

**MINUTES OF THE REGULAR MEETING OF OCTOBER 10, 2017  
OF  
PUBLIC UTILITY DISTRICT NO. 1  
OF  
THURSTON COUNTY, WASHINGTON**

The first regular meeting for October 2017 of the Commissioners of Public Utility District No. 1 of Thurston County was called to order on Tuesday, October 10, 2017, at the District's office, 921 Lakeridge Way SW, Suite 301, Olympia, WA 98502, commencing at 4:05 p.m.

Commissioners Russell E. 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), Kim Gubbe, the District's Director of Operations and Compliance (DOC), and Kurin Rosado, Clerk to the Board.

**Call to Order: Commissioner Oosterman called the regular meeting to order at 4:05 p.m. The Pledge of Allegiance was recited by those 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: September 26, 2017

Prequalification of Contractors – Small Works Roster: None

SMA Contracts: None

Correspondence: None

Travel Approvals: None

Voucher Approval:

Accounts Payable: September 27, 2017, October 6, 2017

Payroll: October 5, 2017

Resolution: None

Other: None

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

**Introduction of New Employees:**

Superintendent Jim Campbell introduced the new staff, comprised of the former H&R Waterworks staff members – one staff member was not present due to a planned vacation. The Commissioners addressed new staff members, and discussion occurred between Commissioners and staff.

**Public Comments/Public Hearing for 2017 Rates, Fees, and Surcharges for Customers Acquired from H&R Waterworks:**

Commissioner Oosterman opened the meeting to Public comments at 5:05 p.m. The meeting was closed to Public comments at 5:41 p.m. The Public Hearing portion was cancelled, to be rescheduled to a later date.

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

**Resolution 17-47, PUD Water Revenue Bond, Discussion with Bond Council**

The purpose of this resolution is to authorize the issuance of a bond and to adopt the bond covenants of the Water Revenue Bond 2017 which will be used to acquire and make improvements to water systems as well as for other capital improvements and the costs of the loan. Ms. Nancy Neraas with Foster Pepper attended a portion of the meeting to discuss the bond issuance. Commissioners asked questions regarding the bond, and selling a few water systems purchased from H&R Waterworks to another public entity. This is the first reading of this resolution.

#### **Discussion of Upcoming Public Meetings/Rate Hearings and New Systems**

Upon further discussion, the Commissioners agreed to hold the rescheduled Public Hearing for 2017 rates, fees, and surcharges for former H&R Waterworks customers during the meeting already scheduled for 2018 rates, fees and surcharges for former H&R Waterworks customers on October 19th at the Lacey Community Center. Staff and Commissioners discussed a few billing issues related to the postponement of 2017 rates, fees, and surcharges adoption. Meals and driving arrangements for the upcoming meetings were discussed. Staff and Commissioners also discussed on how to improve on the structure/communication during the upcoming meetings.

#### **Discussion of Remodel of New Office Space at 1230 Ruddell Rd SE**

DOC Gubbe gave a few updates on the remodel of the new office space in Lacey, including information on the mold remediation and replacement of siding. DOC Gubbe asked for a motion from the Board to approve a change order proposal in the amount of \$130,031.20 plus tax to complete the building's siding. **Commissioner Olsen made a motion to approve the change order proposal for the \$130,031.20 plus tax; Commissioner Oosterman seconded the motion; all in favor.** DOC Gubbe reported that the contract time will change, resulting in an estimated completion date just before Christmas. She also reported on the telephone, security, and generator systems to be installed.

#### **Discussion of Verizon Fleet Management System**

DFA Parker and DOC Gubbe presented a fleet management system option by Verizon to the Commissioners.

#### **Authorization to Terminate Select Satellite Management Agency (SMA) Systems**

GM Weidenfeller asked for approval from the Board to terminate selected SMA contracts with water systems that are currently managed by the District and there were no objections.

#### **Resolution 17-51, Acquisition of the Forest Glen Water System**

The purpose of this resolution is to authorize staff to acquire the Forest Glen water system, an SMA system managed by the District since 2011. **Commissioner Olsen made a motion to approve Resolution 17-51 as presented; Commissioner Stearns seconded the motion; all in favor.**

#### **Action Items:**

#### **Resolution 17-54, Adoption of 2018 Rates, Fees, Charges, and Surcharges for Customers Acquired from H&R Waterworks**

The Commissioners approved to postpone adoption of Resolution 17-54 until after October 19th – the Public Hearing for 2017 rates, fees, charges and surcharges for customers acquired from H&R Waterworks was rescheduled for the special meeting on October 19th.

**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 October.

**Commissioner Topics, Discussion and Reports:**

Commissioner Olsen discussed his meeting with GM Weidenfeller and other representatives for the Thurston Regional Planning Council.

Commissioner Oosterman didn't have anything to report.

Commissioner Stearns didn't have anything to report.

**At 8:25 p.m., Commissioner Oosterman announced that the Board would be entering into an Executive Session to review the performance of a public employee, as authorized by RCW 42.30.110(g), until 8:35 p.m. At 8:35 p.m., the Executive Session was closed, and the regular meeting was resumed. No decisions were made.**

**Summary of Assignments:**

- Reschedule the Public Hearing for 2017 rates, fees, and surcharges for customers acquired from H&R Waterworks to October 19th. Send a letter to former H&R Waterworks customers.
- Add Resolution 17-54 to the Action Items section of the October 24th Commission meeting agenda.
- Meet with the generator engineer regarding generator placement options, and forward an update to the Commissioners.
- Gather more information regarding fleet management services, and bring this information back to a later Commission meeting.
- Bring forward Resolution 17-51 for signature at a later Commission meeting.

**Adjournment: Commissioner Olsen made a motion to adjourn the meeting; Commissioner Stearns seconded the motion; all in favor. The meeting was adjourned at 8:35 p.m.**

  
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Linda Oosterman, Commissioner and President

Attest:

  
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Russell E. Olsen, Commissioner and Secretary