PAPERLESS!



Customers who sign up through e-pay by September 30th to receive their statements via email instead of in paper format will receive a \$5 credit on their October billing statement. You must stay paperless for one year to keep the credit to your account. Existing paperless customers will also receive the \$5 credit.

Go to www.mason-pud1.org and visit the "Pay Your Bill" options on our homepage.

THE BOARD OF COMMISSIONERS regularly meet the 2nd and 4th Tuesday of each month at 1:00 p.m. at the PUD 1 office in Potlatch. For more information on meetings, agendas and minutes,

MASON COUNTY PUD 1 COMMISSIONERS:

please visit www.mason-pud1.org.

DISTRICT 1

Mike Sheetz(360) 898-7934

DISTRICT 2

Ron Gold(360) 490-1560

DISTRICT 3

Jack Janda(360) 490-1800

GENERAL MANAGER

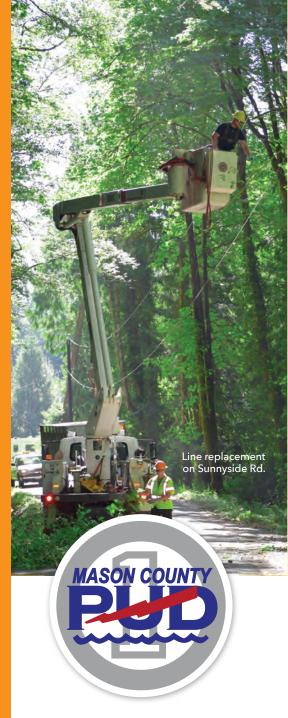
Steven Taylor.....(360) 877-5249

PUD 1 at the 2017 Mason **County Forest Festival Parade**



We Wall of our community's support!

THE



www.mason-pud1.org









COMMISSIONER CORNER

Approximately 2,000 of PUD 1's ratepayers are water customers spread out amongst 40 water systems throughout our county. That's a lot of territory to cover and systems to manage for the four employees in our water department, and they do a great job.

In 2015, the Washington State Department of Health (DOH) started nudging the PUDs and other water system owners to look at consolidating smaller water systems with other small systems to streamline the management duties and expand opportunities for improvements on older systems. In theory, this could work well since a number of the older water systems are starting to fail and fall into disrepair. But where is the money to do the consolidation planning and the future repair work going to come from?

DOH came up with a grant program to conduct feasibility studies to address the many small systems in the state, identify deficiencies and also evaluate the options of consolidating systems. Mason PUD 1 was awarded \$150,000 in grant funds to do just that. The grant money allowed the PUD to hire the engineering firm of Gray & Osborne to conduct a feasibility study for consolidation and address system deficiencies on eight of our water systems: Union, Highland Park, Vuecrest, Union Ridge, Hood Canal and Alderbrook in Union, and also Twanoh Heights and Twanoh Terrace systems near Belfair. After public meetings and input, the PUD decided not to move forward with the Twanoh consolidation and they later decided to put the Union consolidation plans on hold for further investigation.

So, now we are in the "what's next?" phase for these water systems. We are all in the same boat, so to speak. In my opinion, our water is our most precious resource. We need to maintain and protect our water systems, bringing them up to date and supply each one of us with the pure, high quality Olympic Mountain water we all enjoy in this region. The deficiencies that were found in each system need to be addressed in a prioritized manner, system by system. This will take time and money.

Even though the consolidation plans have been tabled, the engineered plans and improvements identified for each system are invaluable to all of PUD 1's water customers. These grants saved all of us money. They paid for water system plans that needed to be done anyway. Your commissioners and PUD employees are working hard to evaluate which systems to get started on first. Once we get a plan in place, we will ask you for your feedback on the proposed solutions so we can start to move forward for quality water for everyone. As a new commissioner, I look forward to having those conversations with our ratepayers and helping be part of the long term solution.



Mike Sheetz, Commissioner, District 1





MANAGER'S REPORT

Each Spring, the nation turns its focus toward two vital and related aspects of life that are essential for us year-round as we celebrate National Drinking Water Week and National Infrastructure Week. We cannot afford to only recognize these critical resources two weeks out of the year, especially here in the Mason PUD No.1 service territory where much of our water infrastructure is old. It is at risk for breakdowns and vulnerable to threats including earthquakes and climate extremes.

Current spending just to operate and maintain water infrastructure totals more than \$1 million a year. Existing funds are not likely to be enough to replace the vast network of aged pipes, pumps, and reservoirs originally installed 30 or more years ago. Many of our 40 water systems' assets are nearing or beyond their expected lifespan, leading to roughly 20 water main breaks, additional well pump failures and between 50-75 afterhours call outs per year.

Last fall we presented the Union area customers with a "20-year Consolidation Plan" which were the results of a feasibility study that the District received grant funds to commission. This plan laid out the deficiencies associated with five of our Union area systems. The engineering estimate for full cost replacement and additions for future build out was more than \$10 million dollars. That is a very high cost to provide water. The board asked us to look at phasing it in over time. We have been doing just that, evaluating and prioritizing the highest risk areas and an overall way to make necessary improvements to ensure that those water systems last another 50-60 years. Before we can even start to look at individual projects and begin any engineering we must have a 10-year Water System Plan approved by the Department of Health.

We are going to present an annual cost and prioritized system improvement plan to the Board of Commissioners in June. We will then begin our public outreach to communicate the plan and solicit input.

For our water customers that don't live in Union, I want to assure you we are looking at all of our water systems.

"Current spending just to operate and maintain water infrastructure totals more than \$1 million a year."

We have retained Brown & Kysar, Inc. to assist us in the work of preparing and filling all our required documents to the Departments of Ecology and Health.

In 1999, we developed a Water Resource and Business Strategy Plan. It is time to revisit this plan. Much of the original plan has been accomplished. The biggest shortfall of that plan was the projection of future customers, which predicted that we would have gained 6,000 customers by 2009. We are presently at just over 2,000 customers total. We need a new plan that has realistic projections at today's dollars with today's customer numbers. We will continue to evaluate the different options and will keep you posted on the progress.



Steven Taylor, General Manager

New ways you can save

water, energy and money!

Since last October, we have really taken advantage of the energy rebates we offer through BPA, and the home and business energy audits.

15 ductless heat pump rebates, 6 residential energy audits, 3 commercial audits, 100 new LED streetlights and even more rebates for light bulbs and clothes washers and dryers, totaling almost \$35,000 in rebates in just the LAST SIX MONTHS!

We also have two new conservation items available right now at the PUD office: a high efficient showerhead with a thermostatic shut-off valve that holds and heats the water for you without letting the shower run, and an advanced power strip/surge protector that knows when you are not using energy drainers like TVs, VCRs and DVD players and switches them off automatically!

Those two items are being given away at the PUD office, while supplies last. Contact Teresa today to find out how you can join in on the savings (360) 877-5249 or teresah@mason-pud1.org.



Advanced power strip/surge protector

High efficient showerhead

2017 Tree Trimming Crew SUMMER WORK CREW AHEAD

The PUD implemented the summer work crew again this year. The temporary employees started June 1st and they will help augment our electric department allowing us to run two crews simultaneously throughout the season. The primary focus of the temp crew is to work on vegetation management on auxiliary areas in residential communities to help minimize nuisance outages from trees and limbs. This frees up our regular line crew to complete larger construction projects like overhead and underground replacement in our high outage areas.

We also have budgeted for a contracted vegetation management crew to trim along Highway 101 later this fall. They will trim along the highway on the section from Hoodsport to Mike's Beach Resort. This is a stretch of line that sees a high number of outages from limbs and downed trees during wind, snow and heavy rain events.

When you see our crews and contractors working along the roadways on your commute, please slow down for them. Safety is our number one priority at Mason PUD 1 and our number one goal is to make sure that everyone gets to go home to their families each night. Thank you for helping us keep our employees safe!

DISASTER PLANNING

Collaboration & Coordination are Key in Disaster Preparedness

PUD 1 has partnered with Mason County for disaster preparedness planning. This allows the PUD to have access to important resources that are available through the County to assist in a large scale disaster situation. While the topic might not be exciting, it's a safe bet that when the next disaster strikes, we will be glad that we have put in the time and effort to work collaboratively with all of our County's responding agencies.

The District is participating in two separate but equally important ways. For the last few years, a District representative has been attending the County's Emergency Management Planning Team meetings which consists of law enforcement, MACECOM, first responders, County & City of Shelton planners, private businesses and fire districts. The goal is to streamline the response if a major disaster occurs in our county. This could be a 100 year storm, severe flooding and landslides, major wildfire events, or especially our Cascadia Subduction Zone earthquake. It's important that the Hood Canal not be isolated from these emergency response services. The PUD's communicator has taken Public Information Officer training and works with the County to ensure that if we need access to emergency services to help get our utility operations up and running after a disaster, that we have the ability to call out to ask for the help and know who to ask for what. Power and water are two vital resources that need immediate restoration. The resources within this planning team will help us meet that need.

The second way we are participating with Mason County is through their Hazard Mitigation Team. While the first planning team helps us learn how respond after a disaster occurs, this mitigation team helps us identify critical infrastructure and potential hazards and resolve those issues preemptively <u>before</u> a disaster occurs. We have been working alongside PUD 3, Central Mason Fire & EMS, City of Shelton, Mason County and other agencies to help identify critical infrastructure that may be vulnerable and determine if any of our projects will be eligible for FEMA and state grant funding to replace, relocate or reinforce. Mason County has hired a consultant to help guide the process and the PUD is glad to have been invited to participate. The groundwork being done in this forum will help position the PUD to examine grant funding through other avenues too once we have the plan adopted by your PUD board and Mason County.

For more information on the emergency response projects and to participate in public polls on disaster readiness for our county, please visit the Division of Emergency Management section of the Mason County website at: https://www.co.mason.wa.us/dem/ and click on the "2017 Hazard Mitigation Plan Update" link.

Kristin Masteller
Director of Business Services