

Mason County PUD 1  
Board of Commissioners Regular Meeting  
October 14, 2014

**Present**

Ron Gold- President  
Jack Janda- Board Secretary (via phone)  
Karl Denison- Vice President  
Steve Taylor- General Manager  
Jocelyne Gray – Director of Ops - Water  
Greg Kester- Dir. of Finance & Customer Service  
Kristin Masteller – Dir. of Employee & Public Relations  
Darin Hall- Electric Superintendent  
Rob Johnson- District Legal Counsel

**Visitors**

None.

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:**

The minutes of the September 23, 2014 regular meeting;

Accounts Payable warrants #108821-108843 \$30,820.06, #108855-108923 \$123,262.00 and Payroll warrants #108844-108854 \$93,633.44 for a total vouchers amount of \$247,715.50.

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

**Visitors**

None.

**BUSINESS AGENDA**

**Water Department Report on Recent Trainings**

TJ Goos reported that he went to the Evergreen Rural Water fall conference in Vancouver and attended classes, including one on locating, and also met with vendors. One of the vendors had vac trucks and vac trailers. A trailer may be advantageous for our utility. Rooster Ogg reported that he attended an exam review to upgrade his license to a WDM 2, with an emphasis on chlorination. Brandy Milroy attended the WPUDA Water Workshop and attended classes on water loss and leak detection, a meter workshop, and different water topics.

**August 2014 Financials for Water & Electric**

Greg presented the August financials for both water and electric. Electric revenue is up over 2013 and power costs are also higher over last year. They are still pretty close to budget. The tier has dropped from a year ago due to an increase in operational and power costs. Greg also presented some trends for items such as power costs, operational costs, and power purchases. Water financials look fine.

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Board of Commissioners Regular Meeting  
October 14, 2014

**CORRESPONDENCE:**

A copy of Mason 1's response to Sid Morrison regarding Energy Northwest's carbon tax position was shared along with an announcement from Bonneville that their HR authority was reinstated.

**GENERAL MANAGER'S REPORT- Steve Taylor**

Steve is on vacation next week. Greg will be acting manager while Steve is gone.

**STAFF REPORTS**

**Darin Hall:**

Darin reported that the crews are busy with customer service work.

**Jocelyne Gray:**

Jocelyne reported that our crew will start installing the new main on Mason Ave. from Orre Nobles to Hwy 106, which should take about two weeks. Hood Canal is doing all the trenching. Attended WPUDA water workshop with Brandy. We received three \$30,000 grants to help three new systems to dig out of the problems they are having and this introduces us to possible SMA or ownership of these systems. Attended a water rights class where it was suggested to change all water rights be transferred to municipal and in the PUDs name.

**Greg Kester:**

Greg attended a finance officers meeting and there was discussion on the 2018 excise tax and also a cost of service charge that would increase base service charges that are a better reflection of energy service. The state audit will start on the 23<sup>rd</sup> of October. Also, GASB ruled that the PUD should reflect the future value of pension expenses beginning in 2015.

**Kristin Masteller:**

Kristin reported that flu shot clinic is this week, benefit appointments are available this month, an earthquake and ERP drill will be held this week, and that the landscaping contractor performed assigned duties this month. Kristin attended NWWH annual conference last week and learned new information on the ACA and she and Darin will attend an interest based bargaining class at ENW next week. The Go Paperless campaign is finished and Kristin will have numbers at a future board meeting along with the 2015 strategic plan for approval.

**Rob Johnson:**

Pacific County pole finding was released yesterday. When the new rates came out that gave three different rate structures, the court found Pacific County's rates to be invalid because they didn't fall in the state law rate formulas and that the PUD did not set a rate within the timeframe. The telecom industry was still required to pay the money owed, along with interest. Rob recommends that we set up a new pole contact contract in addition to a new rate. Attending the APPA legal seminar in San Antonio.

**BOARD REPORTS/COMMENTS**

Mason County PUD 1  
Board of Commissioners Regular Meeting  
October 14, 2014

**Karl:** Will be on KMAS next week to discuss the clean energy initiative that WPUDA is launching at 8:15 a.m. Plan to go to ENW member forum.

**Ron:** Ron attended a basic electricity class in Reno last week through NWPPA. There's a good chance that Lilliwaup Falls could be online by the end of the month.

**Jack:** PPC meetings were great this month. Jack would like to know more about the District's position to manage our own conservation program in house rather than through BPA.

At 3:05 Ron called an Executive Session for the purposes of discussing threatened or pending litigation, pursuant to RCW 42.30.110(i), and also to discuss a potential real estate transaction, pursuant to RCW 42.30.110(b). He stated the session would last 20 minutes. At 3:25 p.m. Ron closed the Executive Session and reopened the regular session.

**Meeting Adjourned at 3:25 p.m.**

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Ron Gold, President

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Karl Denison, Vice President

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Jack Janda, Secretary