

**MINUTES OF THE REGULAR MEETING OF JULY 24, 2018  
OF  
PUBLIC UTILITY DISTRICT NO. 1  
OF  
THURSTON COUNTY, WASHINGTON**

The second regular meeting for July 2018 of the Commissioners of Public Utility District No. 1 of Thurston County was called to order on Tuesday, July 24, 2018, at the PUD's administrative office located at 1230 Ruddell Rd SE, Lacey, WA 98503, commencing at 5:00 p.m. Commissioners Chris Stearns, Russell E. 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, Kim Gubbe the District's Director of Planning and Compliance, Ruth Clemens, the District's Senior Communications Specialist, and Tracie Jones, the District's Clerk to the Board.

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

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

**Consent Calendar:**

Approval of Minutes: July 10, 2018

Prequalification of Contractors: None

SMA Contracts: None

Correspondence: None

Travel Approvals: None

Voucher Approval:

Accounts Payable: July 12, 2018 & July 20, 2018

Payroll: July 20, 2018

Other: Approval to Excuse Commissioner Stearns from August PUD Commission Meetings  
Res. 18-24, Surplus Resolution

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

**Public Comments:**

Shawn Wattles, Secretary of the Timberline Village HOA, asked to speak to the Board. Mr. Wattles requested the Board grant the HOA a 30-day extension to comply with the HOA bylaws which require a general meeting be held, therefore allowing 20 days to vote. Timberline Village HOA is interested in purchasing the Packwood water systems. Thurston PUD sent them an offer letter requesting a decision by no later than August 30. The HOA Board has asked for the 30-day extension to communicate with their members as these homes are seasonally occupied. Commissioner Stearns explained to Mr. Wattles that Lewis County has the right of first refusal. The Board agreed unanimously to grant the 30-day extension.

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

**Water Use Efficiency Report/ Leak Report and Conservation**

Kim Gubbe, the District's Director of Planning and Compliance (DPC), provided the Board and staff with a written report and presentation. DPC Gubbe went over the water use and conservation goals, and the performance of the Group A water systems.

**Presentation on Standardization of Water Systems**

DPC Gubbe provided the Board and staff with a written report and presentation that she and Superintendent Campbell prepared. The systems were built by different developers resulting in a lack of standardization of the water systems. The PUD has worked to standardize both the Group A & B water systems. Standardization, where possible, creates efficiency for fields technicians if their vehicles are outfitted with uniform materials used for repairs and emergency response. It was noted that as technology changes, the PUD's standards will also.

**2nd Quarterly Strategic Plan Performance Measures Plan**

AGM Parker and DCP Gubbe provided a written report and presentation to the Board on performance measures for the 2<sup>nd</sup> Quarter.

**Discussion of Water Concern from the July 10 Commission Meeting, Packwood Lodge**

AGM Parker has been researching and compiling information on the demand level for a rate schedule for hotels and motels. AGM Parker will provide the Board with a recommended rate schedule at the next meeting on August 14 for hotels and motels.

**Resolution 18-25, Revision of Leak Adjustment Policy**

This resolution recommends revising the current leak adjustment policy. The revision states that eligible customers pay for the calculated water use at the rate it costs the PUD to produce water. The revision authorizes customer service staff to administratively approve leak adjustments up to \$3,000. Adjustments over \$3,000 must be authorized by the Assistant General Manager or the General Manager. The Board directed that Resolution 18-25 be placed on the consent calendar for approval at the next PUD Commission meeting.

**Action Items: None**

**Presentations:**

**General Manager, Superintendent, and Direction of Planning & Compliance Reports:**

GM Weidenfeller provided a written report. He reported that the prospective buyer of the Grays Harbor water systems has opted to forgo the purchase at this time.

GM Weidenfeller and Superintendent Campbell attended a meeting on July 12 with the Knowles Road water system customers. The meeting went well.

On July 14, the GM, Assistant GM, Superintendent, and Senior Accountant met with the Timberline Village HOA to discuss the acquisition of the Packwood water systems. The HOA requested a 30-day extension which the Commissioners approved earlier in the meeting.

GM Weidenfeller informed the Board that the potential tenant is no longer moving forward with the lease of the 1240 Ruddell Road building. We will continue to market the building with our leasing agent.

**Finance & Administration Quarterly Report**

AGM Parker provided the Board with a written report. The General Fund expenditures are well within the budgetary allotments for 2018. In the Water Fund, a few expenditures came in over the budgeted allotments in some categories but the expenditures are still within the budgetary allotments for 2018.

**Commissioner Topics, Discussion and Reports:**

Commissioner Oosterman reported that people are surprised that we have so many water systems and that there may be other options open to us in the future. She would like to see us continue to use the education we receive from WPUA.

Commissioner Olsen reported on the Nisqually WRIA 11 meetings. He plans to attend these meetings regularly. There is no TRPC meeting this month but the Executive Director will be meeting with individuals throughout the next month.

Commissioner Stearns attended the WPUA meetings and mentioned that the Commissioner Education session discussed how to best manage General Managers. He reported that Mason PUD No. 1 is looking for a General Manager. Commissioner Stearns reminded everyone that will not be attending the August Commission meetings in person, but will try to call in.

**Summary of Assignments:**

1. Place Resolution 18-25 on the Consent Calendar for the August 14th meeting.
2. Provide Commissioner Oosterman a scripted write-up of how customers can detect a leak at their homes.
3. Send a letter to Boggs addressing the things they did not find in the 1230/1240 Ruddell Road building inspection such as HVAC and siding.

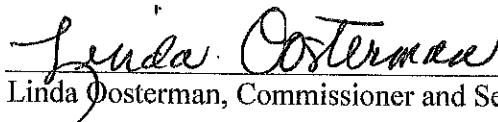
**At 8:15 p.m., Commissioner Stearns announced that the Board would enter into an Executive Session as authorized by RCW 42.30.110 (1)(c), for twenty (20) minutes to consider the minimum price at which real estate will be offered for sale or lease when public knowledge regarding such consideration would cause a likelihood of decreased price, and RCW 42.30.110 (1) (i), to discuss with legal counsel representing the agency matters relating to agency enforcement actions, or to discuss with legal counsel representing the agency litigation or potential litigation to which the agency, the governing body, or a member acting in an official capacity is, or is likely to become, a party, when public knowledge regarding the discussion is likely to result in an adverse legal or financial consequence to the agency At 8:35 p.m. Commissioner Stearns announced the Executive Session would be extended until 8:45 p.m. At 8:45 p.m., the Executive Session was closed, and the regular meeting resumed.**

**Adjournment: Commissioner Olsen made a motion to adjourn the meeting: Commissioner Oosterman seconded the motion; all in favor. The meeting was adjourned at 8:45 p.m.**



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Russell E. Olsen, Commissioner and Vice President

Attest:



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Linda Oosterman, Commissioner and Secretary