

Mason County PUD 1  
Board of Commissioners Regular Meeting  
August 26, 2014

**Present**

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

**Visitors**

Terry Mundorf

**Excused**

Greg Kester- Dir. of Finance & Customer Service

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 August 12, 2014 regular meeting & public hearing; August 15, 2014 strategic planning special meeting;

Accounts Payable warrants #108609-108613 \$7,166.46, #108624-108674 \$385,372.39 and Payroll warrants #108614-108623 \$88,761.37 for a total vouchers amount of \$481,300.22.

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

**Visitors**

Terry Mundorf was thanked for attending the meeting.

**BUSINESS AGENDA**

**Terry Mundorf- Lilliwaup Falls Hydro Project Discussion**

Terry Mundorf is negotiating the power contract between the District and Mr. Reed for the power generated from the Lilliwaup Falls Hydro Project. He gave an update on how we arrived at the current contract state today and answered questions the commission had about retail rates, contract high water marks, and terms of the contract. We did not get a deduction from BPA for Rocky Brook or Lilliwaup Falls in the contract high water mark rate for PUD 1. Now that Mr. Reed wants to revive the hydro project, we have to acquire the power and pay Mr. Reed what we would have paid BPA if we had bought the power from them.

**Approval of List of Prequalified Bidders for t3ba'das Tx and Breaker Bids**

A list of bidders was presented for approval. They were vetted by Brown & Kysar. Michel's Power did not attend the mandatory walk through meeting so they are prohibited from bidding these specific projects, but not from bidding future projects.

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

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**CORRESPONDENCE:**

None.

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

Steve dispersed his annual self-evaluation to the commission to prepare for their annual manager review on September 10<sup>th</sup>. Steve and Karl will attend the NIPPC meeting in Alderbrook in a couple weeks. The County is logging a large area in Union along our transmission line.

**STAFF REPORTS**

**Darin Hall:**

Darin showed the board a spreadsheet demonstrating the amount of underground line that has been replaced since 2010. OSHA is now requiring FR clothing. We are working on a policy for our PUD and have been looking at vendors for our employees to purchase their clothing. Kemp West has completed their trimming contract (almost 17 miles of line). The in-house crews have done great work as well and have a good work ethic. Our crew is trimming for 7-10 years while Kemp West is trimming for 5 years. The pole audit and inspection is almost done. We have found numerous rotten and decaying poles. We have a maintenance list going now that we've started working on.

**Jocelyne Gray:**

Jocelyne stated that the structure at Canal Mutual will be taken care of this week. Crew completed 60' yesterday on the main line at Canal Mutual and may get the rest finished this week if they are not pulled away for other work. Facility painting is occurring at different water system buildings and storage containers. An engineering firm is providing an estimate for the Alderbrook telemetry.

**Greg Kester:**

No report.

**Kristin Masteller:**

Kristin reminded Karl that newsletter articles are due next week. She will send out the latest Energy Independence Act presentation for review prior to meeting with community groups on the issue. Kristin, Steve and Rob attended Affordable Care Act training at PUD 3 last week and Kristin will have additional training in October before putting together information to present to the board, staff and employees on upcoming changes to the law.

**Rob Johnson:**

Rob went over some OSHA regulations such as the arc flash FR clothing, the contract electrical work where we have to have an information transfer/host contractor meeting, fall protection for fall arrest systems, and minimum approach through an engineering study of the electrical system.

**BOARD REPORTS/COMMENTS**

**Karl:** Karl updated on his schedule and will call in for the September 9<sup>th</sup> meeting.

**Ron:** Ron has been working on Lilliwaup Falls and gave an update on the project.

**Jack:** Updated the board on his schedule and will call in for the meeting on October 14<sup>th</sup>.

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**Meeting Adjourned at 3:10 p.m.**

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Ron Gold, President

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Karl Denison, Vice President

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Jack Janda, Secretary