

MANAGER'S REPORT

Emphasizing HEALTH AND SAFETY



For the last three months, the PUD offices have been closed to visitors, but we have still been here working.

Our operations employees worked in two separate shifts to maintain isolation and our office employees did a combination of shifts and working from home. We are pleased that despite the disruption in our work setting, we have been able to keep the phones open to assist customers and continue our field work. While it has been strange, it does not feel as though we have really missed a beat on our daily functions, nor fallen behind. We hope that the level of service has been sustained for you as well.

I am not sure when our offices will reopen to the public. We are working on renovations to our customer service area to help protect our employees and our customers. When our buildings do reopen, we will require all visitors to wear masks and only assist one customer at a time in our lobby. We will provide disposable masks and hand sanitizer for our visitors. We understand that not everyone will want to wear a face covering, and so we will continue to offer remote services instead for those customers both over the phone and through email and online services.

Mason County has done a great job of staying home, minimizing exposure and being

respectful of people's health and safety. I hope we keep it up and continue to see low numbers of confirmed cases. Again, I would like to commend Mason County's emergency response unit and all the participants who have been a part of that group. They have all done a great job pushing solid information our to our communities and helping our businesses and citizens.

Speaking of assistance, the Washington State Department of Commerce received over \$7 million in Low Income Housing and Energy Assistance Program (LIHEAP) funds that have been dispersed to Community Action Councils (CAC) across the state. Customers who historically would not have qualified due to income restrictions may now qualify for assistance if they're experiencing a COVID-19 related hardship. If you need energy or housing assistance, please call the CAC for Mason County at (360) 426-9726 or www.caclmt.org and if you're in Jefferson County, you can contact OlyCAP at (360) 385-2571 or www.olycap.org. These funds not only help pay off your past due balances, but it helps fund the continued operation of the PUD as well during this economic crisis. Let's put these funds to work for Mason County!

Our customer service team has worked extra hard to set up payment arrangements with almost every customer whose account has fallen behind. If you are one of these customers and have not set up a payment plan with us yet, please contact us as soon as you can. The moratorium for disconnections ends on July 28th and we do not want anyone to have an interruption in their power or water service on Wednesday, July 29th.

If you are a business that needs assistance, please also reach out to the Economic Development Council. They can review business solutions that you may be eligible for. You don't have to be a member of the EDC to utilize their services. Our goals are to keep our critical operations going, keep our essential employees healthy to provide water and power services, and to put our customers and community members in touch with resources to help them get through this crisis. Please contact us if you need help connecting to these resources.



Kristin Masteller General Manager As wildfire season approaches, the PUD is using the pandemic-caused slowdown in service work to focus on vegetation management and replacing aging equipment.

In June, we started our pole attachment and maintenance audit. Telecom companies that attach to District poles must pay a fee to compensate PUD ratepayers for the use and depreciation of public poles. We recently renegotiated all of our pole contact agreements and our attachment rate after many years of being in a holding pattern due to litigation in Pacific County over pole attachments and rates. Pacific PUD eventually prevailed, which freed other PUDs to be able to update policies and rates. It's important for these companies that are using publicly owned poles to contribute a fair amount for the eventual replacement of these poles, and that PUD ratepayers aren't subsidizing private forprofit companies.

While conducting the attachment audit, we are also identifying poles that need to be replaced, danger trees that are in our legal rights-of-way, and aging equipment that need

to be on a faster replacement schedule. This audit is meticulous and time consuming, but luckily we have a retired PUD superintendent that worked on our system for over 30 years conducting the bulk of this audit for us so our crews can focus on doing the actual replacement work.

One of the areas our power crews have spent some considerable time is the two miles of underground wire getting replaced at Timber Tides. This project has been long, but the reduction in outage time and overtime expense will soon be realized. This replacement project is one of many on our priority list of rebuilds and replacements to improve reliability and reduce expenses. After Timber Tides, the crews will move to a problem tap on Duckabush Road and rebuild part of Wa-Wa Point, both of which have high outage occurrences and take a long time for our crews to respond to due to their location from the shop.

The water crew has been working on replacing old captive air tanks with new bladder tanks and repairing well houses across many of our systems. We also had nine of our water reservoirs inspected and cleaned as part of our rotating maintenance schedule in Canal Mutual, Union, Hood Canal, Madrona Beach, Twanoh Heights, Lakewood Heights, Pirate's Cove, Tiger Lake and View Ridge Heights water systems. We also onboarded two new water systems so far this year: the BelAire Cove system on the North Shore in Belfair and the Hood Canal Terrace system in Potlatch. These systems are in good shape with sound infrastructure and passed our rigorous due diligence investigations. This brings the District to 74 owned systems and three managed systems in Mason County.



Darin Hall
Director of Operations

TREASURER'S REPORT

Despite Budget Cuts, Work Continues

Customers in Union will see some construction work occurring on the PUD's power lines by Manzanita Drive. We are rebuilding part of our distribution line and while the trenches are open, we are laying water line and HCC is laying fiber. These projects are part of our preparation for our next substation, the Manzanita Substation, that will replace the old Union sub around 2035.

While the PUD continues to reduce our 2020 budget to offset the revenue loss from COVID-19, we still have electric and water revenue bond proceeds that must be expended within the three-year period stated in our bond covenants. This means that we have construction funds that we took out to complete these projects and they must be spent, regardless of the economic environment. The availability of these proceeds have worked in the PUD's favor. During the shutdown, public works critical infrastructure projects have been some of the only allowable construction projects these last four months. Using bond proceeds to put our infrastructure projects out to bid has helped keep construction companies working during the shutdown

and the PUD has received very good pricing on our projects, resulting in significant savings to the District. Another positive is that local Mason County contractors and subcontractors have been awarded some of the projects, so the bond proceeds are helping to keep local contractors working and supporting our local economy.

Earlier this year PUD 1 put out our very first annual report. It can be found online by visiting the home page of our website www.mason-pud1.org. This report summarizes the projects and service work we accomplished in 2019 and provides detailed financial information for our customer-owners. It is important to us that our financial health and viability are transparent and that the public is able to track the progress of our work. Please take a look when you have time. Limited printed copies are available, upon request.



Katie Arnold District Treasurer



HIDDEN SWIMMING DANGER: Electric Shock Drowning

Before taking the plunge, know what could be lurking in the water

Safety-conscious parents insist their children wear life jackets around deep water, but parents and others need to be aware of a different kind of potentially deadly swimming danger: Electric Shock Drowning (ESD). Electric current can unsuspectingly lurk in lakes or pools or anywhere electricity can bleed into water, and its effects can range from a tingling sensation to paralyzed muscles to death.

In 2016, 15-year-old Carmen Johnson died when a ladder in the water near her family's Alabama lake house carried an electric charge from a faulty light switch. In 2017, a 10-year-old girl died in a New Jersey lagoon after touching an electrically-charged metal boat lift rail. And those are only two of the many known or suspected cases of this lesser-known Electric Shock Drowning.

ESD occurs when electrical current seeps into water from a nearby electrical source, such as a yacht, boat or marina dock, pool or hot tub. "As a child or adult swims in or near water that is electrified, his or her body can become a conductor for that electricity," says Erin Hollinshead, executive director of Safe Electricity. "Once that electricity moves through the body, a person can become paralyzed and drown." Outdated wiring and a lack of proper safety equipment can cause it to happen. Boat owners should consider having Equipment Leakage Circuit Interrupters (ELCI) installed on boats to protect nearby swimmers. Portable GFCI switches can also be installed in a pinch, without special knowledge or equipment.

Another prevention measure is to only use "UL-Marine Listed" power cords and ask dock and marina owners to install "NO SWIMMING" signs alerting swimmers that there is a potential shock hazard. Every boat, pool and hot tub owner can do their part to save lives!



BE A LIFESAVER

KNOW THE DANGERS OF ELECTRIC SHOCK DROWNING



Safe Electricity and Mason PUD 1 offer these safety tips to recognize and avoid Electric Shock Drowning:

WHILE SWIMMING:

- Do not swim around docks with electrical service or boats that are plugged into shore-to-dock power.
- If you are swimming and feel tingling or shocks, swim away from the dock or any other electrical source, such as a security light. Yell to others to cut the power source.
- If you think you are swimming in water that could be electrified, try to stay upright, tuck your legs up so that you are more compact, and swim away from anything you think could be energizing the water.

WHEN HELPING SOMEONE ELSE:

- Do not jump in to try and save someone you suspect might be exposed to electricity in the water. Instead, throw them a float and turn offshore power by using a switch or other mechanism (usually found on the meter base) or by unplugging the shore power cords.
- While on shore assisting someone in the water, eliminate the source of power first, then call 9-1-1.
- After the power is shut off, get them to shore or on the dock by pulling them in with the float rope. If you cannot find a pulse, perform CPR until the local fire department or emergency responders arrive.

PREVENTION AND MAINTENANCE:

- If you own a boat that has an electrical system, make sure it is always in good working order and have it inspected annually by a qualified electrician.
 Consider purchasing a clamp meter to test for stray electricity in between inspections.
- All docks should have ground fault circuit interrupters (GFCIs) on the circuits that feed electricity to the docks. Check GFCIs often to make sure they work.
- Faulty electricals in any water source could cause a problem. This includes hot tubs, pools and water parks. If you feel tingling or other unusual sensations, get out of the water.

While it is impossible to know if water is electrified just by looking, learning about the dangers of ESD can help keep you safe in the water. Please share with friends, family and neighbors.



COMMISSIONER'S CORNER

Paying the Bills

During the Coronavirus Crisis

Greetings from your Mason PUD 1. As we enter the month of July, many of us are still experiencing the financial difficulty the coronavirus pandemic has dished up. Your PUD has not been immune to the virus' effects. During the crisis we are in right now, we need to prioritize how, and which bills we will pay with the amount of money we have to use at the time. A lot of our friends and neighbors have found themselves without the means to pay for anything right now. Even though the government has sent checks to us all, some of us still are not back to work and haven't been able to make ends meet. Prioritizing payment for what is most valuable to you and your family is crucial to recovering.

The PUD has plans/policies for emergency situations, however, the situation we are in now is unlike anything we have ever dealt with. We are working with customers to help with the utility bills, but we can't help if we don't know your situation. Your PUD is here to serve all ratepayers in good times and bad. Since the 1930's the public utility districts of Washington have kept the lights on and the water flowing through thick and thin.

As long as you have a payment arrangement on file with us, the PUD will not terminate your electricity or water during the crisis at hand, however when we all get back to work, there will be past due bills to get caught up on. Even though we are willing to work with

everyone to get the bills paid in a timely manner, the PUD doesn't get the same treatment. The PUD is still required to pay for the electricity we purchase from BPA that our customers are still using. At this time, we have not heard of any program for the utilities to pay at a later date. We have postponed electric rate increases that would have taken effect in March, until July, and at our last meeting we postponed again until October, even though the PUD is paying a higher rate for the power that we provide to you. BPA did, however, postpone a "Financial Surcharge" until next year. That postponement, pretty much a drop in the bucket, should help a little, but not enough for sure.

At the end of June as I'm writing this, we have over 500 accounts that are behind and 177 have not paid any of their account. The total arrearages are over \$60,000. We have postponed a lot of work that was in the pipeline for construction and we are watching our revenues very closely. Your PUD has bills to pay too and we are prioritizing them daily to help avoid touching our reserve funds, because we don't know how long this will last.

So, in closing, please contact us if you are experiencing financial difficulties and cannot pay and we will work with you, without judgement. May the months ahead prove to be better for us all and we can return to a so called "normal".



General Manager

Mike Sheetz Commissioner district 2

THE BOARD OF COMMISSIONERS regularly meet the 2nd and 4th Tuesday of each month at 1:00 p.m. at the PUD 1 office in Potlatch. For more information on meetings, agendas and minutes, please visit mason-pud1.org/about/meetings/.



www.mason-pud1.org

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MASON COUNTY PUD 1 COMMISSIONERS:

Mike Sheetz	(360) 898-7934
District 2 Ron Gold	(360) 490-1560
District 3 Jack Janda	(360) 490-1800

Kristin Masteller.....(360) 877-5249