

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

The first regular meeting for November 2012 of the Commissioners of Public Utility District No. 1 was called to order on Tuesday, November 13, 2012, at 921 Lakeridge Way SW, Suite 301, Olympia, WA 98502, commencing at 5:00 p.m. Commissioners Alan Corwin, Chris Stearns, and Jim Lazar 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 Corwin called the general meeting to order at 5:00 p.m.**

**Commissioner Corwin led the Pledge of Allegiance.**

**Approval of Agenda:** President Alan M. Corwin

Commissioner Corwin asked to add a brief discussion of the second meeting in December since it falls on Tuesday, December 25<sup>th</sup>. He would like to reschedule the meeting. Secondly, he would like to hold an Executive Session to complete the evaluation of the General Manager. CFO Parker asked to remove Resolution 12-26, 2013 Ad Valorem Tax, from the Consent Calendar. She has not received the certified property tax values from the County. Commissioner Lazar asked to move Resolution 12-26, 2013 Ad Valorem Tax, to the agenda's *Information or Discussion/Policy Issues* section. **Commissioner Stearns made a motion to approve the agenda as amended, Commissioner Lazar seconded, all in favor.**

**Public Comments:** Mr. Bob Jacobs, a citizen who lives at 720 Governor Stevens Street in Olympia. Mr. Jacobs formally and publicly thanked Mr. Jim Lazar for serving as interim Commissioner. He also thanked the Commissioners for publishing the Fact Sheet noting it was very helpful to receive an unbiased list of facts regarding public power. He encouraged the Commissioners to foster more information regarding public power and suggested that one free way to do so is suggest that colleges and universities consider the subject as a thesis paper topic for college students.

**Consent Calendar:**

Approval of Minutes: October 23, 2012 Meeting

Prequalification of Contractors – Small Works Roster-none

SMA Contracts: none

Correspondence: none

Travel Approvals: none

Accounts Payable 10/24/12, 10/31/12, 11/7/12

Payroll: 11/5/12

Other:

Resolutions:

Resolution 12-24, GM Contract Amendment

Resolution 12-25, 2013 Employee Salary Range Revision

Resolution 12-29, Lost Tax Revenue

Resolution 12-22, 2013 Budget

Other: Letter: Waiver of Small Works Project Bidding For Security Fence Repairs at the Tanglewilde Reservoir

Change Order 9, T.Bailey Contract, Tanglewilde Reservoir and Booster Pump Station

**Commissioner Lazar made a motion to approve the Consent Calendar as amended, Commissioner Stearns seconded, all in favor.**

**Action Items:**

**Resolutions:**

**Resolution 12-26, 2013 Ad Valorem Tax**

**Commission Lazar made a motion to hold a Special Meeting on Monday, November 26, 2012 at 5:00 p.m. for the purpose of taking up the Ad Valorem Tax measure.**

**Commissioner Corwin seconded. Commissioners Lazar and Corwin voted in favor, Commissioner Stearns against the motion.**

**Resolution 12-23, 2013 Water Rates and Other Charges**

CFO Parker provided information with two options as requested by the Commissioners at the last meeting. Option 1 raises the base rate only. This provides assurance that the revenue requirement will be collected. Option 2 raises the base rate and each block rate by the same percentage, with a weatherization adjustment mechanism. Both options were discussed and both options would provide revenue stabilization. Option 2 was selected with an amendment requiring commission review of weatherization adjustments, as follows, as requested by Commissioner Stearns. "If the percentage change is less than 2.5% no action by the Commission is required. If the percentage change exceeds 2.5% the revenue adjustment mechanism shall be scheduled for Commission consideration and action."

**Commissioner Lazar moved adoption of Option 2 of Resolution 12-23, 2013 Water Rates and Other Charges with the amendatory language as referenced above. Commissioner Corwin seconded, all in favor.**

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

**Annual WPUA Meeting in Vancouver – December 5<sup>th</sup> – 7<sup>th</sup> - Early Registration – By 11/16/12**

Commissioner Corwin stated that the WPUA Annual Meeting is not a business meeting; there will be no business conducted. After discussion, it was determined that the GM, Commissioner Corwin and Commissioner Stearns will commute to meetings on Wednesday, December 5, and return that day.

**Staff Presentations:**

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

GM Weidenfeller provided a report in writing. He stated that the November 29<sup>th</sup> All Staff meeting would be a breakfast potluck and all were invited to attend.

The GM reported that Commissioner-Elect Linda Oosterman hopes to be sworn in at the beginning of the November 27<sup>th</sup> Regular meeting. At the December 11<sup>th</sup> meeting, Commissioner-Elect Oosterman has requested permission to call into the meeting, if necessary, due to surgery she is having on December 3<sup>rd</sup>.

Commissioner Corwin suggested changing the December 25, 2012 meeting to the 24<sup>th</sup>, 27<sup>th</sup> or another date and discussion followed. **Commissioner Corwin made a motion to hold the second meeting of December on Thursday, December 20, 2012, Commissioner Lazar seconded, all in favor.**

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

OM Gubbe provided a report in writing. Commissioner Lazar asked to be notified when she has a group out to place handprints on the new Tanglewilde Reservoir. She was also asked to contact Paul Pickett and Gary Cooper, former PUD Commissioners.

On behalf of the Commissioners and staff, GM Weidenfeller thanked Commissioner Lazar for his contributions and help and presented him with a plaque. A short break was taken in order to take pictures and have brownies baked by OM Kim Gubbe.

**Chief Financial Officer's Report: Financial Variance Report - None**

**Legal Report:** Joe Rehberger, Chief Legal Counsel

Joe Rehberger, Chief Legal Counsel, reported he has been following proposed fire hydrant legislation.

**Commissioner Reports:**

Commissioner Lazar met with staff to develop the proposed rate package that was adopted at this meeting.

Commissioner Lazar reported the question was posed to him at a breakfast All Staff meeting if he has seen an organization with as many scattered water systems. He shared an example of a system in the San Juan islands that used a helicopter to get around to their water systems. Staff asked him if he could arrange to get a helicopter in the annual budget for them. Commissioner Lazar presented OM Gubbe with a mini-helicopter.

Commissioner Stearns reported he attended the TRPC meeting earlier this month. He requested that the issue of exempt wells be added to the TRPC Legislative Agenda. He noted that WPUDA does not have exempt wells on their agenda for this legislative session. Commissioner Stearns will continue to encourage WPUDA to work on legislation regarding exempt wells.

Commissioner Corwin reported he met with John Kounts and discussed the long term agenda, mostly telecommunications. Discussions have been limited to the PUD's who are already in the telecommunications business.

**Executive Session: The Commissioners announced that the Board would enter an Executive Session at 6:30 p.m. for approximately 20 minutes for the purpose of evaluating the performance of a public employee in accordance with RCW 42.30.110 (g).**

At 6:50 p.m., Commissioner Corwin announced publicly that the Board was now out of Executive Session and the Regular meeting was back in session. He announced that the Board had reviewed the General Manager's evaluation. They made a few editorial changes on the review. No action was taken.

**Summary of Assignments:**

1. Schedule a Special Meeting on 11/26/12 to address Resolution 12-26, Ad Valorem Tax.
2. Cancel the 12/25 Commission meeting and reschedule it at 8:00 a.m. on 12/20, as needed, to be followed by the Holiday Gathering.
3. The 11/22 All Staff meeting is cancelled. A breakfast potluck will be scheduled on 11/29 for all to attend.
4. Commissioners Corwin and Stearns and the GM will travel to the Annual WPUA Conference in Vancouver for the day on Wednesday, Dec. 5.
5. Commissioner-Elect Oosterman will be sworn in at the 11/27 meeting and is authorized to call into the December 11<sup>th</sup> meeting if necessary.
6. OM Gubbe will contact former Commissioners Lazar, Pickett and Cooper when she schedules the coordination of hand-printing on the Tanglewilde Reservoir.

**Adjournment:**

At 6:55 p.m. Commissioner Lazar made a motion to adjourn the meeting at the time there is only one Commissioner left in the room, Commissioner Corwin seconded, all in favor.

  
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Alan M. Corwin, Commissioner and President

Attest:  
  
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Linda Oosterman, Commissioner and Secretary