

**MINUTES OF THE REGULAR MEETING OF JANUARY 22, 2013
OF
PUBLIC UTILITY DISTRICT NO. 1
OF
THURSTON COUNTY, WASHINGTON**

The second regular meeting for January 2013 of the Commissioners of Public Utility District No. 1 was called to order on Tuesday January 22, 2013, at 921 Lakeridge Way SW, Suite 301, Olympia WA 98502, commencing at 5:00 p.m. Commissioners Chris Stearns and Linda Oosterman 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), and Cathy Skiles, Clerk to the Board. Joseph Rehberger, Chief Legal Counsel was excused from the meeting. The Commission District 2 position is vacant.

Commissioner Stearns called the general meeting to order at 5:02 p.m.

Approval of Agenda:

Commissioner Stearns called for a motion to approve the Agenda. **Commissioner Oosterman made a motion to approve the Agenda**, GM Weidenfeller asked to remove the discussion of Resolution 13-01 Ready to Serve Rate and the Presentation - 2013 Work Plan. **Commissioner Stearns seconded, all in favor.**

Consent Calendar:

Approval of Minutes: January 8, 2012

Prequalification of Contractors – Small Works Roster

SMA Contracts

Correspondence:

Travel Approvals:

Other –

Change Order 5 – Tanglewilde Well Improvements Phase 2

Voucher Approval

 Accounts Payable 1/9/13, 1/16/13

 Payroll 1/18/13

Resolutions:

Commissioner Oosterman made a motion to approve the Consent Calendar, Commissioner Stearns seconded, all in favor.

Public Comments: No Public Comment

Public Hearing: Ready to Serve Rate (Resolution 13-01)

Commissioner Stearns opened the Public Hearing for the proposed Ready to Serve Rate (Resolution 13-01) at 5:05 p.m.

GM Weidenfeller gave a report regarding staff's recommendation to impose a Ready to Serve Rate. A draft Resolution was available to the Public. The Board will not discuss this tonight but

will take Public Comment. GM Weidenfeller also listed the people the PUD has received written comments from and copies of their letters have been provided to the Commissioners.

Public Comments:

Steve Pedersen – Chehalis Washington: He is served by the Aust 210 water system. He and his neighbors are pleased that Thurston PUD took over the water system. Mr. Pedersen provided a copy of his closing documents and stated he believes his facility charge has been paid. Staff will follow up to confirm his claim. That being said if he does qualify as a ready to serve rate he encouraged the Commissioners to apply what is collected be applied to their GFC when they are ready to hook up to the system.

Robert Black – Gig Harbor Washington: He is the original developer of 30 lots the PUD serves in the Shelton area. He built the water system and turned it over to Virgil Fox of American Water services. They agreed that the future property owners would not have to pay the facility charge, on the cost of installing the meters. Staff will review the documents Mr. Black provided and respond to him.

Mr. Black added comments stating opposition to the Ready to Serve rate and the PUD's current facility charge.

Commissioner Stearns closed the Public Hearing regarding the proposed Ready to Serve Rate.

Action Items: None

Resolutions: None

Information or Discussion of Operations/Policy Issues:

Resolution 13-02 Code of Ethics Revision

GM Weidenfeller reported one revision has been made to allow GM Weidenfeller to loan equipment to other agencies.

Resolution 13-03 WA State Homeland Security Region 3 Mutual Aid Agreement

GM Weidenfeller reported the Commissioners approved this in the past. This is a renewal of what they approved before.

Presentation:

Staff Presentations:

General Manager's Report: John Weidenfeller, General Manager

GM Weidenfeller provided a report in writing. He reminded the Commissioners that on Thursday January 24th he will be in AWWA training all day. He also reminded the Commissioners that the WPUA Legislative conference calls will start this Thursday. Commissioner Stearns will dial in from the office.

The Special Meeting scheduled for January 29th was discussed. They will begin at 5:00 p.m. and address some Engineering Contract revisions that need to be made. They will then go into

executive session to review applications received for the District No. 2 Commissioner position. At the end of the Executive Session they will resume the open meeting to announce who they will interview for the position.

Commissioner Stearns asked about the progress of the City of Olympia Contract. GM Weidenfeller will provide a general timeline to have the contract completed to the next meeting.

Operations Manager's Report: Kim Gubbe, Operations Manager

Commissioners Stearns asked OM Gubbe if we have been affected by the freezing weather, she reported only one meter that had been off for a long time was frozen and staff replaced it.

Commissioner Stearns asked about the amount of time spent on SMA water systems. OM Gubbe reported that Cedarwood will be coming to a close. Tempo Lake is not too busy right now but their activity will pick up again soon.

OM Gubbe reported the Crescent Park Water system experienced a pressure surge for approximately 12 hours over the weekend. We have received one claim for a burst pipe due to the high pressure. The customer is getting 3 bids to make the repair; we will submit the costs to our insurance and pay what the insurance does not pay.

Commissioner Stearns asked about the illegal connection at the Webster Hill water system. OM Gubbe reported the Webster Hill water system is a managed system and the direct connect was made a long time ago. She and staff had several conversations with the property owner, they were able to convince her about the importance metering her consumption she agreed to let them disconnect the illegal connection and reconnect to her meter.

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

CFO Parker provided the financial report to the Commissioners. She added that quarterly she provides a more extensive report. Monthly she provides a variance report, quarterly she provides additional information. They discussed the different reports and why they are compiled.

Legal Report: None

Commissioner Reports:

Commissioner Linda Oosterman reported she attended the WPUDA meetings for new Commissioners. Each new Commissioner has been assigned a mentor; her mentor is from Pacific County. She also serves as Secretary of the WPUDA.

Commissioner Stearns also attended some of the WPUA meetings. He attended the Board Meeting; he provided Commissioner Oosterman a handout from that meeting. Included was a report from the PUD Association Lobbyist who works on the Federal Level. They mentioned a new BPA administrator has been appointed.

Commissioner Stearns will attend the Deschutes Partnership meeting just as an observer. He will attend the Sustainability meeting.

Summary of Assignments:

GM Weidenfeller will bring a general timeline for the City of Olympia Contract to the next meeting

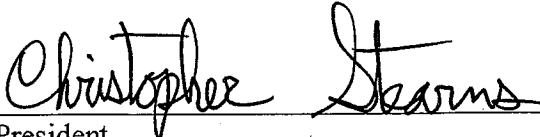
GM Weidenfeller requested an Executive Session to discuss the Performance of a Public Employee.

Commissioner Stearns adjourned the regular meeting at 6:18 p.m. and moved into Executive Session for 20 minutes to discuss the performance of a Public employee.

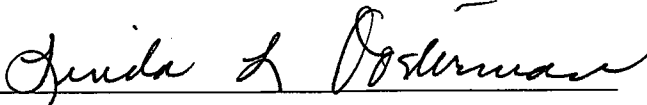
Commissioner Stearns closed the Executive Session at 6:38 p.m. and opened the Public Meeting.

Adjournment:

Commissioner Oosterman made a motion to adjourn the meeting at 6:39 p.m., Commissioner Stearns seconded, all in favor.



President

Attest: 

Secretary