

**MINUTES OF THE REGULAR MEETING OF AUGUST 9, 2017  
OF  
PUBLIC UTILITY DISTRICT NO. 1  
OF  
THURSTON COUNTY, WASHINGTON**

The first regular meeting for August 2017, of the Commissioners of Public Utility District No. 1 of Thurston County was called to order on Wednesday, August 9, 2017, at 921 Lakeridge Way SW, Suite 301, Olympia, WA 98502, commencing at 5:00 p.m. Commissioners Russell Olsen and Linda Oosterman were present for the meeting; Commissioner Chris Stearns called in via telephone. 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 Olsen made a motion to approve the agenda as presented: Commissioner Stearns seconded the motion; all in favor.**

**Consent Calendar:**

Approval of Minutes: July 25, 2017

Prequalification of Contractors – Small Works Roster:

1. KVA Electric, Inc.
2. Asphalt Patch Systems, Inc.

SMA Contracts: None

Correspondence: None

Travel Approvals: None

Voucher Approval:

Accounts Payable: July 28, 2017, August 9, 2017

Payroll: August 4, 2017

Resolution: None

Other: None

**Consent Calendar: Commissioner Olsen 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:**

**Customer Request for Additional Leak Adjustment**

DFA Parker presented a request from a commercial-service customer on the Tanglewilde-Thompson Place water system. The customer owns an apartment complex, and he experienced a large leak in 2016 for which he was given a leak adjustment; he experienced another leak this year, and his June and July bills are much higher than expected. He is asking for an adjustment which would be in excess of the PUD's leak adjustment policy. Commissioners and staff discussed the issue. Commissioner Olsen proposed the additional adjustments: a \$1,000 credit for the customer's June bill and a \$500 credit for the customer's July bill. DFA Parker added that we can contact the customer to explain that these adjustments are the final adjustments that will

be given within a two year period, per PUD policy; staff will also mention the stipulation of replacing his service line to avoid leaks in the future, as it is unknown if the customer's infrastructure is due for replacement because of age. **Commissioner Olsen made a motion to authorize GM Weidenfeller to create a matrix regarding costs to produce water per water system: Commissioner Stearns seconded the motion; all in favor. Commissioner Olsen made a motion to credit \$1,500 towards the customer's account with the stipulation to contact the customer regarding his service line: Commissioner Oosterman seconded the motion; all in favor.**

#### **Customer Service Satisfaction Survey**

GM Weidenfeller wanted permission from the Board to move forward with the survey with the questions already presented to the Commissioners. The Commissioners authorized GM Weidenfeller to move forward with this item.

#### **Initial Proposed Budget Presentation & General Fund Financial Overview**

DFA Parker presented the preliminary 2018 Budget. She explained that this budget reflects her best estimates for the operational costs for the new building. Commissioners and staff discussed debt service, the proposed rate increase which is projected to be below 4%, the allocation for interest costs on capital asset financing, the 2018 capital surcharge and the financial model projection, as well as projected increases like PERS contributions and vehicle costs. DFA Parker also discussed fund balances with the Commissioners.

**Action Items:** None

#### **Presentations:**

**General Manager's Report:** John Weidenfeller, General Manager  
GM Weidenfeller provided a written report.

**Finance Report:** Julie Parker, Director of Finance and Administration

DFA Parker will provide a written report at the second meeting in August. However, she advised the Commissioners of the financing schedule – she explained that at the August 22nd meeting, the consultant's report will be available and staff will bring forward a resolution regarding short-term bonding for review.

#### **Commissioner Topics, Discussion and Reports:**

Commissioner Olsen met with the Executive Director of the Thurston Regional Planning Council (TRPC).

Commissioner Stearns had a question regarding the base numbers used to calculate financial information as the PUD grows, but he didn't have anything to report.

Commissioner Oosterman did not report due to the heat in the meeting room.

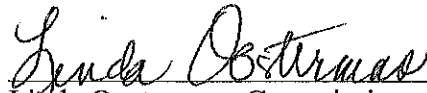
**At 5:48 p.m., Commissioner Oosterman announced that the Board would be entering an Executive Session to discuss with legal counsel representing the agency matters relating to potential litigation, as authorized by RCW 42.30.110(i), until 6:00 p.m. At 6:00 p.m., the**

**Executive Session was closed, and the regular meeting resumed. Commissioner Oosterman noted that Joe Rehberger, the District's Chief Legal Counsel, was present via teleconference for the Executive Session portion of the meeting only.**

**Summary of Assignments:**

- Create a water production cost matrix for PUD-owned water systems.
- Follow-up with the commercial customer on the leak adjustment and the service line.
- Change the August 29, 2017 date to August 22nd on the 2018 Preliminary Budget Discussion cover sheet.

**Adjournment: Commissioner Stearns made a motion to adjourn the meeting; Commissioner Olsen seconded the motion; all in favor. The meeting was adjourned at 6:00 p.m.**



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Linda Oosterman, Commissioner and President

Attest:



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Russell E. Olsen, Commissioner and Secretary