

**MINUTES OF THE REGULAR MEETING OF AUGUST 22, 2017  
OF  
PUBLIC UTILITY DISTRICT NO. 1  
OF  
THURSTON COUNTY, WASHINGTON**

The second regular meeting for August 2017 of the Commissioners of Public Utility District No. 1 of Thurston County was called to order on Wednesday, August 22, 2017, at 921 Lakeridge Way SW, Suite 301, Olympia, WA 98502, commencing at 5:00 p.m. Commissioners Russell Olsen and Linda Oosterman were present for the meeting; Commissioner Chris Stearns called in via telephone. Also present were John Weidenfeller, the District's General Manager (GM), Julie Parker, the District's Director of Finance and Administration (DFA), Alan Dashen and Scott Bauer with Northwest Municipal Advisors, Andy Baker with Stantec Consulting, 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 presented: Commissioner Stearns seconded the motion; all in favor.**

**Consent Calendar:**

Approval of Minutes: August 9, 2017

Prequalification of Contractors – Small Works Roster: None

SMA Contracts: None

Correspondence: None

Travel Approvals: None

Voucher Approval:

    Accounts Payable: August 16, 2017

    Payroll: August 21, 2017

Resolution: None

Other:

- 1) Letter, Emergency Waiver of Competitive Bidding Requirements, Tanglewilde-Thompson Place Water System, August 13, 2017
- 2) Change Commission Meetings from Tuesday, September 12, 2017 to Monday, September 11, 2017 and Tuesday, September 26, 2017 to Monday, September 25, 2017

**Consent Calendar: Commissioner Stearns made a motion to approve the Consent Calendar as presented including the August 9th meeting minutes: Commissioner Olsen seconded the motion; all in favor.**

**Public Comments: None**

**Information or Discussion of Operations/Policy Issues:**

**Bond Issue**

Scott Bauer with Northwest Municipal Advisors presented information in regard to the bond anticipation note/bond issuance for the PUD. The Commissioners and staff discussed information related to the bond issuance timeline.

### **Results of Rate Study**

Andy Baker with Stantec Consulting presented information in regard to the financial model update he performed for the PUD. He introduced a variety of options in regard to customer rate phase-in structures. Debt service, customer rates and water usage, the capital surcharge, and the Asset Management Plan/Capital Budget were discussed.

### **Resolution 17-35, PUD Water Revenue Bond Anticipation Note 2017B**

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 Bond Anticipation Note 2017B which will be used to acquire and make improvements to a water system, as well as other capital improvements and loan costs. Since this is the first reading, the resolution will be brought forward for approval at the first Commission meeting in September.

### **Proposed Budget Presentation**

DFA Parker presented a second reading of the preliminary 2018 Budget, including the 2018 Capital Budget. She explained the time related to the Public Hearings and publishing of the proposed 2018 Budget. Staff has requested a vector truck, and DFA Parker will be adding this item to the next reading.

### **Resolution 17-36, 3rd Contract Amendment for Architectural Services with KMB Architects**

This resolution allows the District to sign a contract amendment to the professional services contract with KMB Architects for services required for renovations, building space design, and contractor oversight. This is the third amendment to the contract, and the amendment amount is \$6,800 with additional monies budgeted as a contingency. Since this is the first reading, the resolution will be brought forward for approval at the first Commission meeting in September.

### **Action Items:**

### **Resolution 17-30, Acquisition of the Mountain Lakeview Water System**

This resolution was discussed at a prior meeting. Adoption of Resolution 17-30 authorizes the General Manager to sign a contract to acquire the Mountain Lakeview water system from Pacific Water Systems. **Commissioner Olsen made a motion to approve Resolution 17-30 as presented; Commissioner Stearns seconded the motion; all in favor.**

### **Presentations:**

#### **General Manager's Report:** John Weidenfeller, General Manager

GM Weidenfeller provided a written report. Per Commissioner Stearns' inquiry, GM Weidenfeller spoke about the Pollution Control Hearings Board (PCHB) decision and the Mutual Aid Agreement with the City of Olympia.

#### **Finance Report:** Julie Parker, Director of Finance and Administration

DFA Parker provided a written report. She reported that revenues are looking well, and expenses are in line with the budgeted amounts with a few small exceptions.

**Commissioner Topics, Discussion and Reports:**

Commissioner Olsen reported that he's been working with the Thurston Regional Planning Council (TRPC) Executive Director on a County water strategy; a presentation will be made at the beginning of September.

Commissioner Oosterman had nothing to report – she hasn't attended any additional meetings besides the Commission meetings and a Thurston County Chamber meeting.

Commissioner Stearns had nothing to report.

**Summary of Assignments:**

- Advertise for two Commission meeting changes: the September 12th meeting has been rescheduled to September 11th, and the September 26th meeting has been rescheduled to September 25th.

**Adjournment: Commissioner Olsen made a motion to adjourn the meeting; Commissioner Stearns seconded the motion; all in favor. The meeting was adjourned at 7:23 p.m.**

  
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Linda Oosterman, Commissioner and President

Attest:

  
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Russell E. Olsen, Commissioner and Secretary