

**MINUTES OF THE REGULAR MEETING OF MAY 8, 2018  
OF  
PUBLIC UTILITY DISTRICT NO. 1  
OF  
THURSTON COUNTY, WASHINGTON**

The first regular meeting for May 2018 of the Commissioners of Public Utility District No. 1 of Thurston County was called to order on Tuesday, May 8, 2018, at the Public Utility District No. 1 of Thurston County office located at 1230 Ruddell Road SE, Lacey, Washington 98503. The meeting commenced at 5:00 p.m. and recessed until 6:30 p.m. due to less than a quorum of the Board of Commissioners. Once reconvened, Commissioners Chris Stearns and Russ Olsen were present and Commissioner Linda Oosterman called in by telephone for the meeting. Also present were Julie Parker, the District's Assistant General Manager (AGM), Jim Campbell, the District's Superintendent, Tracie Jones, Clerk to the Board, TaSeana Tartt, the District's Senior Accountant, and Ruth Clemens, the District's Senior Communications Specialist (SCS). GM Weidenfeller was excused from the meeting by the Board President.

**Call to Order:** Commissioner Stearns called the regular meeting to order at 5:00 p.m. Commissioner Stearns adjourned the regular meeting from 5:00 p.m. to 6:30 p.m. due to less than a quorum.

**At 6:32 p.m.** Commissioner Stearns reconvened the meeting to order. Commissioner Olsen led the Pledge of Allegiance.

**Approval of Agenda:** Commissioner Olsen made a motion to approve the agenda as presented. Commissioner Oosterman requested that agenda be amended to table the "Discussion of the General Manager Meeting with PUD Commissioner Applicants" until the next meeting. Commissioner Olsen made a motion to approve the agenda as amended. Commissioner Oosterman seconded the motion; all in favor.

**Consent Calendar:**

Approval of Minutes: April 10, 2018; April 24, 2018

Prequalification of Contractors:

SMA Contracts: None

Correspondence: None

Travel Approvals: None

Voucher Approval:

Accounts Payable: April 26, 2018; May 3, 2018

Payroll: May 5, 2018

Other: None

**Consent Calendar:** Commissioner Olsen made a motion to approve the Consent Calendar as presented. Commissioner Oosterman seconded the motion; all in favor.

**Public Comments:** None

**Public Meeting: Public Comments on the Meadows Water System Plan**

Commissioner Stearns opened the Public Meeting on the Meadows Water System Plan at 6:40 p.m. There were no public comments. Commissioner Stearns closed the Public Meeting at 6:45 p.m.

**Discussion of Water Testing:** AGM Parker reported that there was no new information available at this time. Commissioner Olsen has met with the Department of Ecology and other key personnel

involved in the investigation at Joint Base Lewis-McChord. Commissioner Olsen suggested that the District pursue resources, identify the issues, and be prepared to engage the public understanding their concerns.

**Discussion of PUD Open House – Ruth Clemens, Senior Communications Specialist**  
No new information to present at this time.

**Discussion- Would the Board like a Special Meeting to Interview the Rate Advisory Committee Applicants?**

GM Weidenfeller has suggested the Board meet with applicants on June 19. SCS Clemens has sent out nine applications at this time. The deadline for application submissions is the end of May. A final decision on the interview date will be chosen at the first meeting in June.

**Discussion of Resolution 18-15, Purchase and Sale Agreement with Mason PUD**

The Commissioners requested the District enter into a purchase and sale agreement (PSA) with Mason PUD No. 1 to transfer all active water system connections (655) owned in Mason County at \$1,816.40 per connection. The Mason PUD No. 1 Commissioners have approved the acquisition. The draft PSA is attached and the purchase and sale should be completed in June with Mason PUD No. 1 assuming ownership of these water systems effective July 1, 2018.

**Discussion of Resolution 18-16, Surplus Resolution**

The purpose of this resolution is to request Commission approval to surplus and dispose of PUD equipment and materials as listed in Exhibit A.

**Discussion of the Knowles Road Water System Well**

The Knowles Rd. #729 water system (Thurston County, 7 connections) in the Tenino area has had a problem with running out of water from spring to fall for many years. H&R Waterworks, when they owned the water system, tried many different methods to make the well produce more water and none have worked. The current well is producing about 2 gallons per minute. Past solutions include hauling in water and filling the reservoir when it is low. PUD staff have been working with Robinson and Noble, a hydrogeological firm, to determine other options to get more water to this system. Robinson and Noble has recommended drilling a well that is up to 750 feet deep. This will be very expensive and is expected to exceed \$125,000.

**Discussion, General Manager Meet with PUD Commissioner Applicants**

Commissioner Oosterman made a motion to table this discussion until the next Commission meeting on May 22, 2018. All in favor.

**Discussion of Resolution 18-17 Public Works Loans**

The purpose of this resolution is to request Commission approval for 3 of the 6 contracts for Public Works Loans offered to the PUD. The list of projects, the talking points, and staff's recommendations of accepting or not accepting loans was discussed.

**Discussion of Resolution 18-18, New Contract with Apex Engineering for Sward Consolidation DWSRF project**

The District has been required by Department of Health Office of Drinking Water (DOH ODW) to have a professional engineer perform the engineering for the Sward and Platt consolidation project which is funded by a Drinking Water State Revolving Fund (DWSRF) loan. The District would like Apex Engineering, PLLC to prepare the report. This project was put on hold because the Capital Budget was not approved last year and the old contract expired from Resolution 16-09. This is a new

contract to complete the project. The total contract is \$15,100 with a contingency of \$4,900 for a total not to exceed number of \$20,000.

**Presentations:**

**General Manager's Report:** Julie Parker, Assistant General Manager

A written report was provided by GM Weidenfeller. AGM Parker presented the Board with General Manager's Report. PUD staff have attended both internal and external training classes. GM Weidenfeller has been working with customers from three Thurston County water systems that have expressed an interest taking a generator surcharge initiative to a vote in their communities. The initiative asks communities to take on surcharges that would pay for generators. We will work with Steve Hatton, P.E. on these projects. These communities are: Red Tail Hawk Estates: 33 customers, (letters and ballots sent May 7, 2018); Country Club: 117 customers, (letters and ballots sent May 7, 2018); Riverlea Water System, Thurston County: 49 connections (no letters sent); the Riverlea HOA Board is considering advocating for it. A customer from Prairie Ridge (100 customers) expressed an interest in a generator, but has not pursued it any further.

The Timberline HOA has scheduled a meeting with the GM and Superintendent on July 14 to discuss acquisition of the Packwood water systems. Prior to the July meeting, staff will prepare a package for with the Board concerning selling the Packwood water systems to the HOA. The objective of the package is to get approval of negotiating terms.

Staff have scheduled a meeting with the Knowles Road water system customers (Thurston County, Group B water system, 8 connections) to discuss water system shortages during the Spring and Summer months. The hydrogeologist from RH2 has recommended drilling a well 750 feet deep; this option is very expensive.

AGM Parker spoke of the backlog the customer service representatives have been experiencing. She is working with our lead CSR Cathy Easton to help divide the workload amongst the customer services representatives.

**Rate Making Presentation: "Cost of Service Rate-Making"**

TaSeana Tartt, Senior Accountant provided to the board both a presentation as well as written report.

**Commissioner Topics, Discussion and Reports**

Commissioner Oosterman expressed her appreciation to the Board for supporting and accommodating her as she attends the Telecommunications Workshop in Spokane. At the next Board meeting on May 22 she will provide a report on what she learned.

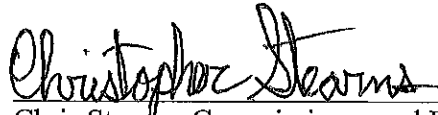
Commissioner Olsen attended the TRPC meeting and reported the group discussions continuing from the Secretary of Transportation's presentation delivered last month. They discussed topics such as schedules and transportation hubs. There is a lack of coordination in regard to understanding aging infrastructure, lack of federal funds, the growing financial costs to local municipalities, and meeting the demands of the workforce. DOT will be working with TRPC and other personnel to improve the coordination.

Commissioner Stearns is happy with how things are going. He is concerned how PUD staff's personal time is used to keep the organization running. Commissioner Stearns wants to ensure that employees are taking their vacations and any necessary time off.

**Summary of Assignments:**

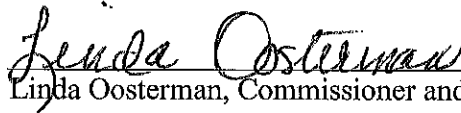
1. Bring forward the following resolutions to the next meeting: 18-15, 18-16, 18-17, and 18-18.
2. Bring back the agenda item, "Discussion of GM Meeting with PUD Applicants" to the next Commission meeting.
3. Confirm a date to interview Utility Rate Advisory Committee applicants at the next meeting.
4. Install new monitoring equipment in the customer service area to provide statistical information.

**Adjournment: Commissioner Olsen made a motion to adjourn the meeting; Commissioner Oosterman seconded the motion; all in favor. The meeting was adjourned at 8:30 p.m.**



Chris Stearns, Commissioner and President

Attest:



Linda Oosterman, Commissioner and Secretary