

Mason County PUD 1  
Board of Commissioners Meeting  
June 28, 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 June 28, 2011 at the District Office Board Room in Potlatch.

**Present**

Ron Gold – President  
Jack Janda – Vice-President  
Karl Denison – Secretary  
Steven N. Taylor – General Manager  
Rob Johnson – District Counsel  
Tracy Colard – Director of Operations-Electric  
Jocelyne Gray- Director of Operations-Water  
Kristin Masteller-Exec. Assistant/HR/ Communications  
Greg Kester - Auditor/Dir. of Finance & Customer Service

**Visitors**

No visitors attended.

**CONSENT AGENDA**

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

The minutes of June 14, 2011 regular meeting;

Payroll vouchers 102887-102893 in the amount of \$78,160.25; Accounts payable vouchers 102866 in the amount of \$23,882.20 and 102894-102927 in the amount of \$96,401.01. Jack made a motion to approve the consent agenda as presented; Karl seconded the motion. It passed unanimously.

**PUBLIC COMMENTS**

There were no comments from the public.

**BUSINESS AGENDA**

**Proposed Districting Realignment:**

Steve presented a new boundary proposal for review to realign the districts. The commissioners gave instruction for the manager to move forward with Option 5 as presented.

**BPA-Consumer Portal Access and Use Agreement:**

Steve asked the board for permission for the manager to enter into this agreement with BPA. Karl made a motion to approve entering into the contract; Jack seconded the motion. It passed unanimously.

**May 2011 Financials- Water & Electric:**

Greg presented an overview of the May financials, noting that we have had a significant increase in revenue due to the unusual colder weather this last spring and an increase in water usage. Greg stated that there are some figures that he is still investigating to ensure that the

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new system is correctly calculating. Greg will propose some options in the coming months regarding a board-designated capital improvement fund.

- *Greg will check the General Administrative YTD 2011 and bring it to the board.*

**Review of July Board Meeting Dates:**

Steve will be on vacation the first meeting in July and Steve and Kristin will be at the NWPPA bargaining group the next meeting. Greg will represent Steve in his absence.

**CORRESPONDENCE:**

A copy of a letter from the Public Power Council was given to the commissioners for their review as well as a final copy of the "Letter to the Delegation" that was written by a representative from Grays Harbor PUD on behalf of several utilities, including Mason PUD 1.

- *Karl will work with Steve to finish Karl's draft of a letter to the delegation and send it to Kristin, who will finalize it and send it out to commissioners for review before sending it to Congressman Dicks and Senators Cantwell and Murray.*
- *Steve will send Liz Anderson at Grays Harbor PUD a thank you letter for working on the letter on behalf of the other utilities.*

**STAFF REPORTS**

**Tracy Colard:**

Tracy met with Garth Mann from Pleasant Harbor development last week and received more of a finite load calculation from them and we will continue to work with him on that project. The Ridge at Hoodspout will be sent a cost estimate for establishing a backbone for what is estimated to be 18 homes maximum.

**Jocelyne Gray:**

Jocelyne attended a proposal hearing with the Department of Ecology (DOE) regarding the water rights examiner proposal, which will require us to hire an outside examiner to approve all of our water proposals. Jocelyne has asked if the DOE will allow her to take the exam to be certified to do it in-house and she has not heard back yet with a response. Jocelyne will be bringing a proposal for Highland Park and Union next month to the commissioners for their review prior to scheduling the necessary public meetings.

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**Greg Kester:**

Greg reported that PUD 1 has finally closed out the Madrona project loan. 50% of eligible costs were forgiven.

**Kristin Masteller:**

Kristin confirmed upcoming meeting dates with the commissioners and noted that several of our employees who reached service milestones in the first half of this year were recognized in the NWPPA e-newsletter on June 20<sup>th</sup>.

- *Kristin will verify the date of the ENW Members Forum in September.*

**Legal Council- Rob Johnson:**

Rob is attending the semi-annual municipal law conference; PUD 3 is sponsoring Rob to attend.

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

Steve attended a substation automation meeting with Tracy last week to hear what some of the pros and cons have been with other utilities. Today's modern substations are all automatic and require a lot of IT infrastructure and communications capacity. The new system hardware is changing and going digital. There are wireless options that will allow our existing meters and new subs to communicate. Steve has been researching this option.

**BOARD REPORTS/COMMENTS**

No reports this meeting.

No executive session followed.

**Meeting Adjourned at 2:37 p.m.**

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Ron Gold – President

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Jack Janda - Vice President

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Karl Denison –Secretary