

Mason County PUD 1
Board of Commissioners Meeting
November 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 November 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
Tracy Colard- Director of Ops- Electric
Greg Kester - Auditor/Dir. of Finance & Customer Service
Jocelyne Gray- Director of Operations-Water
Kristin Masteller- HR/Communications/Exec. Asst.

Visitors

CONSENT AGENDA

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

The minutes of the November 8, 2011 regular meeting.

Payroll warrants #103606-103612 in the amount of \$76,574.14; Accounts Payable warrants #103604-103605 in the amount of \$148.31 and #103613-103655 in the amount of \$43,304.26; Voided warrants #103425 (\$100.50) and #102933 (\$61.31).

Karl made a motion to approve the consent agenda as presented; Jack seconded the motion. Motion carried.

PUBLIC COMMENTS

No members of the public were present.

BUSINESS AGENDA

Permission for Manager to sign REP Settlement Agreement

Per PUD 1's request, we received a letter from Mark Gendron stating that late signers can now sign the REP settlement agreement and return it to BPA to be included in the group of settlement signers. Jack made a motion to permit the manager to sign the REP Settlement Agreement on behalf of the District; Karl seconded the motion. It passed unanimously.

Policy No. 504- Use of Phone, Mail Systems, Cellular Reimbursement and District Payment for Key Employees

Policy No. 504 was presented. Greg stated that reimbursements/stipends are no longer taxable per the IRS. The presented policy was adjusted to remove the term "stipend" to meet the new IRS standards. Jack made a motion to adopt Employee Handbook Policy No. 504- "Use of Use of Phone, Mail Systems, Cellular Reimbursement and District Payment for Key Employees" as presented; Karl seconded the motion. It passed unanimously.

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Presentation of 2012 Strategic Plan

Kristin presented the 2012 Strategic Plan summary and the first draft of the live work plan for commissioner review. The mission statement and core values were presented. Some wording was adjusted on the water goal section of the plan summary document and the work plan. Jack made a motion to adopt the 2012 Strategic Plan summary with the new mission statement and core values, and the process for reporting progress via the live work plan as amended; Karl seconded the motion. It passed unanimously.

Presentation of 2012 Budget

The 2012 budget was presented by Greg who gave his projections for 2012 and outlined expenses in a low, medium and high category and showed what impacts those categories would have on the revenue requirements. Steve and staff made recommendations to the board on each variable line item and a consensus was reached. Greg will assemble the actual budget based on this consensus and then bring it back to the board for approval in December.

Steve will check to see if Northwest River Partners is voluntary participation or if it's included in PPC.

CORRESPONDENCE:

The Department of Transportation sent a letter to Steve in response to PUD 1's request to have the speed limit lowered in front of the office. They are not going to lower it but they did say they would install signs warning traffic of congestion.

The Hood Canal Kiwanis club sent Steve a thank you note for meeting with the group a few weeks ago.

STAFF REPORTS

Tracy Colard:

The minutes from the last safety meeting were presented. Tracy reported that a surveyor has been hired for the Skokomish Valley substation project and the utility is currently in the process of having the Skokomish Substation land appraised and topographically surveyed.

Jocelyne Gray:

Jocelyne reported that her crew has been busy repairing leaks and preparing heaters, etc. for winter.

Greg Kester:

Greg reported that the annual audit exit interview occurred this morning and that the PUD had a good audit this year.

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Kristin Masteller: No report.

Rob Johnson:

Rob's report was reserved for executive session.

Ron moved the meeting into executive session at 3:00 p.m. for the purpose of receiving advice from legal counsel on a procedure to be followed by the District in reference to RCW 42.30.110 (1.I.iii). Ron stated that the executive session would proceed until 3:05 p.m. and the regular session would then reconvene.

At 3:05 p.m. the executive session was adjourned. The regular session was then reconvened and Commissioner Jack Janda was excused from the rest of the meeting.

GENERAL MANAGER'S REPORT- Steve Taylor

Steve reported that he attended the WPUDA Managers' meeting and that they updated the action work plans at that meeting.

BOARD REPORTS/COMMENTS

Karl: Went to PRB meeting last week and discussed the outage and lawsuit against Energy Northwest. Karl commented that WPUDA approved their own strategic plan and budget with no budget increase for 2012 and that George, the executive director, is doing a good job.

Jack: No report.

Ron: Ron attended the last WRIA meeting and they are still trying to find a way to sustain the association.

Meeting Adjourned at 3:35 p.m.

Ron Gold – President

Jack Janda - Vice President

Karl Denison –Secretary