

MINUTES OF THE REGULAR MEETING OF NOVEMBER 26, 2013
OF
PUBLIC UTILITY DISTRICT NO. 1
OF
THURSTON COUNTY, WASHINGTON

The Second Regular Meeting for November 2013 of the Commissioners of Public Utility District No. 1 was called to order on Tuesday, November 26, 2013, at 921 Lakeridge Way SW, Suite 301, Olympia, WA 98502, commencing at 5:00 p.m. Commissioners Chris Stearns, Linda Oosterman, and Russell Olsen were present for the meeting. Also present were John Weidenfeller, the District's General Manager (GM), Kim Gubbe, the District's Operations Manager (OM), Joe Rehberger, Chief Legal Counsel, and Cathy Skiles, Clerk to the Board. Julie Parker, the District's Chief Financial Officer (CFO), was excused from the meeting.

Call to Order:

President Commissioner Stearns called the meeting to order at 5:03 p.m.

Approval of Agenda: President Commissioner Stearns

Commissioner Russell Olsen asked to add to the agenda a discussion item to change the December 10, 2013 meeting to begin at 6:00 p.m. rather than 5:00 p.m. GM Weidenfeller reminded the Commissioners the Declaration of Emergency Waiver of Small Works Roster Competitive Bidding Requirements, RCW 39.04.280(2)(b) Frick South Prairie Water System, November 25, 2013 has been added to the Consent Calendar.

Commissioner Olsen made a motion to approve the Agenda as amended, Commissioner Oosterman seconded, all in favor.

Consent Calendar:

Approval of Minutes: November 12, 2013 Meeting

Prequalification of Contractors – Small Works Roster:

SMA Contracts:

Correspondence:

Travel Approvals:

Other:

Voucher Approval:

Accounts Payable 11/13/2013, 11/20/2013

Payroll 11/20/2013

Resolutions:

Other: Declaration of Emergency Waiver of Small Works Roster Competitive Bidding Requirements, RCW 39.04.280(2)(b) Frick South Prairie Water System, November 25, 2013

Commissioner Olsen made a motion to approve the Consent Calendar, Commissioner Stearns asked to hear more about the Declaration of Emergency.

GM Weidenfeller explained that on Sunday at 11:00 a.m., the Frick water system went down. Field Technician II, Jacob Larson, worked to fix it and found a booster pump needed to be replaced. A contractor needed to be called in so GM Weidenfeller deemed it an emergency and authorized waiver of the Small Works Roster Competitive Bidding Requirements, RCW 39.04.280(2)(b). GM

Weidenfeller stated the Operations Manager will report on the status of the water system in her report to the Commissioners.

Commissioner Oosterman made a motion to approve the Consent Calendar as it reads, Commissioner Olsen seconded, all in favor.

Public Comments: None

Public Hearing: None

Action Items:

Cancellation of December 24th Commission Meeting

GM Weidenfeller recommended cancelling the December 24th meeting, an emergency meeting can be called if something comes up.

Commissioner Olsen made a motion to cancel the December 24, 2013 meeting of the Commissioners with the understanding that if needed a Special Meeting will be called. Commissioner Oosterman seconded, all in favor.

Change the start time of the December 10, 2013 meeting to begin at 6:00 p.m. rather than 5:00 p.m. Commissioner Olsen stated he has a meeting on December 10, 2013 and would likely be late to the meeting if they start at 5:00 p.m. He asked the other Commissioners if they would consider starting the meeting at 6:00 p.m. Commissioners Stearns and Oosterman agreed to start the December 10, 2013 meeting at 6:00 p.m.

Information or Discussion of Operations/Policy Issues:

Resolution 13-35 Revision to Resolution 12-05, Safety Clothing Reimbursement

GM Weidenfeller stated the proposed revision to Resolution 12-05, Safety Clothing Reimbursement allows the replacement of safety boots more frequently than bi-annually when needed. This proposal is for discussion tonight and if the Commissioners agree, Resolution 13-35 will be brought forward at the December 10, 2013 on the Consent Agenda for approval. The Commissioners agreed to bring the resolution forward for approval at the next meeting.

Legal Report: None

Presentations:

Staff Presentations:

General Manager's Report: John Weidenfeller, General Manager

GM Weidenfeller provided the Commissioners a report in writing. He added the Covington Water System is now connected to the City of Lacey water system.

GM Weidenfeller and Chief Legal Counsel Joe Rehberger will meet with Department of Ecology Southwest Regional Manager Mike Gallagher on December 4th. They will discuss the consolidation of Group B Garden Acres 1, 2 and 3 water systems into a Group A water system. The issue with the consolidation is the amount of water rights that will be issued.

GM Weidenfeller pointed out item 3 of his report, negotiating the acquisition of a water system in Pierce County. OM Gubbe added she is still evaluating the system and will have a report to the Commissioners at the next meeting.

GM Weidenfeller reported that CFO Parker, OM Gubbe and he met with Rich Hoey, P.E., the Public Works Director for the City of Olympia. Mr. Hoey will provide an amendment to the purchased water contract in December for the PUD to review. If it is acceptable, he will take the contract to the Olympia City Council for approval. GM Weidenfeller discussed some of the details of the contract.

GM Weidenfeller reported on the status of applying for more Qi, pumping capacity, for the Tanglewilde-Thompson Place water system.

GM Weidenfeller reported he is working with the Washington State Emergency Management to set-up training for approximately 45 people from the Pierce County Cooperative. He is going to ask the Commissioners, some staff, CFO Parker and OM Gubbe to take some on-line courses on the National Incident Management System (NIMS) series of training from FEMA.

GM Weidenfeller reported the Low Income Assistance program is coming along well.

CFO Parker mentioned that at the first meeting in December or January the District's Consultant will meet with staff and the Commissioners to discuss the cost of service study.

Commissioner Stearns asked if there has been any new information on telecommunications. Commissioner Oosterman reported she had dinner with Dianna Thompson who is a Commissioner in Pacific County which is active in telecommunications. She said the first thing we need to know is their PUD had no telecommunications in Pacific County when they started and there was no competition. Commissioner Oosterman said that she also received feedback from another person at the dinner to be very careful before entering the telecommunications line of business. Commissioner Olsen offered to meet with telecommunications providers and other potential partners to explore opportunities to partner in telecommunications projects. Commissioners Stearns and Oosterman thanked Commissioner Olsen for taking the lead in this area.

Operations Manager's Report: Kim Gubbe, Operations Manager

OM Gubbe reported we had a bad bacti sample on the Covington water system's well water. She noted that the District had never had a bad sample on the well there. Since they are hooked-up to City of Lacey now, and follow-up samples have come back good, we will need to take five repeat samples in December.

Two of the PUD's consultants have suggested making the Covington water system's well a monitoring well. OM Gubbe will look into the requirements and operating costs to do it. She will also have to look into the benefits of having a monitoring well. She will report back to the Commissioners.

OM Gubbe reported on the Frick water system. First, a pump burned-out and they could not readily find a pump to fit that system. Field Technician II Jacob Larson re-plumbed the water system to get the customers back-in water. The following day the contractor found the pump needed to replace the burned-out pump. With some electrical work, the Contractor had the pump installed by the end of the day. The Contractor advised OM Gubbe that a low level cut-off needed to be replaced and the contractor was authorized to take care of it the following day. At 4:30 a.m., Mr. Larson informed the OM that the Frick water system was out-of-water again. When Mr. Larson arrived at the system, he found the contractor had installed a safety mechanism on the low level pump so we did not lose the pump, but the system was down. At that time, it was determined the system has a leak and that is why the first pump burned-up. Two District Field Technicians spent the day looking for the leak. Due to the soil conditions in the area, the leak is not surfacing. OM Gubbe has gone through the small works process and a contractor will be out tomorrow to look for the leak. There is a neighboring water system that was intertied in the past. Mr. Larson will intertie the two systems tomorrow. If the contractor cannot find the leak tomorrow, GM Weidenfeller will declare another emergency to hire a contractor to dig for the leak until they find it. Commissioner Oosterman asked about the length of the line and how they determine the location. OM Gubbe responded they use the maps we have, and best judgment; the maps are not always accurate. Mr. Larson did call the Field Technician who used to operate the system and got some information from him on the location of the intertie. OM Gubbe described the different methods to locate leaks in mainlines. OM Gubbe described the efforts being made to communicate with the customers. A follow up letter will be mailed to the customers to ask them to keep us updated with phone numbers.

OM Gubbe reported that Lake Lucinda, a managed water system, is having trouble with hit and miss bad bacti results. The next step is to overflow the reservoir to remove the water sitting on top of the reservoir. The Field Technicians will then thoroughly flush the mainlines and sample again.

The Aust water system has bad samples occasionally and recently had another. Staff cannot determine where the coliform comes from. All the repeat samples came back good so there is no requirement to notify the customers.

OM Gubbe reported she has a sanitary survey at the South Bay Elementary School, a system the PUD manages.

Commissioner Stearns reported he is thankful Field Technician Sherri Bair has the radio reads up-and-running. Commissioner Oosterman reported she heard at a WPUDA meeting that when they installed radio read meters they were reporting much higher usage. OM Gubbe agreed the PUD found the same results when the old meters were replaced at Tanglewilde. The water loss on the system dropped significantly.

Commissioner Stearns asked about the new data sheet requirements for chemicals. He asked OM Gubbe if this is going to complicate things. OM Gubbe reported, "No, but the employees will need training in 2014."

Commissioner Stearns asked about the Tanglewilde-Thompson Place water system's reservoir level. OM Gubbe reported the water loss has increased significantly. The Field Technicians know where the leak is and are getting it scheduled for repair.

Commissioner Stearns asked about the groups who are interested in services from the PUD.

Chief Financial Officer Report: Julie Parker, Chief Financial Officer Financial Variance Report (every 4th week's meeting). CFO Parker was excused from the meeting. She provided a report in writing prior to the meeting.

Commissioner Stearns asked about the credit card processing fees and how it could be dealt with to lower the cost. Commissioner Stearns asked staff to look at an incentive for customers to not use credit cards for payments.

Commissioner Topics, Discussion and Reports:

Commissioner Stearns reported at the TMDL meeting the discussion was about the sewer systems.

Commissioner Olsen and the others thanked the GM and staff for a great 75th Anniversary Celebration.

Summary of Assignments:


OM Gubbe will report to the Commissioners on the acquisition of a water system in Pierce Co.

CFO Parker will follow-up to discuss credit card processing fees.

Commissioner Olsen will look for opportunities to possibly collaborate with telecommunications providers and other organizations in Thurston County on telecommunications.

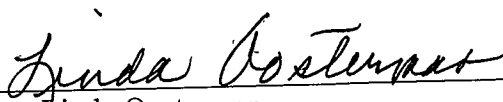
Adjournment:

Commissioner Olsen made a motion to adjourn the meeting at 6:45 p.m., Commissioner Oosterman seconded, all in favor.



President, Chris Stearns

Attest:



Secretary, Linda Oosterman