarily discussed was climate solutions.

Commissioner Olsen was interviewed for a radio show for Mixx 96.1 in Olympia; the show is due to air at 9:00 a.m. on November 22. The Commissioner attended the Thurston Regional Planning Council (TRPC) meeting on November 6. He has a meeting scheduled with Mr. Tom Crawford with the Thurston Climate Action Team (TCAT) as a follow up to the TCAT presentation during the October 27 Commission meeting.

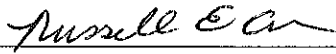
At 5:47 p.m., Commissioner Olsen announced that the Board would enter an Executive Session to (1) consider the acquisition of real estate, as authorized by RCW 42.30.110 (1)(b), (2) discuss the performance of a public employee, as authorized by RCW 42.30.110 (1)(f), and (3) discuss for potential litigation, as authorized by RCW 42.30.110 (1)(i), for 28 minutes.

At 6:15 p.m., it was announced that the Executive Session would be extended for ten more minutes. At 6:25 p.m., the Executive Session was adjourned and the regular meeting was continued. No decisions were made.

Summary of Assignments:

1. Add a discussion item to the December 8 Commission meeting to discuss the AMP, CFP, and 20 Year Budget.
2. Follow up with Hawk Acres water system customers regarding progress with that water system's generator, if any additional follow up is deemed necessary.
3. Prepare the newsletter (any additional inserts or articles) to go out with November billing statements at the end of this month.

**Adjournment: Commissioner Stearns made a motion to adjourn the meeting:
Commissioner Oosterman seconded; all in favor. The meeting was adjourned at 6:26 p.m.**



Russell E. Olsen, Commissioner and President

Attest:



Chris Stearns, Commissioner and Secretary