

**MINUTES OF THE REGULAR MEETING OF JUNE 13, 2017
OF
PUBLIC UTILITY DISTRICT NO. 1
OF
THURSTON COUNTY, WASHINGTON**

The first regular meeting for June 2017 of the Commissioners of Public Utility District No. 1 of Thurston County was called to order on Tuesday, June 13, 2017, at 921 Lakeridge Way SW, Suite 301, Olympia, WA 98502, commencing at 5:00 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 Director of Finance and Administration (DFA), the District's Legal Counsel, Joe Rehberger, and Kurin Rosado, Clerk to the Board.

Call to Order: Commissioner Oosterman called the regular meeting to order at 5:00 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: May 23, 2017, May 31, 2017

Prequalification of Contractors – Small Works Roster: None

SMA Contracts: None

Correspondence: None

Travel Approvals: None

Voucher Approval:

Accounts Payable: May 24, 2017, May 31, 2017, June 7, 2017

Payroll: June 5, 2017

Resolution: None

Other: Letter, Emergency Waiver of Competitive Bidding Requirements, 1230 Ruddell Rd SE

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

Introduction of New Employees:

Staff introduced Brian Wilson, the new temporary Customer Service Representative. Brian's background was discussed with the Commissioners.

Public Comments: None

Information or Discussion of Operations/Policy Issues:

New Building Discussion

DFA Parker reported that she hasn't yet received a revised construction estimate – the architect will need to request additional funding for employing an electrical engineer based on the changes requested by staff and Commissioners. Trees and the new timeline was discussed, as the move date was pushed back to accommodate a tentative construction schedule. The current tenant at the property was also discussed.

2018 Budget Process Overview and 2018 Budget Discussion/Priorities

DFA Parker presented the proposed 2018 budget preparation schedule; she asked for any budgetary items that the Commissioners would like to include in 2018. DFA Parker addressed the General Manager's review, scheduled for June or July. Staff and Commissioners discussed security monitoring at the new PUD building. Commissioner Stearns would like to review the possibility of providing health insurance coverage to PUD retirees until a retiree is eligible for Medicaid. Commissioner Olsen and DFA Parker will be meeting within the next few months to discuss Asset Management Plan (AMP) funding and cash flow.

Resolution 17-23, Contract with Coffman Engineers for Cedar Ridge Water System

The District is required by the Department of Health – Office of Drinking Water to have a professional engineer perform the engineering for the Cedar Ridge water system treatment project which is funded by a Drinking Water State Revolving Fund (DWSRF) loan. This resolution will be brought forward at the second meeting in June for approval.

Action Items: None

Presentations:

General Manager's Report: John Weidenfeller, General Manager

GM Weidenfeller provided a written report. He addressed the emergency that was declared in relation to nonfunctioning air conditioning at the new PUD building. The GM also spoke about progress with the possible acquisition of the County water and sewer systems. The Commissioners inquired about relations with the City of Roy, and the SMA contract the PUD holds with Roy. Commissioner Stearns asked about the preparedness of the field crew in regard to the hot weather predicted for this summer and the occurrence of increased repairs during periods of hot weather.

Finance Report: Julie Parker, Director of Finance and Administration
DFA Parker will provide a written report at the second meeting in June.

Commissioner Topics, Discussion and Reports:

Commissioner Olsen reported on the June 2nd planning session for the Thurston Regional Planning Council (TRPC), and his involvement with this entity. The TRPC hazard mitigation plan will be presented on June 14th. The Commissioners discussed rural development and the relationship with local Tribes. He also reported on the possible July 1st State shutdown.

Commissioner Stearns reported that he may be absent for both Commission meetings in August. He also spoke to the Nisqually Tribe, and the possibility of reaching out to their administration. He also reported on the Chehalis Tribe and the building they are completing near the Great Wolf Lodge, as well as the renewable energy activism by the Squaxin Tribe.

Commissioner Oosterman reported on the how the Tribes are addressing the Hirst Supreme Court decision.

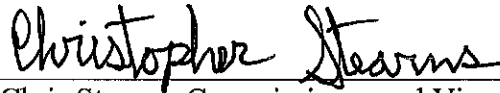
At 6:40 p.m., Commissioner Oosterman announced that the Board would be entering Executive Session to discuss to consider the selection of a site or the acquisition of real

estate by lease or purchase when public knowledge regarding such consideration would cause a likelihood of increased price, as authorized by RCW 42.30.110 (1)(b), until 7:05 p.m. At 7:05 p.m., it was announced in the public area that the Executive Session would be extended another five minutes. At 7:10 p.m., the Executive Session was adjourned and the regular meeting resumed. Commissioner Stearns made a motion to authorize the General Manager to submit a Letter of Interest (LOI) to H&R Waterworks regarding possible acquisition: Commissioner Olsen seconded the motion; all in favor.

Summary of Assignments:


- Reschedule the first meeting in August to Monday, August 7, 2016.

Adjournment: Commissioner Olsen made a motion to adjourn the meeting: Commissioner Stearns seconded the motion; all in favor. The meeting was adjourned at 7:11 p.m.



Chris Stearns, Commissioner and Vice President

Attest:



Russell E. Olsen, Commissioner and Secretary