

Mason County PUD 1
Board of Commissioners Regular Meeting
January 12, 2016

Present

Karl Denison- President
Jack Janda- Vice President
Ron Gold- Secretary
Steve Taylor- General Manager
Jocelyne Gray- Director of Ops - Water
Kristin Masteller- Dir. of Employee & Public Relations
Greg Kester- Dir. of Finance & Customer Service
Rob Johnson- Legal Counsel

Visitors

None.

Excused

Darin Hall- Electric Superintendent

The regular meeting of the Board of Commissioners of Public Utility District No. 1 of Mason County was called to order at 1:00 p.m.

CONSENT AGENDA

By adopting the consent agenda, the following items were approved:

Minutes	December 8, 2015 Regular Meeting & Rate Hearing		
Vouchers:	Accounts Payable:	110981-110984	\$ 1,421.94
		110993-111060	\$ 427,073.05
		111070-111140	\$ 147,100.49
	Payroll:	110985-110992	\$ 112,384.05
		111061-111064	\$ 6,369.21
		111066-111069	\$ 87,303.31
	Voids:	110972	(\$ 19.90)
		111004	(\$ 275.00)
	Total:		\$ 781,852.05

Ron made a motion to approve the consent agenda as presented; Jack seconded the motion. It passed unanimously.

Public Comment

No comments.

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BUSINESS AGENDA

Association Committee/Voting Delegates for 2016

2016 Association Committee Delegates

WPUA COMMITTEES	PRIMARY	ALTERNATE	2ND ALTERNATE (optional)
Board of Directors	Jack Janda	Karl Denison	Ron Gold
Managers	Steve Taylor	Greg Kester	
Government Relations	Jack Janda	Karl Denison	Ron Gold
Communications	Kristin Masteller	Steve Taylor	
Energy	Karl Denison	Jack Janda	Ron Gold
Telecom	n/a		
Water	Jocelyne Gray	Steve Taylor	Ron Gold
WPAG	Greg Kester	Steve Taylor	
PPC	Steve Taylor	Greg Kester	
APPA	Ron Gold	Karl Denison	
ENW	Jack Janda	Karl Denison-PRB	
NWPPA	Karl Denison Steve Taylor	Gov't Relations Board Member	

Jack made a motion to authorize the association committee and voting delegates for 2016; Ron seconded the motion. It passed unanimously.

Termination of Interlocal Agreement with Kitsap PUD

Jack made a motion to terminate the interlocal agreement with Kitsap PUD; Ron seconded the motion. It passed unanimously.

Authorize the Manager to Sign All Contracts for Community Solar Project

We are going to restrict participation by all PUD employees & commissioners to avoid any conflict of interest in the lottery.

Jack made a motion to authorize the manager to sign all contracts for the Community Solar Project, not to exceed \$125,000; Ron seconded the motion. It passed unanimously.

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Approval of Retainer for Legal Services

Ron made a motion to the retainer agreement for legal services as presented; Jack seconded the motion. It passed unanimously.

Resolution No. 1069- Sole Source for Itron Meters

Ron made a motion to adopt Resolution No. 1069 as presented; Jack seconded the motion. It passed unanimously.

Resolution No. 1070- Sole Source for Okonite Primary Underground Cable

Ron made a motion to adopt Resolution No. 1070 as presented; Jack seconded the motion. It passed unanimously.

November 2015 Financials for Electric & Water

Greg reported that we had a good sales month for November. We have \$50-60k more in revenue than last year, half of which is due to an increase in base service. Our cost of power though is higher and that will show in December too. That impacts our tiers, which are down from last year. There are still adjustments to make before the year end. For the water side, the revenues and expenditures are about the same as last year. The operating margins are strong but some of that will reduce as employee benefits are allocated to the water department accounting.

CORRESPONDENCE

None.

GENERAL MANAGER'S REPORT- Steve Taylor

Steve and Rob gave an update on some issues that they're working on with Jefferson County regarding a franchise agreement. Steve gave the year end 2015 strategic work plan review. The board commented on the top-notch employees at the work that they do. NWPPA is asking its members to be a co-signer on a resolution to push for a catastrophic fire to be a national disaster instead of being reallocated funds from the forest service. The board said yes, they'd like NWPPA to sign onto the resolution.

STAFF REPORTS

Darin Hall:

No report.

Jocelyne Gray:

Crew is almost done metering Twanoh Terrace. We now own Ripplewood Water System and will be metering them in 2016. Getting started on shrinking space inside Lake Arrowhead booster station so we're not heating such a large space. Jack asked about automated chlorination options since assistance from Pend Oreille PUD has not been available.

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Greg Kester:

Department of Revenue came in and did an audit on our leasehold taxes. We were advised to put the tax for our rental houses under leasehold instead of state utility tax. The percentage is different. We will make an amendment and a payment for about \$1,800 without any penalties.

Kristin Masteller:

Kristin reported that she is meeting with Jack and the Port of Hoodspert to discuss a possible partnership on an electric vehicle charging station. The community solar meeting is this evening. The WPUDA legislative reception is Thursday at 6:00 p.m. in Olympia.

Rob Johnson:

No additional report.

BOARD REPORTS/COMMENTS

Karl: Discussed production tax credits for increases in wind development.

Ron: Attended PPC meeting and gave highlights from that meeting including a lack of accountability in BPA rate setting. Ron plans to attend APPA's annual meeting in Arizona and NWPPA's meeting at Tulalip.

Jack: Reported also on PPC and shared handouts from this meeting including the fish & wildlife dam removal and the energy imbalance market.

Meeting adjourned: 3:35 p.m.

Karl Denison, President

Jack Janda, Vice President

Ron Gold, Secretary