



Mason County Public Utility District No. 1
 Board of Commissioners Special Board Meeting
 March 31, 2020 Potlatch, Washington

Present:

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

Visitors:

No public called into the toll-free line that was made available.

APPROVAL OF CONSENT AGENDA:

Minutes:

March 10, 2020 Regular Board meeting
 March 13, 2020 Special Board Meeting

Disbursements:

Accounts Payable Check Register

Accounts Payable Wire	\$ 83,578.27
Check Nos. 118304 - 118369	\$724,790.12

A/P Sub-Total **\$ 808,368.39**

Payroll Expense

Payroll Expense	\$ 51,712.60
-----------------	--------------

Grand Total **\$ 860,090.99**

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

PUBLIC COMMENT: No public in attendance.

BUSINESS AGENDA:

February Financials – Katie presented the February financials. Financial highlights include Gross Revenue of \$1,154,246 for the month, and Gross expenditures of \$911,933.

Financial Metrics as Compared with Prior Year:	February 2020	February 2019
Total General Cash and Investments	\$985,711	\$656,814
Current Ratio (Current Assets/Current Liabilities)	4.03 to 1	3.45 to 1
Debt Service Coverage (O&M/ Debt Service)	5.67	2.55



Mason County Public Utility District No. 1
Board of Commissioners Special Board Meeting
March 31, 2020 Potlatch, Washington

Long-Term Debt to Net Plant	43%	46%
Total Debt to Equity Ratio (Total Liabilities/Total Equity)	59%	63%
Long Term Debt to Equity Ratio (Long Term Debt / Total Equity)	54%	63%
Times Interest Earned Ratio (Earnings before Interest & Taxes/Total Interest)	4.70	3.25
Cash on Hand (Total Available Cash/Average Daily Costs)	35 Days (General) 124 Days (All Funds)	24 Days (General) 101 Days (All Fund)

Review draft comments for submittal to LSRD Draft Environmental Impact Statement – Kristin provided a starting point of draft comments for the DEIS at the March 10th meeting. The commissioners asked that she go forward with her comments on this and bring a comment letter for approval at the next board meeting.

Budget Review 2020 Katie presented a 2020 budget amendment review which showed the effect of the proposed delay of the electric rate increase from April 1 to July 1. Staff felt that with the current COVID-19 pandemic, it would not be acceptable to increase rates when customers are already struggling to pay their bills. Delaying the rate increase to July 1 would reduce the projected revenue for 2020 by approximately \$82,000.00. Staff also looked at expenditures that could also be cut, to help offset to reduction in revenue. A 25% decrease in education travel and meetings, as well as a reduction in the equipment budget for 2020 will make up the revenue shortfall. In addition to the delayed rate increase, we are expecting a decrease in cash flow, due to customers not being able to pay their bills or making smaller payments than expected. Staff will continue to monitor the cash flow situation of the PUD and determine if further cuts to the budget need to be made.

Approval of Resolution No. 2034 “Amending Implementation of Electrical Rate Schedule” – Mike made a motion to Approve Resolution No. 2034 “Amending Implementation of Electrical Rate Schedule”; Jack seconded the motion. Motion carried.

General Manager – Kristin reported that she is in daily contact with those employees who are working from home and things are going well. She has been asked by Mason County Public Works if we would be willing to do bill stuffers for them. They are checking on printing and shipping and will get back to us. Kristin also reported that she will be working with the Bonneville Environmental Foundation and the Skokomish Tribe on a grant application for the tribe to install EV chargers at the casino.

Director of Operations – Darin reported that rotating crews has been working great. The electric crew is still working on underground replacement at Timber Tides. The water crew is working on pump house repairs and upgrades which were part of the strategic plan for 2020. He also reported that a gate has been installed so that all vehicles will be behind the locked gate during non-business hours. There has not been a safety meeting, and no accidents or near misses.



Mason County Public Utility District No. 1
Board of Commissioners Special Board Meeting
March 31, 2020 Potlatch, Washington

Treasurer – Katie reported that Department of Health notified her that the grant to replace the mainline at Lake Arrowhead will be received with 100% loan forgiveness, as will manganese treatment for both Lake Arrowhead and Bay East.

Legal Counsel – Rob presented the Families First Coronavirus Response Act Policy (FFCRA) to staff and commission that will go into effect tomorrow. Jack made a motion to approve the Families First Coronavirus Response Act Policy as presented; Mike seconded motion. Motion carried.

Correspondence: A letter was presented by a customer who was very appreciative of Rooster Ogg’s help in finding a water leak. The board also commented that they hear a lot of good things in the community about the water department.

Board Reports:

Mike Sheetz: Mike suggested that staff be engaged in WPUDA water committee meetings. Kristin replied that she has been attending them up until this month, but that Brandy will start attending when she’s back to work full time.

Jack Janda: Jack agreed with Mike’s suggestion regarding the water committee meetings.

Ron Gold: Ron commended staff for working on and securing grants at 100% forgiveness.

Adjournment: 2:06 p.m.

Ron Gold, President

Mike Sheetz, Vice President

Jack Janda, Secretary