

MINUTES OF THE REGULAR MEETING OF AUGUST 27, 2019
OF
PUBLIC UTILITY DISTRICT NO. 1
OF
THURSTON COUNTY, WASHINGTON

The second regular meeting for August 2019 of the Commissioners of Public Utility District No. 1 of Thurston County was called to order on Tuesday, August 27, 2019, at the PUD administrative office located at 1230 Ruddell Road SE, Lacey, Washington 98503, commencing at 5:04 p.m. Commissioners Russell E. Olsen and Linda Oosterman were present for the meeting; Commissioner Chris Stearns was present via teleconference. The following District employees were present: John Weidenfeller, General Manager (GM), Julie Parker, Assistant General Manager (AGM), Jim Campbell, Director of Field Operations (DFO), Ruth Clemens, Administrative Services Manager (ASM), TaSeana Tartt, Finance and Customer Service Manager (FCSM), and Kurin Miller, Clerk to the Board.

Call to Order: Commissioner Olsen called the regular meeting to order at 5:04 p.m. The Pledge of Allegiance was recited.

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

Consent Calendar:

Approval of Minutes: August 13, 2019

Prequalification of Contractors: None

SMA Contracts: None

Correspondence: None

Voucher Approval:

1) Accounts Payables: August 15, 2019, August 22, 2019

2) Payroll: August 20, 2019

Other: Resolution 19-33, DWSRF Loan for Consolidation Project

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

Public Comments: No members of the public were present for the meeting.

Information or Discussion of Operations/Policy Issues:

Ongoing Discussion – Proposed 2020 Operating/Capital Budget and Rates Presentation

FCSM Tartt gave a brief overview of the 2020 Proposed Budget, specifically the seven items outlined in the agenda packet. Commissioner Stearns asked for any new information related to the budget items to be provided to him by placing documentation in his inbox; he and Commissioner Olsen spoke to the presentation of the proposed budget to the Utility Rate Advisory Committee (URAC). Commissioners and staff discussed the effect of rates on

customers. Commissioner Oosterman asked about certain items proposed for 2020 that were not included due to limited funding.

Action /Approval Item(s):

Resolution 19-32, Policies and Procedures Update

This resolution was discussed during an earlier Commission meeting, however changes to two additional policies (Policy 400-025, Overtime and Compensatory Time, and Policy 400-030, On-Call) were added to the resolution. AGM Parker gave history on the current policies and addressed the changes made to the two new policies. **Commissioner Stearns made a motion to approve Resolution 19-32: Commissioner Oosterman seconded the motion; all in favor.**

Commissioner Signatures/Break: Commissioner Olsen announced a break to sign documents at 5:21 p.m. The meeting resumed at 5:35 p.m.

Presentations:

GM Weidenfeller's report was provided in the agenda packet. He had no additional items to report. Commissioner Stearns asked about an acquisition item in GM Weidenfeller's report. He addressed the Commissioner's question based on the information available.

DFO Campbell's report was provided in the agenda packet. He had no additional items to report. Commissioners and staff discussed the effects of summer weather on operations and service outages.

AGM Parker's report was provided in the agenda packet. FCSM Tartt stated that there were no additional items to report. Commissioners Olsen and Oosterman asked about disgruntled customers or customers without water, and staff addressed their questions.

Commissioner Topics, Discussions and Reports:

Commissioner Olsen reported on his contact with representatives from the State Auditor's Office regarding the audit currently underway at the District. He will attend the next URAC meeting on Thursday; during this meeting, the proposed 2020 budget will be presented to this group. Finally, he reported that he will be out of town for the next Thurston Regional Planning Council (TRPC) meeting and asked for volunteers to attend in lieu of his absence.

Commissioner Stearns thanked staff for their upstanding work with the auditors. He mentioned an upcoming meeting when he returns from the East coast.

Commissioner Oosterman thanked staff. She had nothing to report but asked about scheduling for the September Commission meetings.

Commissioner Olsen announced a break in the meeting at 5:51 p.m. The meeting resumed at 6:00 p.m.

Executive Session:

At 6:00 p.m., Commissioner Olsen announced that the Commissioners would enter into an Executive Session until 6:30 p.m. and stated that the Executive Session was called in accordance with the provisions of the following RCWs:

- **RCW 42.30.110 (1)(b), to consider the selection of a site or the acquisition of real estate by lease or purchase when public knowledge regarding such consideration would cause a likelihood of increased price,**
- **RCW 42.30.110 (1)(c) to consider the minimum price at which real estate will be offered for sale or lease when offered for sale or lease when public knowledge of such consideration would cause a likelihood of decreased price, and**
- **RCW 42.30.110 (1)(g), to evaluate the qualifications of an applicant for public employment or to review the performance of a public employee.**

At 6:30 p.m., it was announced that the Executive Session would be extended to 6:50 p.m. At 6:50 p.m., it was announced that the Executive Session would be extended to 7:15 p.m. At 7:15 p.m., it was announced that the Executive Session would be extended to 7:20 p.m. At 7:20 p.m., the Executive Session concluded, and the regular meeting resumed. No decisions were made in Executive Session.

Commissioner Olsen proposed establishing work sessions to collaborate as a Board on presented information, not intended as decision-making meetings. These work sessions will have a section available for public comment, and the public is welcome to attend these work sessions. These work sessions are intended to be Commissioner-driven (as opposed to being staff-driven), and any comments received from the public would be treated as testimony only, not a dialogue between the public and Commissioners. Staff would not be required to attend. The Commissioners and GM Weidenfeller discussed the possibility of this proposal including creating minutes and the strict no decision-making aspect for these meetings. The GM will contact Legal Counsel to research the rules associated with work sessions.

The Commissioners agreed to hold a work session at 4:30 p.m. on September 12, 2019. Commissioner Olsen addressed the completion of GM Weidenfeller's evaluation. He also asked for an equal distribution of information by staff to all Commissioners. The Commissioners will be working on evolving their relationships amongst themselves, staff, and the public. GM Weidenfeller asked that the Commissioners copy him on any contact with staff at the District. A discussion ensued regarding the extent of GM Weidenfeller's request.

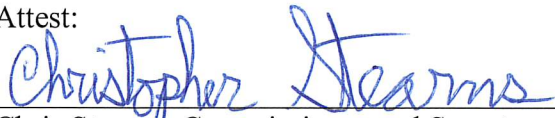
Adjournment: Commissioner Oosterman made a motion to adjourn the meeting; Commissioner Stearns seconded the motion; all in favor. The meeting adjourned at 8:05 p.m.

Assignments:

1. Provide any additional budget information to Commissioner Stearns via his inbox.
2. Consult with Legal Counsel regarding the rules associated with work sessions. Check with other PUDs about similar work sessions/workshops for Board members.
3. Advertise for a work session (Special Meeting) for the Commissioners on September 12, 2019 beginning at 4:30 p.m., regarding PUD Operations.
4. The GM requested that Commissioners inform him of any communications with PUD staff.



Russell E. Olsen, Commissioner and President

Attest:


Chris Stearns, Commissioner and Secretary