



Mason County Public Utility District No. 1
Board of Commissioners- Special Meeting Minutes
May 16, 2017 Potlatch, Washington

Present:

Jack Janda, President
Ron Gold, Vice President
Mike Sheetz, Board Secretary
Steven Taylor, General Manager
Darin Hall, Director of Operations- Electric
Rob Johnson, District Legal Counsel
Katie Arnold, District Accountant
Teresa Hummer, Customer Service & Conservation

Excused:

Kristin Masteller, Director of Business Services

Visitors:

None in attendance.

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

APPROVAL OF CONSENT AGENDA:

Minutes: April 11, 2017 Regular Meeting

Warrants:	Accounts Payable	113425-113469	\$ 440,103.28
		113478-113518	\$ 50,215.86
	Payroll	113419-113424	\$ 80,163.00
		113470-113477	\$ 91,230.55
	Voided	113464	\$ 202.78
	Total:		\$ 661,509.91

Ron made a motion to approve the consent agenda; Mike seconded the motion. It passed unanimously.

PUBLIC COMMENT:

No public in attendance.

BUSINESS AGENDA:

March 2017 Financial Report

Katie Arnold presented the financial report for March 2017. Revenue – Gross Revenue was \$947,884.16 for the month of March 2017, as compared with forecasted gross revenue of \$808,281.67. The actual revenue was higher than budgeted for March, due to the timing of when customers are invoiced for their service. The power usage was for February, a colder winter month. Expenditures –Gross expenditures were \$767,960.79 as compared with forecasted total expenditures of \$854,018.84. The actual



expenditures were lower than budgeted for March, given that there are 3 management salaries no longer on staff, as well as reduced overtime costs for the month. The 2016 year-end review is underway, to prepare for the annual report, due with the State Auditor's Office by May 31, 2017. She is working on the review of prior year Privilege Tax Returns, for potential amendment. Mike Wittenberg and Katie have been working on creating an Accounting Policies & Procedures manual, to be implemented by the end of 2017 and to develop benchmark financial ratios, to compare PUD No. 1's ratios to other like-size districts.

Resolution No. 1090- Supporting the Columbia Generating Station

Ron made a motion to approve Resolution No. 1090 as presented; Mike seconded the motion. It passed unanimously.

Conservation Update- Teresa Hummer

Teresa attended the Energy Efficiency conference in Portland last week. She reported on the funds and programs at the PUD and showed the items that the utility distributed last week for National Drinking Water Week.

Schedule Union Water System Consolidation Board Workshop with BKI

The date was set for June 13, 2017 at 10:00 a.m.

STAFF REPORTS:

General Manager Report-

Steve had a discussion with the board on the cost of service study and the importance of it. It was decided to go ahead and put out the RFP to find out the cost of doing the study. Steve reported on the NWPPA annual meeting and that he was named president of the association. Steve said he appreciated the board's support. He is finishing up the power purchase agreement with the Skokomish Tribe on their solar project. Steve gave an update on Green Diamond and will help set up a meeting between Green Diamond and John Kounts and Bill Clark from WPUA to review the proposal for water transfer approval through DOE. Back up generation for water systems was discussed. Regular generators from hardware stores won't back up three phase power and there's more to backing up a water system than a house generator can provide. We will look at backing up all our systems over time but it's very expensive. The board agreed that Steve should sign the initial MOU with Energy Northwest for bulk purchasing and see if that partnership can benefit the District.

Operations Report- Darin Hall:

Darin reported that the BPA outage ran longer than expected. Our crews were able to install new reclosers and also replace a switch in Union, as well as other maintenance to the system. The crew is in the process of rebuilding the 3 phase line on Sunnyside Road. There will be two new well pumps going in at the Union water system due to one pump already failing. The PRV has been replaced in Hoodspout as well as the mainline. The crew extended the mainline to View Ridge Heights to connect the Mason County Public Works shop.



Business Services Report- Kristin Masteller:

Steve reported that it is Mike's turn to write an article for the quarterly newsletter. The PUD will be at the Forest Festival parade on June 3rd. Payroll will be processed a day early this month so Kristin needs all timesheets by May 30th at the latest.

Legal Report- Rob Johnson:

No report.

Correspondence:

No correspondence.

Board Reports:

Mike Sheetz: Mike enjoyed the NWPPA conference last week.

Jack Janda: No report.

Ron Gold: Ron will be gone for the June 27th meeting.

Adjournment: 3:47 p.m.

Jack Janda, President

Ron Gold, Vice President

Mike Sheetz, Secretary