

**MINUTES OF THE REGULAR MEETING OF APRIL 25, 2017
OF
PUBLIC UTILITY DISTRICT NO. 1
OF
THURSTON COUNTY, WASHINGTON**

The second regular meeting for April 2017 of the Commissioners of Public Utility District No. 1 of Thurston County was called to order on Tuesday, April 25, 2017, at 921 Lakeridge Way SW, Suite 301, Olympia, WA 98502, commencing at 5:03 p.m. Commissioners Linda Oosterman and Chris Stearns were present for the meeting; Commissioner Russell Olsen was present for a portion of the meeting via teleconference and was excused from the rest of the meeting. Also present were John Weidenfeller, the District's General Manager (GM), Julie Parker, the District's Director of Finance and Administration (DFA), 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 the motion; all in favor.

Consent Calendar:

Approval of Minutes: April 11, 2017

Prequalification of Contractors – Small Works Roster: None

SMA Contracts: None

Correspondence: None

Travel Approvals: None

Voucher Approval:

 Accounts Payable: April 12, 2017, April 19, 2017

 Payroll: April 20, 2017

Resolution: None

Other: Letter of Declaration of Emergency, Skookumchuck Water System, April 18, 2017

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

Public Comments: None

Action Items:

Resolution 17-13, Water Revenue Bond 2017

The purpose of this resolution is to authorize the issuance of a bond anticipation note and to adopt the bond covenants of the Water Revenue Bonds 2017A and 2017B (taxable) which will be used to purchase two buildings and make associated improvements, fund various capital improvements of the District, and pay costs of issuing the loan. DFA Parker explained that this is a short-term solution to prepare for long-term financing later in the year. **Commissioner Stearns made a motion to adopt Resolution 17-13 as presented: Commissioner Olsen seconded the motion; all in favor.**

Resolution 17-10, 2017 Job Classifications and Salary Range

This resolution was discussed at a prior meeting. **Commissioner Stearns made a motion to adopt Resolution 17-10 as presented: Commissioner Olsen seconded the motion; all in favor.**

Resolution 17-14, Authorization to Acquire the Scattercreek Ranch and Keanland Park Water Systems

This resolution was discussed at a prior meeting. A community meeting will be scheduled for customers of these system. Commissioners and staff discussed possible well issues for the Scattercreek Ranch system. **Commissioner Stearns made a motion to adopt Resolution 17-14 as presented: Commissioner Olsen seconded the motion; all in favor.**

Customer Request for Waiver of Fees

DFA Parker received a request from a customer of the Clerget water system in Pierce County regarding waiver of fees charged to their account. The customer was charged \$1,127.99 for reimbursement of damage costs. Staff explained the details around the incident, and DFA Parker recommended a waiver of all or a partial amount of the fees charged to the customer. Commissioners and staff discussed the customer's account, customer expectations, staff expectations, service specifications, and the District's policy. DFA Parker asked for a motion to authorize an adjustment to the customer's account equal to the labor cost for the damages, and the customer will be billed for the equipment cost for the repair. **Commissioner Stearns made a motion to approve the adjustment: Commissioner Oosterman seconded the motion; all in favor.**

Commissioner Oosterman excused Commissioner Olsen from the remainder of the meeting due to his schedule.

Information or Discussion of Operations/Policy Issues:

Discussion – Thurston Climate Adaptation Plan Vulnerability Assessment

At the last Commission meeting, the Thurston Climate Adaption Plan Vulnerability Assessment report was discussed. GM Weidenfeller and Kim Gubbe, Director of Operations and Compliance (DOC), met with a Thurston Regional Planning Council (TRPC) staff member to discuss the report.

Hazard Mitigation Plan Initiatives

GM Weidenfeller listed the proposed mitigation initiatives that outline the PUD's specific actions for mitigating losses and protecting life and property. The initiatives are:

1 of 4 TPUD-MH 1 Hazard Preparedness

Outfit Pump houses with generators to maintain service to customer during power outages.

2 of 4 TPUD-EQ 1 Hazard Damage Reduction

Replace the asbestos cement water main in the Tanglewilde-Thompson Place and Pederson Place systems to prevent water loss during an earthquake.

3 of 4 TPUD-MH 2 Hazard Damage Reduction

Create a public education service to offer tips and information to customers for Hazard proofing their homes and for emergency preparedness information.

4 of 4 TPUD-LH 1 Hazard Damage Reduction

Work with the Elk Heights Home Owners Association to stabilize the embankment along the road to help prevent landslides that would block access to the water system.

The GM said recommended Initiative 1 of 4 be modified to include the installation of transfer switches in pump houses, and there was consensus to make that change.

Resolution 17-16, Policies and Procedures Update

The purpose of this resolution would be to update three existing policies on Employee Benefits, Water Service Deposits, and Adjustments (to customer accounts). DFA Parker described the proposed changes. This resolution will be brought forward to the next Commission meeting for approval.

1st Quarter 2017 Strategic Plan Quarterly Performance Measures Report

GM Weidenfeller presented the 1st Quarter 2017 update for the Strategic Plan Quarterly Performance Measures Report.

Presentations:

General Manager's Report: John Weidenfeller, General Manager

GM Weidenfeller provided a written report. He reported on several issues related to District-owned water systems treated with chlorination, and the challenges presented by the new standards required for chlorination treatment. He also reported about hiring a seasonal worker to help the field staff with mowing, clearing, pruning, cleaning, etc... and indicated that the DFA felt money was available in the Water Fund to pay for the seasonal help. Maintenance of the new building was discussed. GM Weidenfeller noted he contracted Kennedy Jenks Engineering to review the County's sewer systems and that other due diligence on this potential acquisition, to include the financial review, are occurring at the same time. He stated that his goal is to have the analysis completed and a recommendation by early June so the Board can make a decision on the acquisition of the County water and sewer systems. He stated that August 1st is the annual deadline to add a general election ballot measure for PUD Sewer Authority. Commissioner Oosterman expressed concerns about putting a voter request for sewer authority on the ballot. An agenda item will be scheduled at the next meeting to discuss the acquisition.

Finance Report: Julie Parker, Director of Finance and Administration

DFA Parker provided a written report. DFA Parker reported that budget items are mostly within their limits. She asked the Commissioners about the information she includes with her quarterly report, and how the Commissioners use this information.

Commissioner Topics, Discussion and Reports:

Commissioner Olsen was excused earlier in the meeting.

Commissioner Oosterman is finished with finding a new PUD office location, but she asked to work further on the building configuration.

Commissioner Stearns reported on his progress with the Conservation District, and the issues that organization is facing.

Summary of Assignments:

- Schedule a discussion at the Second Meeting in May 2017 regarding public outreach related to the new office building.
- Discuss the potential acquisition of the County water and sewer systems at the May 9, 2017 PUD Commission meeting.
- Send a thank you note or Certificate of Appreciation from the Board to the Governor and thanking him for signing recently approved Unit Price Contracting bill.
- Prepare a certificate of appreciation from the Board to Representative Doglio thanking her for her support of the Public Works Trust Fund.

Adjournment: Commissioner Stearns made a motion to adjourn the meeting; Commissioner Oosterman seconded the motion; all in favor. The meeting was adjourned at 8:21 p.m.



Linda Oosterman, Commissioner and President

Attest:



Russell E. Olsen, Commissioner and Secretary