

MINUTES OF THE REGULAR MEETING AUGUST 28, 2012
OF
PUBLIC UTILITY DISTRICT NO. 1
OF
THURSTON COUNTY, WASHINGTON

The second regular meeting for August 2012 of the Commissioners of Public Utility District No. 1 was called to order on Tuesday, August 28, 2012, at 921 Lakeridge Way SW, Suite 301, Olympia WA 98502, commencing at 5:00 p.m. Commissioners Alan M. Corwin, Chris Stearns, and Jim Lazar were present. Also present were John Weidenfeller, the District's General Manager (GM), Julie Parker, Chief Financial Officer (CFO), Kim Gubbe, the District's Operations Manager (OM), Joseph Rehberger, Legal Counsel, and Cathy Skiles, Clerk to the Board.

Commissioner Corwin called the meeting to order at 5:00 p.m.

Pledge of Allegiance: All

Approval of Agenda:

President Alan M. Corwin asked for a motion to approve the Agenda. Commissioner Lazar asked to add to discussion the ballot issue. **Commissioner Stearns made a motion to adopt the agenda as revised, Commissioner Lazar seconded, all in favor.**

Consent Calendar:

- Approval of Minutes: August 14, 2012
- Prequalification of Contractors – Small Works Roster
- SMA Contracts:
- Correspondence:
- Travel Approvals:
- Accounts Payable 8/15/12 8/22/12
- Payroll: 8/20/12
- Other:
- Resolutions:

Commissioner Lazar made a motion to adopt the Consent Calendar, Commissioner Stearns seconded, all in favor.

Public Comments: None

Action Items:

Commissioner Corwin made a motion to remove Goal 4, Implementation of the Low Income Program, from the 2013 Commission Strategic Goals, Objectives and Priorities. The reason for this request is after looking into this it has been estimated it will take an additional ½ FTE to staff the program. Commissioner Lazar seconded the motion for discussion; he feels this is a decision for the ongoing Commissioners to make. Commissioner Stearns would like to continue

to look at ways to accomplish this, due to the amount of time spent working with legislation to allow the PUD authority to do this. After discussion, it was decided the strategic goal will remain but will be changed to find a cost effective way to provide a low income program. The Commissioners do not want to spend more money administering the program than the program generates.

Resolutions: None

Information or Discussion of Operations/Policy Issues:

Resolution 12-21 Recognition Awards – GM Weidenfeller stated that in 2010 the Commissioners passed Resolution 10-54 supporting acknowledging employee accomplishments. It stopped short of allowing awards and GM Weidenfeller said RCW 41.150 allows public agencies to give employees awards for good work and outstanding achievements. He recommended approval. **Commissioner Lazar moved adoption of Resolution 12-21, Commissioner Stearns seconded, all in favor.**

Schedule Preliminary Budget Hearing Dates:

The Commissioners discussed scheduling conflicts with moving the Tuesday, September 25th meeting. Two Commissioners will attend the October 1, 2012 meeting via teleconferencing. **Commissioner Lazar made a motion to change the second meeting in September to Monday, September 24, 2012, and to begin the meeting at 4:00 p.m., and to hold the budget hearing at 5:00 p.m., then to hold the October 1, 2012 meeting 12:00 p.m. Commissioner Corwin seconded, all in favor.**

Proposed Budget Discussion with Rate Impact

Handouts were provided and the Commissioners discussed the General Manager's Proposed Budget at length. Staff will clarify those expenses that are fixed costs and those that are discretionary costs and will provide clarification on the need for increasing the part time Customer Service Representative I position (60%) to a full time position.

2013 Employee Salary and COLA Review

CFO Parker provided a spreadsheet that broke down salaries, steps, COLA, payroll taxes and benefits, step increases for current employees, and the proposed increase of a .4 increase of the CSR I to a FTE fully benefited position. CFO Parker will bring back more information on the CSR position.

Discussion: Fact Sheet on Ballot Initiative

The Draft Fact Sheet was discussed. The Fact Sheet is still under development.

Ballot Heading:

Commissioner Lazar read the ballot caption approved by the County Prosecutor. He noted he was concerned about the wording that makes it appear that Thurston PUD is sponsoring the initiative. It should be represented as a petition by the voters in Thurston County.

Commissioner Lazar made a motion to direct the General Manager and Legal Counsel to take all reasonable steps to get the ballot title changed from proposition to initiative and remove "by the PUD" from the caption. Commissioner Corwin seconded. Commissioner Stearns wanted to find out what the other Counties did before approving the motion. Commissioner Lazar and Corwin voted in favor, Commissioner Stearns voted against.

Presentation:

Staff Presentations:

General Manager's Report: John Weidenfeller, General Manager

GM Weidenfeller provided a comprehensive report in writing. He would like to take some time off in the next few weeks but probably can't schedule it in advance. The Commissioners encouraged him to do so.

Commissioner Stearns asked about the Orting Valley water acquisition, and suggested the General Manager give the owner an ultimatum we can not use anymore of PUD time on this potential acquisition. GM Weidenfeller has already sent the owner a letter; he believes the door has been closed.

Operations Manager's Report: Kim Gubbe, Operations Manager

Operation's telephones have been upgraded to "Smart" phones so they can receive e-mails via their phones. This also allows them to take pictures in the field. Commissioner Lazar said this is a great advancement in technology. The field staff can take pictures on the spot and supervisors can diagnose the problem. OM Gubbe noted these are the hardened military types of phones.

The Terry Lane water system had a problem over the weekend. The chlorine residuals have been high. Field Technician II Jacob Larson surmised that either a valve has failed or there is a hole in the drop pipe. We have turned on the intertie with Spanaway water until the problem can be fixed. We do pay for that water and will see bills from Spanaway Water Company.

The Reservoir Project is coming to a close and the contractor has requested final inspections. The contractor should be off site by September 21st so we can schedule the Dedication Ceremony. Due to scheduling timelines, the children from Lydia Hawk Elementary School will put their hand prints on the reservoir in September or early October and the Dedication Ceremony will be scheduled later in October.

The Asset Management Plan is coming along.

The Cedarwood Project is requiring a lot of the OM's time.

The Tempo Lake Source Project is coming along.

Chief Financial Officer's Report: Financial Variance Report – July 2012

CFO Parker reported the July revenues are approximately \$17,000 below the 2012 projected budget estimate. Commissioner Stearns asked if August is acting like July; she reported that so far actuals are below 2012 budget projections.

Commissioner Reports:

No new reports

Legal Report:

No new report

Executive Session:

None

Summary of Assignments:

GM Weidenfeller will bring rewording for the low income program strategic goal to the next meeting.

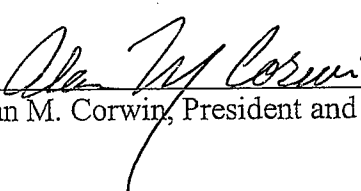
GM Weidenfeller and PUD's Chief Legal Counsel will take all reasonable steps to get the ballot title changed from proposition to initiative and remove "by the PUD" from the caption.

The Exempt Well White Paper may removed be from the list of items to do. Commissioner Corwin asked to see if TRPC will write a White Paper.

Continue to review and revise the First Draft Fact Sheet.

Adjournment:

Commissioner Lazar moved to adjourn the meeting at the point the last Commissioner leaves the room, Commissioner Stearns seconded, all in favor.

 08/28/2012

Alan M. Corwin, President and Commissioner

Attest: 

Christopher Stearns, Secretary and Commissioner