

**MINUTES OF THE REGULAR MEETING OF DECEMBER 23, 2014  
OF  
PUBLIC UTILITY DISTRICT NO. 1  
OF  
THURSTON COUNTY, WASHINGTON**

The second regular meeting for December 2014 of the Commissioners of Public Utility District No. 1 was called to order on Tuesday, December 23, 2014, at 921 Lakeridge Way SW, Suite 301, Olympia WA 98502, commencing at 2:00 p.m. Commissioners Linda Oosterman, Chris Stearns, and Russell Olsen were present. Also present were Kim Gubbe, the District's Operations Manager (OM), Julie Parker, the District's Chief Financial Officer (CFO), and Kurin Rosado, Clerk to the Board. John Weidenfeller, the District's General Manager (GM), and Joe Rehberger, Chief Legal Counsel, were excused from the meeting.

**Call to Order: Commissioner Oosterman called the regular meeting to order at 2:27 p.m.**

**Approval of Agenda: Commissioner Stearns made a motion to approve the agenda as presented; Commissioner Olsen seconded, all in favor.**

**Consent Calendar:**

Approval of Minutes: December 9, 2014

Prequalification of Contractors: None

SMA Contracts: None

Correspondence: None

Travel Approvals: None

Other: None

Voucher Approval:

Accounts Payable: December 10, 2014, December 17, 2014

Payroll: December 19, 2014

**Commissioner Stearns made a motion to approve the Consent Calendar as presented; Commissioner Olsen seconded, all in favor.**

**Public Comments:** None

**Discussion Items:**

**Information or Discussion of Operations/Policy Issues:** None

**Action Item(s):**

**Resolution 14-28 Second Revision of the 2014 Capital Budget**

The revision of the 2014 capital budget is needed to include projects that began in 2014 and not previously included in the budget; the revision also removes projects that have been deferred to future years in order to free funding for current projects. The revision is primarily due to rehabilitation of the Coker well for the Tanglewilde-Thompson Place water system and the purchase of a line locator. **Commissioner Olsen made a motion to approve Resolution 14-28 as presented; Commissioner Stearns seconded, all in favor.**

**Resolution 14-36 Water Rates for County Meadows East No. 2 Water System**

Approval of Resolution 14-36 would adopt the UTC-approved rates for the newly acquired Country Meadows East No. 2 water system. The PUD's rates are higher than what the customers were recently paying, so as a gesture of good faith, staff would like to continue those former

rates through June 2015. However, the capital surcharge (starting out at \$1 per month in 2015) will be billed to the new customers. A meeting will be scheduled to meet with our new water customers. There was a discussion among the Commissioners about avoiding this situation in the future and they will discuss the acquisition process during their January 6, 2015 retreat.

**Commissioner Olsen made a motion to approve Resolution 14-36 as presented; Commissioner Stearns seconded, all in favor.**

**Legal Report:** None

**Presentations:**

**Staff Presentations:**

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

GM Weidenfeller provided a written report, although he was excused from the meeting. Commissioner Oosterman would like to review the policy in regard to obtaining a generator for smaller systems. She would also like to hear more about hazard mitigation when GM Weidenfeller returns to the office. OM Gubbe reported that she will have more information on the SMA contract with the Dana Passage water system in January.

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

OM Gubbe provided a written report. OM Gubbe met with representatives with the Country Meadows water system in Thurston County (not to be confused with the recently acquired Country Meadows East No. 2 system in Pierce County) about options for acquisition. Also, interviews for the Meter Reader/Laborer and Field Technician I or II positions began on December 22.

**Chief Financial Officer's Report:** Julie Parker, Chief Financial Officer

CFO Parker provided a written report. CFO Parker doesn't recommend a budget adjustment for 2014. Although revenues weren't as high as expected, CFO Parker is becoming more proficient at revenue forecasting.

**Commissioner Topics, Discussion and Reports:**

Commissioner Olsen sat in (via teleconference) on the State Auditor's Office exit interview on December 16. The Commissioner also reported that the City of Lacey has approved moving forward with the telecommunications project and a full report is expected once NoaNet and the City are through with their analysis. Commissioner Olsen was not able to attend the December 18 meeting with the Tanglewilde Park & Recreation Board, but is planning on attending the January 22 Tanglewilde community meeting.

Commissioner Stearns contacted the Thurston County Environmental Health Department and found that the personnel there don't have much knowledge of the PUD. He would like staff to follow up with their office to increase the PUD's presence within the county.

**Summary of Assignments:**

1. Staff will provide a list of the PUD systems (along with system information) to the Department of Health Environmental Division.

2. GM Weidenfeller will provide any additional information he has on policies surrounding generator installation and update the Commissioners on the hazard mitigation planning.
3. Brief the Board on how customer desired improvements are funded by the customers.
4. Provide the Board an update on the hazard mitigation project.

**At 3:08 p.m., Commissioner Oosterman announced that the regular meeting would be recessed for an Employee Holiday Gathering and would be adjourned when there was no longer a quorum of Commissioners present.**

**Adjournment: The meeting was adjourned at 4:30 p.m. when there was no longer a quorum of Commissioners in attendance at the Holiday Gathering.**

  
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Russell E. Olsen, Commissioner and President

Attest:

  
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Chris Stearns, Commissioner and Secretary