

**MINUTES OF THE REGULAR MEETING OF DECEMBER 19, 2017
OF
PUBLIC UTILITY DISTRICT NO. 1
OF
THURSTON COUNTY, WASHINGTON**

The second regular meeting for December 2017 of the Commissioners of Public Utility District No. 1 of Thurston County was called to order on Tuesday, December 19, 2017, at the Washington Public Utility District Association (WPUDA) office located at 212 Union Avenue SE, Suite 201, Olympia, WA 98501, commencing at 5:00 p.m. Commissioners Russell E. 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 Assistant General Manager (AGM), Kim Gubbe, the District's Director of Planning and Compliance (DPC), Jim Campbell, the District's Superintendent, Cathy Easton, the District's Customer Service Representative, 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.

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

Consent Calendar:

Approval of Minutes: None

Prequalification of Contractors – Small Works Roster: Harrington Construction & Development, Inc.

SMA Contracts: None

Correspondence: None

Travel Approvals: None

Voucher Approval:

Accounts Payable: December 19, 2017

Payroll: None

Resolutions: None

Other: None

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

Public Comments: None

Information or Discussion of Operations/Policy Issues:

Update on the 1230 Ruddell Road SE Building and Move

DPC Gubbe gave an update on the acquisition of the former H&R Waterworks water systems as well as other acquisitions. She also updated Commissioners and staff on the renovations completed at the 1230 Ruddell Road SE building and the move to that building planned for the last week in December; a timeline was provided with a list of estimated/tentative deadlines. The Commissioners and staff discussed several issues, including the tight renovation and move schedule, installation of certain design elements at the new PUD building, and signage at the new PUD building and the satellite office on Old Highway 99 SE.

Commissioner Elections

Commissioner Olsen made a motion to appoint Commissioner Stearns for President of the Board effective January 1, 2018: Commissioner Oosterman seconded the motion; all in favor. Commissioner Stearns made a motion to appoint Commissioner Olsen for Vice President of the Board effective January 1, 2018: Commissioner Oosterman seconded the motion; all in favor. Commissioner Stearns made a motion to appoint Commissioner Oosterman as Secretary of the Board effective January 1, 2018: Commissioner Olsen seconded the motion; all in favor.

Commissioner Assignments

Commissioner Oosterman requested that no major changes be made to Commissioner assignments until further into 2018. Commissioner Olsen spoke about broadband and net neutrality issues in relation to Commissioner assignments.

Set a Date for Strategic Planning Session

The Commissioners agreed to schedule their Strategic Planning Session on February 23rd, from 10:00 a.m. to 2:00 p.m. at the WPUA office building.

Schedule a Date/Time for an Open House

A tentatively plan for an Open House event for the new building was discussed in February 2018. The Commissioners felt this would be too soon and wanted to revisit the issue once more information on renovations is attained. Commissioner Oosterman would like to schedule the Open House during the same time as WPUA meetings so that members from other PUDs can attend.

Discussion of Rate Hearing Public Comments

At the last Rate Hearing, staff and Commissioners obtained feedback from the Scattercreek Ranch customers who attended related to irrigation and the increased rates proposed by the PUD. Commissioner Olsen asked about a proposal in regard to an irrigation rate for these customers due to their water system's water right status and the size of their parcels. Staff will work on an irrigation rate proposal for the Scattercreek Ranch water system to be reviewed at the first meeting in February 2018.

Discussion of Field Staff Take Home Vehicles

An information paper on take-home vehicles was provided with the agenda packet. Superintendent Campbell spoke about the take-home vehicle policy for staff under H&R Waterworks. Staff and Commissioners discussed the pros and cons of approving take-home vehicles for field staff. The Commissioners decided against continuing the take-home vehicle policy that was implemented by H&R Waterworks. GM Weidenfeller will speak with field staff about discontinuing the temporary policy in place – the temporary policy will expire on March 1st, and staff will need to arrange for personal transportation to and from work. GM Weidenfeller noted that staff will be allowed to take home vehicles during natural disasters, emergencies, and if the staff member is on-call; the Superintendent and crew chiefs will also be allowed a take-home vehicle.

Action Items:

Resolution 17-55, Operational Budget Amendment

This resolution was reviewed at an earlier meeting. **Commissioner Olsen made a motion to approve Resolution 17-55 as presented: Commissioner Stearns seconded the motion; all in favor.**

Resolution 17-56, 2017 Capital Budget Amendment

This resolution was reviewed at an earlier meeting. **Commissioner Olsen made a motion to approve Resolution 17-56 as presented: Commissioner Stearns seconded the motion; all in favor.**

Resolution 17-57, Adopt 2018 Rates, Fees, and Charges for Redtail Hawk and Frog Hollow 1, 2, and 3 Water Systems

This resolution was reviewed at an earlier meeting. **Commissioner Olsen made a motion to approve Resolution 17-57 as presented: Commissioner Stearns seconded the motion; all in favor.**

Resolution 17-59, Adopt 2018 Rates for the Forest Glen Water System

This resolution was reviewed at an earlier meeting. **Commissioner Olsen made a motion to approve Resolution 17-59 as presented: Commissioner Stearns seconded the motion; all in favor.**

Resolution 17-60, Adopt 2018 Rates for the Keanland Park Water System

This resolution was reviewed at an earlier meeting. **Commissioner Olsen made a motion to approve Resolution 17-60 as presented: Commissioner Stearns seconded the motion; all in favor.**

Resolution 17-61, Adopt 2018 Rates for the Scattercreek Ranch Water System

This resolution was reviewed at an earlier meeting. **Commissioner Olsen made a motion to approve Resolution 17-61 as presented: Commissioner Stearns seconded the motion; all in favor.**

Resolution 17-67, Adopt Revised 2018 Budget

This resolution was reviewed at an earlier meeting. **Commissioner Olsen made a motion to approve Resolution 17-67 as presented: Commissioner Stearns seconded the motion; all in favor.**

Resolution 17-68, Authorization to Surplus

This resolution was reviewed at an earlier meeting. **Commissioner Stearns made a motion to approve Resolution 17-68 as presented: Commissioner Oosterman seconded the motion; all in favor.**

Presentations:

General Manager's Report: John Weidenfeller, General Manager

GM Weidenfeller provided a written report. He reported on the escrow signing for Scattercreek Ranch and Keanland Park water systems – the PUD will own these systems effective January 1, 2018. He also reported that the closing of the transfer of the Mountain Lakeview Addition water system has occurred – the PUD will also own this water system effective January 1, 2018. The

open Accountant position has been filled, and the new Accountant will begin work on January 8th. The open internal Customer Service Representative position has also been filled, and GM Weidenfeller will interview candidates for another Customer Service Representative position during the week of December 18th. Staff discussed the 2017 Bond Sale. Commissioner Stearns asked about the possible transfer of Mason County water systems to the PUD in Mason County – GM Weidenfeller expects to have more information by the end of June 2018.

Superintendent Campbell gave a brief update on his report.

Finance Report: Julie Parker, Assistant General Manager
AGM Parker provided a written report.

Commissioner Topics, Discussion and Reports:

Commissioner Olsen had nothing to report.

Commissioner Stearns and GM Weidenfeller will meet with Mary Verner, Department of Ecology Water Resources Program Manager on December 20th.

Earlier in the meeting, Commissioner Oosterman proposed to change the District's logo. After some discussion and review of other PUD logos, the Commissioners agreed to update the District's logo – Commissioner Oosterman will be the lead for this project, and she will share further information at the next Commission meeting.

At 7:35 p.m., Commissioner Oosterman announced that the Board would be entering into an Executive Session to consider the minimum price at which real estate will be offered for sale or lease when public knowledge regarding such consideration would cause a likelihood of increased price, as authorized by RCW 42.30.110(1)(b), and to review the performance of a public employee, as authorized by RCW 42.30.110(1)(g), until 7:50 p.m. At 7:50 p.m., the Executive Session was closed, and the regular meeting was resumed.

Commissioner Oosterman announced the Board's decision about the General Manager's contract. GM Weidenfeller and the Commissioners discussed various aspects of the contract.

At 8:06 p.m., the Board re-entered in Executive Session as authorized by RCW 42.30.110(1)(g) to review the performance of a public employee until 8:11 p.m. At 8:11 p.m., it was announced in the Public area that the Executive Session would continue for five more minutes. At 8:16 p.m., the Executive Session was closed, and the regular meeting was resumed.

Commissioners and GM Weidenfeller discussed additional aspects of his contract.

Summary of Assignments:

- Schedule a Strategic Planning Session on February 23, 2018 from 10:00 a.m. to 2:00 p.m. at the WPUEDA office.
- Provide a lunch menu to Commissioners at the first meeting in February 2018.
- Work on implementing an updated PUD vehicle policy.

Adjournment: Commissioner Olsen made a motion to adjourn the meeting: Commissioner Stearns seconded the motion; all in favor. The meeting was adjourned at 8:19 p.m.



Linda Oosterman, Commissioner and President

Attest:



Russell E. Olsen, Commissioner and Secretary