

**MINUTES OF THE REGULAR MEETING OF MAY 22, 2018
OF
PUBLIC UTILITY DISTRICT NO. 1
OF
THURSTON COUNTY, WASHINGTON**

The second regular meeting for May 2018 of the Commissioners of Public Utility District No. 1 of Thurston County was called to order on Tuesday, May 22, 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 5:02 p.m. Commissioners Chris Stearns, Russ Olsen, and Linda Oosterman were present for the meeting. Also present were John Weidenfeller, the District's General Manager (GM), Julie Parker, the District's Assistant General Manager (AGM), Jim Campbell, the District's Superintendent, Tracie Jones, the District's Clerk to the Board, TaSeana Tartt, the District's Senior Accountant, and Ruth Clemens, the District's Senior Communications Specialist (SCS).

Call to Order: Commissioner Stearns called the regular meeting to order at 5:02 p.m. The Pledge of Allegiance was recited.

Approval of Agenda: Commissioner Olsen made a motion to approve the agenda as presented. GM Weidenfeller requested amending the agenda to include a discussion of the *County Auditor Website Description*, and a motion authorizing AGM Parker to change the payment processing company. Commissioner Olsen made a motion to approve the agenda as amended. Commissioner Oosterman seconded the motion; all in favor.

Consent Calendar:

Approval of Minutes: May 8, 2018
Prequalification of Contractors:
SMA Contracts: None
Correspondence: None
Travel Approvals: None
Voucher Approval:
 Accounts Payable: May 10, 2018; May 17, 2018
 Payroll: May 21, 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

Discussion of Public Comments on the Meadows Water System Plan: The public meeting to solicit public comments on the Meadows Water System Plan was held at the May 8, 2018 Commission meeting. No members of the public attended the meeting.

Discussion of Water Testing: GM Weidenfeller stated that staff would like to move forward with testing the Group A water systems identified with potential PFOA and PFAS contamination. Commissioner Olsen said he 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 by understanding their concerns. Commissioner Olsen requested that the PUD staff be prepared to address public concern by having a plan of action in place before testing. Commissioner Oosterman has requested that staff and Commissioners be as educated as possible on the tests and possible outcomes to be able to answer questions from the general public.

Discussion of PUD Open House: Ruth Clemens, Senior Communications Specialist

SCS Clemens reported that approximately 200 invitations have gone out and that several RSVP's have been returned. She has been working closely with staff to coordinate the set-up requirements as well as the logistics of the event. There will be overflow parking in the lot next door to the PUD as well as light refreshments and promotional materials throughout the event.

Discussion: Would the Board like a Special Meeting to Interview the Utility Rate Advisory Committee Applicants?

The Commissioners agreed to meet on July 17, 2018 from 6:00 p.m. to 8:00 p.m. to interview the Utility Rate Advisory Committee applicants.

Discussion of the Knowles Road Water System Well:

The Knowles Road #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 worked. The current well is producing less than 2 gallons a 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. Drilling shallow wells was also discussed. This will be very expensive and is expected to exceed \$125,000. Superintendent Campbell reported the District plans to install new meters in the customers' homes on this water system to help them and PUD staff track consumption and conserve water. GM Weidenfeller and Superintendent Campbell hosted a meeting with the homeowners. The meeting had a small turnout. Attendees requested that the PUD consider partnering with the residents to install storage reservoirs at each home in case of emergency. Commissioner Stearns expressed concern for the workload on PUD staff, and the wear and tear on equipment from hauling water to the Knowles Road Water System. He suggested that this may be a good opportunity to install a solar pump. GM Weidenfeller stated that whereas he supports the idea of using a solar pump, this is not the appropriate solution for utilizing that type of equipment. Commissioner Olsen called for a sustainable plan to rectify this situation.

Discussion, General Manager Meet with PUD Commissioner Applicants:

The Board determined that GM Weidenfeller is acting within the scope of his position if he accepts a request from a PUD Commission candidate to meet and talk.

Discussion of County Auditor Website Description in "Responsibilities of Elected Officials" for the Public Utility District Section:

Thurston County Auditor's website posted a description of Thurston PUD that contains inaccurate/outdated information. The Board gave GM Weidenfeller a directive to develop a new description of Thurston PUD, and ask the County Auditor to update their website at the earliest possible time.

Action / Approval Items:

Resolution 18-15, Purchase and Sale Agreement with Mason PUD No.1:

Commissioner Oosterman made a motion to approve Resolution 18-15, Purchase and Sale Agreement with Mason PUD No 1. Commissioner Olsen seconded the motion; all in favor.

Resolution 18-16, Surplus Resolution:

Commissioner Olsen made a motion to approve Resolution 18-16, Surplus Resolution. Commissioner Oosterman seconded the motion; all in favor.

Resolution 18-17, Public Works Loans:

Commissioner Olsen made a motion to approve Resolution 18-17, Public Works Loans. Commissioner Oosterman seconded the motion; all in favor.

Resolution 18-18, New Contract with Apex Engineering for Sward Consolidation DWSRF Project:

Commissioner Olsen made a motion to approve Resolution 18-1, New Contract with Apex Engineering for Sward Consolidation DWSRF Project. Commissioner Oosterman seconded the motion; all in favor.

Resolution 18-19, Meadows Water System Plan:

Commissioner Olsen made a motion to approve Resolution 18-19, Meadows Water System Plan. Commissioner Oosterman seconded the motion; all in favor.

Motion Authorizing the Assistant General Manager to Change Payment Processing Company:

Commissioner Oosterman made a motion to authorize AGM Parker to change the Payment Processing from Bluefin to SeKure Merchant Solutions. Commissioner Olsen seconded the motion; all in favor.

Presentations:

General Manager's Report: John Weidenfeller, General Manager

A written report was provided by GM Weidenfeller in advance of the meeting. He 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 District will work with Steve Hatton, P.E. on these projects. These communities are: Redtail 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 Board requested that GM Weidenfeller draft a letter to the Forest Glen Estates Homeowners Association (HOA) Board asking them to complete the information needed to allow the PUD to acquire their water system. He was also asked to inform the HOA Board that if this cannot be accomplished, the PUD will terminate its satellite management agency (SMA) agreement, and will no longer pursue acquiring the water system.

For the first time since acquiring the water systems from H&R Waterworks, PUD staff shut off water for customers who did not pay their bills. In April, the customers were notified that if they did not pay their bills or make arrangements to pay their bills their water would be shut off. Normal disconnect notices were sent out to all customers, legacy and new. Customers also received phone calls. Initially, over 400 customers were on the shut-off list. Many people paid. On Tuesday, May 16, only 116 customers were left on the shut-off list. By the time field technicians were dispatched to shut off service, the list was reduced to 76 customers. As of Thursday, May 17, at 12:00 p.m., only 21 customers are still shut off.

The Board requested that GM Weidenfeller follow up with the PUD's Realtor on the rental of the building at 1240 Ruddell Road. Commissioner Oosterman said that she would like to work on this project with the GM and the Realtor to get this property rented.

Commissioner Topics, Discussion and Reports:

Commissioner Oosterman expressed her appreciation to the Board for supporting and accommodating her as she attended the Telecommunications Workshop in Spokane. She shared a summary with the Board and staff of a presentation she attended that delivered by Mr. Doug Dawson, President of CCG, Consulting on Industry Trends. The presentation included information on broadband, cellular and 5G trends as well as several other trends that will affect the PUD and its customers in the future.

Commissioner Olsen will be attending the Thurston Regional Planning Council (TRPC) meeting on June 1, 2018. He will provide a report to the Board members and staff at the next Board meeting on June 5.

Commissioner Stearns will be attending various meetings and events in the upcoming weeks and will report to the Board at the next meeting.

Summary of Assignments:

1. PFOA/PFAS - Test the identified Group A wells once an action, recovery and communications plan is in place. If any Group A systems that are tested exceed the contaminant level, the next step will be to test Group B water systems that are within proximity. Get funding for the Group B systems. Test wells as recommended by the Department of Health to make sure the exceedance levels of PFOA/PFAS, if any, are at an acceptable level.
2. Provide an updated, accurate description of the PUD for the County Auditor website and ask that it be updated as soon as possible.
3. Schedule interviews for Utility Rate Advisory Committee applicants for July 17, 2018 between 6:00 p.m. and 8:00 p.m.
4. Send a letter to the Forest Glen Estates HOA asking them to complete all the information required for the PUD to acquire the water system, and inform them that if we do not receive it by October 31, 2018, we will terminate the SMA agreement and will no longer pursue purchasing the water system.
5. Follow up on renting the 1240 Ruddell Road building and report back to the Board.
6. Follow up and determine costs for Knowles Road water supply enhancement options.

Adjournment: Commissioner Oosterman made a motion to adjourn the meeting: Commissioner Olsen seconded the motion; all in favor. The meeting was adjourned at 7:08pm p.m.


Chris Stearns, Commissioner and President

Attest:


Linda Oosterman, Commissioner and Secretary