

**MINUTES OF THE REGULAR MEETING OF FEBRUARY 09, 2010
OF
PUBLIC UTILITY DISTRICT NO. 1
OF
THURSTON COUNTY, WASHINGTON**

The first regular meeting for February 2010, of the Commissioners of Public Utility District No. 1 was called to order on Tuesday February 09, 2009 at 921 Lakeridge Way Suite 201, Olympia, WA 98502 commencing at 5:00 p.m. Commissioners Chris Stearns, Paul Pickett and Alan Corwin were present. Also present were John Weidenfeller the District's General Manager (GM), Julie Parker, the District's Chief Financial Officer (CFO), Kim Gubbe, the District's Operations Manager, and Don Taylor, the District's Attorney.

Commissioner Stearns called the general meeting to order at 5:00 p.m.

Approval of agenda:

The Board agreed to discuss the item Communications and Open Meetings Act after discussion about the Retreat. Resolution 10-14 SMA Contract with Quadrangle 1 Water System was moved to the Consent Calendar.

There were no further changes to the agenda.

Consent Calendar:

Improvement Authorizations - None

Prequalification of Contractors – Small Works Roster - None

Travel Approvals – None

Approval of Minutes: January 26, 2010

Resolutions:

Resolution 10-06 Non-Exclusive Franchise – Lewis County

Resolution 10-14 SMA Contract with Quadrangle 1 Water System

Resolution 10-15 Change Order with American Pump for 200th Upgrades

Resolution 10-16 Revised Agreement with AW Rehn & Associates

Other –Voucher Approval

- 1) Accounts Payable 1/20/10, 1/27/10, 2/3/10
- 2) Payroll 2/5/2010

Commissioner Pickett moved to adopt the consent calendar, Commissioner Stearns Seconded, all approved.

Public Comment

None

Presentations

Legal Report: Don Taylor, PUD Attorney

Mr. Taylor reported that he discussed the Lewis County Franchise agreement with the CFO.

Executive Session:

Commissioner Stearns announced that the Board was going into an executive session to discuss Potential Litigation, Real Estate Purchase Sale & Leasing and it was extended for 30 more minutes at 5:10 p.m. At 5:40 p.m. Commissioner Stearns announced that the executive session was extended for an additional 40 minutes. At 6:10 Commissioner Stearns announced that the executive session is extended for an additional 20 minutes. The Executive Session ended at 6:30 and Commissioner Stearns returned to the regular meeting.

Commissioner Pickett moved to authorize the GM to make an offer for the Pedersen Place water system as a right of first refusal subject to consideration of additional information obtained as part of due diligence, Commissioner Corwin seconded and all approved.

General Manager's Report – John Weidenfeller, General Manager

The GM provided a written report and added that:

- The Olympian will report the Tanglewilde ground breaking
- He had been contacted by Brian Farris, IT Manager at Thurston County and they agreed to work together over the next quarter to see if there were opportunities for the PUD and the County to collaborate on telecommunications
- He had scheduled a meeting with Thurston County Chief Administrative Officer, Don Krupp for Friday, February 12.

Operations Manager's Report – Kim Gubbe, Operations Manager

The OM presented a written report. She added that due to weather, she was not able to fly into Washington D.C. for the Great American Water Taste Test, however our water samples did arrive and are being presented by a representative from Evergreen Rural Water. She also added that we had a bad water sample from Wilderness Glen; she believes the cause is coming from the well, which will be chlorinated on Thursday.

The Terry Lane improvements are complete and were placed into action last week when the well lost power. The Clay valves opened, as designed, and customers did not lose water. We will be billed for the water use from Spanaway Water.

At Crescent Park, the last two hydrants should be replaced this week. We are also trying to locate a system leak.

Chief Financial Officer's Report – Julie Parker, Chief Financial Officer

No financial report.

Commission Reports

Commissioner Corwin's Report

Commissioner Corwin attended the Thurston County Commissioner's water presentation. It primarily concerned water rights. He also attended the WPUDA workshop and WRIA 11 meeting. He expressed concern about the WRIA 11 budget and expenses.

Commissioner Pickett's Report

Commissioner Pickett and Commissioner Stearns met with Amanda Cronin and 2 engineers to learn about water banking. The idea of a water bank would mainly be to have a place where you could purchase mitigation – the water bank would buy senior water rights and hold them in the bank, when mitigation is needed you would pay them for a piece of that water right. Additional water rights are purchased with the mitigation funds. Commissioner Pickett provided Ms. Cronin with his personal view that the PUD might water banking at Tanglewilde where we currently may not have sufficient water rights of our own to supply the community for peak flows and maximum build out. He also expressed an interest in applying this approach to consolidate class B systems. An integrated approach with a Water Bank and clear protocols from Dept. of Ecology and Dept. of Health could be a benefit to the PUD.

He provided information he received from Jeff at TRPC about a GIS map viewer; using Google Earth is an option and will be further investigated by Staff.

He reported on his meetings with Thurston County Commissioners Sandra Romero, Cathy Wolfe and Karen Valenzuela. A lot of information was shared, and a common area of interest from them was if PUD could help provide sewer to Tanglewilde. They also liked the idea of a county-wide forum to bring the utilities together. There were no serious objections expressed concerning any of the items on the PUD's talking point list. They suggested a joint briefing of the two Boards to follow-up on the meetings after the GM meets with Don Krupp. The GM will try to schedule a meeting when he meets with Don Krupp on Friday.

Commissioner Stearns' Report

Commissioner Stearns reported receiving a letter from the Jefferson County Commissioners thanking him and Commissioner Pickett for attending the Dana Roberts memorial.

Information Discussion of Operations/Policy Issues:

TRPC Water 101 September 10, 2010 Presentation Date

The Commissioners discussed the purpose of the presentation.

Legal Request for Proposal

The GM provided a sample Request for Qualifications (RFQ) Proposal scoring criteria. After discussion about a scoring system, the Board agreed to reappraise the selection methodology after we see how many applicants there are. The GM asked the Board for clarification about the content and form of the RFQ he presented; the Board directed him to remove reference to "bonus points" and in its' place use "additional weight may be given to candidates having experience in the categories below". The Board will review the applications and select the top candidates at the February 23rd meeting. The Board agreed to a projected interview date of February 26. Commissioner Corwin will serve on the selection panel along with the GM and the attorney from Kitsap PUD. References of candidates will be checked the week of March 1. The successful candidate will be selected from among the top candidates recommended by the panel at the March 9th Board meeting.

Retreat

The Board directed the GM to obtain recommendations for a facilitator from the dispute resolution center to attend the retreat. They also requested the GM be present at the retreat.

Communications and Open Meetings Act

The Board members discussed email communication between each other. Commissioner Corwin suggested that all communication, other than scheduling meetings, be sent to the GM for distribution to the other Board members. Commissioner Pickett noted the need for clear communication and transparency, and is concerned that following procedures that are more rigid than is required for compliance with the Open Public Meetings Act has a stifling effect upon clear communication among the Board. He recommended finding a balanced approach. All Board members agreed that emails are not the place for decision making or debate. The GM presented the Board with information about the Open Public Meetings Act he obtained from the msrc.org website.

Resolutions:

Resolution 10-11 Contracting and Bidding Policies and Procedures

The CFO explained that this resolution incorporates Resolution 05-03 will bring our small works roster process up to date with current statutes.

Commissioner Pickett moved to adopt Resolution 10-11 Contracting and Bidding Policies and Procedures, Commissioner Corwin seconded and all approved.

Resolution 10-13 Authorize New Lease for Postage/Folding Equipment

Commissioner Pickett moved to adopt Resolution 10-13 Authorize New Lease for Postage/Folding Equipment, Commissioner Corwin seconded and all approved.

Action Items:

None

Assignments

GM: obtain recommendations for a facilitator from the dispute resolution center to attend the retreat

The GM, OM and CFO were excused from the meeting.

Executive Session:

Commissioner Stearns announced that the Board was going into an executive session to discuss the Performance of a Public Employee (R.C.W. 42.30.110) at 8:00 and that it was expected to last for 20 minutes. At 8:20 and at 8:40 Commissioner Stearns announced that another 20 minutes was needed. The Board closed the Executive Session at 8:55 p.m. and returned to the Regular meeting.

Commissioner Pickett moved to recess to the Tanglewilde ground breaking ceremony at noon on February 12th and to adjourn at the conclusion of the ceremony. Commissioner

Corwin seconded and all approved. The meeting ended at 9:00 pm. and recessed to the February 12 Ground Breaking Ceremony.

The meeting reconvened at 12:15 pm on Friday February 12th at the grounds of the Tanglewilde Recreation Center. The ground breaking ceremony was conducted with introductions and a dedication of the two wells to Bob Coker and Don Taylor. A list of the citizens and elected officials in attendance is attached. No PUD business was conducted The meeting convened at 12:45 pm.

President

Attest: _____
Secretary

List of Individuals Believed to have Attended the Groundbreaking

Karen Valenzuela, Commissioner, Thurston County
Sandra Romero, Commissioner, Thurston County
PUD Commissioners Alan M. Corwin, Christopher Stearns and Paul Pickett
PUD Staff members John Weidenfeller, Kim Gubbe, Julie Parker & Steve Skiles

Sandy Helton
204 Ranger Dr SE
Lacey, WA 98503

Evelyn Thompson
542 Bulldog Street SE
Olympia, WA 98503

TRC Secretary Linda Gallivan
408 Choker St. SE
Olympia, WA 98503

TRC President Bob Coker & Clarice Kish
416 Bulldog St. SE
Olympia, WA 98503

Julie & Paul Evans
466 Ranger Dr. SE
Olympia, WA 98503

TRC Vice President Joe Carter and Maureen Carter
417 Wildcat Dr. SE
Olympia, WA 98503

TRC Board Member JW Johnson
7519 Titus Ct. SE
Olympia, WA 98503

TPRC Board Chair Bruce Whitehouse & Virginia Whitehouse
6820 5th Way SE
Olympia, WA 98503

TPRC Treasurer's Wife Ruth Rector
322 Ranger Dr. SE
Olympia, WA 98503

TPRC Secretary Jerry Griffin

**420 Bulldog St. SE
Olympia, WA 98503**

**TPRC Board Member Pat Williams & Kay Williams
417 Choker St. SE
Olympia, WA 98503**

**Mr. & Mrs. Don Taylor
Owens Davies Fristoe Taylor & Schultz
115 West Bay Drive Suite 302
Olympia WA 98502**

**Jerry Morrissette & Doug Eklund
JW Morrissette & Associates, Inc PS
1700 Cooper Point Road SW #B-2
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