



Mason County Public Utility District No. 1

Board of Commissioners Workshop, Public Hearing and Regular Board Meeting
April 9, 2019 Potlatch, Washington

Present:

Ron Gold, President
Mike Sheetz, Vice President
Jack Janda, Board Secretary
Kristin Masteller, General Manager
Katie Arnold, Treasurer
Julie Gray, Executive Assistant
Rob Johnson, District Attorney

Visitor:

Sergey Tarasov, FCS Group
Matthew Hobson, FCS Group

Excused:

Darin Hall, Director of Operations

11:00 a.m. Board Workshop – Review draft Cost of Service Analysis for Water

Workshop opened by Ron at 11:00 a.m. Sergey Tarasov and Matthew Hobson from the FCS Group were present to go over the Cost of service Analysis for water with staff and commissioners. Staff and Commissioners were given three scenarios for the cost of service portion of the study. Scenario 1 is Baseline, Scenario 2 is Baseline with new debt and Scenario 3 is 5.0% annual increases maximum; no new debt. Staff recommended Scenario 3 to the commissioners. The commissioners would like to see a 5-7 year phase in. Kristin suggested that the PUD have a COSA review with FCS in 4 years. Jack does not want to spend the money on another COSA project before the 7 years are up. Jack and Mike have their own ideas about how to administer this to our customers. Jack would like to do 5% for 2 years, 6% for 2 years and 7% for 2 years and leave the cubic feet at 400. Mike is in agreement with this idea but would like to see the dollars and cents before he commits. He also would opt to leave the cubic feet at 400. Ron had no real comment except he would like to see the PUD promote conservation of water. For the System Development portion of the study, FCS gave 2 options. Option 1 is the Average Cost Approach which would be \$4733.00 across the board for all water systems. That cost is an increase of \$1776.00 on average. Option 2 is the Incremental Cost Approach which was \$7943.00 per water system. All three commissioners agreed that Option #1 was the best for our customers. The board will meet again on April 23 at 11:00 a.m. along with the FCS group to further discuss the Cost of Service Analysis for Water draft. Workshop adjourned at 12:30 p.m.

1:00 p.m. – Public Hearing – Water System Plan-Part A

The Public Hearing opened at 1:04 p.m. by Ron. There were no public in attendance. Jack made a motion to approve the Water System Plan-Part A as presented; Mike seconded the motion. It passed unanimously. Public Hearing was adjourned at 1:05 p.m.



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1:05 p.m. – Regular Board of Commissioners meeting was called to order by Ron

APPROVAL OF CONSENT AGENDA:

Minutes:	March 26, 2019	Regular Meeting	
Disbursements:	Account Payable	116743 - 116772	\$ 34,421.57
		116777 – 116796	\$ 36,270.33
	Payroll	116774 -116776	\$ 1,201.57
	Payroll Wire		\$ 124,611.94
	Total		\$ 196,505.41

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

BUSINESS AGENDA:

Approval of Write-Off's – Julie asked the board to approve write-off's in the amount of \$49,927.67. This includes electric, water and misc. invoice amounts for the year of 2018. Jack made a motion to approve the write-off's as presented; Mike seconded the motion. It passed unanimously.

Approval of Admin Policy No. 314 – Educational Assistance – Mike made a motion to approve Admin Policy No. 314 – Education Assistance as presented; Jack seconded the motion. It passed unanimously.

Approval of Finance Policy No. 2006 – Cash Receipting – Jack made a motion to approve Finance Policy No. 2006 – Cash Receipting as presented; Mike seconded the motion. It passed unanimously.

Appoint Energy Northwest Voting Delegates and Decision on PRB Nomination – Jack made a motion to approve the appointment of Ron Gold to the Energy Northwest Voting Delegates and Mike Sheetz as the alternate; Mike seconded the motion. It passed unanimously.

Staff Reports

General Manager– Kristin reported that the spill charge will not show as an independent fee on the PUD's BPA statement. Kristin, along with John Kounts and Mike Johnson will be meeting with the tribe, DOH, and DOE on April 29 to discuss the Union Regional Water System Plan. Darin met with Claire from Alderbrook Golf Club to discuss a possible plan to get them off of the potable water system. Kristin and DOH will have a special meeting to talk about available grants and 50% forgivins funds to the PUD for water system upgrades. The PUD won the NWPPA Safety Award. Darin, Mike Rose and Rich Crump will accept the award at the E & O Conference this week.

Jack and Kristin will attend the Hoodspport Kiwanis meeting on May 15th at 7:00 a.m. at the Hoodspport Library. Kristin and Jack will also attend the Port of Hoodspport meeting on April 17.

Director of Operations Report – No report, Darin was attending the E & O Conference

Treasurer's Report – Katie and Darin met with a FEMA rep last week regarding the December wind storm. The approximate amount of \$20,000.00 is what the PUD will receive from FEMA. FEMA is looking



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into the possibility of smaller utilities doing a short form. There are no FEMA funds available for the February snow storm.

Legal Counsel – Rob reported that Pacific Co. had settled it’s pole contact case. Pole contacts will now be charged by occupied space divided by usable space, based on the length of the pole.

Correspondence: None.

Board Reports:

Mike Sheetz: no report

Jack Janda: Jack reported that all three commissioners had attended the PPC Meeting.

Ron Gold: no report

Adjournment: 2:15 p.m.

Ron Gold, President

Mike Sheetz, Vice President

Jack Janda, Secretary