

**MINUTES OF THE REGULAR MEETING OF AUGUST 14, 2018  
OF  
PUBLIC UTILITY DISTRICT NO. 1  
OF  
THURSTON COUNTY, WASHINGTON**

The first regular meeting for August 2018 of the Commissioners of Public Utility District No. 1 of Thurston County was called to order on Tuesday, August 14, 2018, at the PUD's administrative office located at 1230 Ruddell Rd SE, Lacey, WA 98503, commencing at 5:00 p.m. Commissioners Russell E. Olsen and Linda Oosterman were present for the meeting. Commissioner Stearns called in for the meeting. Also present were John Weidenfeller, the District's General Manager (GM), Julie Parker, the District's Assistant General Manager (AGM), Jim Campbell, the District's Superintendent, Ruth Clemens, the District's Senior Communications Specialist, TaSeana Tartt, the District's Senior Accountant, and Tracie Jones, the District's Clerk to the Board.

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

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

**Consent Calendar:**

Approval of Minutes: July 24, 2018

Prequalification of Contractors: None

SMA Contracts: None

Correspondence: None

Travel Approvals: None

Voucher Approval:

Accounts Payable: July 25, 2018 & August 1, 2018

Payroll: August 6, 2018

Other: Res. 18-25, Revision of Leak Adjustment Policy

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

**Public Comments: None**

**Information or Discussion of Operations/Policy Issues:**

**Initial Proposed Budget Presentation**

AGM Parker will present the initial proposed budget presentation to the Board at the next Commission meeting. There is a significant amount of information to be evaluated due to the large 2017 acquisition. AGM Parker is working to compile all the necessary information.

**Resolution 18-26, Hotel Motel Flat Rate**

At the meeting of July 10, 2018, a customer, Mr. Dodson, representing the Packwood Lodge, a flat rated motel, spoke of rate inequity in applying the current single family residential flat rate to a 22-unit motel. He asked that the District consider a rate more equitable to the estimated consumption of a motel, until a meter could be installed. District staff researched the design requirements of a motel and determined a flat rate of \$31.00 per unit is a more appropriate charge for a motel and recommends the rate be retroactively applied back to January 2018. The resolution will be on the agenda's *Action/Approval Items* section for consideration at the next

meeting.

**Resolution 18-27, Resolution Approving the PURMS Interlocal Agreement**

This interlocal agreement (2018 ILA) authorizes the District's signing representative, Assistant General Manager Julie Parker, to execute the duplicate original signature page for the 2018 and restated ILA for and on behalf of the District. The 2018 ILA outlines the statutory and administrative requirements required of an insurance pool. The resolution will be on the Action/Approval Items agenda for consideration at the next meeting.

**Timberline Community Association's (Packwood) Request for a Pool Rate**

The Timberline Community Association (TCA) Homeowners Association in Packwood requested a pool rate for their community pool. They are also requesting that this water rate applies toward their community-owned/shared facilities. Providing a pool rate will set a precedence that will require the PUD to treat all HOA-owned pools and community facilities in the same way if requests for similar rates come up in the future. The TCA HOA is currently considering purchasing the Packwood systems. At the July 24<sup>th</sup> Commission meeting, the Board granted the HOA an extension until the end of September to consider purchasing the systems. The Commissioners stated that if the TCA HOA community does purchase the Packwood water systems they would be willing to agree to waive 75% of the current rates that apply to the pool and common areas as part of the sale, retroactive to January 2018. This language would be included in the contract. The TCA has until September 30, 2018 to make a decision to purchase the eight (8) Packwood water systems from the District. GM Weidenfeller, AGM Parker and Superintendent Campbell will be attending a meeting with the TCA community on August 18, 2018.

**Utility Rate Advisory Committee (URAC)**

The Commissioners were provided a copy of all applications for the URAC in the Commission packet. Interviews will be held in a Special Meeting on November 20, 2018.

**Action Items: None**

**Presentations:**

**General Manager, Superintendent, and Direction of Planning & Compliance Reports:**

GM Weidenfeller provided a written report. He reported that the customers in the Riverlea water system are interested in moving forward with installing a generator. GM Weidenfeller will be meeting with the HOA Board on August 18, 2018 at 5:30 p.m. to discuss the next steps in the process.

GM Weidenfeller informed the Board that the letters have been sent to water systems we operate and manage terminating our satellite management agency (SMA) contracts with them effective October 31, 2018. The Dana Passage HOA Board has requested to delay SMA termination until the end of March 2019 and has requested that Thurston PUD make them an offer to acquire their water system.

GM Weidenfeller updated the Board with the expected delivery and installation of the generator at the 1230 Ruddell Road SE building. The generator will be delivered in September.

SPS Clemens reported that the resting room has an estimated completion date of August 30. Furniture has been ordered and is expected to be delivered next week. Olympia Painting has completed the painting of the 1240 Ruddell Road SE and the trim at 1230 Ruddell Road SE. At this time, touch-ups are being completed by the contractor. GM Weidenfeller reported that our janitorial service, Executive Cleaning, shampooed the carpets throughout the building.

GM Weidenfeller informed the Board the PUD was contacted by the newspaper, *Sustainable South Sound*, to participate in providing financial support and technical expertise. The Board did not feel it would be appropriate to provide financial support but authorized the GM to provide articles or content concerning drinking water and other utility issues. He also shared proposed parking lot changes for the 1230 and 1240 Ruddell Road buildings.

The possible tenant for 1240 Ruddell Road SE reached out to express continued interest in leasing the building. Staff will bring a contract to the Board at the next meeting if possible.

**Commissioner Topics, Discussion and Reports:**

Commissioner Oosterman reported that she met with the Department of Ecology and discussed the Deschutes Watershed Water Resource Inventory Area (WRIA) meetings. Commissioner Oosterman will attend the WRIA meetings once they are scheduled and will report back to the Board.

Commissioner Olsen reported that he will be attending the Nisqually WRIA meeting on August 30, 2018. He plans to attend these meetings regularly. Commissioner Olsen received an email from a Hawk Acres customer who wanted to thank the PUD for the quality of service. Commissioner Olsen stated, in response to a previous inquiry from Commissioner Stearns, that there is no Thurston Regional Planning Council (TRPC) Retreat this year; a retreat only occurs every other year. The next TRPC meeting is scheduled for September 7, 2018.

Commissioner Stearns attended the Chehalis WRIA meeting. The conservation meeting was cancelled. Commissioner Stearns reported that it is time to work on the General Manager's evaluation and is requesting feedback for September when he returns from the East Coast. Commissioner Stearns reminded everyone that he will not be attending the August Commission meetings in person, but will try to call in.

**Summary of Assignments:**

1. Schedule a Special Meeting on November 20, 2018 to interview Utility Rate Advisory Committee (URAC) applicants and develop a URAC orientation process.
2. Advertise for the November 20<sup>th</sup> Special Meeting.
3. Provide Commissioner Stearns with a copy of the Certificate of Appreciation that was signed on his behalf by GM Weidenfeller to one of our customers.
4. If possible, provide the Board the rental agreement for the 1240 Ruddell Road SE building.
5. Provide the Board Members information on the General Manager's evaluation process.
6. Notify the TCA HOA about the pool and community rate decision.

**Adjournment: Commissioner Oosterman made a motion to adjourn the meeting; Commissioner Stearns seconded the motion; all in favor. The meeting was adjourned at 6:34 p.m.**

  
\_\_\_\_\_  
Russell E. Olsen, Commissioner and Vice President

Attest:

  
\_\_\_\_\_  
Linda Oosterman, Commissioner and Secretary