



**Mason County Public Utility District No. 1**  
Board of Commissioners Regular Board Meeting  
January 14, 2020 Potlatch, Washington

**Present:**

Ron Gold, President  
Mike Sheetz, Vice President  
Jack Janda, Board Secretary (via Skype)  
Kristin Masteller, General Manager  
Darin Hall, Director of Operations  
Katie Arnold, District Treasurer  
Julie Gray, Executive Assistant  
Rob Johnson, Legal Counsel

**Visitors:**

Melanie Jackson - BPA  
John Brank - BPA  
Willie Pierce – Hoodspport Customer

**Regular Business Meeting** of the Board of Commissioners of Public Utility District No. 1 of Mason County was called to order at 1:00 p.m.

**APPROVAL OF CONSENT AGENDA:**

**Minutes:** December 10, 2019 Regular Board meeting

**Disbursements:**

Accounts Payable Check Register

Accounts Payable Wire	\$ 193,636.53
Check Nos. 117944 - 118076	\$ 934,103.73

**A/P Sub-Total** **\$1,127,740.26**

Payroll Expense

Payroll Wire	\$ 123,761.44
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**Total** **\$1,251,501.70**

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

**PUBLIC COMMENT:** Willie had no comment

**BUSINESS AGENDA:**

Melanie Jackson & John Brank from BPA presented the Board and Staff with a current Transmission Update. They reported that BPA completed its System Impact Study for Mason 1's line/load request for the T3ba'das and Potlatch substations in December 2019. BPA is planning to rebuild the 60 mile, Shelton-Fairmount line which feeds the Potlatch sub. Start date is Spring 2022.



**Approval of Resolution No. 2032 Sole Source for Underground Cable** – Mike made a Motion to Approve Resolution No. 2032 Sole Source for Underground Cable; Jack seconded the motion. Motion carried.

**Approval of Resolution No. 2031 Sole Source for Itron Meters** – Mike made a Motion to Approve Resolution No. 2031 Sole Source for Itron Meters; Jack seconded the motion. Motion carried.

**Approval of Resolution No. 2030 Surplus Items** – Mike made a Motion to Approve Resolution No. 2030 Surplus Items; Jack seconded the motion. Motion carried.

**November Financials** – Katie reported the gross revenue for November 2019 was \$988,454, and gross expenditures were \$833,812.

<b>Financial Metrics as Compared with Prior Year:</b>	<b>November 2019</b>	<b>November 2018</b>
Total General Cash and Investments	\$752,542.11	\$957,128.54
Current Ratio (Current Assets/Current Liabilities)	3.25 to 1	3.72 to 1
Debt Service Coverage (O&M/ Debt Service)	2.31	2.54
Long-Term Debt to Net Plant	43%	46%
Total Debt to Equity Ratio (Total Liabilities/Total Equity)	59%	65%
Long Term Debt to Equity Ratio (Long Term Debt / Total Equity)	55%	61%
Times Interest Earned Ratio (Earnings before Interest & Taxes/Total Interest)	3.50	3.69
Cash on Hand (Total Available Cash/Average Daily Costs)	33 Days (General) 145 Days (All Funds)	45 Days (General) 136 Days (All Funds)

**Authorize Manager to renew Service Agreement with EES for WPAG Services** – Mike made a motion to Authorize the Manager to renew the Service Agreement with EES for WPAG Services; Jack seconded the motion, motion carried.

**Authorize Manager to renew Service Agreement with Hood Canal Communications** – Mike made a motion to Authorize the manager to renew the Service Agreement with Hood Canal Communications; Jack seconded the motion, motion carried.



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**Authorize manager to sign Service Agreement with NW Safety Service LLC.** – Mike made a motion to Authorize the Manager to sign the Service Agreement with NW Safety Service LLC; Jack seconded the motion, motion carried.

**Staff Reports**

**General Manager** – Kristin gave her End of the Year Strategic Plan report to the Board. Most everything on the report was accomplished in 2019. She also reported that they are in the finishing stages of the water system plan for Union Regional with Dept. of Health. Kristin and James met with Ecology regarding a feasibility study for the reclaimed water project at Alderbrook. Meeting went well and Ecology appears to be supportive of the idea. Katie has applied for a grant from Mason County in the amount of \$500.00 to be able to get the neon PUD sign refurbished. Kristin will be attending the WPUA legislative reception on January 15, and the House budget committee on January 16 and meeting with county commissioner Kevin Shutty on January 17 to discuss water projects. She also reported that Energy NW will be coming for cyber security training in February.

**Director of Operations** – Darin reported that the Electric crew has been doing some underground line extensions and brushing. The crew had CT meter training last week. Three linemen will be going to grounding training at PUD 3 later this month. The water crew had to replace the pump at Highland Park last week. He also reported that they had been looking for some big leaks on the Enchantment and Lake Arrowhead water systems. They found them on both systems and repairs were done. Safety meeting will be on January 16, and there have been no accidents or near misses.

**Treasurer Report** – Katie reported that the state auditors entrance conference went well, and she gave the commissioners their copy of the meeting overview.

**Legal Counsel** – Rob reported that the public records request, requested by the Squaxin Tribe was now finished.

**Correspondence:** None

**Board Reports:**

**Mike Sheetz:** None

**Jack Janda:** None

**Ron Gold:** Ron reported that he and Darin had attended the WIRA 14 meeting last week.

**Adjournment:** 2:36 p.m.

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**Ron Gold, President**

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**Mike Sheetz, Vice President**

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**Jack Janda, Secretary**