



Mason County Public Utility District No. 1
Board of Commissioners Regular Meeting Minutes
March 27, 2018 Potlatch, Washington

Present:

Jack Janda, President
Ron Gold, Vice President
Mike Sheetz, Board Secretary
Steven Taylor, General Manager
Darin Hall, Director of Operations
Kristin Masteller, Director of Business Services
Rob Johnson, Legal Counsel
Katie Arnold, District Accountant

The meeting of the Board of Commissioners of Public Utility District No. 1 of Mason County was called to order at 1:00 p.m. followed by the Flag Salute.

APPROVAL OF CONSENT AGENDA:

Minutes: March 13, 2018 Regular Meeting

Warrants:	Accounts Payable	115102-115104	\$ 3,085.70
		115110-115154	\$200,043.75
	Payroll	115105-115109	\$ 89,955.54
	Voids	114848	(\$ 22.29)
		114892	(\$ 195.63)
		115062	(\$ 438.62)
		115030	(\$ 143.75)
		115077	(\$ 125.12)
		115141	(\$ 4,481.57)
Total:			\$287,678.01

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

PUBLIC COMMENT:

No visitors.

BUSINESS AGENDA:

Motion to Contribute to Amicus Brief for Crown West Suit

WPUDA water PUDs have been asked to contribute financially to support a law suit by Crown West regarding against the Department of Ecology regarding water rights. This potentially could be a precedent-setting case and it was decided that it was important to the District to support the effort to protect the PUD's water rights.

Ron made a motion to authorize the manager to contribute up to \$2,000 toward the Crown West lawsuit; Mike seconded the motion. It passed unanimously.



February 2018 Financial Report

Katie presented the February financial report for 2018. She reviewed the difference in the debt to equity ratio, explaining the differences between long term debt and overall liabilities that count as debt. Gross revenue was \$974,339.05 for the month and gross expenditures were \$850,015.99 for the month of February 2018.

Resolution No. 1098- Approve the Mason County Hazard Mitigation Plan

FEMA accepted Mason County's draft Hazard Mitigation Plan as submitted. Now each subdivision needs to pass a resolution to support the County board to adopt the plan.

Mike made a motion to adopt Resolution No. 1098 as presented; Ron seconded the motion. It passed unanimously.

Discussion on BPA Financial Reserve Policy

Steve had a discussion with the board about BPA's new financial reserve policy. Basically a 1% CRAC amounts to a 50 cent, per customer, per month impact to our PUD. That would be in addition to any spill surcharge. The District authorized the 3% kilowatt hour increase in April to cover increased cost of power. Ron suggested that we use some charts to help illustrate to the customers the issues with BPA fish and power costs.

1st Quarter 2018 Strategic Work Plan Report

Steve gave an update on the progress of the 2018 strategic work plan for the first quarter of the year.

STAFF REPORTS:

General Manager Report:

Steve gave an update on the electric COSA, which will be presented to the board on April 24th. Steve will be at the NWPPA E&O Conference in Tacoma on April 9-12. Steve stated he and Kristin will work on communications to the sewer customers on grinder pump maintenance after he does some more research.

Operations Report- Darin Hall:

We had an emergency pump replacement at Tiger Lakes. The reservoir recoating at Alderbrook is almost finished. TJ and Darin will start touring the new water systems with Thurston PUD's superintendent. The new transformer has been painted at Duckabush Substation. There will be an outage in early May to install that new transformer. We are installing infrastructure on the property above the office for future needs.

Business Services Report- Kristin Masteller:

Kristin explained the outreach process for onboarding the Thurston County PUD water customers including the public meeting dates of May 1st at 1:00 p.m. at the PUD, May 29th at 6:00 p.m. at PUD 3, and May 31st at 6:00 p.m. at Pioneer School. New customer packets are going out next week with information on how to sign up for service and advertising the dates.



Legal Report- Rob Johnson:

Rob reported that he solicited a price for an appraisal for the property next door, so he could advise in that situation. Rob gave his feedback on the letter the board is sending to the Mason County Prosecutor's office regarding no action being taken on the theft in 2016.

Correspondence:

The board authorized Kristin to send the letter to Michael Dorsey's office as amended. The board authorized Kristin to send Energy Northwest a letter stating that Ron Gold was the PUD's delegate to the Participant Review Board. A letter from Energy Northwest was shared that thanked the PUD for passing a resolution in support of the Columbia Generating Station.

Board Reports:

Mike Sheetz: No report.

Jack Janda: No report

Ron Gold: Will attend tours with the Hood Coordinating Council next week.

At 2:50, Jack called an executive session under 42.30.110(g)- Evaluate the Performance of a Public Employee. He stated it would last 10 minutes. At 3:00 Jack closed the executive session and reconvened the regular session. There was no further business.

Adjournment: 3:00 p.m.

Jack Janda, President

Ron Gold, Vice President

Mike Sheetz, Secretary