

Mason County PUD 1
Board of Commissioners Meeting
February 22, 2011

The regular Board of Commissioners Meeting of Public Utility District No. 1 of Mason County was called to order at 1:00 p.m. on February 22, 2011 at the District Office Board Room in Potlatch.

Present

Ron Gold – President
Jack Janda – Vice-President
Karl Denison – Secretary
Steve Taylor – General Manager
Rob Johnson – District Counsel
Greg Kester - Auditor/Director of Finance/Customer Service
Tracy Colard – Director of Operations-Electric
Jocelyne Gray- Director of Operations-Water
Debbie Knipschild-Executive Assistant/Human Resources/ Communications

Visitors

Bob Mallory, TESCO
Alfred Swenson, Alderbrook Customer

CONSENT AGENDA

It was moved by Secretary Karl Denison, seconded by Vice-President Jack Janda and made unanimous by President Ron Gold to approve the consent agenda. Motion Carries. By adopting the consent agenda, the following items were approved:

Minutes of the February 8, 2011 board meeting

Payroll voucher numbers 102249-102255 in the amount of \$71,307.07; Accounts Payable voucher numbers 102247-102248 in the amount of \$642.16; Accounts Payable voucher numbers 102256-102315 in the amount of 387,262.66 and voided warrant number 102181 in the amount of \$29.02.

BUSINESS AGENDA

- Bob Mallory, TESCO gave a presentation on the TESCO Watt Hour Meter Base Surge Arrester including history on the device
- District customers that have the devices installed experienced losses related to an incident where a tree fell onto a Transmission line and the Transmission line came in contact with the Distribution line during a storm event that occurred on November 15, 2010.

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- Mr. Alfred Swenson from Alderbrook commented on the device and expressed his concerns relating to the reliability of the device to protect equipment in his house and warranty language. Mr. Swenson experienced a loss of equipment during the November 15th incident.
- Staff will provide the board with a list of recommended options on the issue at the next board meeting
- The District received a claim to recover costs for repairs to the Seamount Water System following a break in a water line. District Crews were replacing electric cable in the area and broke the water line.
- The water line was not properly located therefore; the District was not negligent and not responsible for the damages.
- A letter will be sent to the customer identifying the customer's legal requirements relating to locating underground lines.

Motion:

It was moved by Vice-President Jack Janda, seconded by Secretary Karl Denison and made unanimous by President Ron Gold to deny the claim for damages. Motion Carries

- An agreement between the District and Goldstreet Designs for the production of the customer newsletter in the amount of \$6,400 for 4 newsletters was presented for approval

Motion:

It was moved by Secretary Karl Denison, seconded by President Ron Gold and made unanimous by Vice-President Jack Janda to authorize the General Manager to sign the agreement. Motion Carries

- A list of facility projects and related costs was presented for review
- ADA requirements for an automatic front door will be reviewed by staff
- Fencing, Warehouse roof, enclosing the south wall of the warehouse, and installing doors, will be included in the 2012 budget process
- Request for Project Approvals will be brought to the board at the next meeting for installation of ceiling tiles, automatic doors, new office in operations building, flooring in the operations building, installation of a metal roof on the administration building, and a heat pump upgrade to the existing system for the administration building.
- Director of Finance, Greg Kester presented the Electric and Water Financials for December 2010
- The electrical revenue was \$5,975,966 and cost of electrical service was \$5,686,022. The year end TIER is at 2.67. The water service revenue was \$1,141,638. The cost of water service was \$1,048,317 with a TIER of 2.63

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- A proposed MOU between the District and IBEW Local 77 for the inclusion of “BA” Classification language and wages in the existing collective bargaining agreement for two operations personnel who are signatory to the union was presented for board approval.

Motion:

It was moved by Secretary Karl Denison, seconded by Vice-President Jack Janda and made unanimous by President Ron Gold to authorize the General Manager to sign the MOU between the District and IBEW Local 77. Motion Carries

- Jocelyne Gray, Director of Operations Water discussed comments from the Department of Health relating to the Alderbrook Water System Plan
- The water system plan addresses estimated growth, and approved connections

COORESPONDENCE

- The District received a letter from Tacoma Power regarding the issue associated with the Cushman No. 1 spillway
- General Manger, Steven Taylor received a letter from Brown & Kysar, Inc. regarding the addition of an Engineer to their staff
- Northwest RiverPartners newsletter was included in correspondence
- Director of Operations Water, Jocelyne Gray sent a letter to Bob Sund regarding water service to his property

STAFF REPORTS

- Safety reports will be provided to the board at the next meeting
- The soil has not dried out adequately to allow for crews to complete work on the Sunnyside road
- A public hearing is scheduled for the Island Hide-a-Way Water System for March 21, 2011 prior to the board meeting

MANAGER REPORT

- An engineer’s feasibility study for the community club building is estimated to be \$3,500-\$4,000

BOARD REPORTS/ COMMENTS

- Commissioner Denison attended the Washington PUD Association meeting in Olympia
- The Energy Committee has completed the Prism Study
- There is controversy on the 7b2 BPA contract provision

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- There was discussion on Net Metering bills
- The new CEO, George Caan was in attendance
- Commissioner Gold attended the WRIA 16 meeting
- It's proposed to create a panel to discuss the benefits of sewers and septic systems

CALENDAR REVIEW

March 2:	PPC Member Forum
March 3:	PPC Executive Committee
March 3:	WRIA 16
March 8:	PUD Board Meeting, 1:00 pm
March 8:	Public Hearing Union Water System Plan, Union Fire Hall at 6:00 pm
March 16-17:	WPUDA Committee Meetings, Olympia
March 18:	WPUDA Board of Directors Meeting, Olympia
March 21:	PUD Board Meeting, 1:00 pm

Meeting Adjourned at 5:00 pm

Ron Gold - President

Jack Janda - Vice President

Karl Denison –Secretary