

Mason County PUD 1
Board of Commissioners Meeting
January 11, 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 January 11, 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

Dave Galle, customer
Roslyn and Dave Reed, customers
Ed Binder, customer
Jim Oakley, Energy Northwest

CONSENT AGENDA

It was moved by Vice President Jack Janda, seconded by Secretary Karl Denison and made unanimous by President Ron Gold to approve the consent agenda. Motion Carries

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

Payroll Vouchers 102012-102017 in the amount of \$51,279.65; A/P Electric Vouchers 102010 and 102011 in the amount of \$16,411.48; A/P Electric Vouchers 102018-102088 in the amount of \$105,944.21; and A/P Water and Sewer Vouchers 3068-3101 in the amount of \$553,855.67.

VISITOR(S)

Jim Oakley, Energy Northwest gave an update on the Columbia Generating Station, Packwood, Radar Ridge, Nine Canyon, Kalama Energy, Solar Energetics Joint Development, Obsidian Financial Joint development , Geothermal, and Modular Nuclear projects.

Jim also noted the Energy Northwest Executive Board Members elected including, Jack Janda, Mason PUD 1; Dan Gunkel, Klickitat County PUD; Will Purser, Clallam County PUD; Lori Sanders, Benton County PUD; and Kathy Vaughn, Snohomish County PUD. Jack Janda and Kathy Vaughn are returning executive board members.

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The regular board meeting recessed at 1:25pm and the Public Hearing for the Union Water System Plan (WSP) was called to order.

Jocelyne Gray, Director of Operations-Water discussed the WSP that includes expanding areas within the system, and also discussed the update to Chapter 2 of the plan regarding 320 connections allowed for growth.

Ed Binder, Union Water System customer noted that the system has excellent water quality. He also commented that low pressures are experienced in the summer months.

Mr. Binder recommended that a Public Meeting be scheduled and located in the Union area allowing for better attendance by the water customers. He also asked if a PDF of the WSP could be included on the internet, or the PUD website.

Mr. Binder questioned the process for notification of positive water testing results, emergency notification in the WSP, and the public notification process for special public meetings.

A Public Meeting will be scheduled and held in the Union Area in the near future allowing for more public attendance and input. Notification of public hearings is sent to KMAS, Hood Canal Communications, and the Shelton-Mason County Journal.

Roslyn Reed asked questions relating to the delivery of water to the Minerva Terrace Water System customers during the required boil water restrictions.

The PUD provided bottle water one time to all customers during the boil water restrictions, gave the customers a full month credit for the base water charge, and have installed a permanent chlorination system.

With no other questions and comments, the Public Hearing was adjourned at 1:45 pm and the regular board meeting reconvened.

BUSINESS AGENDA

- Meters have been installed at all services in the Union Ridge Water System. The rate will change from a flat rate to a metered rate.
- A letter will be sent to each customer with notification of the change in the rate structure
- RPA No. 57 for the Agate Beach Well House Upgrade in the amount of \$3,460.25 was presented for approval

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- The upgrade includes replacing a captive air tank with 6 bladder tanks, upgrade of the electrical, and rebuild the wall(s) that were removed to remove the air tank

Motion:

It was moved by Vice-President Jack Janda, seconded by Secretary Karl Denison, and made unanimous by President Ron Gold to approve RPA No. 57 in the amount of \$3,460.25. Motion Carries

- Proposed amendments to the Travel Policy were presented for discussion
- The amendments include that to qualify for per diem rates, the travel must be outside the local are (defined as District Service Area. Mason County and South Jefferson County) longer than 6 hours. For travel less than 6 hours that includes an overnight stay, \$15 is allowed for incidental expenses.
- A full day is defined as greater than 12 hrs, and a half day is defined as less than 12 hours but more than 6 hours
- When a meal is provide by an organization or included in a membership registration fee the per diem will be reduced by \$20 per meal.

Motion:

It was moved by Vice-President Jack Janda, seconded by Secretary Karl Denison, and made unanimous by President Ron Gold to approve the amendments to the travel policy. Motion Carries

- An amendment to the cell phone policy was presented for discussion
- The amendment would remove the language "after hours on call". Personnel are not required to be on call

Motion:

It was moved by Vice-President Jack Janda, seconded by Secretary Karl Denison, and made unanimous by President Ron Gold to approve the amendment to the cell phone policy. Motion Carries

- Ten Customer claims for damages from Union customers relating to the November 15th outage caused by a tree that fell up against the District's distribution and transmission lines were presented by General Manager, Steven Taylor.
- Prior claims for damages have been denied due to the fact that the incident was caused by an act of nature.
- Following the outage, General Manager, Steven Taylor and Commissioner Denison attended a meeting with customers in the Union area for questions and comments regarding the power outage and customer claims.
- Staff is evaluating the issue and will schedule another meeting with the Union area customers for furthers
- The work plan will be amended to include work to separate the Distribution and Transmission lines

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- Information will be given to customers on how they can protect their homes and equipment during an outage
- The Whole House Surge Protector Program is being reviewed by District Counsel and the General Manager is researching what other utilities offer relating to surge suppression
- The District will determine whether to continue with the program

Motion:

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

STAFF REPORTS

- Director of Operations-Electric reported that the Holidays were quiet
- There was an outage during the Seahawk game that affected approximately 100 customers for a short time
- The Highland Park Area is scheduled for cable replacement in the new work plan
- Comments have been received from the Department of Health on the Alderbrook and Canal Mutual Water System Plans. Jocelyne will respond to those comments and send to DOH for the 90 day review process
- The Department of Health is requiring a capacity analysis on the Canal Beach Tracts Water System prior to expansion of the system to serve Bob Sund's property at his expense
- The District will contact Denise Clifford from the Department of Health and invite her to attend a board meeting to discuss water issues
- The Department of Health has given approval to include all but four larger systems in one Water System Plan Part "A" document. Jocelyne is beginning the update process
- Two consultants and Jocelyne will be working on the modeling process
- The Mt. View Water System Well House froze. A heater has been installed and the well house has been insulated
- There has been no new information regarding the Department of Health increasing fees
- Director of Finance, Greg Kester reported on the conversion process of the new computer software.
- The first billing is scheduled to go out in February
- Staff will draft an article to be included in the NWPPA bulletin on the new system installation
- The online payment system is scheduled to be available to customers on January 26th

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GENERAL MANAGER'S REPORT

- Greg Kester will be acting manger while Steve is gone for three days

BOARD REPORTS/ COMMENTS

- General Manager Steven Taylor, Commissioner Denison, and Commissioner Janda attended the PPC meeting where discussions included the Residential Exchange issue, and high flow, high wind events
- Commissioner Janda requested a matrix on the pros and cons of signing the Residential Exchange Agreement from PPC

CALENDAR REVIEW

- WPUDA Commissioner Education Steering Committee: Noon – 2:00pm
WPUDA Exec. Director Search Committee: 2:00pm-4:00pm
WPUDA Communications Committee: 2:00pm-4:00pm
WPUDA Executive Committee: 4:00pm-6:00pm
- January 13: WPUDA Energy Committee: 8:00am-10:00am
WPUDA New Legislators Lunch: Noon-1:00pm
WPUDA Water Committee: 1:00pm-3:00pm
WPUDA Governmental Relations Committee: 2:00pm-4:00pm
WPUDA Managers Committee: 4:00pm-6:00pm
WPUDA Legislative Reception: 6:00pm-9:00pm
- January 14: WPUDA Executive Committee: 7:00am-8:00am (Tentative)
WPUDA Board of Directors Meeting: 8:00am-Noon
- January 17: Martin Luther King Day: PUD Office Closed
- January 19: WPAG
- January 20: WRIA 16
- January 25: PUD Board Meeting: 1:00 pm
- January 26: ENW Board of Directors' Meeting
- January 27: ENW Executive Board Meeting
- February 3: PPC Member Forum
- February 4: PPC Executive Committee

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- February 7: PUD Policy Committee Meeting: 1:30pm
- February 8: PUD Board Meeting: 1:00pm

Meeting Adjourned at 3:15 pm

Ron Gold - President

Jack Janda - Vice President

Karl Denison –Secretary