

**MINUTES OF THE REGULAR MEETING OF MARCH 13, 2012
OF
PUBLIC UTILITY DISTRICT NO. 1
OF
THURSTON COUNTY, WASHINGTON**

The first regular meeting for March 2012 of the Commissioners of Public Utility District No. 1 was called to order on Tuesday March 13, 2012, at 921 Lakeridge Way SW, 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 (OM), Joseph Rehberger, Chief Legal Counsel, and Cathy Skiles, Clerk to the Board. .

**Commissioner Pickett called the general meeting to order at 5:00 p.m.
Commissioner Pickett led the Pledge of Allegiance.**

Approval of Agenda:

Commissioner Corwin moved adoption of the agenda, Commissioner Stearns seconded, all in favor.

Consent Calendar:

Approval of Minutes: February 28, 2012 Meeting
Prequalification of Contractors – Small Works Roster
SMA Contracts:
Correspondence:

Request for Public Disclosure – Justin Kover (2/22/12)
Request for Public Disclosure – Justin Kover (2/29/12)

Travel Approvals:

Accounts Payable: 2/29/12, 3/7/12

Payroll: 3/5/12

Other:

Commissioner Corwin moved to approve the Consent Calendar, Commissioner Pickett noted he suggested a few minor changes to the minutes which are included in the copy the Commissioners have. Commissioner Pickett moved approval of the Consent Calendar, Commissioner Corwin seconded, all in favor.

Public Hearing:

Commissioner Pickett opened the Public Hearing for the Final Draft Preliminary Business Assessment RFP for Electric Utility at 5:10 p.m.

GM Weidenfeller reported that there was written testimony submitted, he will make it a part of the Public Record. The Board made a determination to hold a Public Hearing on the Final Draft Preliminary Business Assessment RFP for Electric Utility. Some background on this is that PUD No. 1 of Thurston County does not have the authority to construct or acquire electrical facilities for generation, transmission, or distribution of electrical power without the vote of the citizens of Thurston County according to 54.08.070.

Within the County a petition is being routed to gather signatures. The signatures need to be comprised of 10% qualified electors in the County. Then, it must be filed with the Thurston County Auditor four (4) months prior to the general election which is July 6, 2012. The Board of Commissioners scheduled this hearing to allow Public Comment regarding the proposed RFP. The purpose of the RFP is to study the feasibility of electric utility should the citizens of Thurston County vote to authorize PUD No. 1 of Thurston County to construct or acquire electric utilities in Thurston County. If the voters provide this authority, the Board of Commissioners will decide what action, if any, to take regarding the construction or acquisition of electrical utilities. One thing they are considering and may approve tonight is to issue an RFP for a Preliminary Business Assessment for Electric Utility. This Hearing is for you, the Public, to have a chance to testify before the Commissioners.

Commissioner Pickett added, for the Hearing, the Commissioners will take comments but not answer questions. There will be a period of time later in the meeting where the Commissioners will discuss this issue.

Commissioner Corwin asked if anyone had information on how the signature gathering is going. GM Weidenfeller stated that we do not. Commissioner Stearns stated that they have started and are in the early stages of completing it.

Commissioner Pickett stated that the focus of the Proposal is narrow. There have been some requests to perform a feasibility study of acquiring Puget Sound Energy. That is not addressed in this RFP.. The focus is on what the PUD can do with a limited amount of Tier 1 power, or what can be done with a limited acquisition.

Public Comments

Justin Kover – 522 Lilly Rd – Olympia WA 98506 – He stated he has a question and a concern. At the January 10, 2012 meeting, the Board decided to hold off on a feasibility study. At the Board meetings that have taken place since then, there has been much discussion of doing a business assessment instead, hence we have our draft business assessment. He stated he has read through the draft business assessment and at the January 10, 2012 hearing it was said that we could pay a lot of money on research that could be done by the Board and now the Board has done research. Is the Board looking at doing a business assessment because it does not have the finality of a feasibility study? He also noted that it says in the draft proposal that the budget for this particular assessment is \$20,000 to \$30,000. His question is, will the business assessment be treated with the same finality as a feasibility study? If not, will we be paying for a business assessment as well as a feasibility study?

Robert Whitlock – 502 Tullis St. NE – Olympia – He stated he wanted to speak in favor of doing the study. It is worth the money to get the facts and move forward with a good amount of information on this issue.

Doug Riddels – 1020 Quince St. – Olympia – He stated that he wants to speak in favor of the feasibility study and is involved with the initiative that is going forward for Public Power in Thurston County. Given the enthusiasm they are seeing, he is completely confident they will be able

to gather the signatures and the voters will approve the initiative in November. When that happens, they are going to be expecting the PUD to hit the ground running to figure out how to handle it. To do the study as soon as possible seems to be a really good idea.

Guy Hoyle-Dodson - 6026 Gem Ct. SE – Lacey – He stated he supports this and it is an important thing for the citizens of Thurston County. He stated that is exactly what the Board should take into account when they make their decision; what would benefit the citizens of Thurston County. His first comment is in Section 1, subsection b, the assumption is you will not immediately seek the acquisition of all the assets of Puget Sound Energy in Thurston County. That actually should be a part of your feasibility study, just one facet of it; you should not completely dismiss it. Also, when you talk about electrical utility services that might not require acquisition of PSE you should also recognize that some of these services you might provide could make you in direct competition with PSE. You should take a look at the cost-benefit that might incur for the citizens of Thurston County. In addition, he pointed out that while you may only be able to acquire 50 megawatts in the first two years from Bonneville given the authority. You should also be aware up to 50 megawatts for every two years is possible addition above and beyond the first two year acquisition you should also take that into consideration. When you take a look at other benefits, you should take a look at alternative energy systems and the benefits that would incur not only the cost-benefit analysis but also the environmental aspect. The economic benefit of de-centralization of the power grid is an important aspect to consider.

Commissioner Corwin asked Guy Hoyle-Dodson what he means by de-centralization of the power grid. Mr. Doyle responded that right now the grid system flows through many states. In many ways, this is very inefficient and a waste of power. Local power production on a smaller scale makes sense and that there are possibilities of producing electricity on a local basis is worth taking a look at.

Bruce Wilkinson – 1832 Bethel St. NE – Olympia 98506 – He indicated that he wanted to say that he applauds the Board for going forward on this. It takes a lot to stand up for science and good governance in the face of forces that are looking at profit. You are doing a service for our County by putting your necks out to go forward with this. The effort will be rewarded because the PUD is an organization that is growing and has been for years now. It just makes sense in the short term and long term. As we go forth whether this turns into something significant immediately, or in the long term, for our grandkids this is the long term kind of thinking a Public Utility District can have. A for-profit, foreign company would have a much harder time grappling with this. I thank you for moving forward with this.

Jesse Weaver – 1832 Bethel St. NE – Olympia – She noted she approves of the study, you should go for it.

A question from the audience asked if e-mail comments will be accepted. Commissioner Pickett stated they can e-mail the Commissioners anytime. They will be discussing this issue tonight so future e-mails will not be a part of this discussion.

Commissioner Pickett stated they have received 4 e-mails on this subject in support of this proposal.

Commissioner Pickett closed the Public Hearing at 5:40.

Public Comments:

Information or Discussion of Operations/Policy Issues:

Tanglewilde Reservoir Art Project – OM Kim Gubbe displayed the art work from the North Thurston School District. The fish in the artwork will be used. OM Gubbe met with the painters today and they feel they will be able to portray the fish just as they are and the project is very exciting to them. One other fish will be portrayed in red and black. They have been working with Lydia Hawk Elementary where our Tanglewilde reservoir is. We just set up a new reservoir with a capacity of $\frac{3}{4}$ of a million gallons. The top of the reservoir will be a nice sky blue, the bottom twelve feet will be a green with a little bit of the sky blue. The fish will go around the bottom of the reservoir, and then we hope to have a dedication of the reservoir. At the dedication, hand prints will be put around the bottom to look like stones on the bottom of the stream. It looks like the project has all the support it needs from the contractor, the artists and the School District. We hope the public will also get involved and make hand prints along the bottom of the tank. This tank serves both the Thompson Place and Tanglewilde communities. We hope everyone will all get involved.

Commissioner Stearns announced that Kim Gubbe is an awarded Operations Manager. She was awarded *Operator of the Year* last year by the Washington State Department of Health. He also stated this will be the completion of the largest project taken on by the PUD. OM Gubbe stated the project is going full-bore. The tank has been erected; now it is going through its testing and hopefully it will be coated in the next couple of weeks. We hope to have the project completed by August with the art project being completed with the start of the new school year. Some of the details of the tank painting and the art project were discussed.

Commissioner Stearns asked OM Gubbe to list some of the contractors involved in the project. OM Gubbe said the engineers who designed the project are JW Morrissette and Associates. Doug Eklund and Steve Willey have been the lead engineers. The contractor who received the bid is T. Bailey; they do the Reservoir work. Several sub-contractors have been involved, we have had them replace some mainlines. Les Russell Excavating was the company who installed the mainlines and that project is complete with the exception of some clean up when the weather gets better. Steve Harrington is a local contractor who is doing the booster pump station and piping.

GM Weidenfeller asked where the water is coming from. OM Gubbe stated the water is coming from Tanglewilde, PUD owned wells. Since those wells became active last year we have barely used any of City of Olympia's water, which is good news for us because we purchased City of Olympia water. CFO Parker stated the reservoir project was \$2.3 million. The Stillwell Street water main upgrade was \$400,000. The well project was \$1.1 million. The total is estimated to be \$4.3 million for the Tanglewilde-Thompson Place water system projects. Commissioner Pickett stated that the PUD brought \$4.3 million into the community. We have another tentative

budget line item in the State Senate version of the budget for an allocation of another $\frac{3}{4}$ of a million in other improvements.

OM Gubbe reported we used other local contractors for the other projects, Robinson and Noble did the well project hydrogeology and Boart-Longyear drilled the wells. The plumbing was installed by American Pump and Electric, and the Stillwell project was completed by Balmelli Construction.

OM Gubbe reported the art work will be displayed in the Commissioner's meeting room. The drawings were done by 5th graders at Lydia Hawk Elementary School. They have been doing this for years with the art teacher.

Olympian Editorial Board Meeting with PUD – Commissioner Pickett stated that at the last meeting they discussed having a conversation with the Olympian; there have been some letters to the Editor. He had sent a message to Mike Oakland and received a call back from John Dodge, who is the acting Editor right now. He liked the idea; they set up a date for 28th, the day after the next Commission meeting. John Dodge would like only one Commissioner there. Mr. Dodge does not want this to be a full meeting. He suggested the meeting be one Commissioner, the General Manager, and any other staff you want to add. Commissioner Pickett told him we would talk about it at this meeting and get back to him. He also asked about having an *OPED* piece. John Dodge said let's have the conversation so we are both clear about the issues. Commissioner Pickett said there are a lot of factual things we want clarified. They may write the Editorial and we may want to see what it looks like. If there is more we want to say, we can get back to them. It seems like a positive opportunity.

Commissioner Stearns would prefer we work with the Olympian before an Editorial is published rather than after. He supports the President of the Board attending the meeting since he is not running an agenda this year. The idea of going and working with them ahead of time is better than reacting after something is published.

Commissioner Corwin would like an item on the agenda for the next meeting, *Talking Points* for the meeting with the Olympian Editorial Board. Commissioner Stearns wants to see any Editorial before it goes to print. Commissioner Pickett would like all of them to think about and bring back to the next meeting the items they would like discussed at the meeting with the Olympian.

Webster Hill Water System Update – GM Weidenfeller stated the Webster Hill Water System is a system in Pierce County that has some challenges ahead of it. He made a list of 8 or 9 things that we are concerned about because we have been approached to get involved in some manner with this water system. On Saturday, the Health Department met with these folks and carried a message from the Prosecuting Attorney's Office in Pierce County that noted the County did not want the water system to go into receivership so the residents really need to take care of your water system and step up to the plate to solve their problems. The GM was called by the President of the Board to see if we can help in some way. With the PUD Board's permission, and no commitment from the PUD, the GM said he would like to sit down and see what they have to say.

Commissioner Corwin said with the knowledge I have, I am more inclined to consider and SMA rather than an acquisition. GM Weidenfeller said we took a pretty hard line with that, told them we want no part of the judgment issue. The easement issues are something that has to be resolved by them. The County got their attention. They have elected a new Board. Commissioner Pickett asked if Pierce County owns any water systems. GM Weidenfeller explained Pierce County owns two water systems but they are not trying to be active system owners. The two systems they have are on their airports.

Commissioners Stearns said my only comment is that GM Weidenfeller keeps a hard line on what we want and Alan is right to only take it on as an SMA. If we are willing to take this hot potato off-their-hands it has to be done in a way that helps our other customers. The system has to be brought up to the standards we keep on every other system we integrate into ours.

Commissioner Pickett added that since this system is in Pierce County, we must keep our efforts very low until we find a way to be reimbursed. For the members of the audience because we do have a County levy, we do use some of that levy to help solve some of the County-wide problems. We do not subsidize water systems but if the County comes to us with a problem system, we consider that part of our county-wide planning and support for citizens. That is why we look at other counties differently because we do not have a tax base from other counties.

Commissioners Stearns said proximity to other systems we own is part of the consideration in how it would fit into our operations. No matter what its condition is it has to fall into a business plan as well.

Discussion of Public Hearing Comments: Draft Preliminary Business Assessment RFP for Electric Utility

Commissioner Pickett stated that Justin Kover asked if the business assessment will give us some sense of finality. He said that in his view; no, because there has not been a vote. One of the reasons we are not calling this a feasibility study is because if there was a vote and if the Board, after the vote wanted to pursue a line of business, there would be a much more detailed feasibility study. At this point the word preliminary means that, it is not final. This is a step to collect information.

Commissioner Corwin said no there is no finality because there is no vote. The feasibility study is as far as we can go given the restraints. Since this whole issue was raised many months ago we have learned a lot more about the various constraints. One of the purposes of the meeting with the Editorial Board is to clarify many of the restraints. We have looked at what others have done and we know there is no way we can walk in on January 1st and initiate a proceeding to take over all of PSE in Thurston County. He stated that you are entirely correct there is a great deal of work we would have to do to pursue the rights of eminent domain. He noted that not the least of which is of how to finance not only the acquisition, but also the costs that would incur before we are able to finalize any acquisition. Where do we get the funding source for that? We know perfectly well we can not use water revenues? We also know that our tax revenues are very modest and they are

pretty much obligated to expenses; one of them being election costs which are going to be considerable and pretty much take up the lion's share of what is available. There are a lot of things that need to be done. All of this is contingent on the proposed ballot measure; if it passes it only gives authority to do this. One of the issues will be how to raise the bonding issue, how do we do that? That would have to be addressed before we do anything else. It is a complex issue and the public needs to know this. The only thing the study would do, is not give us finality, but give us a step up on the things we need to do. We have a large "To- Do" list if the ballot measure passes.

Commissioner Stearns spoke to the business assessment and said that the Board has been studying alternate lines of business for the past three years. This is not something new. We have narrowed our field of looking at what the business is that we want to pursue, based on public feedback from many sources based on petitions, and people giving their input on what they would like to see the Board do. He stated that he would also like to educate the public here to realize this issue has been before the Board in its history, and not just before its first 23 years when Public Power was an issue across the state. In the 1990's, an effort was made to completely get rid of this Board; it failed County-wide 60/40. Also, he noted that when Joe Hommel served on this Board he tried very ferociously to get a study done, but he did not get a second vote. For this reason, Commissioner Stearns stated he would dedicate this effort to him.

Commissioner Corwin stated, "I can only speak from myself, but I can see there is substantial support for the PUD to get into the electric service industry. It does not address how, that is the responsibility of this Board."

Commissioner Pickett added there was a question about looking at alternative energy and decentralized power grids. One of the letters also talked about new technology and more efficient use. Is that something we want to include? Commissioner Corwin said not yet and Commissioner Stearns concurred, not yet. Generally initiating a business is a different subject. Commissioner Corwin added that these are details we can address later on.

The Commissioners and GM Weidenfeller discussed the process for the RFP.

Commissioner Stearns commended Commissioner Pickett on his work drafting the RFP. Commissioner Pickett added it was a group effort, gathering good information from all the Commissioners. He stated that when they started this process they did not have a consensus amongst the Commissioners. With a lot of hard work, and the considerations of each Commissioner, they have been able to build something to where they are consensus now. Commissioner Pickett added he would not say there is a consensus in the Community and that much of the Community is not aware of what is happening. We have seen a lot of support to continue along this path and we have also heard some very compelling reasons to move forward with caution. A lot of people do not want us to go down this road. The philosophical approach is it is good to gather information to assist in making decisions in the future. Commissioner Corwin stated he just wants to see us follow the principle of when we issue the RFP that we do so in a

format that is likely to bring in several proposals, and he would be uncomfortable if we only brought in one proposal. He thinks we have to keep our eye on that all through the process.

Action Items:

Resolutions:

Resolution 12-08 Preliminary Business Assessment RFP for Electric Utility
Commissioner Corwin asked to remove the word Business to read Preliminary Assessment RFP for Electric Utility. Commissioner Pickett added so Resolution 12-08 will read "NOW, THEREFORE, it is hereby RESOLVED that the TPUUD Board of Commissioners directs the General Manager to issue a request for proposal for a preliminary assessment of the feasibility of providing electrical service, and to coordinate with the President of the Board to interview consultants and issue a contract for providing these consultant services up to but not to exceed \$30,000.

Commissioner Corwin made a motion to approve Resolution 12-08, Commissioner Stearns seconded. Commissioner Pickett said the Resolution says not to exceed \$30,000. This would allow us to proceed and collect proposals and issue a contract. The review group will bring it back to the Board with a recommendation and the Board will make the final decision. GM Weidenfeller stated they can do it any way they wish to do it. Commissioner Pickett said if some one comes in with a proposal over \$30,000 is would be brought back to the Board for review. Commissioner Corwin stated this will not be like a bid process where you automatically take the lowest bid, because what will happen if we receive multiple proposals some will say they can do certain things and others will say they can do other things. The decision will be based on what they can provide. The Board decided that a motion was more appropriate than a resolution, and the Board agreed by consensus to withdraw Resolution 12-08 from the table.

Commissioner Pickett made a motion, with the consensus of the Board, to proceed with the issuance of an RFP without a Resolution and coordinate with the assistance of the President, then return with a recommendation to the Board for a contract for services up to \$30,000. Commissioner Corwin seconded, all in favor.

Commissioner Stearns asked if they could discuss at a future meeting about this subject in general. He thinks it is a wise idea after having passed this RFP, to create a Citizens Advisory Board with possibly 12 – 15 members, one that each Commissioner could appoint somebody to give us some public feed back. He feels that once we get this process started we need more direct feedback from the Community. This will provide the Board more perspective. Commissioner Pickett suggested Commissioner Stearns put this concept in writing; he would like to understand what the purpose would be, how long it would last and what they would be doing. Commissioner Stearns stated we have a highly talented and educated community and we should draw from some of those resources.

Resolution 12-07 Travel Policy Update

Commissioner Corwin stated he has looked at this and he has confidence in the General Manager and the CFO, he does not feel the Commissioners need to micromanage it. Commissioner Pickett said the update is consistent with most processes in Thurston County. CFO Parker said the update is to adopt the Office of Financial Management rates. The prior rates have been effect since 2006 with no adjustment. It also was rather restrictive on how it was being administered. This also

allows a little more flexibility and easier adjustment to the rates. **Commissioner Corwin made a motion to approve Resolution 12-07, Commissioner Stearns seconded, all in favor.**

Presentation:

Staff Presentations:

General Manager's Report: John Weidenfeller, General Manager Updated GM Report

GM Weidenfeller stated he gave a short written report. He would really like to commend our CFO Julie Parker and our OM Kim Gubbe for all their hard work they did for submitting 10 Drinking Water State Revolving Fund loan applications. They worked very, very, hard and did a good job submitting them. We will see where they stand in the ratings but that is a great place holder to apply for PW Trust Fund loans in May. The loan requests include one for Tempo Lake, two for Tanglewilde; 1 includes valve replacement. The high costs give a feeling of a little bit of sticker shock when you see those numbers. He noted that on Friday he has scheduled day off.

We found out today we need to surplus a vehicle that was paid for by PURMS after an accident 5 years ago. The insurance paid for the vehicle and we thought they took care of disposing it. The bad news is that we have to pay \$500+ them holding it for 5 years. Commissioner Pickett suggested making a motion to authorize disposal of the vehicle and to allow staff to figure out the cheapest way to do it. **Commissioner Pickett made a motion to surplus Vehicle # 5 Vin #1GBDV13L26D169795, that was totaled in 2008 by PURMS. Authorize General Manager to dispose of wrecked vehicle, Commissioner Stearns seconded, all in favor.**

Operations Manager's Report: Kim Gubbe, Operations Manager

OM Kim Gubbe provided a report in writing.

Commissioner Pickett asked if there had been any follow up on the generators. GM Weidenfeller explained he has been working on the issue. The GM stated he has not gotten to the point of writing letters yet but hopes to get letters out early next week.

Chief Financial Officer's Report: Financial Variance Report (every 4th week's meeting) Julie Parker, Chief Financial Officer.

Commissioner Pickett stated they have a Financial Variance Report which is a carry over from the last meeting. I have no comments on it. The CFO reported it is just one month and there were no surprises. Commissioner Corwin asked how our revenue projections are coming in after the first of the year. CFO Parker reported the January revenues are behind ½ of a percentage point; not a big deal. She has not looked at February yet. Commissioner Stearns said that is not surprising because many of the systems were without water for a period of time.

Commissioner Corwin asked if we have seen any trends or changes in trends with foreclosed houses or non payments. CFO Parker stated she believes foreclosures have flattened out. They had been quite a problem for awhile. She stated, that as the Commissioners may recall in 2009, the Board approved the policy to charge the base rate when the water is off. Those bills accrue until the bank takes over, are collected, and therefore they are not lost revenue, it is just delayed

until closure. It is not something she has looked into but we do track them. The biggest thing with foreclosures we deal with, is the bank contacting us, or somebody contacting us that they are in foreclosure so we have to watch property tax activity to know they are in foreclosure. We ask the former homeowner to tell us when the bank takes over. It has been a challenge for us; some escrow companies do not contact us when the house sells to pay the outstanding balance. She will provide a number at the next meeting. At one time there were about 70.

Commissioner Stearns asked CFO Parker to explain to the audience why there is a base charge even when there is not water being used and what those monies are dedicated to. CFO Parker reported our water systems range from 15 years to 60 years old. There are a lot of costs in keeping those systems operational so the water is there when someone wants to turn the water on and it is good quality. We have a limited number of customers; they receive a big benefit on their property when the water is there. The homeowners are responsible for the base rate, it will accrue until someone wants the water back-on and it is collected. The other option is for the customer to relinquish service but they would have to pay the facility charge to hook up to the system again. Then, they would have to apply for service and they go to the bottom of the list of people waiting for services. This allows us to keep rates as low as possible. Commissioner Stearns added that we serve some water systems in Lewis County where they are seasonal lots that are just used occasionally. They may use it in the winter as a ski lodge so they are intermittently there, so they are paying base charges through out the year. They are obviously small systems.

Legal Report: Joseph Rehberger, Chief Legal Counsel

Joseph Rehberger, Chief Legal Counsel, reported that the PUD now has a claim with Thurston County regarding the leak issue. He added that John Weidenfeller and Doug Eklund did a great job preparing the claim. He would like to discuss the County's response in Executive Session. Commissioner Pickett states we already have an Executive Session regarding Real Property Acquisition so we will add Potential Litigation to the Executive Session.

Joseph Rehberger added that Tom McDonald is grateful to the Board for their correspondence to Senator Brown. It has not been voted on. He is currently serving.

Commissioner Corwin stated he does not want to change anything we have done regarding the RFP. He asked that when the RFP is sent out if the wording could be revised to ask the consultant to address that if they can not perform all of these tasks within the RFP's constraints, and if not, to tell us what they could do and what the cost would be to do all of the necessary tasks as outlined in the RFP if the range of \$20,000 to \$30,000 is too limiting. He does not want to have the possibility of us not receiving any proposals. Commissioner Pickett and John Weidenfeller will work on the exact wording to put into the request for proposal.

GM Weidenfeller asked if the Commissioners want to finish business prior to going into Executive Session. In the future, they will put Executive Session at the end of the meeting.

Commissioner Reports:

Commissioner Stearns reported he was at the last meeting of the Sustainability Panel for Thurston Regional Planning Council. He noted they are in the process of doing outreach to the public with various Chairs of various committees. I noticed they listed water highest and foremost until one summary was placed above all to get the general gist of the process overall. Some is educational, some is asking for feed back from the citizenry intentionally. It is meant not to direct their thoughts but to engage their thoughts. The Hearings are going to be held in different parts of the County; that information is available on the TRPC web site. There was some feedback, from he and one other participant, to schedule hearings at some of the unincorporated well populated areas in the North County such as Steamboat Island, South Bay and Nisqually. He thought that was well put because we tend to geographically place everything around the County and say Olympia or Lacey takes care of these areas, whereas there are many unincorporated areas that compose a significant population in our County. The effort is moving ahead on schedule and getting good comments from all the various people who have contributed to the process. They are also getting some feedback from the outside community in terms of Sustainable Thurston, the League of Women Voters, and other interested parties. March 30th is the first meeting.

Commissioner Corwin added he wished they had more awareness how important water is for the sustainability. Commissioner Stearns added they placed it as the first item for review; it is placed above clean air. The Commissioners discussed the report by LOTT about water.

Commissioner Corwin stated he attended the WPUDA meeting last Friday. The presentation by Bonneville was much more comprehensive, understandable, and useful than we usually get. The presenter was much better informed than the person they usually send and he provided a lot more information than they usually provide. The comments he will make is WPUDA is in the midst of looking at some of the by-laws. He has some reservations about some of it; I will talk to the GM more about some of it. He would like to see some of the items on our agenda prior to the WPUDA meeting. He would like some input from the other Commissioners regarding who he should vote on some of the changes. He thinks some of the changes regarding governance are not necessarily the best choices. He will be bringing that back to see what we think about that.

Commissioner Pickett said at his day job he got a hold of a presentation, Mike Gallagher works at Department of Ecology. He thought this was a very detailed and interesting presentation about what Olympia, Lacey, Yelm and the Nisqually Tribe have done for mitigation for the use of ground water. Mr. Gallagher said he would be happy to come to a PUD meeting to make that presentation; probably it will be between 20 to 30 minutes. Commissioner Pickett brought it to you the Board to see if they would be interested. It would probably be April or May; there is no rush. He stated that it very interesting to see how ground water and water right issues have been managed by our fellow agencies. Commissioner Stearns and Corwin agreed it would be interesting. GM Weidenfeller will arrange the presentation.

Commissioner Pickett saw that on March 30th there is a free symposium being done by the State Department of Commerce about the State Energy Policy. He is not sure if he will be able to get off work to go, but the information was e-mailed out to the other Commissioners.

Commissioner Pickett reported he did go to the TRPC meeting and there was not a lot to report. There is a new website called *ThurstonFromHereToThere.org*. It is a one stop place to get information about transportation such as, buses, bikes, etc.; it has a lot of information. Somebody suggested we add the link to our website.

The Port of Olympia is now a part of TRPC. They elected a TRPC Secretary to replace the late Ed Stanley. There was a presentation about Sustainable Thurston, and, he asked a couple questions. How are they going to define sustainability?

Commissioner Corwin added for the record, Senator McCoy's Telecommunications bill was reported as not leaving the Committee. He also added that it is not a tragedy. When the Legislature comes back next year it will have a much better chance.

Commissioner Pickett reported at the TRPC meeting a gentleman from the State Department of Commerce said a couple interesting things. He thinks the most pertinent thing to us was about mapping assets, both tangible and human assets. As far as tangible assets, Drinking Water was reported in the top five. The Commissioners discussed the presentation and issues surrounding it.

GM Weidenfeller announced our CFO has an announcement to make regarding Social Security. CFO Parker reported we have that Referendum coming up to opt into Social Security. All employees will have a vote whether to participate or not. She noted that we talked about this several months ago. At our next All Staff meeting, which has been rescheduled for March 27th, we have invited members of Social Security and the Department of Retirement systems to come in speak to the staff on what it means to be a public employee and what it means to voluntarily opt into Social Security. A memo was provided to the Commissioners and she noted that if more than one of the Commissioners wishes to attend, we do need to advertise for a Public Meeting. The voting will be held on April 10, 2012 between 4:00 p.m. and 5:00 p.m. which is the date of a Regular Commission meeting. She asked that Commissioners please come in a few minutes before the meeting to cast their vote. Everyone will be bound by the decision of the vote.

GM Weidenfeller added that on March 29, 2012 there is a quarterly WPUDA Water Committee meeting.

At 6:57 Commissioner Pickett broke for a brief recess.

At 7:00 p.m. Commissioner Pickett moved into Executive Session to discuss RCW 42.30.110 topics on Real Property Acquisition and Potential Litigation with a time to adjourn at 7:30 p.m.. The Board recessed from the Executive Session to the regular meeting at that time.

After returning to the Regular Meeting the General Manager was directed by the Board to accept the Tanglewilde Settlement Claim offer from Thurston County.

Summary of Assignments:

- All - Prepare talking points for meeting with the Olympian Editorial Board 3/28/12.**
- GM - Put a link on our web site for thurstonheretothere.org.**

GM-Schedule a topic for By-law input on Commission agenda prior to the next WPUDA meeting for Commissioner Corwin to get input for a Board position on the by-laws.

GM - Work with Commissioner Pickett to issue RFP and develop a timetable.

GM - Provide Commissioners a copy of the schedule for the TRPC Sustainability public hearings.

GM - Provide Commissioners a copy of the schedule for the TRPC Sustainability public hearings.

GM - Add in RFP language to the effect that if consultant can't do everything in the RFP for \$30K, what can you do within the \$30k and what would other items cost.

GM- Schedule Mike Gallagher for to come and make a presentation on the Lacey, Olympia, and Yelm Mitigation Strategy.

GM- Identify the issues and misinformation that have come up and address for talking points.

GM - Dispose of TPUD Vehicle no. 5.


Provide Commissioners an update on foreclosures.

Adjournment:

Commissioner Pickett adjourned the General Meeting at 7:35p.m.



President

Attest: 

Secretary

