

**MINUTES OF THE 2018 STRATEGIC PLANNING WORKSHOP
OF
PUBLIC UTILITY DISTRICT NO. 1
OF
THURSTON COUNTY, WASHINGTON**

The 2018 Strategic Planning Workshop of the Commissioners of Public Utility District No. 1 was called to order on Friday, February 23, 2018, at the Washington PUD Association Building, 202 Union Ave SE, Suite 201, Olympia, WA 98501, commencing at 10:00 a.m. Commissioners Russell Olsen, Linda Oosterman, and Chris Stearns were present for the meeting. Also present were Julie Parker, the District's Assistant General Manager (AGM), Kim Gubbe, the Director of Planning and Compliance (DPC), and Jim Campbell, the Superintendent. Joe Rehberger, the District's Legal Counsel joined the meeting for the discussion of legal issues, legislation and water court cases.

Call to Order: Commissioner Stearns opened the Workshop at 10:10, and the Board of Commissioners addressed the topics below. No members of the public were present.

Discussion Items:

Asset Management Plan

The Board and staff discussed funding sources, available & projected, how we manage projects and goals of the Board related to funding and project management. The Commissioners and staff discussed the asset management plan, funding, project management and goals of the Board. Commissioner Olsen will meet with staff to develop a building operations, improvements and replacements schedule and funding strategy.

How PUD Interfaces with other Jurisdictions

The Board discussed how the PUD interfaces with other jurisdictions including but not limited to: cities & UGA areas, counties, other water systems, law enforcement, fire districts, Tribes, PUDs, and addresses emergency management and disaster preparedness with other jurisdictions. The Board updated the assignments for 2018.

Advisory Group Discussion

The Board discussed the draft Utility Advisory Committee resolution and made some changes to it. Commissioner Olsen will follow-up with the General Manager concerning the schedule and format of the Advisory Group.

Discussion of Solar and Fiber in Water Systems

The Board discussed conservation of natural resources and conservation. The Board would like conduit for fiber installed when new water mains are installed. DPC Gubbe was directed to determine the cost. The Board would like to use solar power on water systems where it is feasible. Superintendent Campbell discussed the use of solar pumps on water systems where we have multiple wells.

Discussion of Legal Issues and Legislation and Water Case Issues (Joe Rehberger)

The Board and PUD Counsel Rehberger discussed legal issues, legislation and water case law. The GM was asked to coordinate for Watershed Restoration and Enhancement Committee participation by the PUD Commissioners, per ESSB 6091, in key watershed planning processes: Commissioner Olsen, WRIA 11, Nisqually; Commissioner Oosterman, WRIA 13, Deschutes; and for Commissioner Stearns, WRIA 23, Upper Chehalis.

Other Lines of Business

The Board determined that we should look for a telecommunications project to enter the market with small risk. The project needs to have its own funding so water customers don't pay for it. The Board made a decision that with the recent large acquisition, the District is not able to consider going for a vote to enter the sewer business. The GM will let the County know that we are not able to proceed with acquisition of the County water and sewer systems at this time.

2018 Commissioner Committees and Assignments

The Board updated the assignments for 2018. The General Manager was tasked to sign the Commissioners up for the American Water Works Association Annual Conference Elected Official's Track.

Review and Revision of the 2015-2017 Strategic Plan

The General Manager was tasked to go through the strategic plan and make recommendations to the Board on parts that are no longer needed and to update the growth goals.

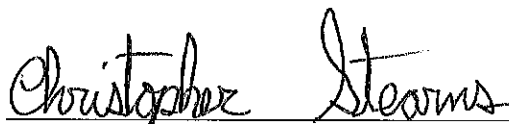
Staff Reports

There were no staff reports.

Commissioner Reports – None

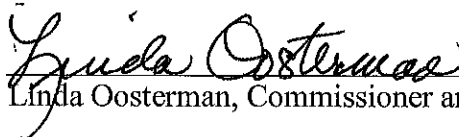
There were no Commissioner reports.

Adjournment: Commissioner Olsen made a motion to adjourn the meeting; Commissioner Oosterman seconded the motion; all in favor. The meeting was adjourned at 2:40 p.m.



Chris Stearns, Commissioner and President

Attest:



Linda Oosterman, Commissioner and Secretary