

**Mason County PUD 1  
Board of Commissioners Meeting  
November 27, 2012**

The regular meeting of the Board of Commissioners Meeting of Public Utility District No. 1 of Mason County was called to order at 1:00 p.m. on November 27, 2012 at the District Office Board Room in Potlatch.

**Present**

Ron Gold – Secretary  
Karl Denison- Vice President  
Jack Janda – President  
Steve Taylor, General Manager  
Jocelyne Gray- Director of Operations-Water  
Tracy Colard- Director of Ops- Electric  
Greg Kester- Director of Finance & Customer Service  
Kristin Masteller- HR/Communications/EA  
Rob Johnson – District Counsel

**Visitors**

No visitors.

**Excused**

Rob Johnson- Legal Counsel

**CONSENT AGENDA**

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

The minutes of the November 13, 2012 regular meeting.

Payroll warrants #105389-105396 in the amount of \$79,378.81; Accounts Payable warrants #105388 in the amount of \$1,048.32 and #105397-105439 in the amount of \$306,375.68 and voided warrants #105388 (\$1,048.32) for a total vouchers amount of \$385,754.49.

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

**PUBLIC COMMENTS**

No public comment.

**BUSINESS AGENDA**

**September 2012 Financials for Electric & Water**

Greg presented the financial statements for September 2012 for both electric and water. He stated that our TRM costs are in line with BPA's projections so far this year. The Water Department's bottom line is looking better this year, partly due to general administration labor expenses being down. Reserves on the water balance sheet are down this year but our debt is lower as well.

**Presentation & Approval of the 2013 Budget**

Greg made the typo corrections to the budget from the budget workshop, as well as added a well house and electrical replacement for View Ridge Heights and also \$50,000 for grounding wells for the Union substation. The final 2013 budget was presented for approval.

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Karl made a motion to approve the 2013 budget for Electric revenue at \$7,059,000 and electrical service \$6,798,549 and Water revenue of \$1,295,000 and water service \$1,127,779 under the "medium" budget scenario as presented; Ron seconded the motion. It passed unanimously.

**CORRESPONDENCE:**

Steve shared an email from a customer wishing our employees a happy holiday and thanking us for our service to them.

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

Last meeting we discussed the claim for damages from John Grove. Rob reviewed this claim and Rob agrees with staff to recommend that the Board deny the claim by Mr. Grove in the amount of \$1,903.96.

Karl made a motion to deny the claim in the amount of \$1,903.96 and Ron seconded it. It passed unanimously.

Steve went over the 2012 Strategic Plan Highlights report. There will be a final report in January 2013 to recap the 2012 progress of that year's work plan. Jocelyne looked into the cost to do a complete meter conversion for Alderbrook and the cost is prohibitive right now but will be evaluated in the water department's construction plan.

Steve attended the WPUA meeting as well. Jocelyne reported that the realtor has had a difficult time getting a hold of the Helms for the Canal Mutual property purchase. They are adamant that they want to sell both lots together.

**STAFF REPORTS**

**Tracy Colard:**

Tracy reported that they had an operations safety meeting yesterday. Receiving bids to do repair work at the Manzanita Property on the house so that way it can be rented out. Receiving bids also for the grounding wells in Union but waiting for an engineering design for the permitting process. Crews are trimming transmission line this week and will do some resistivity testing next week.

**Jocelyne Gray:**

Jocelyne stated that she is still awaiting the completion of the archaeological survey for Canal Mutual, but it is weather contingent. Scheduled to do the PRV removal on Beach Drive the week of January 10th during the evenings.

**Greg Kester:**

Greg had nothing additional to report.

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**Kristin Masteller:**

Friday is the last day of the month to change your medical and dental benefits.

**Rob Johnson:**

No report.

**BOARD REPORTS/COMMENTS**

**Karl:** Karl reported that the Water Committee said there is a proposed solution to the hydrant issue that would allow PUDs to be reimbursed for the costs of the hydrants. Karl asked for a Retiree Medical Policy review. Kristin stated that she would poll some of the other utilities to see what their policies state and that if the policy committee recommends changes that the changes will likely need to be negotiated with the union. Karl asked for a summary of what the solar customers are doing and producing.

**Ron:** No report.

**Jack:** Jack went over some Energy Committee highlights including pushing the “don’t buy before you need” bill, PSE’s opening of Title 54 and challenging PUDs’ electrical authority, and a possible effort to revisit the allocation privilege tax.

**Meeting Adjourned at 2:45 p.m.**

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Jack Janda – President

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Karl Denison - Vice President

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Ron Gold – Secretary