



Mason County Public Utility District No. 1
Board of Commissioners Regular Board Meeting
October 22, 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
Mike Wittenberg, District Auditor

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: October 8, 2019 Regular Board meeting

Disbursements:	<u>Accounts Payable Check Register</u>	
	Accounts Payable Wire	\$ 56,752.45
	Check Nos. 117695 - 117766	\$ 388,070.62
	A/P Sub-Total	\$ 444,823.07
	<u>Payroll Expense</u>	
	Payroll Wire	\$ 57,892.68
	Total	\$ 502,715.75

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

PUBLIC COMMENT: *Members of the public wishing to comment may request permission to do so during the Public Comment portion of the agenda. Comments shall be limited to no more than 5 minutes per speaker. There will be no action or discussion of public comment items, although the board may defer to PUD management for any necessary response.*

BUSINESS AGENDA:

September 2019 and 3rd Quarter Financial Report – Katie reported that the gross revenue for the month of September 2019 was \$843,710 and gross expenditures were \$726,672. The budget is on track through 3rd Quarter, with small differences, mainly due to the timing of expenditures paid versus when they were budgeted.



Financial Metrics as Compared with Prior Year:	September 2019	September 2018
Total General Cash and Investments	\$779,645	\$940,122
Current Ratio (Current Assets/Current Liabilities)	3.25 to 1	4.03 to 1
Debt Service Coverage (O&M/ Debt Service)	2.46	4.47
Long-Term Debt to Net Plant	44%	48%
Total Debt to Equity Ratio (Total Liabilities/Total Equity)	62%	67%
Long Term Debt to Equity Ratio (Long Term Debt / Total Equity)	57%	62%
Times Interest Earned Ratio (Earnings before Interest & Taxes/Total Interest)	3.94	4.25
Cash on Hand (Total Available Cash/Average Daily Costs)	40 Days (General) 201 Days (All Funds)	52 Days (General) 177 Days (All Funds)

Approval of Procurement Policy No. 2007 – Jack made a motion to approve FP No. 2007, Procurement Purchasing Policy, Mike Sheetz seconded the motion. Motion carried.

Award Tree Trimming Contract – This contract is for 10 miles of tree trimming. Areas included are: Hwy 106, Hwy 101 and Dalby Road. Mike Sheetz made a motion to award the tree trimming contract to Kemp West, Inc. in the amount of \$140,750.00, Jack seconded the motion. Motion carried.

3rd Quarter, 2019 Strategic Work Plan Report – Kristin reported that a good portion of the 3rd quarter Strategic Plan had been finished. The commissioners thanked staff and employees for getting these items accomplished.

Review of MOU with WA State Depts. Of Health and Ecology – Kristin received the MOU paperwork from the Department of Health regarding Union Regional Water System Plan. She would like to see some wording changes in the original MOU, so will be contacting them regarding those changes.

Staff Reports

General Manager – Kristin reported that she and Katie attended the LERG Conference last week in Vancouver. Kristin came back with two pages of safety notes that she and Darin reviewed with John Spain, the District’s safety consultant, so he knew what the PUD expected from the safety meetings. She also reported that she will be meeting with a labor attorney regarding the State Family Medical Leave Act and learn more about how the new paid family medical leave will interact with the new paid state paid sick leave, any short term disability policies our employees might have, as well as the contract’s L&I short term coverage. The program starts on 1/1/2020 and Kristin will look to the attorney to help the PUD craft a new paid leave policy for the PUD. An RFP for our new community solar went out on Monday,



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10/14/19. The grant from Bonneville Environmental Foundation for this project is now at \$50,000.00 for low income households who would like to be part of the new solar project. Due date for those bids is November 15, 2019. The contract with HCC for technical services is up at the end of this month. HCC plans to submit a new bid that should be much lower than we are currently paying because the set hours each week have decreased. Kristin will be soliciting proposals from two other companies. She reported that Julie attended the WPUA Records Managers and Administrative Professionals meetings in Olympia. Katie and Kristin will be meeting with the Alderbrook golf course board along with Sergey from the FCS Group regarding the water COSA study on October 29th. A Budget Workshop has been scheduled for November 12 at 11:00 a.m. at the district office. The rate hearing will be held at 1:00 p.m. and the regular board meeting will follow.

Director of Operations – Darin reported that the electric crew is finished with brushing of the transmission lines and other potential winter problem areas. They are installing breakers on the reservation to increase reliability and cleaning up landscaping around the Hoodspout substation. The water crews are doing a lot of maintenance on pump houses. Shadowood water system is now off chlorination and escrow papers have been recorded for the Canal View system. Darin also reported that the PUD is looking at another small water system out by Phillips Lake. It's four connections, maintenance will be minimal as the meters are 10 feet from the well house. The safety meeting was about trenching and shoring. Darin reported one incident, where an employee smashed his finger in the garage door. There was no time loss, and no medical attention required beyond the first aid kit.

Treasurer Report – No report

Legal Counsel – No report. Rob was at an APPA conference in Oregon.

Board Reports:

Mike Sheetz: None

Jack Janda: None

Ron Gold: None

Adjournment: 2:45 p.m.

Ron Gold, President

Mike Sheetz, Vice President

Jack Janda, Secretary