

**MINUTES OF THE REGULAR MEETING OF JANUARY 24, 2017
OF
PUBLIC UTILITY DISTRICT NO. 1
OF
THURSTON COUNTY, WASHINGTON**

The second regular meeting for January 2017 of the Commissioners of Public Utility District No. 1 was called to order on Tuesday, January 24, 2017, at 921 Lakeridge Way SW, Suite 301, Olympia, WA 98502, commencing at 5:00 p.m. Commissioners Russell Olsen, Linda Oosterman, and Chris Stearns were present for the meeting. Also present were John Weidenfeller, the District's General Manager (GM), Julie Parker, the District's Director of Finance and Administration (DFA), and Kurin Rosado, Clerk to the Board.

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

Approval of Agenda: Commissioner Oosterman made two additions to the agenda: a discussion item regarding the Commissioner Strategic Planning Workshop was added to Discussion Items, and an Executive Session was added. **Commissioner Olsen made a motion to approve the agenda as amended: Commissioner Stearns seconded the motion; all in favor.**

Consent Calendar:

Approval of Minutes: January 10, 2017
Prequalification of Contractors – Small Works Roster: None
SMA Contracts: None
Correspondence: None
Travel Approvals: None
Voucher Approval:
 Accounts Payable: January 11, 2017, January 18, 2017
 Payroll: January 20, 2017
Resolution: None
Other: None

Consent Calendar: Commissioner Stearns made a motion to approve the January 10, 2017 Minutes: Commissioner Olsen seconded the motion; all in favor. Commissioner Olsen made a motion to approve the remainder of the Consent Calendar as presented: Commissioner Stearns seconded the motion; all in favor.

GM Weidenfeller noted that there was recently an emergency at a water system in Grays Harbor County, and the Letter of Emergency Declaration will be included in next meeting's Consent Calendar. The water system was incorrectly stated as the Hebert water system, but the emergency occurred for the Heslep water system.

Public Comments: None

Discussion Items:

Public Input on Resolution 17-01, Establishing Rates for Frog Hollow Divisions 1, 2, and 3 and the Red Tail Hawk Estates Water Systems

GM Weidenfeller spoke about the e-mail received from a customer of the Red Tail Hawk Estates water system, and the two customers that attended the Public Hearing. Resolution 17-01 will be approved later in the meeting. Approval of this resolution would adjust the rates for customers of the Frog Hollows 1, 2, and 3 water systems to match the existing rates for Red Tail Hawk Estates customers - these rates would remain in effect until Fall 2017 until staff brought forth a proposed rate transition plan. These customers will also be charged the monthly capital surcharge.

Strategic Planning Workshop

The Strategic Planning Workshop is scheduled for Friday, February 10th from 10:00 a.m. to 2:00 p.m. Commissioners discussed the agenda for this workshop.

At 5:20 p.m., Commissioner Oosterman announced that the Board would be entering Executive Session to discuss potential real estate acquisition, as authorized by RCW 42.30.110 (1)(b), until 5:35 p.m. At 5:35 p.m., it was announced in the Public area that the Executive Session would continue for another five minutes. At 5:40 p.m., the Executive Session was adjourned and the regular meeting resumed. No decisions were made.

Action Items:

Resolution 17-01, Establishing Rates for Frog Hollow 1, 2, and 3 and Redtail Hawk Estates Water Systems

This resolution was discussed earlier in the meeting and also at prior meetings. **Commissioner Olsen made a motion to approve Resolution 17-01 as presented: Commissioner Stearns seconded the motion; all in favor.**

Resolution 17-02, Skookumchuck Improvements Contract Award

The lowest responsible bid for the Skookumchuck 4-log treatment/metering project was received from Sterling Breen Crushing, Inc. Staff is still looking into references for this company, and once these are confirmed, the contract will be awarded to Sterling Breen Crushing.

Commissioner Olsen made a motion to approve Resolution 17-02 as presented: Commissioner Stearns seconded the motion; all in favor.

Resolution 17-03, Contract with Parametrix for Telemetry Services

This resolution was discussed at a prior meeting. **Commissioner Olsen made a motion to approve Resolution 17-03 as presented: Commissioner Stearns seconded the motion; all in favor.**

Motion Approving Purchase of a Vehicle using Vehicle Fund Monies

GM Weidenfeller spoke about getting Commissioner authorization to purchase a new vehicle at a prior meeting. While the District has sufficient vehicle coverage at the moment, staff would like authorization to purchase a new vehicle since one of the vehicles is at the end of its lifespan, and ordering a new vehicle could take months. **Commissioner Olsen made a motion to authorize the District to purchase a vehicle: Commissioner Stearns seconded the motion; all in favor.**

Motion Approving Purchase of a Trailer

GM Weidenfeller explained that staff is in need of a trailer to work more efficiently which will save time and District monies. **Commissioner Olsen made a motion to authorize the District to purchase a trailer; Commissioner Stearns seconded the motion; all in favor.**

Information or Discussion of Operations/Policy Issues:

Cedar Ridge Estates Water Association (CREWA) System

GM Weidenfeller reported that the District received a Drinking Water State Revolving Fund (DWSRF) loan with loan forgiveness. Staff met with the CREWA Board, and it was agreed to have the PUD acquire the system as of April 1st.

Community Broadband Project

The City of Tumwater is currently planning for their 4th of July celebration. This project will be discussed at the Strategic Planning Workshop on February 10th. Once more information is retrieved regarding the cost to provide broadband services, the Commissioners will discuss and go further with the project. Commissioner Olsen discussed the logistical information he wanted to review.

WPUDA Association Meetings

GM Weidenfeller discussed the WPUDA Association meetings with the Commissioners, scheduled for February 15th through February 17th. Administrative Assistant Carrie Bowen will be attending the PUD Day on the Hill on February 16th.

Review of 4th Quarter 2016 Performance Measures

GM Weidenfeller presented the District's performance measures, updated for 4th Quarter 2016. Commissioners and staff discussed several topics, including electronic payments received from customers, customer complaints, quality issues for specific water systems, personnel evaluations, employee appreciation, system outages, the Asset Management Plan, acquisitions, and water system treatment options.

Presentations:

Staff Presentations:

General Manager's Report: John Weidenfeller, General Manager

GM Weidenfeller provided a written report. GM Weidenfeller met with representatives from the Department of Ecology (DOE) regarding the Sward/Platt water system; the water rights issue for this system (which were two systems, but recently consolidated) should now be resolved. He also reported that the customers of the Redtail Hawk Estates are using more than their water permit allows - staff discussed possible options to curtail usage of the Redtail Hawk Estates customers. Staff met with a few hydrogeologists from Robinson Noble for the well rehabilitation project.

Finance Report: Julie Parker, Director of Finance and Administration

DFA Parker provided a written report. She reported that expenses were within budgeted amounts for 2016. DFA Parker also received a bill from Thurston County for 2016 elections - this amount was significantly less than expected, and the bill amount is split over two years so that the District isn't hit with a large amount in one year.

Commissioner Topics, Discussion and Reports:

Commissioner Olsen reported on his meeting with Commissioner McGregor regarding telecommunications. Commissioner Oosterman asked Commissioner Olsen to contact Senator Tim Sheldon about telecommunications. The Commissioner left the meeting at 6:15 p.m., per prior arrangements made with the other Commissioners.


Commissioner Oosterman gave an update on the relocation of the District's office/real estate acquisition. She's looking into the possibility of buying property and building since the real estate prospects she's reviewed haven't been promising.

Commissioner Stearns engaged with Commissioner Oosterman during her report about the relocation/real estate acquisition.

Summary of Assignments:

- Amend the Strategic Planning Workshop so that the time at the top is correctly stated, and item no. 2(b) reads, 'Other opportunities inside Thurston County.'

Adjournment: Commissioner Stearns made a motion to adjourn the meeting; Commissioner Oosterman seconded the motion; all in favor. The meeting was adjourned at 8:12 p.m.



Linda Oosterman, Commissioner and President

Attest:



Russell E. Olsen, Commissioner and Secretary