



Mason County Public Utility District No. 1
Board of Commissioners Regular Meeting Minutes
August 28, 2018 Potlatch, Washington

Present:

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

Guests: Byron Woltersdorf, Larry Winther
from BKI, Ken Rasmussen

1:00 p.m. WATER SYSTEM PLAN PUBLIC HEARING: Byron Woltersdorf presented the three water system plans for approval: **Agate Beach, Twanoh Terrace and Twanoh Heights**. He went over the changes between the last plan and the new plan. He stated that the District needed to do a water use efficiency hearing and goals for the new Thurston systems. There were no guests or comments at the public hearing.

At 1:03 p.m. the public hearing was closed. The business meeting was called to order at 1:03 p.m.

APPROVAL OF CONSENT AGENDA:

Minutes:	August 28, 2018 Regular Meeting & Public Hearing		
	August 30, 2018 Special Meeting		
Warrants:	Accounts Payable	115707-115752	\$ 416,880.13
		115757-115899	\$ 101,689.78
	Payroll	115753-115756	\$ 107,612.70
Total:			\$ 626,182.61

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

PUBLIC COMMENT:

Ken Rasmussen from Alderbrook was welcomed to the meeting. He stated he was just there to observe and had no comments.

BUSINESS AGENDA:

Eric Schallon- Green Diamond Resource Company

Eric came to speak to the board about GDRCo.'s new land management plan. They have come up with new uses for certain pieces of land over the last 10 years, some being placed in conservation while some have residential uses. Eric stated the company is interested in renewing the water agreement with the District for development of the residential parcels in exchange for the PUD to acquire and maintain the new water systems in those areas. Kristin stated that she needed to review the new agreement and confer with Rob Johnson and Darin Hall and will place it on the September 25th agenda if there are no issues or questions. Eric noted that they were omitting Alderbrook and Mason Lake from the new agreement to help the PUD with the issue regarding the Union Regional Water Systems consolidation plan approval.



Approval of Agate Beach Water System Plan

Ron made a motion to approve the Agate Beach Water System Plan (Part B) as presented; Mike seconded the motion. It passed unanimously.

Approval of Twanoh Heights Water System Plan

Ron made a motion to approve the Twanoh Heights Water System Plan (Part B) as presented; Mike seconded the motion. It passed unanimously.

Approval of Twanoh Terrace Water System Plan

Ron made a motion to approve the Twanoh Terrace Water System Plan (Part B) as presented; Mike seconded the motion. It passed unanimously.

Financial Report for July 2018

Katie Arnold presented the financial report for July 2018. The cash is down this year for July slightly because we've been able to complete much more capital improvement projects this year than anticipated and compared to last year at this time. Katie spoke with Dept. of Revenue and she will amend the last four years of privilege tax returns that were done incorrectly and we will receive a credit on the 2018's amount due to offset the overpayments.

Financial Metrics as Compared with Prior Year:	July 2018	July 2017
Total General Cash and Investments	\$1,188,756	\$1,325,877
Current Ratio (Current Assets/Current Liabilities)	3.52 to 1	2.57 to 1
Debt Service Coverage (O&M/ Debt Service)	3.6	3.87
Long-Term Debt to Net Plant	41%	33%
Total Debt to Equity Ratio (Total Liabilities/Total Equity)	66%	56%
Long Term Debt to Equity Ratio (Long Term Debt / Total Equity)	55%	44%
Times Interest Earned Ratio (Earnings before Interest & Taxes/Total Interest)	5.46	7.38
Cash on Hand (Total Available Cash/Average Daily Costs) *Not including Special Funds	56 Days	65 Days



Designating New Association Committee/Voting Delegates

2018 Association Committee Delegates			
WPUA COMMITTEES	PRIMARY	ALTERNATE	2ND ALTERNATE (optional)
Board of Directors	Mike Sheetz	Jack Janda	Ron Gold
Managers	Kristin Masteller	Darin Hall	
Government Relations	Mike Sheetz	Kristin Masteller	Ron Gold
Communications	Kristin Masteller	Jack Janda	Mike Sheetz
Energy	Mike Sheetz	Jack Janda	Ron Gold
Telecom	n/a		
Water	Mike Sheetz	Ron Gold	Kristin Masteller
WPAG	Ron Gold	Mike Sheetz	Jack Janda
PPC	Ron Gold	Mike Sheetz	Jack Janda
APPA	Ron Gold	Mike Sheetz	Jack Janda
ENW	Jack Janda	Ron Gold	Kristin Masteller
NWPPA	Kristin Masteller	Mike Sheetz	
	Kristin Masteller, Gov't Relations	Mike Sheetz	

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

Claim for Damages- Leon

Darin presented a claim for damages from a customer and recommended that the board approve payment of the requested amount of \$959.20. Rob agreed with the recommendation. The District should pay the claim directly instead of turning into the insurance company due to the low amount. Kristin will find out what the deductible is with Federated for claims.

Mike made a motion to approve the Claim for Damages- Leon in the amount of \$959.20; Ron seconded the motion. It passed unanimously.

Resolution 2012- Appointing a General Manager

Jack presented Resolution No. 2012, which was read into the record at the August 14th meeting.

Mike made a motion to adopt Resolution No. 2012 as presented; Ron seconded the motion. It passed unanimously.



STAFF REPORTS:

General Manager Report:

Darin gave an update on the Union Regional Water Systems plan, as well as the meetings that have been scheduled.

Operations Report- Darin Hall:

Darin reported that the crews were replacing meters on the Thurston systems, sampling the systems, and repairing pumphouses. The electric crew has completed a single phase Dosewallips Rd. rebuild and underground replacement at Seamount. We have applied for the Forest Practice Permit for the Daley property in Union. The new bucket truck arrived ahead of schedule. The safety program was vault rescue.

Business Services Report- Kristin Masteller:

The Dept. of Retirement Systems sent their final audit report. Kristin will upload it to the next meeting packet. Staff held a labor-management meeting with the union to discuss the changes to comp time that are occurring as a result of the DRS audit. The board's strategic planning meeting is Thursday at Alderbrook and the all-employee training is next Wednesday. Commissioners can attend the 11:00 a.m. session. The treasurer functions are in-house as of September 1st. Kristin is attending a Family Medical Leave training at Mason PUD 3 on the 10th and staff will have their strategic planning meeting on the 14th.

Legal Report- Rob Johnson:

No report.

Correspondence:

None.

Board Reports:

Mike Sheetz: Mike reported on the WPAG meeting and asked if the PUD had an appointed settlement representative.

Jack Janda: No report.

Ron Gold: No report.

Adjournment: 3:00 p.m.

Jack Janda, President

Ron Gold, Vice President

Mike Sheetz, Secretary



Mason County PUD 1
Board of Commissioners Special Meeting
August 30, 2018

Present

Jack Janda- President
Ron Gold- Vice President
Mike Sheetz- Board Secretary
Kristin Masteller- Director of Business Services
Darin Hall- Director of Operations

Special Meeting-

The special meeting of the Board of Commissioners of Public Utility District No. 1 of Mason County was called to order at 9:00 a.m. at Alderbrook Resort Mt. Elinor Room.

The board reviewed the governance policy and made recommendations to the manager on edits. Those changes will be brought forward in a board meeting before the end of the year.

The board reviewed the current mission statement and core values and provided no edits.

The board began a SWOT analysis for the different departments at the PUD.

At noon Jack called a recess for one hour.

At 1:00 p.m., the board reconvened the meeting and began goal setting for the 2018 strategic work plan.

Public Comment

There were no public in attendance.

Meeting Adjourned at 3:20 p.m.

Jack Janda, President

Ron Gold, Vice President

Mike Sheetz, Secretary