

**MINUTES OF THE REGULAR MEETING OF APRIL 11, 2016
OF
PUBLIC UTILITY DISTRICT NO. 1
OF
THURSTON COUNTY, WASHINGTON**

The first regular meeting for April 2016 of the Commissioners of Public Utility District No. 1 was called to order on Monday, April 11, 2016, at 921 Lakeridge Way SW, Suite 301, Olympia, WA 98502, commencing at 5:03 p.m. Commissioners Russell Olsen, Linda Oosterman and Chris Stearns were present for the meeting. 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 Kurin Rosado, Clerk to the Board.

Call to Order: Commissioner Stearns 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 presented; Commissioner Oosterman seconded; all in favor.

Consent Calendar:

Approval of Minutes: March 22, 2013

Prequalification of Contractors – Small Works Roster: None

SMA Contracts: SMA Contract with Cedar Ridge Estates Water Association

Correspondence: None

Travel Approvals: None

Voucher Approval:

 Accounts Payable: March 23, 2016, March 20, 2016, April 6, 2016

 Payroll: April 5, 2016

Resolution: None

Other: Letter, Notification of Emergency, Water Main Line Break and Outage at the Sky Acres Water System and Waiver of Competitive Bidding Requirements

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

Public Comments: None

Introduction of a New Employee: Dave DaFoe, the new Field Technician II, was introduced to the Commissioners.

Discussion Items:

Information or Discussion of Operations/Policy Issues:

Telecommunications Work Group Meeting Discussion

The Commissioners discussed the observations made at the Telecommunications Work Group meeting on March 25th. Potential opportunities were also discussed.

Retreat Items Discussion

Commissioner Stearns reminded the other Commissioners earlier in the meeting that an agenda for a special meeting or workshop cannot be modified after the agenda items have been advertised. Additional discussion items were reviewed for inclusion with the agenda. Joe

Rehberger, Legal Counsel, will be attending the working lunch at the Retreat to make a presentation on water rights and legal cases.

Telecommunications Workshop

The WPUDA Telecom Workshop is scheduled for May 11th through May 12th. The first regular meeting of May is scheduled for May 10th. The Commissioners elected to reschedule the first regular meeting to Monday, May 9th at 5:00 p.m.

Discussion of the Lead in Drinking Water Protocol

GM Weidenfeller reported on the PUD protocol for addressing lead in drinking water.

Discussion of the Consolidation Loans for the Cedar Ridge Estates and Holiday Valley Water Systems

The Washington State Department of Health (DOH) has granted the PUD two Consolidation Grants. The \$30,000 grant for the Cedar Ridge Estates water system will be used for a feasibility study and engineering design for the manganese reduction program. The \$15,000 grant for the Holiday Valley water system will be used for a feasibility study. OM Gubbe will be working with DOH on the final contracts in the next couple of weeks, and then moving forward with the project.

Action Item(s): None

Legal Report: None

Presentations:

Staff Presentations:

General Manager's Report: John Weidenfeller, General Manager

GM Weidenfeller provided a written report. The Lew's 81st consolidation project hasn't yet been accepted. The PUD will be contracting with Apex Engineering for the Sward and Platt water systems consolidation project. The Cedar Ridge Estates HOA Board has given verbal approval to staff to transfer ownership to the PUD - the PUD will begin managing the system as a Satellite Management Agency (SMA) client on May 1st, until the transfer is complete.

OM Gubbe and her Administrative Assistant are expected to complete the PUD's Hazard Mitigation Plan around June 15th. Staff hopes to conduct a beta test at the Indian Crest water system this month with the small system generator. Over the next few weeks, radio systems will be installed at the PUD, at the Call Center, and in each PUD-owned vehicle. Key staff will be provided with radios, along with Commissioners. CFO Parker is currently working with a CPA to review the 2015 financial statements and a pension liability reporting issue.

Operations Manager's Report: Kim Gubbe, Operations Manager

OM Gubbe provided a written report. OM Gubbe gave an update on the progress of the Tanglewilde-Thompson Place generator installation project.

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

CFO Parker will provide a written report during the second Commission meeting of the month. CFO Parker recommends that the PUD draw \$250,000 on the line of credit to put towards the

Tanglewilde-Thompson Place generator installation project; this is in line with the 2016 capital budget. Staff may be looking at Heritage Bank for future funding. CFO Parker and OM Gubbe will be finalizing the 20-Year Financial Plan.

Commissioners and staff discussed DOH violation procedures.

Commissioner Topics, Discussion and Reports:

Commissioner Oosterman will speak with CFO Parker regarding e-mail messages that are being directed incorrectly on her iPad. The Commissioner has been paying close attention to the media and any water reports that have come up recently.

Commissioner Olsen did not attend the last Thurston Regional Planning Council (TRPC) meeting. On Friday, April 8th, his bill was signed.

Commissioner Stearns attended the last TRPC meeting in Commissioner Olsen's stead. Two Thurston County Commissioners will not seek re-election for their terms.

Summary of Assignments:

1. Mail a Certificate of Appreciation to Angela Bennink with NoaNet.
2. Advertise that the first regular Commission in May has been rescheduled from May 10th to Monday, May 9th at 5:00 p.m.
3. Add 'External Communication Strategy' to the Retreat agenda.

At 7:43 p.m., Commissioner Stearns announced that the Board would be entering Executive Session to discuss the performance of a public employee, as authorized by RCW 42.30.110 (1)(g) for 12 minutes. At 7:55 p.m., it was announced in the public area that the Executive Session would continue for five more minutes. At 8:00 p.m., the Executive Session was adjourned and the regular meeting resumed. No decisions were made.

Adjournment: Commissioner Olsen made a motion to adjourn the meeting; Commissioner Oosterman seconded; all in favor. The meeting was adjourned at 8:01 p.m.


Chris Stearns, Commissioner and President

Attest:


Linda Oosterman, Commissioner and Secretary