

MINUTES OF THE REGULAR MEETING OF NOVEMBER 27, 2018
OF
PUBLIC UTILITY DISTRICT NO. 1
OF
THURSTON COUNTY, WASHINGTON

The second regular meeting for November 2018 of the Commissioners of Public Utility District No. 1 of Thurston County was called to order on Tuesday, November 27, 2018, at the PUD administrative office located at 1230 Ruddell Road SE, Lacey, WA 98503, commencing at 5:00 p.m. Commissioners Chris Stearns and Linda Oosterman were present for the meeting. Commissioner Russell E. Olsen was present telephonically 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 Director of Field Operations (DFO), 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 5:00 p.m. The Pledge of Allegiance was recited.

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

Consent Calendar:

Approval of Minutes: November 13, 2018

Prequalification of Contractors: None

SMA Contracts: None

Correspondence: None

Voucher Approval:

Accounts Payables: November 19, 2018, November 21, 2018

Payroll: November 20, 2018

Other:

Res. 18-38, Revision of Res. 18-06, Formation of Utility Rate Advisory Committee

Excuse Commissioner Olsen for the November 27th PUD Commission Meeting

Excuse Commissioner Oosterman for the December 18th PUD Commission Meeting

Authorization of 2018 and 2019 DWSRF and WSARP Applications for Drinking Water

State Revolving Fund (DWSRF) and Water System Acquisition and Rehabilitation

Program (WSARP) grants and/or loans to complete the work for: 1) The Hawley Hills,

Deerfield 1 and Deerfield 2, and Marvin Gardens Improvements and Consolidation

Project; 2) Timberline Village Water System Improvements Project, and: 3) The Resort

on the Mountain Water System Improvements Project.

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

Public Comments: Customer Pearl Alexander from the Hawley Hills water system asked about the \$6.70 Capital Surcharge and inquired about the General Facility Charge. She also asked if there had been any changes made since the last meeting that she attended.

Information or Discussion of Operations/Policy Issues:

Discussion, Utility Rate Advisory Committee (URAC)

GM Weidenfeller checked in with the Board to gauge if they were satisfied with the candidate pool. Commissioner Oosterman said she was impressed by the competency level of water utility knowledge that the URAC candidates exhibited. Commissioner Stearns believed everyone contributed equally and that the candidates worked well together. GM Weidenfeller has requested to create letters to send to candidates congratulating them on their selection and welcoming them to the committee. One member, Robert King, was unable to attend and was asked if he could meet with the Commissioners at the first regular meeting in December. One comment GM Weidenfeller received was that the third Tuesday of each month does not fit their schedule. GM Weidenfeller suggested having the URAC meetings moved to the first Tuesday of each month.

Discussion of Resolution 18-39, Revision of Policy 600-007, "Project Help" Low Income Assistance Program

GM Weidenfeller presented updates to the Resolution 18-39, Revision of Policy 600-007, "Project Help" Low Income Assistance Program which opens the PUD's low-income assistance program to PUD customers who rent their homes. GM Weidenfeller expressed that he would prefer to use a third-party company to screen qualified customers. He said the program would continue until there are no funds available, and at that point he would return to the Board to discuss options. AGM Parker stated there is approximately \$2,600 in the account for the program.

Action/Approval Items:

Resolution 18-35, 2nd 2018 Capital Budget Amendment

Commissioner Oosterman made a motion to approve Resolution 18-35, 2nd 2018 Capital Budget Amendment. Commissioner Olsen seconded the motion; all in favor.

Resolution 18-36, Authorization to Acquire the Cedarwood Water System

Commissioner Olsen made a motion to approve Resolution 18-36, Authorization to Acquire the Cedarwood Water System. Commissioner Oosterman seconded the motion; all in favor.

Resolution 18-40, Revision of Resolution 17-59, Rates Adopted for the Forest Glen Water System. Commissioner Oosterman made a motion to approve Resolution 18-40, Revision of Resolution 17-59, Rates Adopted for the Forest Glen Water System. Commissioner Olsen seconded the motion; all in favor.

Commissioner Signatures/Break: The Commissioners took a break at 5:20 p.m. and signed documents. The Commission meeting resumed at 5:42 p.m.

Presentations: None

General Manager, Director of Field Operations, and Director of Planning & Compliance Reports:

GM John Weidenfeller provided the Board with a written report. He also provided the Board with the DFO and DPC reports. He commended Kim Gubbe, Director of Planning and

Compliance, and Jim Campbell, the Director of Field Operations, on their presentation on the treatment project to customers of the Cedar Ridge Estates water system. DFO Campbell went over his Field Operations report with the Commissioners. Commissioner Oosterman asked what can be anticipated with the upcoming freezing weather. DFO Campbell said field technicians have been visiting pump houses to ensure heaters are present and functioning. Each field technician carries a spare heater in their vehicles in order to quickly replace any malfunctioning heater. The DFO also spoke about the work field technicians conducted over the Thanksgiving weekend at the Hawley Hills water system.

Commissioner Stearns asked how the solar pump at the Meadows water system was performing. DFO Campbell explained the solar pump is functioning at about 10-20 percent this time of year because of the lack of sunlight. DFO Campbell also talked about the work some field technicians will be conducting during a graveyard shift at the Tanglewilde-Thompson Place water system. The work is located at a commercial district.

GM Weidenfeller presented the Planning and Compliance report to the Board. He provided updates on the consolidation project at the Sward and Platt water system. DFO Campbell talked about updates to the Deschutes Village chlorination project. He also provided a status update on the Fir Tree well project which tested high on manganese and will require treatment. GM Weidenfeller updated the Board on the Knowles Road water system and some possible solutions that the Board may have to consider in the future. Cascadia Law Group stated that the water rights project is moving along. AGM Parker updated the Board on the Fleet Management project. DFO Campbell talked about the Quail Run project and flushing projects that are currently happening at the Countrywood water system. The DPC will update the water system plans for Cedar Ridge Estates and Prairie Ridge water systems.

Commissioner Stearns asked about the status of the water system rights on the Cedar Ridge Estates water system.

GM Weidenfeller gave an update on the 1230 Ruddell Road building generator. A group was trained by the service technician on how to operate the generator.

Assistant General Manager Report:

AGM Parker provided a written report. There are some line items that require budget adjustments that she intends to propose for first reading at the next meeting. Commissioner Oosterman asked AGM Parker what surprises she encountered this year with the budget. AGM Parker responded that the operational budget for the 1230 Ruddell Road building surprised her the most.

AGM Parker announced the 1240 Ruddell Road SE building has a signed lease and the tenant will move in around March 2019. AGM Parker said some of the building upgrades the PUD will be making in order to accommodate the new tenant. AGM Parker talked about the inclusion of two new FTE positions we are in the process of filling. . She will post for the Customer Service Representative job this week.

Commissioner Stearns asked AGM Parker if she had any updates on debt repayment. AGM Parker reports that she did not see any surprises to this aspect of the PUD's financial health.

Commissioner Oosterman asked what the future looked like for taking on any large endeavors. AGM Parker stated the PUD is trying to plan for large construction projects like the Tanglewilde-Thompson Place water system main replacement project, while continuing to seek opportunities to acquire viable, large water systems.

Commissioner Stearns thanked PUD staff for putting in extra work to ensure the PUD can operate.

Commissioner Oosterman asked if staff were aware of the changes implemented by L&I. Staff were not aware of the changes, but would research changes.

Commissioner Topics, Discussion and Reports:

Commissioner Olsen will attend the TRPC meeting in the first week of December.

Commissioner Oosterman is unable to attend the WRIA 13 meeting in order to attend the Re-Wire Policy conference in Seattle. GM Weidenfeller will attend in her place. She has also been asked to attend a Community Disaster Recovery Workshop led by FEMA in February.

Commissioner Stearns attended the Chehalis Partnership meetings to hire contractors for the Hirst contract in order to fulfill deliverables for 2019 action plan. He reviewed several contracting firms that are bring together legal, biological, and hydrological professionals. Commissioner Stearns are also working with local tribes and will attend a meeting at the end of the month. He looks forward to upcoming events and changes in December, especially the Low Income Assistance Program, and said he is pleased it has expanded to include renters.

Assignments:

1. Send a letter to URAC members that attended the November 20 meeting that congratulates and welcomes them to the Committee.

**Adjournment: Commissioner Oosterman made a motion to adjourn the meeting;
Commissioner Olsen seconded the motion; all in favor. The meeting adjourned at 6:32 p.m.**


Chris Stearns, Commissioner and President

Attest:


Linda Oosterman, Commissioner and Secretary