



**Mason County Public Utility District No. 1**  
Board of Commissioners Regular Board Meeting  
July 9, 2019 Potlatch, Washington

**Present:**

Ron Gold, President  
Mike Sheetz, Vice President  
Jack Janda, Board Secretary  
Kristin Masteller, General Manager  
Darin Hall, Director of Operations  
Katie Arnold, District Treasurer  
Julie Gray, Executive Assistant

**Excused:**

Rob Johnson, Legal Counsel

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:** July 9, 2019 Regular Meeting

**Disbursements:** Accounts Payable Check Register

Accounts Payable Wire	\$ 50,706.74
Check Nos. 117126-117166	\$ 65,439.75

**A/P Sub-Total** **\$ 116,146.49**

Payroll Expense

Payroll Wire	\$ 63,666.74
Payroll Check No. 117150	\$ 3,781.00

**Total** **\$ 183,594.23**

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

**BUSINESS AGENDA:**

**Authorize the Manager to Submit Addendum for Union Regional Water Systems Plans** – Kristin presented the board with an addendum to the Union Regional Water Systems Plan that made concessions to address Dept. of Ecology and other stakeholder concerns following a meeting at Squaxin Island Tribe with Ecology and Dept. of Health. Kristin said she spoke with Ecology this morning and they said they'll go ahead and just submit comments to Health about it. There was no reply from the Tribe. Mike made a motion to Authorize the Manager to Submit the Addendum for the Union Regional Water Systems Plan as presented; Jack seconded the motion. Motion passed unanimously.

**Award/Reject Bid for Phase 2 Facilities Project** – Mike made a motion to Reject the Bid for Phase 2 Facilities Project from Rognlin's, Inc. in the amount of \$996,605.00. Jack seconded the motion. Motion passed unanimously.



**Staff Reports:**

**General Manager** – Kristin reported that the PUD is moving forward with the Highland Estates water rights process. The cost reimbursement agreement with Ecology has been signed and the agreement with Aspect to do the engineering has also been signed. Julie Nichols, the attorney representing the Canal View water system has been in contact with Rob regarding the transfer of ownership of that system over to the PUD. The Canal View water system has 11 connections, including the Eldon Store. Staff has been talking with the Potlatch Mutual water customers regarding their system. They have asked for a proposal for a satellite management agreement. Both Ron and Jack were not in favor a doing anymore SMAs and they stated that the PUD had done this before with Potlatch Mutual and they didn't turn the system over to the PUD. Kristin stated she was aware of that and she is being very clear that any agreement to manage their system would need to have scheduled deliverables outlining the process to transfer the system over to the PUD in 24 months or less. Kristin also spoke with BPA regarding their limitations on serving the large load customer. BKI is working on a load request to turn into BPA for both the large load customer and the future Pleasant Harbor development. Kristin met with one of the owners of Rocky Brook Hydro. The owners intend to exercise a clause in the power agreement to turn over the renewable energy credits to them instead of BPA. This could trigger a termination in the agreement between them and BPA. Kristin is supposed to meet with the PUD's account executive from BPA tomorrow to discuss. A newsletter will be going out with the July billing. The new Electrical Engineering/GIS Tech, JJ Loh, started on July 1. Three employees attended the NWPPA Foreman's Leadership training at Grays Harbor PUD. Topics at the supervisors meeting this month were starting a Zero Error Initiative and how the field crews should handle press inquiries. The commissioners' yearly strategic planning meeting will be held on August 28 at Alderbrook and the staff strategic planning meeting will be held on September 18<sup>th</sup> at Alderbrook.

**Director of Operations Report** – Darin reported that the electric crew has been replacing URD in Seamount and doing some pole replacements for poles that are leaning or rotten. The water crew has been working on well house maintenance and installing new services. Darin has been in contact with representatives from the BelAir Cove water system. There are 33 actual connections, with 46 approved connections. Darin is a little concerned with this system because the reservoir is similar to the one at Shadowood. It would need to be inspected before we would make a decision about acquisition. Darin also has been in contact with the owner of a Group B system, known as the 2 Jackies System at Phillips Lake. It is a pump house and pressure tanks, serves four duplexes and currently the owner pays the bill as one customer. Darin reported a safety incident involving a piece of wood falling off a passing log truck. The plastic around the side mirror on the vehicle was damaged, no other injuries were reported. There has not been a safety meeting since the last board meeting.

**Treasurer Report** – Katie reported that all FEMA paperwork for the December 2018 storm has been submitted and we should be receiving the money by the end of July. The FEMA rep made comment that we were very quick and precise with our forms. Katie also gave an update on the grants applications that the District is submitting to state agencies to assist with water system projects.

**Legal Counsel** – No report.



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**Board Reports:**

**Mike Sheetz:** Mike attended the WPUDA Water meeting.

**Jack Janda:** No report

**Ron Gold:** Ron reported that he attended the WPAG meeting which included the presentation on the Energy Imbalance Market.

**Adjournment:** 2:30 p.m.

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**Ron Gold, President**

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**Mike Sheetz, Vice President**

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**Jack Janda, Secretary**