

**MINUTES OF THE REGULAR MEETING OF AUGUST 25, 2015  
OF  
PUBLIC UTILITY DISTRICT NO. 1  
OF  
THURSTON COUNTY, WASHINGTON**

The second regular meeting for August 2015 of the Public Utility District No. 1 of Thurston County Board of Commissioners was called to order on Tuesday, August 25, 2015, at 921 Lakeridge Way SW, Suite 301, Olympia WA 98502, commencing at 5:00 p.m. Commissioners Russell Olsen and Linda Oosterman were present, while Chris Stearns attended via teleconference. Also present were John Weidenfeller, the District's General Manager (GM), Julie Parker, the District's Chief Financial Officer (CFO), and Kurin Rosado, Clerk to the Board. Kim Gubbe, the District's Operations Manager (OM), and Joe Rehberger, Chief Legal Counsel, were excused from the meeting.

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

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

**Consent Calendar:**

Approval of Minutes: August 11, 2015

Prequalification of Contractors – Small Works Roster: None

SMA Contracts: None

Correspondence: None

Travel Approvals: None

Voucher Approval:

Accounts Payable: August 12, 2015, August 19, 2015

Payroll: August 20, 2015

Resolution: None

Other: Declaration of Emergency and Waiver of Competitive Bidding Requirements, Hawk Acres Water System, August 19, 2015

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

**Public Comments:** None

**Action Item:**

**Resolution 15-25, Contract Award for the Lew's 81st Consolidation Project to American Pump and Electric, LLC**

**Commissioner Oosterman made a motion to approve Resolution 15-25 as presented; Commissioner Stearns seconded the motion; all in favor.**

**Discussion Items:**

**Revised Proposed Budget Presentation**

CFO Parker has updated her revenue projections and has revised her proposed water rate increase. Certain expenses were also added, such as a part-time electrical engineer position and additional funding for the vehicle replacement fund. However, the Commissioners would like to see

projections of a 3% and a 3.5% rate increase to offset future office moving costs, rent increases, capital expenditures, and/or withdrawal from reserves.

**Average Impact of Proposed Rate**

CFO Parker will provide more information on this subject at a later meeting.

**Comprehensive Review of Financial Plan for the Next 20 Years**

CFO Parker will provide more information on this subject at a later meeting.

**Action Items:**

**Resolution 15-26, Employee Salaries and Wages**

The recommended changes will have an estimated impact of \$28,670 on salaries and benefits in 2016 and the changes are included in the most recent budget proposal. **Commissioner Oosterman made a motion to approve Resolution 15-26 as presented; Commissioner Olsen seconded the motion; all in favor.**

**Schedule Preliminary Budget, Rate, and Capital Surcharge Public Hearings on September 8, September 21, and October 6, 2015 (as needed)**

**Commissioner Olsen made a motion to schedule the preliminary budget, rate, and capital surcharge Public Hearings on September 8, September 21, and (tentatively) October 6, 2015; Commissioner Oosterman seconded the motion; all in favor.**

**Legal Report:** None

**Presentations:**

**Staff Presentations:**

**General Manager's Report:** John Weidenfeller, General Manager

GM Weidenfeller provided a written report. The Skookumchuck Maintenance water system has been acquired by the PUD, effective September 1, 2015. A signed copy of the Mutual Aid Agreement with the City of Olympia has been returned. In addition, an advertisement has been initiated for the Technical Assistant position, which was recently vacated; interviews are tentatively scheduled for the week of September 7, 2015.

**Operations Manager's Report:** Kim Gubbe, Operations Manager

OM Gubbe provided a written report. The Tanglewilde Generator project has been delayed for six weeks due to pocket gopher screening. GM Weidenfeller reported that the recent outage at the Hawk Acres system was caused by an electrical power surge that the District will address with PSE. Staff will bring forth costs to repair the system at a later meeting. OM Gubbe is out of the office until Monday, August 31, 2015.

**Chief Financial Officer's Report:** Julie Parker, Chief Financial Officer

CFO Parker provided a written report. July revenue was overstated due to internal billing errors that have since been corrected. The Commissioners must complete the anti-harassment training. The training video will be made available for viewing prior to the first Commission meeting in October and at other times if needed.

**Commissioner Topics, Discussion and Reports:**

Commissioner Stearns has been attending Conservation District meetings; the primary focus of these meetings have been federal funding for the fiscal year.

Commissioner Olsen did not have a Thurston Regional Planning Council (TRPC) meeting to attend, but he will be attending the next meeting on September 11; the main topic at this meeting will be a follow up on their retreat earlier this year.

Commissioner Oosterman's Emergency Management meeting was cancelled. She would like to contact WPUDA to look into helping those PUDs affected by the eastern Washington wildfires.

**At 5:37 p.m., Commissioner Olsen announced that the Board would enter an Executive Session to consider the acquisition of real estate as authorized by RCW 42.30.110 (1)(b) for 13 minutes. At 5:50 p.m., the Executive Session was adjourned and the regular meeting was continued. No decisions were made.**

**Summary of Assignments:**

1. CFO Parker will bring forth figures for three (3) and three and a half (3.5) percent water rate increases.
2. Set a meeting with Michael Cade with TRPC in October to discuss the Telecommunications project.
3. Contact WPUDA or other PUDs regarding any efforts to help the PUDs affected by the wildfires in eastern Washington.

**Adjournment: Commissioner Oosterman made a motion to adjourn the meeting; Commissioner Stearns seconded; all in favor. The meeting was adjourned at 5:50 p.m.**

  
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Russell E. Olsen, Commissioner and President

Attest:

  
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Chris Stearns, Commissioner and Secretary