

**MINUTES OF THE REGULAR MEETING OF MARCH 10, 2015
OF
PUBLIC UTILITY DISTRICT NO. 1
OF
THURSTON COUNTY, WASHINGTON**

The first regular meeting for March 2015 of the Commissioners of Public Utility District No. 1 was called to order on Tuesday, March 10, 2015, at 921 Lakeridge Way SW, Suite 301, Olympia WA 98502, commencing at 5:03 p.m. Commissioners Russell Olsen (via teleconference), Linda Oosterman, and Chris Stearns were present. Also present were John Weidenfeller, the District's General Manager (GM), Kim Gubbe, the District's Operations Manager (OM), Julie Parker, the District's Chief Financial Officer (CFO), Joe Rehberger, Chief Legal Counsel, and Kurin Rosado, Clerk to the Board.

Call to Order: Commissioner Oosterman called the regular meeting to order at 5:03 p.m. The Pledge of Allegiance was recited by all present.

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

Consent Calendar:

Approval of Minutes: February 24, 2015

SMA Contracts: None

Correspondence: None

Travel Approvals: None

Voucher Approval:

 Accounts Payable: February 25, 2015, March 4, 2015

 Payroll: March 5, 2015

Prequalification of Contractors: None

Other: None

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

Public Comments: None

At 5:06 p.m., Commissioner Oosterman announced that the Board would enter an Executive Session for the purpose of discussing with legal counsel representing the agency matters relating to potential litigation or legal risks of a proposed action or current practice that the agency has identified when public discussion of the litigation or legal risks is likely to result in an adverse legal or financial consequence to the agency, as authorized by RCW 42.30.110 (1)(i)(iii) for 10 minutes.

At 5:16 p.m., it was announced that the Executive Session would continue for ten more minutes. At 5:28 p.m., it was announced that the Executive Session would continue for ten more minutes. The Executive Session was closed at 5:38 p.m. No actions were taken.

Discussion Items:

Information or Discussion of Operations/Policy Issues:

Discussion of the Public Hearing Testimony on the Tanglewilde Generator and the Tanglewilde Park Improvements Mitigation

Two individuals attended the February 24 Public Hearing and testified for the proposed generator installation. The Tanglewilde Park and Recreation Interlocal Agreement was passed by their Board Commissioners at their Commission meeting on February 26.

Resolution 15-08 Tanglewilde Water System Generator Design – Bid and Construction Contract with Jerome W. Morrissette & Associates Inc. P.S.

Adoption of this resolution would authorize GM Weidenfeller to sign a contract with Jerome W. Morrissette & Associates to perform engineering, design, bidding, and construction oversight and inspection services for the Tanglewilde-Thompson Place water system backup and emergency generator. The total contract is not expected to exceed \$25,000. The total price for the project is expected to be approximately \$300,000.

Commissioner Stearns expressed concerns with the bidding and construction timeline. He would like to hire a company with experience in coordinating with difference entities. He has seen circumstances where a firm will bid low, but several charges are attached to a bill due to emergency clauses and the like. Commissioner Olsen would like to address the possibility of adding penalties to the contract if the contractor doesn't meet specific deadlines. GM Weidenfeller let the Commissioners know that the project isn't time sensitive; adding this sort of caveat would also increase the price of the bids.

The Commissioners are also concerned about finding a contractor that has experience with natural gas, since the generator will be powered this way. GM Weidenfeller and OM Gubbe explained that the specifications need to be given to Puget Sound Energy (PSE), the natural gas provider; it's their crew that would plan and construct the natural gas line installation.

Action Item(s):

Resolution 15-07 Interlocal Agreement with the Tanglewilde Park and Recreation Center Commissioners

The Tanglewilde Park and Recreation District Board of Commissioners approved the Interlocal Agreement at their February 26 meeting. **Commissioner Olsen made a motion to approve Resolution 15-07 as presented; Commissioner Stearns seconded; all in favor.**

Resolution 15-01 Professional Services Agreement with NoaNet

Approval for this resolution was considered earlier this year. Adoption of the resolution would give GM Weidenfeller the authority to sign a contract with NoaNet to complete a comprehensive analysis for telecommunications projects for the PUD. **Commissioner Olsen made a motion to approve Resolution 15-01 as presented; Commissioner Oosterman seconded; all in favor.**

Legal Report: None

Presentations:

Staff Presentations:

General Manager's Report: John Weidenfeller, General Manager

GM Weidenfeller provided a written report. He visited the Holiday Hills water system and will not be recommending acquisition due to location concerns. The PUD has been in the process of recruiting an accountant and interviews will be scheduled this month. A final selection is expected to be made by March 20, 2015. There is also an internal opening for the Field Technician II position. Interviews for any qualified applicants will take place during the week of March 9.

Operations Manager's Report: Kim Gubbe, Operations Manager

OM Gubbe provided a written report. She reported that the Hawk Acres water system had a well pump installed and the contractor found faulty wiring that needed to be rewired. Customers were out of water for approximately two hours more than estimated. OM Gubbe also reported that Brad Chatwood, the former Field Technician I, was promoted to the open Field Technician II position. There is now a vacant Field Technician I position available internally.

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

CFO Parker will provide a written report during the second meeting of March.

Commissioner Topics, Discussion and Reports

Commissioner Stearns attended the Chehalis Basin Partnership meeting. This group is experiencing a change in staff. Bud Blake, the new County Commissioner, was in attendance as well.

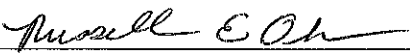
Commissioner Oosterman is working on a WPUDA presentation for the New Commissioners' Orientation at the WPUDA meetings in March. The presentation will address women as a minority as a PUD Commissioner. She is disappointed with her Emergency Management and TMDL groups, as both have cancelled meetings she was planning to attend.

Commissioner Olsen will be following up with the Auditor before the next Commission meeting and would like to request an Executive Session scheduled during the next regular Commission meeting to discuss the performance of a public employee. He would also recommended staff and the other Commissioners review the new Thurston Regional Planning Council (TRPC) website.

Summary of Assignments:

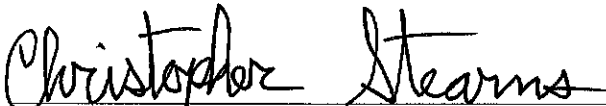
1. Schedule an Executive Session during the next Commission meeting.

Adjournment: Commissioner Stearns made a motion to adjourn the meeting; Commissioner Olsen seconded, all in favor. The meeting was adjourned at 6:27 p.m.



Russell E. Olsen, Commissioner and President

Attest:



Chris Stearns, Commissioner and Secretary