

Mason County PUD 1
Board of Commissioners Special Meeting
October 22, 2013

Present

Ron Gold- President
Karl Denison- Vice President
Jack Janda- Board Secretary
Greg Kester- District Auditor & Dir. of Finance/Customer Svc.
Darin Hall- Electric Superintendent
Kristin French- District Legal Counsel
Kristin Masteller – Dir. of Employee & Public Relations

Visitors

None

Excused

Steve Taylor- General Manager
Jocelyne Gray – Director of Ops - Water

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 October 1, 2013 regular meeting.

Accounts Payable warrants #107033-107049 \$15,923.63 and #107057-107116 \$83,029.10; Payroll warrants #107024-107032 \$101,045.52 and #107050-107056 \$80,450.44; Voids #107043 (\$55.00) and #107044 (\$55.00) for a total vouchers amount of \$280,338.69.

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

Visitors

There were no visitors present.

BUSINESS AGENDA

RPA No. 110- Tree Trimming

Darin presented the RPA in the amount of \$30,597 including tax for the tree trimming project.

Jack made a motion to approve RPA No. 110; Karl seconded the motion. It passed unanimously.

RPA No. 111- Transmission Trimming

Darin presented the RPA in the amount of \$94,830 including tax for the helicopter transmission trimming project.

Karl made a motion to approve RPA No. 111 as presented; Jack seconded the motion. It passed unanimously.

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Resolution 1042- Sole Source for ITRON Devices

Greg stated that we need to use ITRON devices because they are compatible with our iVUE system and unfortunately the vendors are regional for this. The identified vendor is the only vendor available to us in our area.

Karl made a motion to approve Resolution No. 1042 as presented; Jack seconded the motion. It passed unanimously.

Resolution 1043- Sole Source for Helicopter Tree Trimming

Darin stated that we need to sole source this project because the identified vendor is the only one in our proximity that can perform this service. We reached out to several companies, many of whom did not reply and others who opted not to bid.

Jack made a motion to approve Resolution 1043 as presented; Karl seconded the motion. It passed unanimously.

2012 State Auditor Exit Conference

Ron stated that we had no findings again this year and only had two minor items brought to management's attention. One was a semantics issue where a word in a report title had changed and our reports didn't reflect that word change. The other was that four employee timesheets were not initialed by the manager after he returned from vacation.

August 2013 Financials

Greg presented financials for water and electric departments. There was a correction to the operating revenue in September that was made retroactively and made a difference in the year to date totals. iVUE doesn't allow these changes to be made to months that were already closed in the system.

2012 WPUDA Sourcebook

Greg presented the WPUDA Sourcebook information and answered questions from the commissioners.

CORRESPONDENCE:

No correspondence.

GENERAL MANAGER'S REPORT- Steve Taylor

No report. Steve's was excused from the meeting.

STAFF REPORTS

Darin Hall:

Darin gave an update on the substation. Everything tested fine, now that the moisture issue in the wiring has been fixed on the transformer. Potelco is returning to finish the commissioning and Tracy

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will be back to help oversee that. We should be on schedule to energize. BPA has a little more work to do on the testing.

Jocelyne Gray:

Greg read Jocelyne's report while she was at a conference this week. She's looking at funding for some of our water projects, including another possible intertie. The Canal Mutual project is nearing completion and we're working on clean up now. Had an issue with a customer on the site who blocked the crews from working and the Sheriff's office got him to move his vehicle peacefully. Rob also worked with the Sheriff's office to help resolve the issue. The Hood Canal Intertie is nearing completion and we got a clean test from the Dalby Rd. main line so that portion will be completed. Harstine Retreat has had total coliform issues the past months. A valve on a dead end line was open. This has been fixed and the line will be disconnection to avoid future contamination and water loss.

Greg Kester:

Greg is close to doing budgeting for electrical and will be done on the 5th. Heard that Mason 3 is having a rate hearing too on the 12th. Greg and Karl went over information from the last WPAG meeting.

Kristin Masteller:

Kristin sent out invitations for the substation ribbon cutting on November 1st. drew macewen attending, tribe, representatives, commissioners and news media invited. Darin and Kristin attended the annual NWWH conference this month. There were large sessions and discussions on the Affordable Care Act and VEBA changes.

Internal parity and pay equity are two big trends in labor right now. Through the roundtable discussions, most utilities are participating in routine 3-5 year market analysis for non union positions to ensure pay equity and that the nonunion positions are keeping in line with market. Other issues included working on changes to time and half rather than double time, eliminating or capping comp time, looking at different wage increases for job groups like one for water, one for electric, one for administrative positions to ensure internal parity.

Going to WPUDA this week to meet with the communicators group and get ready for the upcoming legislative session.

Rob Johnson: Kristin attended in Rob's place and was available for questions but had no additional report to give.

BOARD REPORTS/COMMENTS

Karl: Reviewed our indemnification policy and agrees with Rob that it's sufficient. Reviewed WPUDA dues amounts for next year and decided to freeze dues at last year's level and then revisit the formula.

Ron: No report.

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Jack: No report.

Meeting Adjourned at 2:36 p.m.

Ron Gold, President

Karl Denison, Vice President

Jack Janda, Secretary