

Mason County PUD No. 1 Special Meeting

Strategic Planning- Board Session
Alderbrook Resort, August 21, 2015

Call To Order: 9:00 a.m.

In Attendance: Ron Gold, Karl Denison, Jack Janda, Kristin Masteller, Steve Taylor

Commissioner Kudos- what are some big accomplishments for our utility this year?

- Excellence in Communications awards from NWPPA
- Good Safety Culture and Safety Award from NWPPA
- Water Taste Test Award
- Ferrier going back East to assist during disasters
- Participation in parades- the Forest Festival float
- Participation with schools and the community, EDC, Kiwanis, etc.
- Jocelyne's leadership position in WSPE
- Water system financial consolidation
- Steve's NWPPA leadership role
- Darin's leadership in the Electric department
- Good hiring- the process was good and we got good employees in the right roles
- Changing how we bid the tree trimming and projects
- Legal counsel gives great and consistent performance
- Negotiations for property purchase
- Both department's response to outages- going above and beyond for customers
- Facilities look good
- Front office is responsive to customers and doing a good job of being the face of our company
- Julie does a great job with collections and problem accounts, keeping them to a minimum for write offs
- Energy efficiency program has taken off; getting extra money for customers and Teresa doing work in-house
- Greg helping out Jefferson PUD
- Appearance of Front Office looks good; including parking changes
- Employee achievements- Steve Brown finishing his apprenticeship, Barney doing well in his apprenticeship, Rooster getting his top WDM certification and Marty working in his new role to earn his WDM.

Mission Statement & Core Values- No changes to the mission statement or core values for 2015.

“Provide customers with safe, reliable and valued utility services.”

Core Values-

- Safety
- Respect
- Teamwork
- Communication
- Trust
- Local Control
- Excellence

Board-Level Departmental SWOT & Adjusted Goals for 2016-

WATER:

SWOT:

Strengths- *Following Strategic Plan and work plan; In-house work; Relationship with DOE, DOH & County; WSP-staying on top of it; Well trained, top employees; Metering; Great response with outage management; Good quality water; Great attitudes and good customer service; VAC pump trailer; Finance consolidation; grants; close to paying back electric*

Weaknesses- *Chlorine; Too many small systems; No access to cheap capital and cost of financing; Small economy of scale; Sluggish economy, Raising rates*

Opportunities- *Water systems consolidation; Operate under one system; Recruit new systems; Reduce power bills for pumping and building heat*

Threats- *Government regulations; Robbing the PWTF; Cyber security; Physical security; Aging infrastructure*

GOALS:

1. Continue to work toward consolidation of water systems.
2. Comply with 2017 meter rule
3. Make processes more efficient
 - a. Automate chlorination testing
 - b. Energy efficiency at water systems
4. Actively solicit more growth
5. Find ways to reduce consumption
 - a. Leak reduction

ELECTRIC:

SWOT:

- Strengths-** *Good, experienced crew; Good leadership; URD & 106 replacements in-house; Tree trimming; Following strategic plan & work plan; Able to do work in-house; Refinancing debt; Outage communications; T3 Completion; New VM notification process*
- Weaknesses-** *Age of system; Size of system; Size of crew; Appearance of vehicles; Line trucks need replaced; DOT-highway pole replacement*
- Opportunities-** *Add life span to subs; Improve vehicle appearance; Continue to fund vehicle replacement; Looping system; Tree trimming; Danger tree removal (DOT); Community solar*
- Threats-** *Age of our system; Duckabush & Union substations; DG*

GOALS:

1. Infrastructure- FIVE year work plan, Identifying priority areas
2. Substations
3. Collaborate w/DOT and County Public Works on:
 - a. Tree trimming
 - b. Danger trees
 - c. URD
4. Fleet- Projected replacement schedule, safety, maintenance
5. Continue to reduce the Customer Outage Hours
 - a. Looping
 - b. Tree trimming
6. Continue toward AMI-type solutions

FACILITIES:

SWOT:

- Strengths-** *New property; Rental property management; Facilities plan; Landscape maintenance; SCADA; Centrally located in our system and visible to customers; ERP*
- Weaknesses-** *Age of facilities; Heating/Cooling system in office; Bugs in office; Bathroom privacy; No storage; Records storage; Woman's club; Septic system*
- Opportunities-** *Storage for vehicles; Enough property for future growth; Digitize documents when able; Pay stations in Belfair/Brinnon; EV charging stations; New warehouse*
- Threats-** *Cost to replace facilities; Traffic- ingress/egress; Earthquake, flood, landslides, fire*

GOALS:

1. Complete a 5-10 year facilities plan
 - a. Finish yard clearing
2. EV charging station
3. SCADA to Union or Hoodspout
4. Consolidate Sheldon/Ten-Four well

INTERNAL DEVELOPMENT:

SWOT:

- Strengths-** *Continued education of employees; Employee relations; NWPPA, EDC, ENW and PRB participation; Utilization of our strategic plan*
- Weaknesses-** *Depth of I.T.- no back up person besides HCC; no space to expand physically; Time constraints on projects and busy departments*
- Opportunities-** *Expand internal I.T. role; Utilize internships; Drop a board meeting if we don't need it*
- Threats-** *Impending retirements; retention/recruitments*

GOALS:

1. Continue cross training in all departments
 - a. Exercise the cross training to make sure back ups are trained appropriately
2. Continue employee relations functions
3. Continue return and report on employee education and training
4. Investigate feasibility of internships

COMMUNICATIONS & PUBLIC RELATIONS:

SWOT:

- Strengths-** *Banner process; Social media and outreach; Good, working communications plan; the Parade float; Employee & customer appreciation events; Newsletter; Collaboration with PUD 3; Internal communications, Commissioner support*
- Weaknesses-** *Small budget constraints; OMS- target outage information; Lack of science outreach to schools*
- Opportunities-** *More outreach to the Tribe; Work with PUD 3 more; Solar survey; Readerboard?; Electronic monthly newsletter & community calendar; Hydro messaging; MOU education with PUD 3 regarding water/fiber*
- Threats-** *Budget eliminated; Misinformation in community; No 24 hour media outlet*

GOALS:

1. Develop a survey schedule plan for 2016
2. Tribal Outreach- Solar, internships, Karl & Steve to attend Tribal Council meeting
3. Evaluate new electronic communications
4. Report the Strategic Plan to the community

FINANCE:

SWOT:

- Strengths-** *Refinancing debt; TIER is good; Consolidated water; Keep commission informed; Good audits*
- Weaknesses-** *Depth in I.T.- back up person*
- Opportunities-** *Hire a full time I.T. person; more reporting on operations side of Finance & Customer Service at board meetings.*
- Threats-** *TIER drop; BPA rate increases; PWTF & SRF not funded; Lack of grants; Lack of growth; BPA; DG*

GOALS:

1. Continue pole attachment increase
2. Complete COSA <500 kWh
3. Hold staff and commissioner rate workshops annually and as needed
4. Financials accompany the 5 year work plan and are updated each year
5. Facility budget impact projections with alternative scenarios

CUSTOMER SERVICE

SWOT:

- Strengths-** *Good customer reviews; Outreach to community; Same-day response time; Personalized service; Know job and community; Share CSR coverage; Current with technology; ADA access in front entry*
- Weaknesses-** *ADA access in rest of buildings; Lack of public restrooms; Privacy issues*
- Opportunities-** *KIOSKS/Vendors in remote service areas; Electronic account set-up remotely; Market the e-bill*
- Threats-** *Security; Proximity to Hwy 101*

GOALS:

1. Continue commercial conservation program
2. Make it easier to do business with PUD 1 for remote customers, renters
3. Implement Smart Hub
4. Make progress and set timeline for OMS- coordination with NISC

3:10 p.m. Meeting adjourned.

Ron Gold

Karl Denison

Jack Janda