



Mason County Public Utility District No. 1
Board of Commissioners Regular Board Meeting
September 22, 2020 Potlatch, Washington

Present:

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

Visitors:

No visitors on phone.

APPROVAL OF CONSENT AGENDA:

Minutes: September 8, 2020 Regular Board Meeting and Special Hearing

Disbursements:

Accounts Payable Check Register

Accounts Payable Wire	\$ 62,350.40
Check Nos. 119107 - 119179	\$ 493,613.22
Check Nos. 119180 - 119188	\$ 17,704.82

A/P Total \$ 573,688.44

Payroll Expense

Payroll Wire	\$ 55,664.25
Check Nos. 11179	\$ 1,000.00

Grand Total \$ 630,352.69

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

PUBLIC COMMENT: No public on phone.

BUSINESS AGENDA:

August Financials – Katie reported the gross revenue was \$882,456 and the expenditures were \$784,403 for the month of August 2020. The ongoing COVID Metrics – Cash on Hand is down overall, \$96,360 due to delayed account payments, late fees, etc. In May, we transferred \$55,000 to the general fund when we applied customer deposits against account balances, which helped offset decrease of cash. As of August 31st, there were 63 electric accounts and 26 water accounts that were 90 days or more past due for a total of \$21,674. The past due accounts have decreased by approximately \$11,000 from July. She reported that our CSR's have done a great job connecting with customers to get them setup on payment plans, to help get their past due accounts current.



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Financial Metrics as Compared with Prior Year:	August 2020	August 2019
Total General Cash and Investments	\$959,350	\$722,083
Current Ratio (Current Assets/Current Liabilities)	3.88 to 1	3.33 to 1
Debt Service Coverage (O&M/ Debt Service)	2.66	2.51
Long-Term Debt to Net Plant	42%	45%
Total Debt to Equity Ratio (Total Liabilities/Total Equity)	57%	62%
Long Term Debt to Equity Ratio (Long Term Debt / Total Equity)	53%	58%
Times Interest Earned Ratio (Earnings before Interest & Taxes/Total Interest)	4.23	4.06
Cash on Hand (Total Available Cash/Average Daily Costs)	42 Days (General) 190 Days (All Funds)	36 Days (General) 196 Days (All Funds)

Authorize the Manager to sign the Dept. of Health Loan Contracts – Katie reported that last fall, the District applied for Drinking Water State Revolving Fund Construction Loans for Lake Arrowhead mainline replacement, as well as manganese treatment for both Lake Arrowhead and Bay East water systems. The District received word in December 2019 that the applications were approved at 100% principle forgiveness. Our attorney Rob Johnson, as well as the engineers on the project have reviewed the loan contracts and have signed off. We will email the fully executed contracts back to Department of Health, to prepare for the next step in the process.

Mike made a motion to authorize the General Manager to sign the DOH Loan Contracts, Jack seconded the motion. It passed unanimously.

Staff Reports –

General Manager - Kristin reported that she attended the virtual NWPPA annual meeting last week. She also reported that she and Lynn Eaton from PUD 3 were working on a Clean Energy Community designation for Mason County and the City of Shelton. They have written a proclamation for the county commissioners and the city council to sign for Public Power Week. They have also purchased Clean Energy Community signs to put up at the entrances to the county lines and city limits. Lynn and Kristin also did an interview on iFiberOne News regarding an article they posted about dam removal. Kristin and staff met last week to wrap up the 2020-2021 strategic plans and had their first staff budget meeting.

Director of Operations – Darin reported that Hanson Excavating is doing a great job with the waterline and distribution line from Manzanita to Dalby Road. The electric crew is working on a small rebuild job. The water crew is finished with the Wonderland project and are currently doing service work and tracking down leaks. There has not been a safety meeting. There have been no accidents or near misses.



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District Attorney - Rob reported that he is working with PUD 3 and Mason General Hospital to get Covid rapid testing done with a shorter turnaround time if PUD 1 was also interested. This expedited test would be at the utility's expense.

Board Reports –

Mike Sheetz – Mike reported that he had virtually attended the WPUDA meeting last week.

Jack Janda – Jack reported that he had also attended the WPUDA meeting last week. He also reported that the DOH will have new funding for water utilities. More info to come.

Ron Gold – Ron reported that he had virtually attended WIRA 14 meeting with Darin and James. He also reported that the WPAG meeting was being held tomorrow.

PUBLIC COMMENT – No public comment.

EXECUTIVE SESSION – At 1:48 p.m. Ron called an executive session under RCW 42.30.110(g) to discuss the performance of a public employee. He stated the session would last five minutes. At 1:53 p.m. Ron closed the executive session and reconvened the regular meeting. With no further business to conduct, Ron adjourned the meeting at 1:53 p.m.

Adjournment: 1:53 p.m.

Ron Gold, President

Mike Sheetz, Vice President

Jack Janda, Secretary