

**MINUTES OF THE REGULAR MEETING OF APRIL 26, 2011  
OF  
PUBLIC UTILITY DISTRICT NO. 1  
OF  
THURSTON COUNTY, WASHINGTON**

The second regular meeting for April 2011 of the Commissioners of Public Utility District No. 1 was called to order on Tuesday April 26, 2011, at 921 Lakeridge Way SW, Suite 301, Olympia WA 98502, commencing at 5:00 p.m. Commissioners Alan Corwin, Paul Pickett and Chris Stearns 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 Operation Manager (OM), and Cathy Skiles, Clerk to the Board

Commissioner Stearns called the general meeting to order at 5:03 p.m.

**Approval of agenda:**

**Commissioner Pickett moved the approval of the agenda, Commissioner Corwin seconded, all in favor.**

**Consent Calendar:**

Approval of Minutes: April 5, 2011, April 12, 2011  
Prequalification of Contractors – Small Works Roster

Richardson Well Drilling  
Pape & Sons Construction, Inc.

SMA Contracts

Correspondence:

Travel Approvals:

Other –

Voucher Approval

Accounts Payable 4/13/11, 4/20/11  
Payroll 4/20/11

Resolutions:

Res. 11-16 Sole Source Purchase Approval (SG – N)

Res. 11-17 Uncollectible Debt

Letter from Commissioners, ESHB 1572, to Representative Pettigrew, Senator Chase and Senator Fraser (SG – N/A)

**Commissioner Pickett moved the approval of the Consent Calendar, Commissioner Corwin seconded, all in favor.**

**Public Comment:       None**

**Staff Presentations:**

**General Manager's Report:** John Weidenfeller, General Manager

GM Weidenfeller provided a report in writing. GM Weidenfeller and OM Kim Gubbe will be looking at three class B water systems near Tenino. They have moved Jacob Larson up to a Technician II position; they have also hired a temporary Field Technician I. On May 9, the new temporary seasonal position will be filled. Commissioner Corwin commented that the two paragraphs written for them to justify the new Field Technician was excellent and he asked that the explanation be added to the 2012 budget packet. This way if any questions are raised they have an answer.

GM Weidenfeller provided a draft copy of the tombstone advertisement announcing the sale of PUD bonds. The Commissioners had some editorial suggestions.

Tanglewilde's Phase 1 project is on track. The bids went out and there is a walk-through tomorrow for contractors who are interested in bidding on the project. The OM and GM will go to the walk-through.

GM Weidenfeller updated the Commissioners on staff training in his written report. He also provided a copy of the DOH press release that came out. He has worked with Tom McDonald on the Bamelli contract.

Commissioner Pickett inquired about the WCIA training. GM Weidenfeller said they have offered to come to train staff and Commissioners. It has been advertised as a special meeting so the Commissioners can attend. The training will be held at 8:00 a.m. on May 5<sup>th</sup>. Following the training there will be a ceremony honoring Kim Gubbe as DOH "Operator of the Year."

The Bond schedule has changed so there will not be a special Commissioner meeting held on May 17, 2011; the Investor Meeting will still be held at 2:00 p.m. May 17, 2011.

**Operations Manager's Report:** Kim Gubbe, Operations Manager

OM Kim Gubbe provided a written report. Commissioner Pickett inquired about the large leak in Tanglewilde and the OM described the leak detection efforts.

Commissioner Corwin inquired about one of the customers on the uncollectable list that is double the rest on the list. GM Weidenfeller explained this was one of the last customer balances to be written-off prior to the Owner Responsibility resolution.

**Chief Financial Officer's Report:** Financial Variance Report (every 4<sup>th</sup> week's meeting)

Commissioner Pickett thanked CFO Parker for the excellent quarterly variance report.

**Information or Discussion of Operations/Policy**

GM Weidenfeller reminded the Commissioners of the WCIA Training (Special Meeting) at 8:00 a.m. May 5, 2011 followed by the Ceremony Honoring Kim Gubbe as DOH Operator of the Year at 9:00 a.m.

GM Weidenfeller and the Commissioners have been invited to the WPUDA WIN Training Session - May 18, 2011; they will travel together in the PUD van.

Two Commissioners and GM Weidenfeller will attend the Chamber of Commerce meeting on May 11, 2011.

Commissioner Corwin said before the WPUDA moved to Olympia, when there was a meeting held out of town, the local PUD would host a reception. He asked if Thurston PUD could host a reception for the Executive Committee and the top people. It would be 10 – 15 people on a Wednesday night. Commissioner Pickett liked the idea and suggested we look at the budget to include it next year. Commissioner Stearns suggested doing it in 2011. Commissioner Corwin suggested they discuss it more in the near future.

Commissioner Stearns added that he responded to the questionnaire for WPUDA, and Commissioner Pickett noted that he'd completed it as well.

**Action Items:**

**Resolutions:**

Proclamation – May 1-7, 2011 National Drinking Water Week and TPUD Employee Appreciation Week  
**Commissioner Pickett moved the adoption of the proclamation making May 1-7, Employee Appreciation Week, Commissioner Corwin seconded, all in favor.**

Commissioner Stearns stated he has received positive feed back regarding Kim Gubbe, John Weidenfeller and Tom McDonald and what a great job they are doing.

**Legal Report:** Tom McDonald

Tom McDonald reported we almost have a final sign-off on the Tanglewilde case – we are just waiting for final Hearings Board approval. He continues discussions on some of the other issues with GM Weidenfeller as reported in his written report.

GM Weidenfeller commented on a couple of other legal issues. We have customers who have requested relinquishments where they have drilled their own wells. His recommendation is that as a rule of thumb, we do not allow relinquishments unless they are in the PUD's best interest and he will follow-up with a formal recommendation. Another issue involves undeveloped lots that do not contribute monthly contributions to the systems to which they belong. There are 97 undeveloped lots who have not hooked up to the system and are not contributing to the maintenance or replacement of the system; 50 are in Lewis County, 12 in Thurston County and the balance in other counties. The GM suggested we consider charging a fee for these connections. Commissioner Pickett suggested that once the Commission adopts a fee on these systems that we consider sending out a letter notifying all of notice to charge a fee to the undeveloped lots, and also add that they will be responsible to pay a facility charge and meter hook-up fee prior to connecting to the system. Commissioner Pickett also suggested a relinquishment fee. The GM noted that extensive staff review is necessary on this issue. Tom McDonald added these are big issues and encouraged the Commissioners to adopt a policy.

Commissioner Pickett suggested making it a part of their strategic planning to pick a bill to follow each session. Commissioner Corwin said he was advised to only work on one bill rather than two, there is more likelihood that one will pass.

Commissioner Corwin said in July, he would like the PUD to adopt a policy "Mission Statement" about the low income process. He asked if the contributions are tax deductible, if so do we have an obligation to provide a tax statement each person who donates. Most likely these donations are tax-deductible, but that needs to be confirmed. Billing statement stock has just been printed, but will be changed to facilitate contributions at the next printing. Staff would like to collect donations at first, and fully implement the program in 2012. The Board asked staff to provide a "road map" for bringing the program on-line. Commissioner Pickett encouraged staff to take the time they need to make sure the program is as efficient and effective as possible.

OM Kim Gubbe reported on the WCIA sponsored WCIA Public Works 101 training she and CFO Julie Parker attended regarding bidding and contracting and noted they have already incorporated improvements in the in the new bid packets. Commissioner Stearns said we need a way to deal with contractors who have over bid and gone over the timeline.

Commissioners and staff discussed what should be served at the May 5<sup>th</sup> training and celebration.

**Commissioner Reports:**

Commissioner Corwin reported he went to a whole string of WPUDA meetings and a WRIA 11 meeting. He complemented the WPUDA Education Committee for setting up a program and moving forward with it. He commented that WPUDA needs to re-evaluate the Government Relations Committee because they are not accomplishing anything. Each time they have met, there are more people in attendance; this shows there is high interest. The Commissioners discussed WPUDA Association and the individual groups at length.

Commissioner Pickett did not have anything to report.

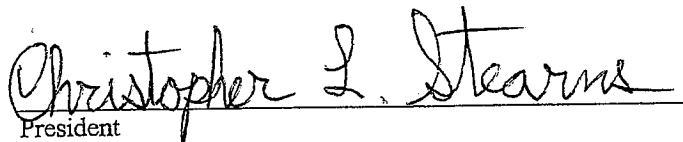
Commissioner Stearns reported he did attend last week's Chehalis Partnership meeting. He has been told that Thurston County sided with Grays Harbor County against Lewis County regarding the Chehalis River flooding issue. Commissioner Pickett explained that Thurston County, Grays Harbor County and the Chehalis tribe joined together to form a new group. In Lewis County they are upset because they feel the new organization will compete for State dollars, and that the three have effectively withdrawn from the Chehalis River Flood Authority.

**Summary of Assignments:**


1. Place the explanation for the new 2011 Field Technician justification to the 2012 budget packet.
2. Notify the Edward Jones Investment Group Regional Office, not individual offices of our Investors Meeting.
3. Remind Commissioners of the May 11<sup>th</sup> Chamber of Commerce meeting.
4. Follow up on WPUDA reception idea.
5. GM will provide a service relinquishment policy for Commissioners review.
6. The Chief Legal Counsel will prepare a presentation regarding Municipal Water Law as it affects the PUD.
7. Adopt a policy "Mission Statement" about the low income assistance program process.
8. Commissioner Stearns will attend the next TRPC meeting.
9. Commissioner Stearns requested the GM provide a proxy for him to approve as a vote on the Bond Resolution since he will not be able to attend the meeting.

**Adjournment:**

Commissioner Pickett moved to adjourn the General meeting at 6:40, Commissioner Corwin seconded, all approved.

  
\_\_\_\_\_  
President

Attest:

  
\_\_\_\_\_  
Secretary