

Mason County PUD No. 1 Special Meeting

Strategic Planning- Board Session
Alderbrook Resort, August 22, 2014

Call To Order: 8:00 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?

- The in-house work by the crews, specifically the rebuilding of distribution line, 106, and URD replacements.
- Prioritizing an urgency list for replacements.
- In-house tree trimming, using local workers, good contractor work also and administration of the contract.
- Employees volunteering at the local parades.
- Noticed improvement in safety and PPE use. Keep up the good work.
- Quick response to Bambi Farms URD outage. Good customer service to Oly Mt. Ice Cream.
- The amount of work the water department accomplishes with such a small crew.
- The amount of work Jocelyne is getting done with DOH, DOE & WSP
- Jocelyne & Darin's work on the FEMA reimbursement
- Progress to date on metering and water efficiency rules
- Teamwork- getting the 3rd water tech up and going, office staff pulling together during changes
- Grant money obtained for water feasibility studies
- Helping customers with different issues- good customer service in office and crews
- Managing projects on a timely manner, being efficient
- Watching spending on project costs
- Jocelyne covering after hours on social media while Kristin was gone
- Working through tough transitions in the front office and still doing good outreach to customers
- Community solar project
- EV charging station project- working with the Port and IGA on it.
- Facility planning and land prep

Mission Statement & Core Values- No changes for this year.

Review of Governance Policy-

Changes shown as follows in **BLUE**:

"Unity of Control" Section 10, d): "will refrain from **directly** evaluating"

"Commission Relationship w/ Auditor & Treasurer" Section 13, 3rd paragraph: "The General Manager shall consult with the Commission in advance regarding **any performance issues and** his or her intention to terminate the Auditor or Treasurer."

Board-Level Departmental SWOT & Adjusted Goals for 2017-

WATER:

SWOT:

- Strengths-** *Jocelyne's in-house reporting, WUE, WSP
Reliability
Crew- hard working, knows systems, good customer service
GIS Mapping of systems*
- Weaknesses-** *Small customer base
Small, old systems
Spread out- low density
Economy of scale*
- Opportunities-** *Regulatory pushes- Rural Group A reclassification, funding & compliance push, WPUDA priority
County Systems
Hookups*
- Threats-** *Cost/benefit for private wells vs. PUD cost
New regulations with chlorine for total coliform
Cyber security/terrorism
Turnover in personnel
Increased cost to customers from regulations*

GOALS:

1. Work with WPUDA on legislative changes (Board)
 - a. Class A-B for small, rural A systems
2. Funding- grants, low interest loans, debt forgiveness
3. Continue to explore feasibility portion of consolidation
 - a. Communications
 - b. Community stakeholder meetings
 - c. Solicit input
 - d. Give different options with pros/cons and economics
4. Investigation Process & Presentation
 - a. Ensure a proper scope of issues
 - b. Receive input on direction to head from the board and public prior to launching into a project
 - c. Give multiple options and solutions to issues- thinking outside the box

ELECTRIC:

SWOT:

- Strengths-** *Identifying needs- infrastructure*
Team- working together, communicate well, more proactive instead of reactive
Knowledge of system- mapping, GIS work
- Weaknesses-** *Paying for workloads*
BPA dependent
Age of URD & OH
No load growth
Old substations- Duckabush specifically
- Opportunities-** *Statesmen Group Project*
Tribal Load Growth- sewer plant, housing, tribal center
New Construction/growth- IGA expansion
EV expansion
Change in seasonal customer base
- Threats-** *Rate pressure*
BPA dependency
No room to grow or relocate lines
Election Year
Loss of load- net metering
Amount of service that is in other counties

GOALS:

1. Operational Improvements
 - a. Reliability is a priority
 - b. Isolation
 - c. Vegetation Management
 - d. Plan and budget for Capital Projects
 - e. Plan for appropriate levels of capital to maintenance
2. Coordination with other groups
 - a. Tribe
 - b. Statesmen Group
 - c. Bulk purchasing (Energy Northwest)
 - d. Hood Canal
 - e. DNR 5 acres
3. LED Street Lights
4. Other Resource Provider Opportunities
 - a. Ask the questions
5. AMI-
 - a. Workshop for board/staff
 - b. Pros/cons of conversion
 - c. Communication benefits
 - d. Low cost AMR utilization options

INTERNAL DEVELOPMENT:

SWOT:

- Strengths-** *Communication efforts, policies for customer information protection, policy review process, strategic planning & work plan, well-run utility, employee recognition*
- Weaknesses-** *IT server inside vs. outside, customer base is small, lack of competition with IT Vendors*
- Opportunities-** *Evaluate IT & 5 year IT plan, Records Management, Reorganization, Fully utilize NISC, cross training, benefits evaluation- other options?*
- Threats-** *Cyber security, lack of growth*

GOALS:

1. Develop a 5 year strategic IT plan
2. Cross training- write protocol document for S: drive
3. Reorg/Succession planning
4. Annual check-in with ALL employees- training, performance, etc.
5. Safety- regular reporting, keep up on OSHA and WSHA
6. Move paperless wherever possible
7. Continue strengths from previous strategic plans

FACILITIES:

GOALS:

1. Breakdown Phase 1- the Pole Yard into different steps with action & costs
2. Evaluate fencing for the property and budget amount

FINANCIAL STABILITY:

GOALS:

1. Develop a 5 year financial forecast
2. Set a board policy for funding capital improvements- using rates vs. outside financing
3. Develop regular financial reporting- monthly with detail, executive summary & training
4. Reevaluate the FTE auditor/accountant position
5. Better financial reports to the board each month
6. RFQ for outside audit
7. Publish financials on the website
8. Departmental budgeting training

CUSTOMER SERVICE

SWOT:

Strengths-	<i>Timely response Friendliness & prompt attention Go above & beyond Know customers by name Online capabilities Banner program Communicate in social media Personal contact- nice & friendly</i>
Weaknesses-	<i>Lack of funding to do the outreach we'd like to do Not able to segment the information flow for outages Age of the facility- lack of restrooms for public, lack of privacy to discuss accounts, safety Amount of customers to be able to spread out our cost Ingress/Egress safety issues in parking lot</i>
Opportunities-	<i>Smart Hub- add water consumption historic data Expand communications capabilities on Smart Hub Legislation for onsite server requirements NISC optimization Better customer engagement on projects & happenings</i>
Threats-	<i>Cost escalations Irate customers Cyber Security Cost of doing business</i>

GOALS:

1. Engage with the public on big projects
 - a. Water systems (Union Regional, for example), facilities
 - b. Handouts for regulations/costs written at an easy level for the public to review
2. NISC- expand modules, Smart Hub, communications, they must add value though
3. Continue to invest in education to better assist customers
4. Education for customers- conservation, time of use, dispel myths

At 3:30 p.m. the commission went into executive session for the purpose of evaluating the performance of a public employee pursuant to RCW 42.30.110(g). Karl stated the session would last 90 minutes.

5:00 p.m. Executive session closed; special meeting resumed. No further business was discussed.

5:00 p.m. Meeting adjourned.

Karl Denison

Ron Gold

Jack Janda