



**Mason County PUD No. 1
Regular Board Meeting
July 27, 2021
1:00 p.m.**

Join Zoom Meeting
<https://us02web.zoom.us/j/83266530683>

Meeting ID: 832 6653 0683
1 (253) 215-8782

1:00 p.m. Call to Order & Flag Salute

1) Consent Agenda

Minutes: July 12, 2021 Special Board Meeting

Disbursements:	<u>Accounts Payable Check Register</u>	
	Accounts Payable Wire	\$ 110,707.65
	Check Nos. 120368-120444	\$ 125,344.20
	A/P Sub-Total	\$ 236,051.85
	Payroll Wire	\$ 64,221.43
	Grand Total	\$ 300,273.28

2) 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.*

3) Business Agenda

- June 2021 & 2nd Quarter Financials
- Water Interlocal Agreement with PUD 3
- 2nd Quarter Strategic Work Plan Report

4) Staff Reports

- General Manager
- Treasurer
- Water Resource Manager
- Legal Counsel

5) Correspondence

6) Board Comments

7) Other Business/Public Comment

8) Executive Session

9) Adjournment

2021 Calendar

July 29	WPAG	9:00 am	
August 4, 2021	PPC		
August 26	WPAG	9:00 am	
September 1, 2021	PPC		
September 15-17	WPUDA	Hotel Windrow, Ellensburg	
September 18 th	Forest Festival Parade		
September 22-24 or 29 thru Oct 1		Water Workshop	
September 30	WPAG	9:00 am	
October 6, 2021	PPC		
October 8, 2021	Customer Appreciation Event	PUD 1 Campus	
October 14	WPUDA	Virtual	Budget Committee
October 21	WPAG	9:00 am	
November 3, 2021	PPC (Town Hall with Marty Kanner 4-5:30pm)		
November 17	WPAG	1:00 pm	
November 17-19	WPUDA	Olympia	
December 1-3	WPUDA	Annual Meeting	



Mason County Public Utility District No. 1
Board of Commissioners Special Board Meeting
July 12, 2021 Potlatch, Washington

Present:

Mike Sheetz, President
Jack Janda, Vice President
Ron Gold, Board Secretary
Kristin Masteller, General Manager
Katie Arnold, District Treasurer
Brandy Milroy, Water Resource Manager
Julie Gray, Executive Assistant
Rob Johnson, Legal Counsel (Online)

Visitors:

None

CALL TO ORDER: Mike Sheetz called the meeting to order at 10:10 a.m.

APPROVAL OF CONSENT AGENDA:

Minutes: June 29, 2021 Regular Board Meeting
July 2, 2021 Special Board Meeting

Disbursements:	<u>Accounts Payable Check Register</u>	
	Accounts Payable Wire	\$ 50,912.28
	Check Nos. 120238-120316	\$ 372,101.38
	A/P Sub Total	\$423,013.66
	<u>Payroll Expense</u>	
	Payroll Wire	\$ 69,777.30
	Grand Total	\$492,790.96

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

PUBLIC COMMENT: None.

BUSINESS AGENDA:

Approval of Resolution No. 2050 – Calling for an Election for Annexation – Jack made a motion to Approve Resolution No. 2050 – Calling for an Election for Annexation. Ron seconded the motion. Motion carried.



Mason County Public Utility District No. 1
Board of Commissioners Special Board Meeting
July 12, 2021 Potlatch, Washington

Sunset of AP No. 1016 COVID-19 Telework Stipend Policy, effective August 31, 2021 – Jack made a motion to Sunset AP No. 1016 COVID-19 Telework Stipend Policy, effective August 31, 2021. Ron seconded the motion. Motion carried.

Approve MOA with Squaxin Island Tribe – Jack made a motion to approve the MOA with the Squaxin Island Tribe. Ron seconded the motion. Motion carried.

Discussion on Reopening Plan – Kristin reported that the PUD will be open for customers as of July 19, 2021. There will be hand sanitizer and masks in the entryway for customers. Due to Labor & Industries requirements for vaccination verification, masks will be mandatory for visitors to enter the buildings. All staff who have had their vaccinations and are on the verification roster with Human Resources, will not be required to wear masks. She also reported that she plans to bring all staff back to the office on September 6. Jack made a motion to approve the reopening plan, including requiring masks for all visitors who enter the buildings. Ron seconded the motion. Motion carried.

General Manager – Kristin reported that she has put together a draft wildfire mitigation plan that includes resetting the reclosures to shut down after the first power interruption, rather than on the third. The PUD will do this seasonally. There is the chance of more outages but less chance of causing a fire. She reported that she and Katie had spent many hours working on the CERB Grant Application, but it was now finished and sent out on 7/12. BKI's engineer took another job so Kristin will be looking for another engineer who knows NISC and is familiar with our work here at the PUD. Kristin reported that she and Mike Oblizalo from Hood Canal Communications would be meeting with Alderbrook on 7/13 to discuss shared ditch work.

Director of Business Services – Katie reported that the CERB Grant was finished. She also reported that WPUDA had invited her to present on the finance presentation panel at their meeting on July 15.

Water Resource Manager – Brandy reported that the Agate Beach main line construction had started. Notices were sent to the customers regarding the start of construction of that system last week. She also reported that the closing of the property at Vuecrest should happen this week. Holiday Beach water system closing is set for Tuesday, July 20th. That system will give the PUD an extra 60 connections. The water tech and meter reader will be out there this week reading meters. The water rights permit for Hama Ridge have been extended to 2027. DOH sent out an email for free PFAS sampling for all Group A systems. Only 1,000 system will be chosen ones. System in highest potential risk will have precedence and early response increase chance of being included.

Legal Counsel – Nothing to report.

Correspondence – None.

Board Reports –

Mike – None

Jack – None

Ron – None



Mason County Public Utility District No. 1
Board of Commissioners Special Board Meeting
July 12, 2021 Potlatch, Washington

PUBLIC COMMENT - None

EXECUTIVE SESSION – None

Adjournment: 11:05 a.m.

Mike Sheetz, President

Jack Janda, Vice President

Ron Gold, Secretary

07/26/2021 8:03:52 AM

Accounts Payable Check Register

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07/12/2021 To 07/26/2021

Bank Account: 4 - COLUMBIA BANK - DISTRICT

Check / Tran Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
503 07/13/2021	WIRE	AEGIS LAND TIT	AEGIS LAND TITLE	VUECREST RESERVOIR SITE PROPERTY PURCHAS	57,374.56
505 07/16/2021	WIRE	IRS	WEST COAST BANK	FEDERAL TAX LIABILITY	24,780.85
506 07/16/2021	WIRE	WASH 1	WA DEPT OF RETIREMENT SYS	STATE RETIREMENT - PLAN 2	18,899.39
507 07/16/2021	WIRE	WASH 7	WA STATE TREAS-MS: PO-11	DEFERRED COMPENSATION	7,000.50
508 07/16/2021	WIRE	HRA	HRA VEBA TRUST CONTRIBUTI	VEBA MEDICAL SAVINGS	2,652.35
120368 07/12/2021	CHK	2	FREEDOM LANE LLC	INACTIVE REFUND	63.17
120369 07/12/2021	CHK	2	THOMAS MACNAMARA	INACTIVE REFUND	22.89
120370 07/12/2021	CHK	2	TIMOTHY MANLY	INACTIVE REFUND	809.89
120371 07/12/2021	CHK	2	TYLER NEUMAN	INACTIVE REFUND	13.24
120372 07/12/2021	CHK	2	DANIEL T WHICHARD	INACTIVE REFUND	26.10
120373 07/13/2021	CHK	A WORKSAFE	A WORKSAFE SERVICE, INC	NON-DOT DRUG TEST ON SITE FEE	428.00
120374 07/13/2021	CHK	ANIXTER	ANIXTER INC	NON-INVENTORY SUPPLIES	5,371.20
120375 07/13/2021	CHK	BLACK	BLACK STAR	EMPLOYEE APPREC BBQ-T-SHIRT/SWEATSHIRTS	1,112.13
120376 07/13/2021	CHK	BRIGHT KNIGHT	BRIGHT KNIGHTS LLC	SPRINGWOOD WTER SYSTEM-THREAD 4" CONDUIT	461.67
120377 07/13/2021	CHK	BUILDERS	BUILDERS FIRSTSOURCE, INC	SPRINGWOOD WATER-NEW ROOF	3,732.99
120378 07/13/2021	CHK	CENTUR	CENTURYLINK	TELEPHONE CHARGES-ACCT#206-Z05-0016 020B	1,067.81
120379 07/13/2021	CHK	COLONI	COLONIAL LIFE INSURANCE	SUPPLEMENTAL INSURANCE	860.06
120380 07/13/2021	CHK	CRC	COOPERATIVE RESPONSE CENTER, INC	AFTER HOURS ANSWERING SERVICE	1,557.29
120381 07/13/2021	CHK	DON SMALL & S	DON SMALL & SONS OIL DIST	DIESEL	3,718.90
120382 07/13/2021	CHK	EVER	EVERGREEN RURAL	ADVANCED ELECTRICAL CONTROLS-5/26 BARNEY	160.00
120383 07/13/2021	CHK	FICS	FASTENAL COMPANY	TOWELL ROLL DISPENSER	119.72
120384 07/13/2021	CHK	GDS ASSOCIATE	GDS ASSOCIATES, INC	MONTHLY WPAG EXPENSES	190.06
120385 07/13/2021	CHK	GE SOFTWARE	GE SOFTWARE INC DBA EKOS	MONTHLY EKOS FUEL SITE MODULE	80.00
120386 07/13/2021	CHK	GRAY	GRAY & OSBORNE, INC	CANYONWOOD BEACH WATER SYSTEM PLAN	3,771.15
120387 07/13/2021	CHK	HDFOWL	HD FOWLER COMPANY	WATER INVENTORY SUPPLIES	683.18
120388 07/13/2021	CHK	HOODCA	HOOD CANAL COMMUNICATIONS	INTERNET, IT SERVICES, & ALARM DIALER	5,346.18

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Accounts Payable Check Register

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Bank Account: 4 - COLUMBIA BANK - DISTRICT

Check / Tran Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
120389 07/13/2021	CHK	L.G.	L. G. ISAACSON CO. INC.	TRUCK #77-SCREW BENCH & TRAFFIC CONES	1,765.98
120390 07/13/2021	CHK	LEMAY MOBILE	LEMAY MOBILE SHREDDING	(1)65 GALLON SHRED CART	54.00
120391 07/13/2021	CHK	LENEXA SERVIC	LENEXA SERVICES, INC	PUBLIC OFFICIAL BOND-106955240	1,050.00
120392 07/13/2021	CHK	MARSH	MARSH MUNDORF PRATT & SUL	MONTHLY WPAG SERVICES	138.01
120393 07/13/2021	CHK	MASON9	MASON COUNTY	SPRINGWOOD & CEDARD MEADOWS-LANDFILL	97.06
120394 07/13/2021	CHK	MASON CO GAR	MASON COUNTY GARBAGE	MONTHLY GARBAGE CHARGES	844.24
120395 07/13/2021	CHK	NISC	NISC	JUNE 2021 RECURRING INVOICE	10,707.14
120396 07/13/2021	CHK	NWSS	NORTHWEST SAFETY SERVICE LLC	SAFETY SERVICES ON 06/10/2021	1,136.25
120397 07/13/2021	CHK	PARSON	PARSONS DIESEL & STEAM	SERVICE VARIOUS VEHICLES	5,545.98
120398 07/13/2021	CHK	PPLLC	PINNACLE PUBLISHING LLC	UNION ANNUAL PHONE DIRECTORY ADVERTISING	734.40
120399 07/13/2021	CHK	RICOH USA	RICOH USA, INC.	MONTHLY RENT FOR TWO MACHINES	514.29
120400 07/13/2021	CHK	JOHN 3	ROBERT W. JOHNSON	JUNE RETAINER FEE	3,494.70
120401 07/13/2021	CHK	RWC GROUP	RWC GROUP	TRUCK #60-IPR VALVE KIT	428.40
120402 07/13/2021	CHK	SPECTRA LAB	SPECTRA LABORATORIES-KITSAP, LLC	VARIOUS WATER TESTING	3,438.00
120403 07/13/2021	CHK	SHOP	THE SHOPPER'S WEEKLY	PHOTO PRINT	59.08
120404 07/13/2021	CHK	UTILI1	UTILITIES UNDERGROUND LOCATION	MONTHLY UNDERGROUND LOCATES	138.60
120405 07/13/2021	CHK	WESCO	WESCO RECEIVABLES CORP.	4/0 URD CONDUCTOR	5,004.80
120406 07/13/2021	CHK	NAPA AUTO PA	WESTBAY NAPA AUTO PARTS	TRUCK #76-VARIOUS AUTP PARTS	500.65
120407 07/13/2021	CHK	WITTENBERG C	WITTENBERG CPA, PS	CONSULT-MANAGEMENT	1,170.00
120408 07/13/2021	CHK	2	TUPPER/MACK/WELLS PLLC	SQUAXIN ISLAND TRIBE	3,920.00
120409 07/13/2021	CHK	WRIGHT	WRIGHT EXPRESS FINANCIAL	MO.MASTECARD 5569 6200 0003 6811	7,351.63
120410 07/16/2021	CHK	2M COMPANY	2M COMPANY INC	PUMP MOTOR STARTER	357.68
120411 07/16/2021	CHK	ANIXTER	ANIXTER INC	NON-INVENTORY ELECTRIC PARTS	869.53
120412 07/16/2021	CHK	ASPECT CONSU	ASPECT CONSULTING LLC	HIGHLAND ESTATES-WATER RIGHT PERMITTING	868.50
120413 07/16/2021	CHK	ASW	ASW	Q3 2021 - L&I CLAIMS ONLY	708.17
120414 07/16/2021	CHK	ATWORK!	ATWORK! COMMERCIAL ENTERPRISES	LANDSCAPE MAINTENANCE-JUNE 2021	6,519.97

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Accounts Payable Check Register

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Bank Account: 4 - COLUMBIA BANK - DISTRICT

Check / Tran Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
120415 07/16/2021	CHK	BUILDERS	BUILDERS FIRSTSOURCE, INC	NEW PINE ACRES & CANAL VIEW II-PAINT	571.50
120416 07/16/2021	CHK	CENTURYLINK	CENTURYLINK	LONG DISTANCE & OUTBOARD CHARGES(21)LINE	214.37
120417 07/16/2021	CHK	DEPT 13	DEPARTMENT OF ENTERPRISE SERVIC	EMPLOYEE ASSISTANCE PROGRAM	1,080.00
120418 07/16/2021	CHK	GORDON TRUC	FREIGHTLINER NORTHWEST OLYMPIA	TRUCK #62-HARNES	410.81
120419 07/16/2021	CHK	GENPAC	GENERAL PACIFIC INC	ITRON MOBILE SET UP FEE	271.25
120420 07/16/2021	CHK	GILLIARDI LOG	GILLIARDI LOGGING AND CONSTRUCT	ROCK	89.66
120421 07/16/2021	CHK	HDFOWL	HD FOWLER COMPANY	CREDIT-METERS SETTERS	4,084.46
120422 07/16/2021	CHK	IBEW	IBEW LOCAL UNION #77	UNION DUES	878.06
120423 07/16/2021	CHK	NISC	NISC	POSTAGE & ACH E-CHECK	56.25
120424 07/16/2021	CHK	PARSON	PARSONS DIESEL & STEAM	SERVICE VARIOUS VEHICLES	1,708.88
120425 07/16/2021	CHK	PUDEMP	PUD #1 EMPLOYEE FUND	EMPLOYEE FUND	200.00
120426 07/16/2021	CHK	PUD#3	PUD #3 OF MASON COUNTY	50:5CT	217.00
120427 07/16/2021	CHK	PURCH	PURCHASE POWER	ACCT# 17613241 POSTAGE METER REFILL	2,020.99
120428 07/16/2021	CHK	TOZIER	TOZIER BROS, INC	SHOP SUPPLIES	12.82
120429 07/16/2021	CHK	US TREASURY	US TREASURY	LEVY PROCEEDS #91-1197062	100.00
120430 07/16/2021	CHK	WPUDA	WASHINGTON PUD ASSOC.	MONTHLY DUES	1,744.00
120431 07/16/2021	CHK	2	RICHARD BECKMAN REALTY GROUP	COMMERCIAL DUCTLESS HEATPUMP & BPA INCEN	3,750.00
120432 07/16/2021	CHK	2	RICHARD A WILSON	DUCTLESS HEATPUMP & BPA INCENTIVE REBATE	1,300.00
120433 07/20/2021	CHK	MASON7	MASON COUNTY AUDITOR	RECORDING FEES FOR UTILITY EASEMENTS	2,508.00
120434 07/21/2021	CHK	HDFOWL	HD FOWLER COMPANY	4" ROMAC COUPLINGS	2,485.93
120435 07/21/2021	CHK	LES SCHWAB	LES SCHWAB WAREHOUSE CENTER	TRUCK #65-TIRE REPAIR	42.43
120436 07/21/2021	CHK	MASON7	MASON COUNTY AUDITOR	EASEMENT RECORDING FEES	1,358.50
120437 07/21/2021	CHK	ROMAINE	ROMAINE ELECTRIC	TRUCK #49 & EQUIPMENT #108	692.54
120438 07/21/2021	CHK	MASON2	MASON COUNTY TREASURER	TRANSFERING PROPERTY FROM CURRENT DESIGN	106.50
120439 07/21/2021	CHK	GOLDSTREET	GOLDSTREET DESIGN AGENCY, INC.	2021 SUMMER NEWSLETTER	2,309.10
120440 07/21/2021	CHK	LILLIWAUP FAL	LILLIWAUP FALLS GENERATING COMP	JUNE POWER USAGE	5,776.48

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Accounts Payable Check Register

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Bank Account: 4 - COLUMBIA BANK - DISTRICT

Check / Tran Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
120441 07/21/2021	CHK	PARSON	PARSONS DIESEL & STEAM	SERVICE VARIOUS VEHICLES	2,621.63
120442 07/21/2021	CHK	NAPA AUTO PA	WESTBAY NAPA AUTO PARTS	TRUCK #59-BATTERY	295.17
120443 07/22/2021	CHK	DAY	DAY WIRELESS SYSTEMS	RECURRING CHARGES-TWO WAY RADIO 26 UNITS	525.18
120444 07/22/2021	CHK	EVER	EVERGREEN RURAL	2021 FALL CONF-MARTY, BARNEY, TJ,& MARTY	900.00
Total Payments for Bank Account - 4 :					(82) 236,051.85
Total Voids for Bank Account - 4 :					(0) 0.00
Total for Bank Account - 4 :					(82) 236,051.85
Grand Total for Payments :					(82) 236,051.85
Grand Total for Voids :					(0) 0.00
Grand Total :					(82) 236,051.85

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Accounts Payable Check Register

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PARAMETERS ENTERED:**Check Date:** 07/12/2021 To 07/26/2021**Bank:** All**Vendor:** All**Check:****Journal:** All**Format:** Summary**Extended Reference:** No**Sort By:** Check/Transaction**Voids:** Current**Payment Type:** All**Group By Payment Type:** No**Minimum Amount:** 0.00**Authorization Listing:** No**Credit Card Charges:** No

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GENERAL LEDGER

TRANSACTION DETAIL

JUL 2021 To JUL 2021

Date	Journal Description	Actv BU Project	Mod	Jrnl Reference Code	Debit	Credit
Account: 0 131.2 CASH-GENERAL FUND (DISTRICT)			Department:	0	Beginning Balance:	
07/16/21	60040 Check Print	0	PL	2 PAYROLL		64,221.43
Total For Module - PL:					0.00	0.00

PARAMETERS ENTERED:

Division: All

Accounts: 0 131.2

Department: All

Activity: All

Sort By: Div/Acct

Date Selection: Period

Period: JUL 2021 To JUL 2021

Module: PL

Journal Activity: All

Accounts With No Transactions: Yes

Extended Reference: No

Interface Detail: No

Group by Department: Yes

51217

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PUD1 – Executive Summary – June 2021

This report summarizes information on the current financial status of Mason County PUD No. 1 for the month of June 2021:

- **Work in Progress:**
 - FEMA Funding
 - Cash Flow Monitoring from COVID-19 Effects
- **Completed Projects:**
 - DOH Construction Loans / Grants for 2021 Projects
 - Hazard Mitigation Grants
 - 2020 Annual Report – State Auditor
 - 2021 Budget Development
 - 2020 Privilege Tax Return (Due February 28, 2021)
 - 2020 RUS Form 7 (Due March 31, 2021)
- **Planned Key Milestones, Activities and / or Events:**
 - Long range financial and budgetary planning – ongoing.

Financial Highlights:

- Revenue – Gross Revenue was \$943,464 for the month of June 2021.
- Expenditures – Gross expenditures were \$805,078 for the month of June 2021.
- COVID Metrics – Cash on Hand is down overall, \$139,151 due to delayed account payments, late fees etc. We have applied \$117,607 to customer's accounts to assist with past due balances. As of June, there were 159 electric accounts and 87 water accounts that were 90 days or more past due for a total of \$86,747.

Financial Metrics as Compared with Prior Year:	June 2021	June 2020
Total General Cash and Investments	\$1,045,400	\$859,852
Current Ratio (Current Assets/Current Liabilities)	3.09 to 1	3.42 to 1
Debt Service Coverage (O&M/ Debt Service)	3.01	2.27
Long-Term Debt to Net Plant	38%	39%
Total Debt to Equity Ratio (Total Liabilities/Total Equity)	52%	54%
Long Term Debt to Equity Ratio (Long Term Debt / Total Equity)	48%	50%
Times Interest Earned Ratio (Earnings before Interest & Taxes/Total Interest)	5.46	3.85
Cash on Hand (Total Available Cash/Average Daily Costs)	43 Days (General) 170 Days (All Funds)	39 Days (General) 170 Days (All Funds)



Mason County PUD No 1

Budget Summary by Division For the Month Ended June 30, 2021

	<u>Electric</u>	<u>Water</u>	<u>Sewer</u>	<u>Totals</u>
Total Revenue	\$ 676,311.31	\$ 266,250.85	\$ 901.89	\$ 943,464.05
Budgeted	\$ 637,023.84	\$ 192,465.00	\$ 745.00	\$ 830,233.84
Difference (-/+)	\$ 39,287.47	\$ 73,785.85	\$ 156.89	\$ 113,230.21
% of Budget	106%	138%	121%	114%
Total Expenditures	\$ 615,648.97	\$ 188,269.32	\$ 1,160.05	\$ 805,078.34
Budgeted	\$ 673,559.19	\$ 191,580.61	\$ 1,699.61	\$ 866,839.41
Difference (-/+)	\$ (57,910.22)	\$ (3,311.29)	\$ (539.56)	\$ (61,761.07)
% of Budget	91%	98%	68%	93%
Net Operating Margins	\$ 60,662.34	\$ 77,981.53	\$ (258.16)	\$ 138,385.71
Budgeted	\$ (36,535.35)	\$ 884.39	\$ (954.61)	\$ (36,605.57)
Difference (-/+)	\$ 97,197.69	\$ 77,097.14	\$ 696.45	\$ 174,991.28
% of Budget	-166%	8818%	27%	-378%

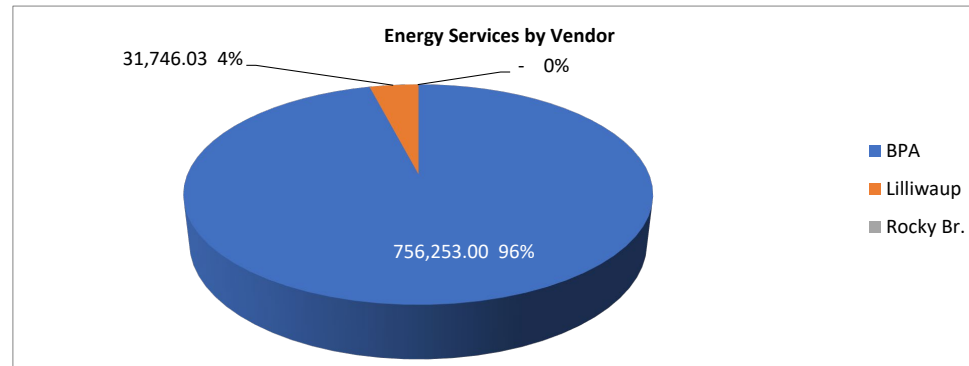
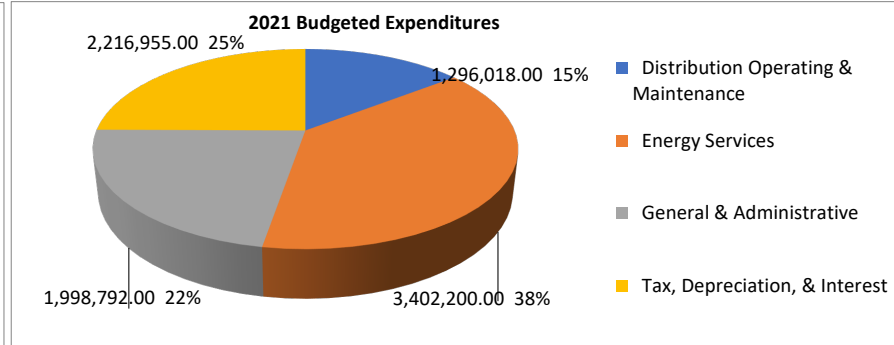
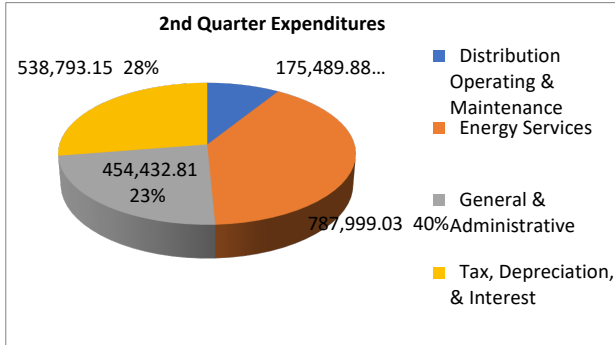
Mason County PUD No. 1

Status of Budget

As of June 30, 2021

ELECTRIC DIVISION

	2nd Quarter 2021	2nd Quarter Budget	% of 2nd Qtr Budget	2021 Actuals	2021 Budget	% of Annual Budget
Revenue	2,426,022.06	2,187,067.75	111%	5,398,544.80	9,167,115.96	59%
Expenditures						
Distribution Operating & Maintenance	175,489.88	288,744.10	61%	459,590.72	1,296,018.00	35%
Energy Services	787,999.03	766,500.00	103%	1,943,226.89	3,402,200.00	57%
General & Administrative	454,432.81	468,322.31	97%	950,815.02	1,998,792.00	48%
Tax, Depreciation, & Interest	538,793.15	529,866.27	102%	1,104,169.86	2,216,955.00	50%
TOTAL EXPENDITURES	\$ 1,956,714.87	\$ 2,053,432.68	95%	4,457,802.49	\$ 8,913,965.00	50%
NET OPERATING MARGINS	\$ 469,307.19	\$ 133,635.07	351%	940,742.31	\$ 253,150.96	372%



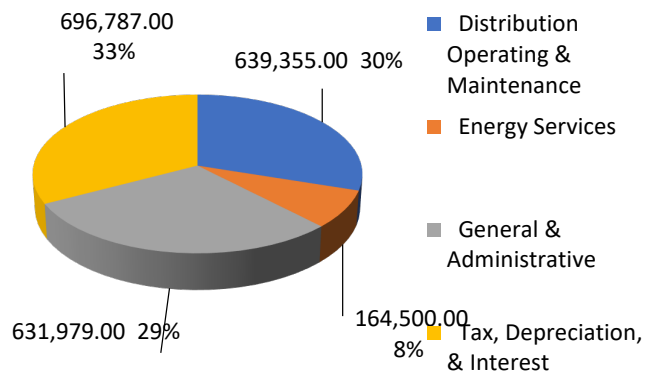
Mason County PUD No. 1

Status of Budget
As of June 30, 2021

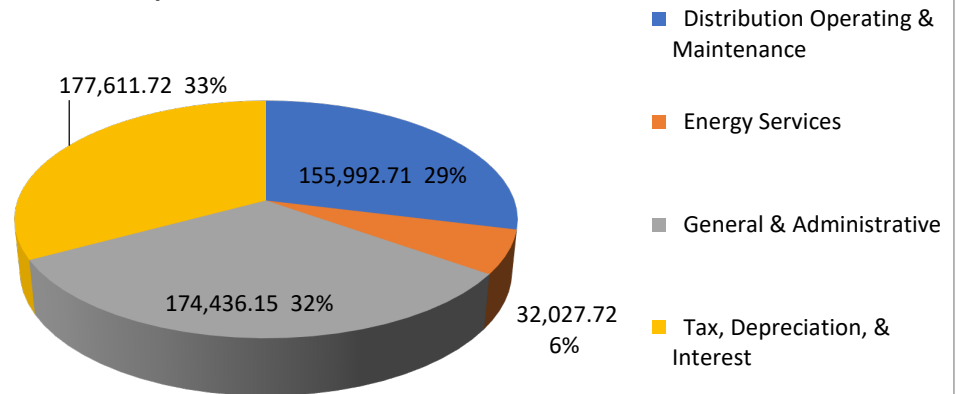
WATER DIVISION

	2nd Quarter 2021	2nd Quarter Budget	% of 1st Qtr Budget	2021 Actuals	2021 Budget	% of Annual Budget
Revenue	673,010.36	554,451.00	121%	1,345,154.70	2,286,636.00	59%
Expenditures						
Distribution Operating & Maintenance	155,992.71	146,942.25	106%	278,779.56	639,355.00	44%
Energy Services	32,027.72	38,250.00	84%	64,042.82	164,500.00	39%
General & Administrative	174,436.15	182,361.73	96%	384,041.93	631,979.00	61%
Tax, Depreciation, & Interest	177,611.72	165,346.00	107%	362,056.91	696,787.00	52%
TOTAL EXPENDITURES	\$ 540,068.30	\$ 532,899.98	101%	1,088,921.22	\$ 2,132,621.00	51%
NET OPERATING MARGINS	\$ 132,942.06	\$ 21,551.02	617%	256,233.48	\$ 154,015.00	166%

2021 Budgeted Expenditures



2nd Quarter Expenditures



Mason County PUD No. 1

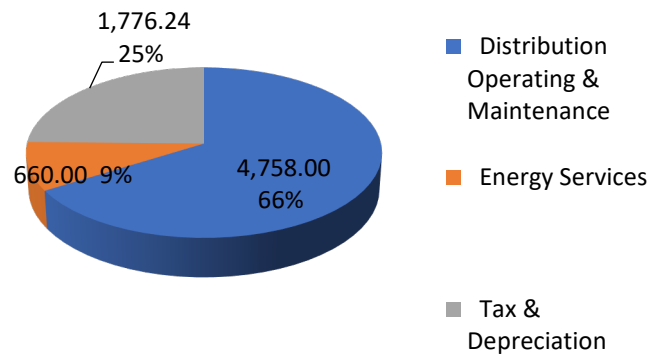
Status of Budget

As of June 30, 2021

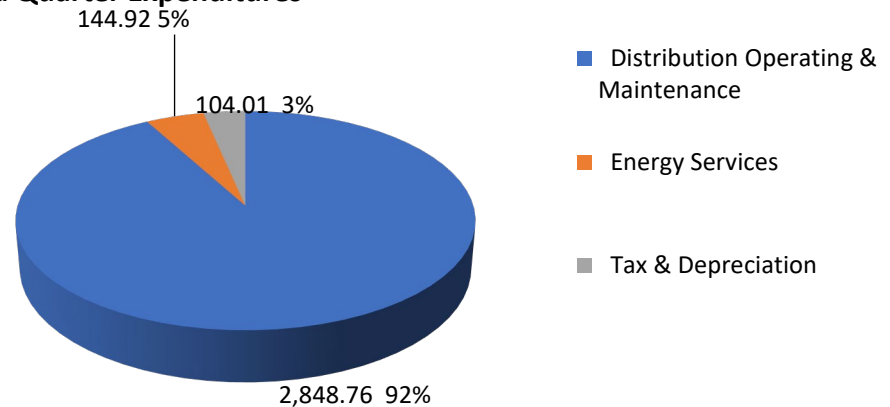
SEWER DIVISION

	2nd Quarter 2021	2nd Quarter Budget	% of 1st Qtr Budget	2021 Actuals	2021 Budget	% of Annual Budget
Revenue	2,706.29	2,235.00	121%	4,055.40	8,940.00	45%
Expenditures						
Distribution Operating & Maintenance	2,848.76	2,924.73	97%	3,425.84	4,758.00	72%
Energy Services	144.92	165.00	88%	276.63	660.00	42%
Tax & Depreciation	104.01	90.00	116%	156.21	1,776.24	9%
TOTAL EXPENDITURES	\$ 3,097.69	\$ 3,179.73	97%	\$ 3,858.68	\$ 7,194.24	54%
NET OPERATING MARGINS	\$ (391.40)	\$ (944.73)	41%	\$ 196.72	\$ 1,745.76	11%

2021 Budgeted Expenditures



2nd Quarter Expenditures



Mason County PUD No. 1
Treasurer's Report to Commission
June 30, 2021

6/30/2021

General Electric Cash	136,086.13
General Water Cash	97,229.38
General Sewer Cash	4,195.20
Investments	757,638.87
Petty and Register	600.00
General Funds Total	995,749.58

Designated Reserves

Commerical Liability Fund	64,739.58
Computer Replacement Fund	73,781.91
Contruccion Fund (Electric)	714,378.35
Contruccion Fund (Water)	699,635.94
Pole Yard	103,025.62
Privilege Tax Fund	75,179.31
Replacement Equipment Fund	453,928.62
Substation Fund	2,200,597.61
Water Regulatory Fund	100,191.69
System Development Fee	50,006.66
Designated Reserves Total	\$ 4,535,465.29

Restricted Funds

Customer Deposits	49,650.17
Electric Revenue Bond '18	194,462.37
Electric Revenue Bond Reserve '18	499,151.84
Electric System Revenue Bond 2014	152,584.19
Electric System Bond Reserve '14	303,829.26
Public Works Trust Fund	62,032.20
RUS Treasury Bond	173,714.27
US Treasury Reserves	235,946.79
Water System Revenue Bond '18	99,562.26
Restricted Funds Total	1,770,933.35

TOTAL ALL FUNDS	\$ 7,302,148.22
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Long-Term Debt

	Beginnging Balance	Principle Payments	Ending Balance
Electric Revenue Bond 2014	2,665,000.00		2,665,000.00
Electric Revenue Bond 2018	6,270,000.00		6,270,000.00
PWTF	756,131.02	(54,489.14)	701,641.88
RUS Long Term Debt	2,835,384.75	(29,846.15)	2,805,538.60
Water Bond '18	2,470,000.00		2,470,000.00
Total Long Term Debt	14,996,515.77	(84,335.29)	14,912,180.48

Mason County PUD No. 1
LGIP Investment Activity 2nd Qtr 2021

	<u>3/31/2021</u>	Transfer In	Interest Earned	Transfers Out	<u>6/30/2021</u>
General Investments	719,388.87	38,100.00	150.00		757,638.87
Designated Reserves					
Commerical Liability Fund	32,481.49	32,250.00	8.09		64,739.58
Computer Replacement Fund	55,019.76	18,750.00	12.15		73,781.91
Pole Yard	103,004.37		21.25		103,025.62
Privilege Tax Fund	30,171.15	45,000.00	8.16		75,179.31
Replacement Equipment Fund	295,345.77	274,020.32	102.53	(115,540.00)	453,928.62
Substation Fund	2,114,657.81	85,500.00	439.80		2,200,597.61
Water Regulatory Fund	100,171.03		20.66		100,191.69
Sysyem Development Fund	25,001.44	24,999.00	6.22		50,006.66
Designated Reserves Total	2,755,852.82	480,519.32	618.86	(115,540.00)	3,121,451.00
Restricted Funds					
Electric Revenue Bond '18	186,332.86	128,013.00	28.47	(119,925.00)	194,449.33
Electric Revenue Bond Reserve '18	499,048.91		102.93		499,151.84
Electric System Revenue Bond 2014	136,765.68	78,375.00	23.51	(62,580.00)	152,584.19
Electric System Bond Reserve '14	303,766.61		62.65		303,829.26
Public Works Trust Fund	84,581.07	36,000.00	11.43	(58,451.86)	62,140.64
RUS Treasury Bond	400,473.65	60,000.00	85.17	(50,897.76)	409,661.06
Water System Revenue Bond '18	76,054.68	66,000.00	13.04	(42,484.00)	99,583.72
Restricted Funds Total	1,687,023.46	368,388.00	327.20	(334,338.62)	1,721,400.04
TOTAL ALL FUNDS	5,162,265.15	887,007.32	1,096.06	(449,878.62)	5,600,489.91

AGREEMENT REGARDING WATER SYSTEM ACQUISITION

This Agreement Regarding Water System Acquisition ("Contract") is dated this ____ day of July, 2021 and is made by and between Public Utility District No. 1 of Mason County, Washington (PUD 1) and Public Utility District No. 3 of Mason County, Washington (PUD 3).

RECITALS:

- A. PUD 1 and PUD 3 are municipal corporations organized and operating under Title 54 RCW;
- B. The boundaries of both PUD 1 and PUD 3 are within Mason County;
- C. PUD 1 and PUD 3 are both engaged in the business of distributing electricity, but at present only PUD 1 operates water systems;
- D. RCW 54.16.030 authorizes either district to construct, purchase, condemn, acquire, add to, maintain, conduct and operate water works and systems, within or without its limits, for the purpose of furnishing their respective districts, and the inhabitants thereof, and any other persons including public and private corporations within or without their respective limits with an ample supply of water for all purposes;
- E. RCW 54.16.090 authorizes PUD 1 and PUD 3 to enter into any contract or agreement for carrying out any of the powers authorized by Title 54 RCW;
- F. RCW 54.16.200 authorizes PUD 1 and PUD 3 to exercise jointly all powers granted to each individual district;
- G. PUD 1 has received, and is willing and able to respond to, requests from owners of private water systems located in Mason County, including certain systems located within the boundaries of PUD 3 to own and/or operate those systems;
- H. PUD 3 has no current plans to own or operate water systems either within or without its boundaries. PUD 3 has therefore determined that it is in the best interests of the residents of PUD 3 to facilitate PUD 1's ownership and/or operation of public or private water systems within the boundaries of PUD 3 when PUD 1 receives requests for such ownership and/or operation. PUD 3 therefore authorizes and approves PUD 1 to acquire, own, manage and/or operate such water systems in accordance with this Contract.
- I. PUD 1 and PUD 3 have determined that the acts authorized in this Contract are necessary to carry out the policy of the State of Washington by ensuring a safe and reliable water supply in compliance with applicable regulations for the residents of PUD 3.

NOW THEREFORE, in consideration of the mutual covenants and conditions hereinafter provided the parties agree as follows:

1. PUD 3 hereby consents, approves, authorizes and acquiesces in PUD 1's acquisition, ownership, operation, management, repair, maintenance and/or expansion of any public or private water system located within the boundaries of PUD 3 when PUD 1 receives a written request to acquire, manage

and/or operate the system. PUD 1 shall determine in its sole discretion the terms under which it will provide services and/or undertake an acquisition, if at all.

2. PUD 1 shall notify PUD 3 in writing when such a request has been made. In addition, PUD 3 shall refer requests it receives for ownership or operation of public or private water systems within its boundaries to PUD 1.

3. This contract shall terminate six months after one party gives the other party written notice of its intent to terminate. Termination of this Contract, however, shall not affect any right or ability then established by PUD 1 in any water system, and PUD 1 shall continue to own, operate, manage repair, maintain, or expand any such water system. Thus, the termination of this Contract merely prevents PUD 1 from entering into new arrangements with third parties (from and after the termination date) for the ownership and/or operation of water systems within PUD 3 to the extent that the approval of PUD 3 would be required before PUD 1 could lawfully enter into such arrangements. This Contract shall terminate on the date that is 25 years after the date first written above, unless earlier terminated in accordance with this Contract.

4. Nothing in this Contract is intended nor shall it be construed to create any rights in third parties.

Public Utility District No. 1 of Mason County
General Manager

Public Utility District No. 3 of Mason County
General Manager

Mason PUD 1

2021 Strategic Work Plan

* **NOTICE:** This work plan is a live, flexible document. The tasks assigned are budget and workforce contingent. Items will be added, and some will be removed or changed throughout the year. This work plan is approved by the board of commissioners. Senior staff reports the progress quarterly to the board to ensure that the PUD is on track and has a clear plan and direction.

1.0	Finance	Status: Progress, On Track, Off Track, Completed, Removed	Assigned To:	Due Date:
1.1	FIND WAYS TO INCREASE OUR MARGINS			
1.1.1	Implement the COSA Rate Structures to help replenish the system reinvestment dollars	Completed. The rate schedules for water, power and sewer are all ready to go for April 1 st , 2021.	Katie	Q2
1.1.1.a	Conduct COSA for Madrona Sewer. Hold public rate hearing and send out materials. Draft resolution to pass in coordination with timing of power and water rates.	Completed. We finished the COSA and sent out packets to all customers on the system. Held rate hearing on 2/23/21 and commission passed new rate schedule effective April 1, 2021.	Katie	Q1
1.1.2	Find Ways for large load customers to come online	Nothing to report this quarter.	Kristin	As needed
1.1.3	Look for opportunities to create cost savings for the District	Q1- Rich found quality, used tools that were on our purchase list for a fraction of the price, saving \$ in the budget. Q2- Found a new F550 as-built truck at the state that meets our specs and is less expensive than putting a new order in. Purchased it for water foreman's scheduled vehicle replacement this year.	All Staff	All Qs
1.1.3.1	What contracts need renegotiated for cost savings	Q1- Changed alarm monitoring companies from Stanley to Washington Alarm Center. Savings of \$1,750 per year.	Katie & Joyce	All Qs
1.1.3.1.1	Terminix	Completed. This contract was moved to quarterly and with Standard Pest Control.	Joyce	Q1
1.1.3.1.2	Centurylink (potentially)	Nothing to report this quarter.	Katie	Q3
1.1.2.1.3	Mason County Garbage	Completed. Revised pick up and contract.	Rich	Q1
1.1.2.1.4	Printing Services	Nothing to report this quarter.	Trish	Q3
1.1.3.2	What processes can be improved or streamlined Add items as identified	Mobile Workforce through NISC has eliminated paper trail for service orders.	All Staff	All Qs
1.1.3.3	Are there things we contract out that can be brought in house now?	Nothing to report this quarter.	All Staff	All Qs

1.1.3.3.1	Energy Resource Plan	Completed. We paid EES \$500 to develop a two-page template and instructions, that we can update annually using their criteria and methodology and submit to Commerce to satisfy the CETA requirements.	Katie	Q3
1.1.3.3.2	Public Work Contracting	Completed. James is doing site inspections for contractor construction now. All staff attended a Public Works Contracting course online through MRSC. James and Katie are being trained to take over all public works contracting. We will still have engineering firms help do this work when we are too busy or it's a complicated project.	Staff	Q1
1.1.3.3.3	In House Printing	Nothing to report this quarter.	Trish	All Qs
1.1.3.4	Identify and eliminate waste List items as they come along	Nothing to report this quarter.	All Staff	All Qs
1.2	GRANTS AND FUNDING OPPORTUNITIES			
1.2.1	COVID Related Funding	Q1- All CARES Act funds have been applied to customer accounts and submitted for reimbursement. \$49,451.41 for Mason County customers and \$6,985.18 for Jefferson County customers. We applied for a grant through Commerce for additional COVID funding and also listed HCC as a sub-recipient to help customers with internet and phone bill arrearages. Q2- American Rescue Act funding application was submitted to the County Commissions for Mason & Jefferson Counties. Mason was for \$125,000 for arrearages and also \$18,182 for Jefferson arrearages.	Katie	Q1
1.2.1.3	Communicate LIHEAP funding to every single customer who is behind on accounts	Completed for Q1.	Shiane	All Qs
1.2.1.4	Communicate business assistance funding that is advertised through the EDC	Completed through social media. We do not have commercial accounts that are on the disconnect list. If any appear, we will refer them to EDC for assistance.	Shiane	All Qs
1.2.1.5	Continue to work with WPUA to advocate to state legislature the need for utility assistance	Q1- Letter sent to Governor Inslee and WA leg delegation regarding priority testing and vaccinations for essential utility workers. Kristin testified w/ WPUA to Sen. Takko's committee on COVID impacts to special purpose districts. Q2- Nothing to report other than used WPUA-issued American Rescue Plan Act funding guidelines from US Treasury to make the case to Mason County Commission re: allowability for PUD 1 projects under ARPA guidelines.	Kristin & Katie	All Qs
1.2.1.6	Continue to work with APPA and NWPPA to advocate for utility assistance	Q1- Signed onto APPA letter for additional LIHEAP funding. Q2- Nothing to report this quarter.	Kristin & Katie	All Qs
1.2.2	Apply for Water System Grants and Loans			
1.2.2.1	DWSRF	Received notification that we received \$2.25 million from 2020's application process for Canal View & Shadowood water systems. Nothing to report this quarter.	Katie & Brandy	Q4
1.2.2.2	PWTF forgiveness loans	Nothing to report this quarter.	Katie & Brandy	Q4
1.2.2.3	Lake Arrowhead Mainline	Completed. Applied for in 2020. Was not selected this round.	Katie & Brandy	Q1
1.2.3	Consolidation Grants	Q2: DOH will not have consolidation grants available in 2022.	Katie & Brandy	Q3

1.2.4	Ecology Stream restoration grants	Completed. We have identified two projects for this grant cycle, that doesn't open until 2022. The water reclamation feasibility study for Alderbrook Resort and the deep aquifer testing for Alderbrook Water System. Will be ready to submit when it opens in 2022.	James	As Available
1.2.5	Other DOH	Nothing to report this quarter.	Katie/Kristin	All Qs
1.2.6	Other DOE	Progress: received a \$135,000 grant from Ecology for pole yard cleanup.	Staff	All Qs
1.2.8	CEDS	Q2- Two of the CEDS list projects are being considered for funding through Mason County for ARPA funds. Vuecrest and Agate Beach.	Kristin	All Qs
1.2.9	FEMA	Q1: Waiting on storm event to be declared for January windstorm. COVID disaster is moving forward for funding. Q2: January storm has been declared. Moving forward with costs to submit to FEMA. Also received word that the 2020 Storm Declaration will receive the 12.5% match from the state after all. That is approximately \$10,000.	Katie	All Qs
1.2.10	WRIA	Progress: Final Vote on the plan was on 4/21, consensus is not to pass it. Ecology has until 06/30 to have the committee come back and work on getting the plan to pass. If it doesn't pass on 6/30, Ecology can have their own ruling. Q2- Plan did not pass. We are working with the county and other parties to engage in Ecology's process for final plan development.	Brandy/James	All Qs
1.2.11	USDA	Nothing to report this quarter.	Kristin	All Qs
1.2.12	Others	Nothing to report this quarter.	Staff	All Qs
1.2.3.1	Cross-country in Hoodspout	Completed. Submitted full application to FEMA at end of 2020. 2021 Update: Application has moved forward into the next round for funding consideration. Actively working with FEMA regarding follow up questions and requests for additional information.	Katie & Darin	Q4
1.2.3.2	Eells Hill Rd	Completed. Submitted full application to FEMA at end of 2020. This was funded and we are evaluating options for moving the project forward.	Katie & Darin	Q4
1.2.3.3	Seismic Valve Retrofits	Completed. Submitted full application to FEMA in 2020. Waiting to hear back.	Katie & James	Q3 / Q4
1.2.3.3.1	Generators	Completed. Submitted full application to FEMA in 2020. Waiting to hear back.	Katie & Brandy	Q3 / Q4
1.2.3.3.2	Water Trees	Completed. Submitted full application to FEMA in 2020. Waiting to hear back.	Katie	Q3 / Q4
1.2.3.3.3	Solenoid Valves	Completed. Submitted full application to FEMA in 2020. Waiting to hear back.	Katie & James	Q3 / Q4
1.2.4.1	Capital budget requests to state legislature	Q1 Progress- Kristin and Bill Clarke from WPUA have approached Senator Sheldon about a budget request for the Duckabush Bridge relocation project. See below. Q2- The funding request was moved to the federal list and was selected.	Kristin & Katie	All Qs
1.2.4.1.1	DOT Duckabush Bridge	Q1 Progress- Kristin met with DOT and WPUA to submit a capital budget request for Duckabush Bridge line relocation for \$500,000. Tim Sheldon has agreed to sponsor the request. Kristin and Darin met with BKI to line out the project, utility needs, and budget. Possible opportunity to wrap the utility relocation budget into the overall DOT project budget since both are passed by state budget. This will be an ongoing project for the next two years.	Kristin	Q1

		Q2- The Duckabush project was selected for funding through Rep. Kilmer’s office for appropriations. Waiting for President Biden to sign the package.		
1.2.4.1.2	Manzanita Reservoir Mainline	Nothing to report this quarter.	Staff	Q4
1.2.4.1.3	Alderbrook mainline replacement – intertie to Highland Park	Nothing to report this quarter. Will move this to 2022, pending groundwater study and mitigation efforts.	Staff	Q4
1.2.4.2	EDC CEDS list same as capital budget request above	COMPLETED. Nothing to report this quarter. Will submit CEDS projects in Q2. Q2- CEDS list projects updated and sent to EDC for review and County Commission approval.	Kristin & Katie	Q4
1.2.4.3	.09 Funds from Mason County	Complete for 2021- Kristin met with Commissioner Shutty on this issue. The .09 funds are already dedicated for the next few years to city and county projects. When those commitments expire, Kristin asked for the opportunity to discuss some projects that would support economic development and expansion of the tax base to qualify for .09 assistance to fund the infrastructure buildouts.	Kristin	As Open
1.2.4.4	Bonneville Environmental Foundation	Completed. Project with Skokomish Tribe completed. Their ZEV Charging Station are online and the request for \$22,874.87.	Kristin	As Open
1.3	BUILD UPON INTERNAL PROCESSES			
1.3.1	Implement the April 1st Rate Schedules for water, power & sewer	Completed.	Shiane	Q2
1.3.3	Recalibrate the Pole Attachment rate in Summer/Fall following Pole attachment audit.	Q1- Progress. Staff met with Osmose, a contractor that specializes in pole attachment audits and inspections. The cost is lower than hiring a temporary employee to conduct the audit, and the services received exceed what the PUD is able to do in-house. There is tremendous value in contracting this- operationally, financially and from a risk management perspective. We will work on a contract to get this completed by June 2021. Q2- Pole audit will be completed in July. Osmose is almost complete.	Staff	Q3
1.3.3.1	Hold Appropriate stakeholder outreach and public hearings	Nothing to report this quarter.	Staff	All Qs
1.3.4	Set a regular electric capital budget just the water budget with a set amount to plan each year independent of grant and bond funds	Nothing to report this quarter.	Staff	Q3
1.3.5	Hold two finance committee meetings in 2021	Q1: Nothing to report this quarter. Q2: Finance meeting will be held in July.	Katie	Q4
1.4	SAFETY			
1.4.2	Continue to budget for materials/tools to make work safer	Nothing to report this quarter.	Kristin	As necessary
2.0	Facilities			
2.1	Substations			
2.1.1	Manzanita – line out all tasks, phases, projects leading up to and including construction; gray out everything after 2022	Completed. For 2021, we are only doing the clearing & grubbing and the intertie MOU. Both completed in Q1. Will move other things to following years’ plans after we get a new E&O manager.	Kristin	Q1
2.1.1.1	What is the process with BPA? Load Switching	Nothing to report this quarter.	BKI & Kristin	Q4

2.1.1.2	What other things do we not know?	Nothing to report this quarter.	BKI & Kristin	As necessary
2.1.2	Jorstad – Line out steps for next 10 years; gray out everything after 2022	For 2021, we are only working on the easement and <i>possibly</i> removing the trees. Will move other things to following years' plans after we get a new E&O manager.	BKI & Kristin	Q4
2.1.2.1	Easement, clearing easement	<p>Q1 Progress- The easement is at DNR being evaluated and should be approved in April. Will use our consultant to work with Mason County on the conversion request that we did several years ago, but DNR has said we can remove the timber as long as the easement is approved. Have selected a contractor off small works roster to do the clearing work.</p> <p>Q2- Easement is completed. Will get paperwork from DNR and then have a contractor from the small works roster perform the clearing before year end.</p>	BKI & Kristin	Q4
2.1.3	Federated – Identify substation inventory and submit all relevant claims to Federated	<p>Q1 Progress- line truck submitted. Had meeting with Federated re: substation items that can be included.</p> <p>Q2- Nothing to report this quarter.</p>	Katie & Kristin	All Qs
2.1.4	Mason 3 ties – Potlatch and T3	Agreements were signed between both PUDs for this year. No work will commence in 2021.	BKI & Kristin	Q4
2.2	Existing facilities			
2.2.1	Organize Equipment and materials	Completed.	Rich	Q3
2.2.1.1	Upper Campus/warehouse	Completed.	Rich	Q3
2.2.1.2	Lower Campus/Shop	Completed.	Rich	Q3
2.2.2	Temperature controlled storage options	Nothing to report this quarter.	Rich	Q3
2.2.2.1	Look at options for woman's club	Nothing to report this quarter.	Rich	Q3
2.2.2.2	Storage for disaster planning items	Nothing to report this quarter.	Rich	Q3
2.2.2.3	Look at options for outback	Nothing to report this quarter.	Rich	Q3
2.2.3	Security Plan	Completed. Security plan has been developed and bids received. Now working on budget and timeline for implementation.	Kristin	Q1
2.2.3.1	Fencing plan and budget	Completed.	James & Kristin	Q1
2.2.3.1.1	Does Tacoma Power want to share in the south end fence	Completed. We did not get response from Tacoma Power. They can pay to put privacy slats in it later if they want.	James	Q1
2.2.3.1.2	New Key system for all facilities	<p>Q1- Progress. Received two bids for key system. Staff has chosen one and is working with contractor on pricing options. Will present to board for approval in April. Will use part of 2020's Net Operating Margin to pay for the security upgrades, rather than roll into LGIP.</p> <p>Q2- New lock systems have been ordered. Will be installed before end of year.</p>	Kristin	Q1
2.2.3.1.3	Install cameras in new areas	Completed. Three cameras are installed in new warehouse on upper campus.	Kristin	Q1

2.2.4	Upkeep			
2.2.4.1	Paint warehouse	Q1- Received bid for this. Too high. Will do in-house with temp crew.	Kristin	Q3
2.2.4.2	Paint water leak repair area in lobby	Nothing to report this quarter.	Kristin	Q3
2.2.4.3	Replace dead plants in planter	Completed.	Joyce	Q2
2.2.4.4	Install a hose bib at front of facilities	Completed. The water crew got the existing one working.	Brandy/TJ	Q4
2.2.5	Pole Yard Clean up	<p>Q1 Progress- Kristin and James took this project over and moved it to Aspect to close out the action plan for voluntary clean up. We got the access permit and excess liability insurance for Tacoma Power completed. Aspect has submitted a new scope of work and timeline. James has completed the Inadvertent Discovery Plan for Ecology and James and Kristin have had several meetings with Ecology regarding Voluntary Cleanup Plan (VCP) and grant funding. This project started in March and should be wrapped up in June.</p> <p>Q2- All major cleanup activities have been completed. Now will have to do groundwater monitoring for a year to ensure all contaminates are gone. “NFA” will be issued if the testing comes back good in 2022.</p>	James & Kristin	When Approved
2.2.5.1	Apply for DOE grant to pay for this	<p>Q1 Progress- Have received \$135,000 already from Ecology for this. Nick from Ecology is helping James & Kristin submit for a second type of grant funding if there is additional cleanup that needs to occur.</p> <p>Q2- COMPLETED.</p>	James, Kristin & Katie	Q1
2.2.5.2	Get plan approved with Tacoma/DOE	Completed- Tacoma and DOE have both agreed to a No Further Action (NFA) designation as substantial completion for this project. NFA is the target. As a result, TPU has issued an access permit to the PUD and our contractors.	James & Kristin	Q1
2.2.5.3	Contract clean-up and get signoff	<p>Plan is to get NFA declaration from Ecology by June 30.</p> <p>Q2- Completed. Now in monitoring stage for NFA in 2021.</p>	James & Kristin	When Approved
2.3	Future Facilities			
2.3.1.1.1	Viewcrest Beach	Completed.	Brandy	Q2
2.3.1.1.2	Shadowood	Completed- Received grant to begin this in 2022. Will be working with HOA to remove existing tennis court to build new reservoir, booster station, and install a generator	Brandy	Q2
2.3.2	Easements	Working on this for power. Will work on 2022 projects for new water facilities.	Mary	As required
2.3.2.1	View Ridge Heights	Nothing to report this quarter.	Brandy	Q4
2.3.2.2	Hood Canal	Nothing to report this quarter.	Brandy	Q4
2.4	Safety			
2.4.1	See if FEMA has funding available to relocate any of our facilities.	FEMA is too backlogged right now due to COVID and cannot get through the queue they already have. This will be tabled for future years, because there is no immediate need for this. The new facility isn't slated until 2030 and planning for it won't begin until 2028.	Kristin & Katie	All Qs

2.4.1.1	Specifically, if they will cover any portion of our new office building's public access area if we designate the room as a shelter or command center during an earthquake or something like that.	FEMA is too backlogged right now due to COVID and cannot get through the queue they already have. This will be tabled for future years, because there is no immediate need for this. The new facility isn't slated until 2030 and planning for it won't begin until 2028.	Katie	Q4
2.1.1.2	Find Ways to improve traffic flow on-campus to avoid trucks having to turn around	Completed. They're able to use the new access road to do a complete turnaround at the upper campus now.	Rich	Q2
2.1.1.2.1	Find ways to slow down trucks (vendors especially) who drive in our parking lot "SLOW" painted on asphalt or something	Nothing to report this quarter.	Rich	Q2
3.0	ORG DEVELOPMENT			
3.1	WORKFORCE			
3.1.2	Create training plans for every employee	Q1 Progress- JJ has started his NWPPA staking certification. Kyle is attending Camp Rilea this quarter for his apprenticeship training. James, Kristin, Katie & Brandy all took a public works contracting course through MRSC. Q2 Progress – All water and admin employees have training programs. No new training programs available for electric crew so far in 2021.	Staff	All Qs
3.1.2.1	Continue system tours when it is safe to do so	Nothing to report this quarter. Will likely be moved to 2022.	Staff	When feasible
3.1.2.2	Hold a PUD 1 power grid 101 class for newer employees, including: <ul style="list-style-type: none"> Pole Labeling and how to translate that information to landmarks that the customers can understand Go over education items below 	Nothing to report this quarter. Will likely be moved to 2022.	Staff	When feasible
3.1.2.2.2	Restoration process handout	Completed.	Kristin	Q1
3.1.2.2.3	Cold Loading	Progress: Draft completed. Will use this fall/winter when applicable again.	Kristin	Q1
3.1.2.2.4	Where to plant trees/shrubs	Completed.	Kristin	Q1
3.1.2.3	2021 Trainings/Conferences	Q1: Admin Staff participated in an NWPPA Serving the Internal Customer training, to help improve communication and teamwork Q2: Kristin & Katie attended APPA's National Conference. Trish attended Communication webinar series training through NWPPA.	All Staff	All Qs
3.1.2.3.1	3 C's Conference - Shiane	Nothing to report this quarter.	Shiane	Q4
3.1.2.3.2	Accounting & Finance Conference - Joyce	Joyce attended the NWPPA Virtual Finance Conference in June.	Joyce	Q2
3.1.2.3.3	Work Order Training	Nothing to report this quarter.	Mary, JJ	Q4
3.1.2.3.4	Raising Your Energy IQ 101 - NWPPA	Nothing to report this quarter.	Kim & Trish	Q4
3.1.2.3.5	Energy Conservation - Kim	Nothing to report this quarter.	Kim	Q3
3.1.3Q	Succession planning for employees and commissioners	Nothing to report this quarter.	Kristin & Katie	All Qs
3.1.3.1	Job Descriptions for outgoing positions	Q1- Kristin has updated the Operations Superintendent position, electric engineering technician position and temporary helper position.	Kristin & Katie	All Qs

3.1.3.2	Inquire about interest in backfilling positions and prepare them to move into those roles	Nothing to report this quarter.	Kristin & Katie	All Qs
3.1.3.3	Re-certify Low Income Participants for Community Solar II	This is just a placeholder to remind us to do this in 2024.	Julie ?	2024
3.1.4	Policies:			
3.1.4.1	Employee Handbook	Draft is complete. Submitted to Archbright for review. Q2: Archbright feedback received. Kristin & Rob are reviewing for final changes before sending back to Archbright for one final review.	Katie	Q1
3.1.4.2	Remote work policy	Removed from plan.	Katie	Q1
3.1.4.3	Review Key Policy following new key replacements	Nothing to report this quarter. Moved to Q3.	Kristin	Q1
3.1.4.4	Continue disconnect threshold review/discussion	Q1 Progress- Shiane has reached out to other utilities for their disconnect threshold. Implementing is on hold until the moratorium is lifted. Q2- Moratorium extended to Sept. 30 th . Nothing to report this quarter.	Shiane	Q1
3.1.5.1	Recap respectful workplace training for new employees	Q1 Progress- Katie has contracted for a virtual class with Jennifer Bouman-Steagal, a labor attorney who contracts with NWPPA for these courses. She conducted the last on-site course for Mason PUD 1. New hires took the virtual training March 23 rd . The PUD is on a 5-year rotation for all-employee refreshers course.	Katie/NWPPA	Q2
3.1.5.2	Practice the backup duties at least twice yearly	Q1 – Staff are continuing to practice backup duties that can be done while working remotely. Q2 – Staff is actively practicing backup duties on a monthly basis.	All Staff	All Qs
3.2	SAFETY			
3.2.1	Redraft the ERP	Nothing to report this quarter. Draft is done. Need to finalize.	Julie	Q1
3.2.2	Publish calendar of trainings for office safety program by January on bulletin boards and on shared office calendar	Completed.	Katie	Q1
3.2.3	Reinforce COVID safety protocols weekly; tailboards, staff meetings, on the spot reminders.	Completed- ongoing and part of the tailboard worksheet.	All Staff	All Qs
3.2.4	Workplace Violence Prevention	Nothing to report this quarter.	All Staff	Q4
3.2.4.1	Hostile customer training for operations and office employees-how to react, how to report, how to deescalate	Nothing to report this quarter.	All Staff	Q4
3.2.4.2	Domestic violence issues in the workplace	Nothing to report this quarter.	Katie & Kristin	Q4
3.2.5	List safety tools and equipment – budget	Nothing to report this quarter.	Kristin	Q4
3.2.5.2	Highline Truck	Completed. Not feasible to purchase our own truck. Neighboring PUDs not interested in a rental agreement for us to use theirs'. Got a per diem rate from Kemp West to do highline work as needed in the future.	Kristin	Q4
3.2.5.3	High Voltage Tester	Nothing to report this quarter.	Kristin & Rich	Q3
3.2.5.4	Voltage Monitoring Device	Nothing to report this quarter.	Kristin & Rich	Q3

3.2.6	Nominate PUD for safety recognition	Completed. APPA & NWPPA.	Katie	Q3
3.2.7	Random Safety Inspections	Completed for Q1. No violations noted. Completed for Q2. No violations noted.	Kristin & John Spain	All Qs
3.2.8	Incorporate Wellness Items w/ Safety Program	Q2: EAP informational flyer regarding emotional support, counseling services, legal assistance, etc. was provided to all employees.	Katie	All Qs
3.2.9	Customer Education on Safety	Nothing to report this quarter.	Kristin & Trish	Q4
3.2.9.1	Work Zones	Nothing to report this quarter.	Kristin & Trish	Q4
3.2.9.2	Electric Shock Drowning	Nothing to report this quarter.	Kristin & Trish	Q4
3.2.9.3	Downed Wires	Nothing to report this quarter.	Kristin & Trish	Q4
3.2.9.4	Generator Safety	Nothing to report this quarter.	Kristin & Trish	Q4
3.2.9.5	Backflow Devices	Completed. This was the focus of the water dept summer newsletter article.	Brandy & Mary	All Qs
3.2.9.6	Wellhead protection zones	Progress – Any property owners with in Canyonwood Beach WHPZ received notices.	Brandy & Mary	All Qs
3.3	IT & TECHNOLOGY			
3.3.1	NISC – Appoint key people to implementation teams and set a schedule for:	Q1 Progress: Mobile Workforce has gone live. Shiane, Rose, Rooster & Katie implemented this. A second team for Outage Management has been developed: Julie, Shiane, JJ, Katie & BKI.	Staff	As needed
3.3.1.1	Mobile Workforce (January 2021)	Completed. This taskforce consisted of Katie, Mike Rose, Shiane and Rooster. The Mobile Workforce program has been deployed in the field and crews are using it. All employees in field and office received training from NISC.	Shiane & Katie	Q1
3.3.1.2	OMS Training	Completed. This taskforce consists of Julie, Shiane, Katie, and JJ. They have standing Thursday morning meetings until OMS is functioning correctly and fully implemented.	Shiane & JJ	Q3
3.3.1.3	Meter Reading – Itron Ipad mobile with workforce	Q1 Progress: Quote has been requested from Itron for mobile meter reading. Q2 Progress: Mobile Meter Reading equipment as been ordered. Installation / training will happen in the fall before Itron devices are no longer supported.	Katie	Q1
3.3.2	Kiosks? Do we still want these? Sites? (piggy back on downtown Shelton PUD 3 for water systems	Completed. Not able to come to an agreement with PUD 3 on siting. Will evaluate in the future if there is a demand or we pick up additional water systems in the Belfair area.	Shiane	Q1
3.3.3	Replenish IT reserve account	Q1 Progress: reserve established and is being funded on a monthly basis to reach the target amount by end of year.	Katie	Q4
3.3.4	Order new ipads – add service plan increases to monthly Verizon budget)	Completed- as part of our mobile workforce deployment.	Joyce	Q1
3.3.5	Plotter – fix or replace	Nothing to report this quarter.	Brandy	Q3
3.3.6	Check Endorser – needs replacing	Q1 Progress – Shiane has researched check endorsers and found they are no longer manufacturing them because everyone is moving to electronic check	Shiane	Q1

		scanning devices. We are currently getting a quote from NISC for the RemitPlus check scanning device instead. Q2 Progress- We are on the list for RemitPlus check scanning device through NISC. The “Go Live” date will be early 2022, with training and equipment installation happening at the end of 2021.		
3.3.7	Uniformity in our IT processes	Completed. Q1- Met with HCC to outline expectations of uniformity and processes. Provided list of areas that needed addressed.	Kristin & Katie	Q1
3.3.7.1	Adobe Log-ins	HCC will complete in May. Q2- Completed.	Kristin & Katie	Q1
3.3.7.2	Microsoft Log-ins; password availability for HCC so we don’t have to reset	HCC will complete in May. Q2- Completed.	Kristin & Katie	Q1
3.3.7.3	PINS for smartcards – why do some people have passwords and some have PINS to log in	HCC will complete in May.	Kristin & Katie	Q1
3.3.7.4	Explore EN services, IT equipment, make-ready equipment	Q1- Progress. Have provide EN the information and waiting for them to return a proposal for us.	Kristin & Katie	Q2
3.3.8	Network Security	Nothing new to report outside of normal routine maintenance this quarter. Q2- Asked EN to make the phishing campaign more difficult this year and we had several employees not pass the last test. Good training opportunity.	Kristin & Katie	Q1
3.3.8.1	Phishing and penetration testing from EN	Completed. Signed contract to continue this into 2021 for phishing. Will budget for penetration testing in 2022.	Kristin & Katie	Q1
3.3.8.2	How to ensure all our network patches are being performed on schedule.	Completed. This is now part of the weekly check in by HCC.	Kristin & Katie	Q1
3.4	COMMUNICATIONS & PR			
3.4.1	Internal outage communications	Completed. Mike Rose & Kristin communicate after hours. All normal business hours outage information is being ran through the CSR who is physically at the office and then the water and power foremen.	All Staff	All Qs
3.4.1.1	Plan for when Kristin is out – who will take over running the outage and communications? • Plan for daytime outage info flowing to/from office; and then for afterhours also.	Completed- Mike Rose takes electric after hours calls and Brandy takes the water calls. Rose and Brandy will communicate with Kristin or her designee both during the day and for after hours. All information should run exclusively through those channels so information to the crews and to the public is accurate and timely.	All Staff	Q1
3.4.2	Nurturing the departmental and cross-departmental communications and teamwork	Q1 Progress- Working on OMS and Mobile Workforce across operations, customer service and engineering. Have BKI sitting in on meetings where appropriate to help streamline processes and integrate our processes into NISC. Q2- Utility person and temps are all working across the different departments.	All Staff	All Qs
3.4.2.1	Weekly or regular staff meetings – add a question each time about; is there anything you need or is there a way you can help making something work better?	Q1 Progress – monthly staff meetings held for admin staff. Q2- Nothing new to report.	All Staff	All Qs
3.4.3	Website (See below)		Kristin & Julie	Q4
3.4.3.1	Do a review with operations staff, have a cross department team meeting on this.	Q1- Progress. Julie has started working on this, first with the water department. Q2- Nothing new to report.	Kristin & Julie	Q4
3.4.3.2	Set a budget and scope of work -	Q1- Julie and Kristin met with webmaster and Mosaic Marketing for website project kick off meeting. Set scope and budget and timeline of June 30 for completion.	Kristin & Julie	Q4
3.4.3.2.1	Ensure the upload size is sufficient	Q1- Progress. This was included in the scope for the new website project.	Kristin & Julie	Q4

		Q2- Nothing new to report.		
3.4.3.2.2	Ensure the back-end functionality is easy for us to do ourselves	Q1- Progress. This was included in the scope for the new website project. Q2- Nothing new to report.	Kristin & Julie	Q4
3.4.4	Hold Employee Appreciation Event	Completed.	Julie	Q2
3.4.5	Hold Customer Appreciation Event	Q1- Progress. Scheduled for 10/8.	Julie	Q3
3.4.6	Go Paperless! Campaign	Q2- Started for June-Sep.	Kristin & Shiane	Q3
3.4.7	Canal Comfort Fund Drive (add round up?)	Nothing to report this quarter.	Shiane	Q3
3.5	RECORDS COMPLIANCE			
3.5.1	Pull list of contracts that need to be renewed in 2021 and add to plan	Q2- Interlocals are being updated.	Julie	Q1
3.5.2	Digitize records	Q2- Submitted a grant to the state archivist's office for \$2,500 for scanning. Nothing to report this quarter.	Julie	Q3
3.5.3	Do annual purge and destruction log following state audit	Nothing to report this quarter.	Julie	Q3
3.5.4	Purge boxes of records from Outback	Nothing to report this quarter.	Julie	Q3
3.5.5	Julie to attend a Records Roundtable or training	Q1 – Attended virtual roundtable, 4/28/21 WPUA	Julie	As available
3.5.6	In-house records training for all employees	Nothing to report this quarter.	All Staff	Q4
3.6	Public Involvement			
3.6.1	SHS Career Day	Nothing to report this quarter.	Joyce & Trish & Ops Employee	If available
3.6.2	Hood Canal School Career Day	Nothing to report this quarter.	Joyce & Trish & Ops Employee	If available
3.6.3	Parades	Nothing to report this quarter.	Julie	When available
3.6.4	EDC	Kristin will step in and chair the EDC board for the remainder of 2021, following the exit of the current elected chair.	Kristin	All Qs
3.6.5	Kiwanis	Nothing to report this quarter.	Kristin, Julie & Jack	When Available
3.6.6	Invite Hood Canal School and Brinnon Elementary to participate in a water conservation poster contest	Nothing to report this quarter.	Julie	When Available
3.6.7	Invite Hood Canal School and Brinnon Elementary to participate in an electrical safety poster contest	Nothing to report this quarter.	Julie	When Available
3.7	Employee Events			
3.7.1	Two Potluck events in-house	Q1- Employees had lunch in shop for Darin's last day. Q2 – Employees had lunch as appreciation to winning APPA award.	Staff	Q4
3.7.2	Highlight employees in awards and other forums	Q1- Kristin sent off APPA nominations for staff and the PUD. We won the Sue Kelly Community Service award and Katie, Kristin & Ron will be there to accept it. Q2- Received APPA award in June.	Staff	All Qs
3.7.4	Review Policies and see if any need revamped- (PCI)	Q2 – PCI policies are under revision and will be put on agenda for approval after policy committee reviews them in Q3.	Kristin & Katie	All Qs

3.7.5	Exit interviews process	Nothing to report this quarter.	Kristin & Katie	Q2
4.0	Water			
4.1	REGULATORY			
4.1.1.1	Water Rights			
4.1.1.1.1	Highland Estates	Q1 Progress- This is in its final review with Ecology. Out for public comment. Should be completed in April. Q1 Progress- Water Rights are approved in April.	Brandy	Q2
4.1.1.1.2	Canal View	Completed- Additional water rights approved March	Brandy	Q2
4.1.1.1.3	Ripplewood	Q1 Progress- Just started this cost reimbursement contract with Aspect and Ecology. Q2- Nothing new to report.	Brandy	Q4
4.1.1.2	Participate in committees and associations	Q1 Progress- Staff and commissioners attended WRIA, WWUC, WPUA, and HC Coordinating Council meetings. Q2- Nothing new to report.	Brandy & James	All Qs
4.1.1.3	Federal & State Regulations	Q2- Brandy is monitoring the Ecology policy revisions through WWUC, as well as upcoming PFAS testing rules and funding.	Brandy & James	All Qs
4.2	PERSONNEL			
4.2.1	James' in-house project, hours, schedule – line these out for the year.	Completed. James is also working with a new engineering mentor through BKI to get his hours for his P.E.	James & Brandy	Q1
4.2.2	Brandy list out all the trainings for each water department employee – CEU's, conferences, etc.	Completed. Q2- Brandy has this list managed in house and trainings scheduled.	Brandy	Q1
4.2.2.1	ERWoW Fall Conference	Q2- Employees registered.	TJ, Cole, Brandy, and Mary	Q3
4.2.2.2	WPUA Water Workshop	Nothing to report this quarter.	Brandy, Kristin, Rooster, Marty, and James	Q4
4.2.2.3	NWPPA Leadership Training	Nothing to report this quarter.	Brandy	All Qs
4.2.3	CSR Education – FAQs, identify gaps in knowledge	Q2 – Gaps have been identified. Working on FAQ for referral.	Brandy, Julie, Katie	Q2
4.2.3.1	Water mainline breaks – pressure, dirty water, how to flush your water in your home	Nothing to report this quarter.	Water techs	All Qs
4.2.3.2	How to check for a leak at your house	Nothing to report this quarter.	Brandy	Q3
4.2.4	Review Water ERP – print copy, train employees on how to refer to it with questions when Brandy isn't available	Nothing to report this quarter.	Brandy	Q3
4.3	INFRASTRUCTURE			
4.3.1	Identify 2021's water system plans			
4.3.1.2	Lake Arrowhead Part B	Q1 Progress- Wrapping up WSP, Mainline design is complete and turned into DOH for review. Will go out to bid mainline in spring 2022. Waiting for treatment design to be completed so we can put manganese treatment out to bid. Q2- WSP should be submitted to DOH in August. Will hold public hearing in Q3.	James, Brandy, & BKI	Q2

4.3.1.3	Canal View	Progress- Waiting on contract from DOH will probably not receive till the end of the year.	James, Brandy, & G&O	Q2
4.3.1.4	Minerva Terrace part B	Q1 Progress- DOH reviewing plan Q2 Progress- Should be approved in August.	James, Brandy, & BKL	Q1
4.3.1.5	TwanoH Consolidation	Q2- All comments should be submitted in Q3 and should be approved by DOH before end of the year.	James, Brandy, & G&O	Q3
4.3.1.6	Highland Estates	Q2- WSP will be submitted before end of the year. James is also working with Aspect to implement mitigation project for water rights.	James, Brandy, & G&O	Q4
4.3.1.7	Shadowood	Will be started in completed in 2022, after DOH contract is signed.	James, Brandy, & G&O	Q2
4.3.1.8	Canyonwood Beach	Q2 Progress- Wrapping of draft WSP and waiting on Government Consistence Form from Mason County. Q2 Progress- DOH reviewing.	James, Brandy, & G&O	Q1
4.3.3	Build Annual CIP budget	Nothing to report this quarter.	Brandy	Q3
4.3.3.1	Create an SDF Special Project Fund	Completed. SDF Special Project Fund will be funded each month based on previous month revenue for SDF's paid. \$104,126 received since 03/2021.	Katie	Q1
4.3.4	Identify CIP projects			
4.3.4.1	Agate Beach whole system mainline replacement *Bond Funded	Q2 Progress: Bid awarded to Hanson Excavating, project will start July 6 th Q2 Progress: Work started in July.	James, Brandy, & G&O	Q3
4.3.4.2	Anthony Road N replace source meter	Nothing to report this quarter.	Brandy	Q2
4.3.4.3	Bay East Manganese treatment *grant funded and reroof well house	Q2 Progress: Manganese pilot study completed. Predesign completed. Project estimate higher then when what was submitted for funding. Looking into how to cut cost and possibly apply for other funding. Sent a letter out to the neighboring property, seeing if it would be possible to purchase their property to do future improvements on the system.	Brandy, James, & G&O	Q2
4.3.4.4	Bellwood A & B paint pump house	Completed.	Brandy	Q3
4.3.4.6	Canal Mutual bolt down well enclosure and install gate	Completed.	Brandy	Q1
4.3.4.7	Canal View rebuilt & paint pump house, and replace well enclosure	Progress- Waiting on contract from DOH will probably not receive till the end of the year.	Brandy	Q3
4.3.4.8	Elk Ridge rebuild and paint pump house	Q1 Progress: 75% completed Q2 Progress: Completed	Brandy	Q3
4.3.4.9	Highland Estates install well enclosures over wells 1 & 2 and possible monitor well 2	Completed. James checks static levels on Wells 1 & 2 per quarter.	Brandy	Q2
4.3.4.10	Jade Drive blowoffs	Completed.	Brandy	Q1
4.3.4.11	Lake Arrowhead mainline replacement and manganese treatment *Grant funded	Q2 Progress: Manganese pilot study completed. Predesign completed and submitted to DOH for review.	Brandy, James, & G&O	Q3
4.3.4.12	Rainbow Lake replace captive air tank with bladder tanks, isolation valves, and paint pump house	Q2 Progress: Captive air tank replaced with bladder tanks. Q3 Progress: Completed	Brandy & James	Q3
4.3.4.13	Rhododendron Place replace source meter and paint pump house	Completed.	Brandy	Q3
4.3.4.14	Shadowood automated chlorine reader	Completed.	Brandy	Q1

4.3.4.15	Singh Water paint pump house	Completed.	Brandy	Q3
4.3.4.16	Island Lake Manor replace captive air tank with bladder tanks and reroof	Completed.	Brandy	Q3
4.3.4.17	South Side replace captive air tank with bladder tanks and reroof	Completed.	Brandy	Q3
4.3.4.18	Stonebriar paint pump house	Completed.	Brandy	Q3
4.3.5	Water Loss			
4.3.5.1	Leak Detection	Nothing to report this quarter.	Brandy	All Qs
4.3.5.1	Use BPA Program	Nothing to report this quarter.	Brandy	Q3
4.3.5.2	Evergreen Rural Water Free Detection	Nothing to report this quarter.	Brandy	Q2
4.3.5.2.1	Ripplewood (43%)	Nothing to report this quarter.	Brandy	Q2
4.3.5.3	In House detection			
4.3.5.3.1	Canal Beach Tracts (62%)	Q2 Progress: Replaced mainline along US 101.	Brandy	Q3
4.3.5.3.2	View Ridge Heights (51%)	Nothing to report this quarter.	Brandy	Q4
4.3.5.3.3	Bayshore (39%)	Nothing to report this quarter.	Brandy	Q4
4.3.6	Mainline replacements			
4.3.6.2.1	Lake Arrowhead *grant funded	Q1 Progress- BKI design mainline to replace 2500’ mainline. Applied for DWSRF late 2020 to replace rest of mainline, did not get approved. Q2 Progress- DOH reviewing mainline replacement.	Brandy	Q3
4.3.6.2.2	Canal Beach Tracts (hot tub shed to barber shop)	Completed.	Brandy	Q3
4.3.6.2.3	Union *Byers on 106, Condos to Rick Buechel on 106	Applied for DWSRF late 2020 to replace rest of mainline, did not get approved.	Brandy	Q4
4.3.7	Identify & replace aging service and source meters	Rainbow Lake	Brandy	All Qs
4.3.7.3.1	Consider replacing with AMI, but still read AMR	Q1 Progress- Working with Landis & Gyr to get a reliable quote before we decide which meters to buy. Should move this item to Q4.	Brandy & Kristin	Q4
4.3.7.3.2	Meet with PUD 3 regarding telecom infrastructure for water meter reads	Nothing to report this quarter.	Brandy	Q4
4.3.7.3.3	Identify type of meters we want to move to	Nothing to report this quarter.	Brandy	Q4
4.3.7.3.4	Brandy to research other utilities’ conversion projects for recommendations for meters that work for both water& power, or at least work together on the same AMI system	Nothing to report this quarter.	Brandy	Q4
4.3.8	Facility Security	Holiday Beach needs PUD signs	Brandy	Q4
4.3.8.1	Well Heads	Nothing to report this quarter.	Brandy	Q4
4.3.8.2	Fencing	Bay East	Brandy	Q4

4.3.8.3	Gates	Canal Mutual well house	Brandy	Q4
4.3.9	Generator plan		Brandy	Q1
4.3.9.1	Bellwood A	This project is going out to bid in Q3.	Brandy	Q4
4.3.9.2	Shadowood	This project is going out to bid in Q3.	Brandy	Q4
4.3.9.2.1	Make a complete list of all systems that need generators and what size and list them according to priority	Completed. Submitted for FEMA Hazard Mitigation Grant at end of 2020.		
4.3.9.2.2	Choose the ones for grant applications	Nothing to report this quarter.	Brandy	Q3
4.3.10	Stream monitoring	Q1- All data has been collected. Purchased new data loggers. Q2- All data has been collected. Working to do calibration on the data loggers.	James	All Qs
4.3.10.1	Ensure ongoing budget for existing monitoring network	Completed. This is routine in the budget now.	James	All Qs
4.3.10.2	Budget for two additional streams	Nothing to report this quarter.	James	Q1
4.3.11	Reservoir Cleaning and Inspections	Q1: Reservoir cleaning bids due April 22. Q2: Bid will be awarded 4/27. Completed. Reservoirs cleaned in June.	Brandy	Q3
4.4	ADD CONNECTIONS			
4.4.1	Identify areas for line extension to be added to CIP for 2021 and beyond	Nothing to report this quarter.	Brandy	Q3
4.4.1.1	Take 2021 areas that will require SDF as earnest money to board for approval	Nothing to report this quarter.	Brandy	Q3
4.4.1.1.1	Hood Canal mainline extension undeveloped properties south of Sprague Ave	Nothing to report this quarter.	Brandy	Q3
4.4.1.1.2	Union mainline extension on Kuhn and 2 nd St	Q2 Progress: TJ and Brandy are in discussions of how this project would be completed. Need to upgrade mainline size on Main St to extent line on 2 nd St and there are a lot of storm drain culverts to go under.	Brandy	Q2
4.4.1.1.3	View Ridge Heights mainline extension on Duncan Rd	Q2: The grade is too steep to extend mainline without need to have a booster station installed.	Brandy	Q1
4.4.1.1.4	Viewcrest Beach mainline extension north on Libby Rd	Q1: Customers that owns property for to extend mainline for services isn't sure if he would like to move forward.	Brandy	Q1
4.4.2	Identify new projects that will add connections and either move it to the CIP or park it here with future dates	Nothing to report this quarter.	Brandy	Q3
4.4.2.1	Vuecrest reservoir & Union Ridge intertie (2021 or 2022)	Q1 Progress: working with property owner to purchase land to build reservoir. Q2 Progress: in feasibility period, will be having a Geotech report done. Q3 Progress: Property purchased, Geotech Assessment completed. G&O working on a scope of work for reservoir design.	Brandy	Q4
4.4.2.2	Vuecrest, Union Ridge, highland Park intertie (2022 or further out)	Nothing to report this quarter.	Brandy	Q4
4.5	ERU CAPACITY ANALYSIS			
4.5.1	Which systems are almost to capacity or will be in <5 years?	Alderbrook, Hood Canal, Bellwood A	Brandy	Q1
4.5.1.1	How we are identifying and addressing it	Completed: Capacity Analysis, Monitoring Water Use, System improvements, Leak Repairs	Brandy	Q1

4.5.1.1.1	FT/PT Survey	Nothing to report this quarter.	Brandy	All Qs
4.5.1.1.2	Water Loss	Nothing to report this quarter.	Brandy	All Qs
4.5.1.2	Find ways to increase system capacity (low connections)			
4.5.1.2.1	Alderbrook	Completed. Submitted and approved for 203 connections.	Brandy & James	Q1
4.5.1.2.1.1	Find out how ERU's were calculated	Completed. Older water data was used and since then water leaks have been repaired and consumers are using less.	James	Q1
4.5.1.2.1.2	Do we need to drill well 4 to accommodate existing growth?	Completed. When we need more pumping capacity for the water system, then well 4 will need to be drilled.	Brandy & James	Q4
4.5.1.2.2	Union	When the WSP was approved Union connections increased by 55 connections.	Brandy	Q1
4.5.1.2.3	Bellwood A (James working on, need more usage data)	Nothing to report this quarter.	Brandy & James	Q1
4.5.1.2.4	Ripplewood (water rights and wsp, currently working on)	Nothing to report this quarter.	Brandy	All Qs
4.5.1.2.5	Vuecrest (currently working on)	Nothing to report this quarter.	Brandy	All Qs
4.6	SAFETY			
4.6.1	Identify safety program subject in 2021 schedule	Completed. Posted.	Kristin & John Spain	All Qs
4.6.2	Ensure that the new tailboard process is being implemented on each crew	Completed. This was the safety topic for January. Kristin will check in with foremen throughout the year to ensure that it is occurring and reinforced.	Darin	All Qs
4.6.3	Identify any tools or equipment that needs replaced or purchased to make jobs safer.	Q1 Progress- Identified valve exercising tool and crane for back of truck.	Kristin & Rich	All Qs
4.6.4	Reinforce that everyone has Stop Work authority at each tailboard	Completed. This is an item on the tailboard sheets now to reemphasize to all employees that they all have stop work authority if they see something unsafe or questionable, they are empowered to say something and halt work until the situation is corrected.	Darin	All Qs
4.6.5	Reinforce COVID safety protocols at each tailboard	Completed. This item is part of the form for tailboards.	Darin	All Qs
5.5.3	Make sure that near misses are being discussed and debriefed at the Safety meetings	Completed. Kristin met with John Spain to discuss heightening the emphasis on discussing near misses in the meetings so people can learn from them. Also, ensuring that foremen are stopping work and pulling together for another tailgate when they happen on site. Kristin and John will work to reemphasize this with the foremen throughout the year.	Darin	All Qs
5.0	Electric			
5.1	PERSONNEL			
5.1.1	Workforce education	Q1 Progress- Internal Customer Service training through NWPPA customized for PUD 1 to help us keep our teamwork and interpersonal skills sharp while we're working remotely and under massive change at the utility.	Staff	All Qs
5.1.2	Line out trainings for electric employees	Nothing to report this quarter.	Kristin & Katie	Q2

5.1.3	Cross-departmental trainings i.e. system tours, outage drills	On hold until we all come back to the office.	Staff	When available
5.1.4	Staking technician training	Q1- JJ took Line Inspection, Protection / Basic Sectionalizing Design, Underground line design and subdivision layout. Q2 – JJ took Basic Surveying, and Easement Acquisition.	JJ & Katie	All Qs
5.1.5	OMS Training	Q1- Selected OMS implementation team. Those members took NISC OMS training and had several team meetings this quarter. Goal is for OMS to be functional by end of 2021. Q2 – Data issues have been identified and are currently being corrected within the software. A test environment has been created to test connectivity and predictions.	All Staff	Q1
5.1.6	Foreman/leadership training	Nothing to report this quarter.	All Staff	When available
5.1.7	Succession planning	Nothing to report this quarter.	All Staff	Where needed
5.1.8	Shared apprentice training at other westside utilities for different experience	Q1 Progress- Kristin put in a request to westside managers meeting attendees for projects that we could send our apprentice to participate with.	All Staff	When available
5.1.9	Engineering plan – RFP Roster	Completed. Have selected a new roster of electric engineering firms.	Kristin & Darin	Q1
5.1.10	Temp crew/backfilling vacant line position; evaluate budget and create a plan	Completed. Fully staffed line crew now. No vacant positions. Have budgeted for a temporary crew- 3 electric; 2 water if we are achieving budget by Q2.	Staff	Q1
5.2	RISK ANALYSIS & MITIGATION			
5.2.1	Do we need a wildfire plan	Yes. Kristin is working on options for having this done by a contractor in 2021.	Kristin	Q1
5.2.2.1	Remove Danger Trees	Q1 Progress- We have a list of identified trees that we will discuss with our vegetation management contractor. Q2 Progress- We had danger trees removed along with the brushing and fire trees in Lilliwaup. Will get 2 more days of danger tree removal work for the contractor before the end of the year.	Kristin	Q3
5.2.1.2	Upgrade reclosures	Kristin Note: Did we budget for this? Duckabush north circuit. Check with BKL.	BKL	Q4
5.2.2	Pole Attachments & Inventory Plan	Q1 Progress- Kristin is working on a contract with Osmose to conduct this attachment audit and do a pole testing audit. Q2- Osmose will be completed in July and we will work on communications with attaching companies.	Kristin	Q2
5.2.2.1	Create a pole testing/evaluation and replacement program	Q1 Progress- Kristin is working on a contract with Osmose to test 10% of the system's poles ever year so the entire system is audited by the time the next pole attachment audit comes up. Q2- This will be done by a different company. Will put this out to bid before end of the year.	Kristin	Q2
5.2.2.2	Identify clearance issues throughout the system	Nothing to report this quarter.	Kristin & BKL	Q3
5.2.2.3	Complete pole attachment audit by June 2021	Progress Q1- Contract received from Osmose to begin this work. Should have this completed by the end of June. Q2- Completed in July. Now working on notifying attachers.	Staff	Q2
5.2.3	Identify Danger Trees	Q1 Progress- Compiled a list to put out to bid with tree trimming. Budgeted for danger tree removal in 2021.	Staff	Q2

		Q2- List is compiled. Have removed most from the initial list. Will have a few more days for contractors before end of year. In house crew working on taking out trees that are easy for us to access.		
5.2.4	BPA's Potlatch Substation	BPA said the substation is fine. It's their responsibility to serve and they have a portable sub for it if it fails, according to BPA.	Darin & Kristin	Ongoing
5.3	OPERATIONS			
5.3.1.1	Mason 3 to Manzanita tie	MOU completed and executed. Intertie doesn't need to happen until 2023.	Kristin	Q4
5.3.1.2	Install conductor and poles for Manzanita Dalby Rd double circuit	BKI review. Conductors need poled, poles need set. Contract this out. This is the second portion of Hanson's project.	Kristin & BKI	Q4
5.3.2	CT Meter Upgrades/Training	Q2 Completed- National Metering Services has been out and reprogrammed all our CT meters and the donuts for the meters that were oversized and needed changed out. We have maxed the metering budget for 2021 already, so we'll keep them on-call for specific metering needs until next year.	Kristin	Q2
5.3.2.1	Start system audit of meters (form, class and amps)	Changing this for 2021. Fixing stuff we've already identified instead. No new audit for 2021. Moving audit to 2022. The list of stuff that needs fixed can go to crews.	Kristin & BKI	Q2
5.3.2.2	Work with national metering CT upgrades for training	Duplicate of 5.3.2. See comments. This is completed.	Kristin	Q2
5.3.3	URD replacements, OH/URD conversions, tap replacements			
5.3.3.1	Rebuild WAWA Point	Priority. Will move to this project after Sylopash. Sometime in August.	Kristin & BKI	Q4
5.3.3.2	Whitney Point Phase 1 rebuild	Will move to 2022. We will run out of time this year.	Kristin & BKI	Q4
5.3.3.3	Rebuild end of Skok Valley (Julie's)	Priority. Will move to early 2022 though. We will run out of time this year.	Kristin & BKI	Q4
5.3.3.4	Galloway Lane overhead to underground rebuild	Priority. Will move to early 2022. We will run out of time this year.	Kristin & BKI	Q4
5.3.3.5	Love road overhead to underground rebuild	Priority. Will move to 2022. We will run out of time this year.	Kristin & BKI	Q4
5.3.3.6	Colony Surf division 5 and 6 underground replacement	Q2- Waiting for HCC to find out if they received their funding for the fiber buildout. That way we can get in the trenches when they're already open instead of paying to trench. Slated for end of 2021.	Kristin & BKI	Q4
5.3.3.7	Alderbrook underground taps replacement	Q2- Kristin had meeting with HCC and AGYC to coordinate work. Waiting for HCC to send over their map so we can schedule this.	Kristin & BKI	Q4
5.3.3.8	Sylopash Lane underground replacement (Brinnon Store)	Q2- This has begun. Will be completed in July.	Kristin & BKI	Q4
5.3.3.9	Four Wheel Drive Rd underground replacement	If we have time. Or move to 2022. Nothing to report this quarter.	Kristin & BKI	Q4
5.3.4	Potential Interties w/PUD 3			
5.3.4.1	Manzanita to Mason 3	MOU completed. No construction until 2035.	Kristin & BKI	Q4
5.3.4.2	HWY 106 end of line	Will likely move this to 2022 until we have a new electric ops manager in place.	Kristin & BKI	Q4
5.3.4.3.	T3 to Lake Cushman	Will likely move this to 2022 until we have a new electric ops manager in place.	Kristin & BKI	Q4
5.3.4.4	Mason 3 Cushman to Hoodsport	Will likely move this to 2022 until we have a new electric ops manager in place.	Kristin & BKI	Q4

5.3.5	Scada			
5.3.5.1	See if existing SCADA will work with AMI	Will likely move this to 2022 until we have a new electric ops manager in place. Don't think this is a priority anymore.	Staff	Q3
5.3.5.2	How much SCADA do we need	Will likely move this to 2022 until we have a new electric ops manager in place. Don't think this is a priority anymore.	Staff	Q3
5.4	PLANNING			
5.4.1	AMI Plan		Staff	Q4
5.4.1.1	Do research with other utilities	Will likely move this to 2022 until we have a new electric ops manager in place.	Staff	Q4
5.4.1.2	Choose meter brand & vendor	Q1- Had presentation by Landis & Gyr. Will likely move this to 2022 until we have a new electric ops manager in place.	Staff	Q4
5.4.1.3	Get quote to be able to set phased budget plan	Will likely move this to 2022 until we have a new electric ops manager in place.	Staff	Q4
5.4.1.4	Develop a testing and implementation schedule	Will likely move this to 2022 until we have a new electric ops manager in place.	Staff	Q4
5.4.3	2028 Contracts	No action at this time. Continuing to stay involved with WPAG and PPC on these issues. Should evaluate possible back up feed from Tacoma Power also.	Staff	Q4
5.4.4	DNR Easement for Jorstad	Q1 Progress: DNR to come back with agreement and \$ amount. Pay for easement- make sure we clear that easement within 24 months. <i>Darin & Kristin Notes: Clear 5 acre parcel, 20' easement on ROW, and part of the road, and area that goes cross country. Schedule every 3 years have someone come in w/Skid Steer and mow it.</i> Q2- Easement is completed. Will work on clearing it before end of year.	Kristin	Q4



**PUBLIC UTILITY DISTRICT NO. 1
OF MASON COUNTY**

N. 21971 Hwy. 101
Shelton, Washington 98584

BOARD OF COMMISSIONERS

MIKE SHEETZ, Commissioner
JACK JANDA, Commissioner
RON GOLD, Commissioner

July 12, 2021

Mr. Mike Edmondson
Administrator
Office of Species Conservation
304 N. 8th St., Suite 149
Boise, ID 83702

Mr. Guy Norman
Council Vice Chair
NW Power & Conservation Council
315 W. Mill Plain Blvd., Suite 202
Vancouver, WA 98660

Mr. Jim McKenna
Natural Resources Policy Office
Office of Governor Kate Brown
1600 SW 4th Ave., Suite 109
Portland, OR 97201

Mr. Mike Milburn
Council Member
NW Power & Conservation Council
30 West 14th St., Suite 207
Helena, MT 59601

Dear Gentlemen:

Mason County PUD No. 1 supports efforts that encourage regional dialogue regarding salmon recovery but are concerned that the framework being established by the Columbia Basin Collaborative (Collaborative) is unfairly weighted toward one narrow facet of the salmon recovery debate, namely, the removal of the dams on the lower Snake River.

Filling the Collaborative with dam removal proponents and limiting the participation of critical providers, like utilities, river transport, and agriculture, fails to allow for a balanced approach to addressing the complex issue set represented by salmon recovery.

It also threatens the credibility of recommendations that emerge from the Collaborative.

The dams on the Snake River play a significant role in our ability to serve our communities. The Pacific Northwest was recently shocked by a record-shattering heatwave, yet we avoided disastrous rolling blackouts, primarily due to our reliable hydropower system.

In an era of climate emergencies and aggressive decarbonization goals, dismantling of these critical carbon-free resources does not make sense. A focus on doing so not only threatens the ability to reach a consensus but also prevents ensuring a clean, equitable, and reliable energy future for the Pacific Northwest.

Collaborative organizers must provide a balanced and representative set of voices. Most of the region agrees that hydropower and salmon can and should co-exist; the Collaborative's representation should reflect that perspective.



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JACK JANDA, Commissioner
RON GOLD, Commissioner

We submit that any truly comprehensive and collaborative salmon recovery process should also include the principles set forth by Northwest RiverPartners in its July 8, 2021 letter to you:

1. The Independent Science Advisory Board confirmed salmon survival declines are a Pacific Coast-wide problem, therefore salmon recovery efforts must take a holistic approach;
2. science cannot be subordinate to ideology, and accountability applies across the board;
3. marine impacts—particularly the role of climate change in the ocean environment—must be acknowledged and accounted for, given their pervasive nature;
4. social impacts of policy decisions must be analyzed and understood;
5. the best opportunity to balance the numerous river system obligations is by utilizing established, negotiated agreements, and;
6. the process for shaping recovery strategies should be truly open and fair.

We look forward to hearing from you about how the Collaborative intends to achieve balanced participation within the stakeholder groups and how issues will be objectively considered.

Thank you for your consideration,

A handwritten signature in blue ink that reads 'Kristin Masteller'.

Kristin Masteller
General Manager

From: [Kristin Masteller](#)
To: [Julie Gray](#)
Subject: FW: Friday Facts for July 23, 2021
Date: Friday, July 23, 2021 2:14:25 PM

For correspondence.

From: wpuda@memberclicks-mail.net <wpuda@memberclicks-mail.net>
Sent: Friday, July 23, 2021 1:10 PM
To: Kristin Masteller <kristinm@mason-pud1.org>
Subject: Friday Facts for July 23, 2021



Friday Facts

A weekly update from the Washington Public Utility Districts Association

July 23, 2021

In this Issue...

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Executive Director Message

This week I joined our Washington State APPA Policy Makers Council member visits with our delegation. We covered topics including the Columbia River treaty, infrastructure, broadband, and Covid-19 arrearages. Thanks to all of our Washington State members for your advocacy.

We also had a Managers Committee meeting which included a roundtable discussion of various issues facing the PUDs including reopening of facilities.

As noted below July 25th is the date when the two telecom authority bills go into effect. A lot of hard work by all of you made this day possible. This will be a historic day in the history of the PUDs and our communities.

Be safe and be well.

George

In the News

Appropriations Committee approved \$1 Million to support Mason PUD No. 1 power line relocation project

The House Appropriations Committee advanced new federal funding championed by U.S. Representative Derek Kilmer (WA-06) to support the Mason PUD 1's power line relocation project in conjunction with the Duckabush Estuary Restoration Project. The restoration project aims to reconnect the Duckabush River to neighboring floodplains and wetlands by modifying local roads,

Clean Fuels Program

[DOE finds strong opportunity for job growth in the electric sector post-pandemic](#)

[Energy panel advances nominees for BLM and Energy](#)

2021 Calendar

Sep 15-17

Association meetings-Hotel Windrow, Ellensburg

Sep 22-24

Water Workshop-Leavenworth

Oct 28 Managers

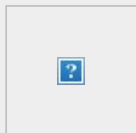
Committee meeting - Kennewick

Nov 17-19

Association meetings-virtual

Dec 1-3

Annual Conference-TBD



elevating Highway 101, and rerouting utilities. The \$1 million in federal funding will assist Mason PUD 1's efforts to relocate the distribution power lines in the region, in coordination with the restoration project, in order to continue providing service to residences and businesses.

"In our region, we know that the Duckabush Estuary Restoration Project is a big deal when it comes to restoring water channels and enhancing critical habitat for fish and wildlife, including endangered salmon species. As the project moves forward, it's important that the federal government stands strong as a partner and contributes to our efforts to restore this important habitat while maintaining necessary regional infrastructure," said Rep. Kilmer. "That's why I'm thrilled that the House Appropriations Committee has taken this important step to support Mason PUD's efforts. I'll keep working to get this measure signed into law."

"We would like to thank Representative Kilmer and the House Appropriations Committee for advancing much-needed federal funding for Mason PUD 1's power line relocation project. The Duckabush Utility Relocation project would have had devastating impacts on our electric budget and electric retail rates, had we been forced to fund it out of pocket. The utility relocation is part of a larger state and federal joint estuary restoration and highway relocation effort, and our small utility has been wrapped into the scope. This support and funding will be instrumental in ensuring that the utilities are relocated in a safe, reliable and affordable manner," said Mason PUD 1 General Manager Kristin Masteller.

The Washington Department of Fish and Wildlife, in partnership with the U.S. Army Corps of Engineers and the Hood Canal Salmon Enhancement Group (HCSEG), is pursuing the restoration project on the Duckabush River estuary in Jefferson County in order to reconnect the Duckabush River to neighboring floodplains and wetlands. This effort aims to improve the Duckabush estuary ecosystem to create more viable habitat for fish and wildlife and benefit the local community by reducing severe flooding events that occur at the mouth of the Duckabush river. The restoration project includes modifying local roads and elevating Highway 101 onto a bridge spanning the area where freshwater from the Duckabush River meets saltwater of Hood Canal.

Rep. Kilmer led the effort to secure funding for the project through the House Appropriations Committee's Community Project Funding [process](#).

The Community Project Funding request was supported by: Mason County, Jefferson County, Jefferson County Public Utility District, State Representative Drew MacEwen, State Senator Tim Sheldon, Skokomish Indian Tribe, citizens and members of the Hood Canal Improvement Club, Washington Department of Transportation, Washington Department of Fish & Wildlife, and the Hood Canal Salmon Enhancement Group.

Chelan PUD keeps lights on as fire threatens powerlines

As the Red Apple Fire raced toward the Andrew York Switchyard last Tuesday night, quick response from firefighters and a series of fire-hardening measures along powerlines helped Chelan PUD keep the lights on for its customer-owners.

For the last decade, Chelan PUD has been painting its high-risk power poles with fire-retardant paint and trimming vegetation around

the lines to improve reliability. Crews recently cleared vegetation around power poles in the area.

“That has paid off very well,” John Stoll, managing director of customer utilities, told the board of commissioners Monday.

The fire burned to the switchyard fence, but the equipment remained relatively unscathed. A melted junction box created a short power outage, but power was restored within a half hour.

On Wednesday, high winds and dry fuels pushed flames higher in the Monitor area, which damaged two of the three transmission lines in the area – about 10 structures total. By re-routing power through other lines, Chelan PUD maintained service for customer-owners.

Two crews worked sun up to sun down to restore one of the lines Saturday. The remaining line will remain out of service while Chelan PUD makes arrangements to rebuild it with steel poles.

Pictured below: Crews replace damaged power poles.



Chelan PUD also operates a water system in the Sunnyslope area, which maintained service to residents and supplied water for the firefighting efforts.

The fire caused minor damage to the fiber internet system. Less than 10 customer-owners lost internet.

“All in all, we came out of this fairly well,” Stoll said. “Certainly there was some impact, but we put some resources on it to fix what we needed to fix.”

Kittitas and Thurston PUDs awarded grants for broadband planning

The Washington State Community Economic Revitalization Board (CERB) approved last week \$2,658,000 in low-interest loans and \$15,322,867 in grants for planning, economic development and rural broadband infrastructure construction projects. Among the recipients of CERB’s planning grants were two PUDs:

Kittitas PUD was awarded a \$50,000 grant for the Kittitas PUD Broadband Planning Study. This project consists of a broadband feasibility study for East Kittitas County, excluding Ellensburg. CERB funds were matched by \$12,500 in local resources.

Thurston County PUD was awarded a \$50,000 grant for the Thurston PUD Broadband Planning Study. This project consists of a broadband feasibility study to analyze the current broadband infrastructure in Thurston County and to determine the possibility of broadband infrastructure expansion in areas deemed as unserved.

CERB funds were matched by \$12,500 in local resources.

CERB provides limited grant funding for studies to evaluate high-priority economic development projects, and rural broadband projects. When considering planning grants, the Board gives priority to projects that could result in a type of project eligible for CERB construction funds. Applications are submitted via an online portal.

The next application deadline for CERB planning grants is July 26. The next application deadline for CERB's Rural Broadband program funding is September 13. Contact staff to talk about your project and to get the link to the applications. Contact [Janea Delk](#), to discuss a potential project. For program requirements, threshold checklists, and more information check out the website: www.commerce.wa.gov/CERB.

Okanogan PUD submits broadband project for grant funding

Okanogan PUD has submitted the Pine Creek Fiber project for grant funding through the state Department of Commerce and National Telecommunications and Information Administration (NTIA) with a total project cost of \$5.5 million for fiber to 300 homes.

Manager of Broadband Services John MacDonald presented the project at the July 12 meeting of the PUD commissioners, who approved the submission unanimously.

The Pine Creek area was one of many identified by local broadband action teams and is noted by the Federal Communications Commission as "unserved," as well as having challenges with cellular or traditional phone lines. Nearly 500 poles are already needing replacement in that area, so the PUD would match up to 10 percent of the funding with in-kind make-ready work (upgrading infrastructure to get ready for fiber deployment) and by providing a project manager.

If the state accepts the project, it will be part of a number of projects the state will then submit to NTIA for funding. Without grant funding, the high expense of the project per customer (on average \$17,000 per customer) would make it infeasible, MacDonald said. With grant funding, the only customer expense would be the charges from whichever retail service provider (RSP) they sign up with – several RSPs have already agreed to offer services in the area if fiber is built out.

MacDonald said customers in the Pine Creek area have approached the PUD many times for service, but because of the cost, have been unable to move forward. If this project could come to fruition, then it would be a great opportunity for businesses and homes in the area.

The state will announce which projects will move forward for consideration late this month. If funded, the project has a tentative construction timeframe of summer 2022.

Water

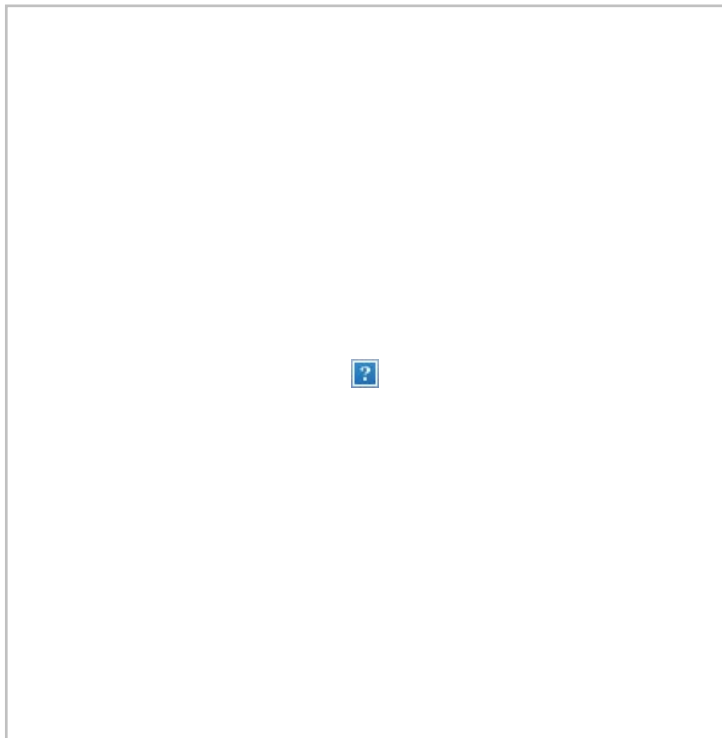
John Kounts presented with Department of Health Lifetime Achievement Award

Recently retired WPUDA Water Program Director John Kounts was presented with the Washington Department of Health Lifetime Achievement Award for his leadership on drinking water issues during a ceremony last week at WPUDA. Due to COVID restrictions,

the presentation of the award was delayed until Department of Health officials could present the award in person. During the presentation ceremony, the Department of Health's Mike Means praised John for his support of the Office of Drinking water "through many years of challenging items in our state" including funding requests, working with the legislature, and building relationships with the Department of Health and others. "You have always been somebody that I can count on to be able to reach when we have something strange or interesting going on to gather up information associated with how it might impact the utilities that you work with and utilities way beyond," said Means. "You looked to bring everyone into these discussions to find solutions."

The Lifetime Achievement Award was among 17 awards presented in 5 categories to individuals for innovative solutions; those who overcome difficult, recurring problems; and others who demonstrate a commitment to excellence or go above and beyond the normal range of duties.

John retired from WPUDA earlier this year after more than 34 years at the Association.



Pictured below: Department of Health guests and officials honor John Kounts. Pictured L to R: Rich Siffert, Retired, ODW Policy and Planning Supervisor; Richard Rodriguez, Northwest Regional Office (NWRO) engineer; Chris McCord, former ODW Deputy Director of Central Services; Jennifer Kropack, NWRO Engineer; John Kounts; Mike Means, Capacity Development and Policy Manager (formerly the Director of the Office of Drinking Water).



Broadband

New retail broadband authority laws go into effect July 25

Two new laws aimed at helping bridge the digital divide in Washington State will take effect July 25, 2021. The legislation passed in the 2021 legislative session and signed into law will enable public entities, including not-for-profit, community-owned public utility districts to provide retail broadband service to end-users, creating another pathway to connect Washington citizens and communities to essential broadband service.

The Washington PUD Association supported the legislation ([House Bill 1336](#) and [Senate Bill 5383](#)) in the 2021 legislative session. “Broadband service is no longer a luxury. This was demonstrated by the pandemic when our ability to educate our children, connect with services including healthcare, and telecommute was dependent on broadband service,” said George Caan, Executive Director of the Washington PUD Association. “Unfortunately, there are areas of the state that do not have access to broadband service that is necessary to meet citizens’ needs. The new laws will enable public entities including Public Utility Districts, to respond to the broadband needs of the communities they serve.”

“Washington State will finally allow PUDs to provide broadband directly to the public—just like electricity or water,” said Rep. Drew Hansen (D-Bainbridge Island), the sponsor of the Public Broadband Act (HB 1336). “The PUDs were critical to enacting my Public Broadband Act, and I look forward to working with PUDs across the state to bring public broadband to more people.”

The new laws expand the existing PUD broadband authority. Since 2000, PUDs have had the authority to offer wholesale telecommunications services (RCW 54.16.330). Since then, PUDs have invested over \$509 million in broadband infrastructure. With wholesale telecommunications authority, PUDs were able to build the pipeline to help connect communities, with customers relying on private providers for end-use service. If customers did not have a private provider that could meet their needs, their options were limited or non-existent. The legislation creates a public option.

“Under the new law, individual PUDs will consider the needs of their customers when deciding whether to provide retail telecommunications service,” said Caan. “PUDs are community-

owned, so each PUD operates differently and is responsive to the needs of their community. The decision regarding retail telecommunications service will be made by locally elected PUD Boards of Commissioners. Some communities are already well-served and those PUDs would not need to become a service provider even with retail authority; the same way that not every PUD provides electric, water, or wastewater service now."

While the expanded public option for retail broadband service will help facilitate greater access, access to funding to build infrastructure is equally important. The new laws will enable PUDs and port districts to access federal funding that is contingent on being able to provide retail service to end-users, a key point brought up in testimony by PUDs in support of the legislation. "Funding for infrastructure is critical to increasing broadband access and meeting Washington's goal of 150 Mbps download and upload by 2028," said Caan. "Federal and State funding is integral to supporting infrastructure investments." In addition to federal broadband funding programs, the State of Washington allocated \$411 million for loans and grants in the 2021-23 biennium for both private and public providers to build the systems necessary to increase access to service that meets the needs of citizens and communities.

Energy

Lower Snake River dams help region power through recent heatwave

The Bonneville Power Administration announced that during the late June heatwave, the four dams on the lower Snake River provided much-needed energy, balancing and contingency reserves, and Ice Harbor dam on the lower Snake River played a key role in keeping the lights on in the Tri-Cities area in eastern Washington. "Without these four dams, powering through the heatwave could have been much more expensive and operationally challenging," said BPA.

"This is another example of the value these facilities provide the region from a clean energy perspective," said Administrator John Hairston. "As the region continues to discuss the future of these facilities, we believe it is important to provide data and information about their performance as a solid foundation for discussions about the future of these four dynamic dams that provide carbon-free electricity and are important assets to mitigating the impacts of climate change."

Power and Reserves provision

As the entire Northwest experienced record or near-record temperatures and record energy demand in parts of the region between June 25 and 30, BPA was able to meet high summer demand through careful power and transmission planning. BPA also canceled planned transmission maintenance to ensure high electricity flows would not cause congestion, which can lead to cascading outages across the region and the West.

At the four lower Snake River dams, operators ensured river flows were at or above minimum levels for juvenile fish migration. This meant the operation of the dams on the lower Snake River would fill each project overnight so there was enough water for fish and power production during the peak electricity consumption hours of the day.

For the duration of the heatwave, electrical generation on the four Snake River dams ranged between 439 and 1,009 megawatts. For perspective, the average consumption of the City of Seattle is approximately 1,000 MW. However, the four dams did much more. To be prepared for an emergency, BPA must have the ability to call on power reserves to ensure it can keep the lights on. For example, in the event that generators on the grid go out of service unexpectedly, other generators must be available to increase their power output instantaneously to ensure grid stability. The dams also provided balancing reserves to move up and down to adjust for generators that can stray from their energy schedules. As the region adds more intermittent renewable energy to mitigate climate change, these balancing reserves are becoming even more important.

Over this five-day heatwave, BPA transferred some reserve requirements to the four lower Snake River dams. At times, these four dams held 15% of BPA's total required reserves, peaking at 220 MW. At their highest, these dams provided 1,118 MW of combined energy production and reserve capacity.

Ice Harbor relieves Tri-Cities transmission capacity issue

Ice Harbor dam played a key role in keeping the lights on in the Tri-Cities area during last month's intense heat. Had Ice Harbor not been generating, it is likely BPA would have had to work with local customers to shift loads, which can take time and require some power outages or have rolling blackouts in selected areas in the Tri-Cities to protect the system from wider, cascading outages.

"BPA relies on Ice Harbor to relieve stress on our transmission system in the Tri-Cities area," said Vice President of Transmission Operations Michelle Cathcart. "During the recent heatwave, Ice Harbor provided voltage stabilization and helped increase the amount of energy our system could provide to parts of the Tri-Cities."

Post-heatwave analysis by BPA transmission engineers indicates, if Ice Harbor had not been generating, an unplanned loss of one of the key transformer banks would have caused a System Operating Limit exceedance. Also, the loss of a different key transformer bank would have pushed a facility to 98% of its capacity. While BPA did not have to work with customers to implement rolling blackouts, that may not have been the case if Ice Harbor were offline.

"If not for Ice Harbor, we would have been scrambling with customers to move loads around to avoid putting customers in the dark," said Cathcart. "Given the amount of work done to avoid rotating blackouts with Ice Harbor in service last week, it's hard to imagine getting enough additional relief from moving loads around to keep the lights on everywhere with the plant offline."

BPA markets the power from the lower Snake River dams and 27 other federal dams across the Northwest. The four federal dams on the lower Snake River have long been discussed for breaching or removal to help several runs of salmon and steelhead recover. In addition to delivering affordable and reliable carbon-free renewable, and providing critical support for the region's high-voltage transmission system, these dams feature state-of-the-art fish passage technology, and contribute to the region's economy by supporting irrigation, navigation and recreation.

The Tri-Cities of Kennewick, Pasco, and Richland are at the confluence of the Yakima, Snake, and Columbia rivers.

Rulemaking to begin for Clean Fuels Program

The Department of Ecology (Ecology) is beginning rulemaking to implement the Transportation Fuel – Clean Fuels Program (Engrossed Third Substitute House Bill 1091), Chapter 317, Laws of 2021. This is the low carbon fuel standard bill.

What is the scope of this rulemaking?

This rulemaking will:

- Add a new Chapter 173-424 WAC – Clean Fuels Program Rule.
- Amend Chapter 173-455 WAC – Air Quality Fee Rule.

The new rule may:

- Establish carbon intensity standards for transportation fuels used in Washington.
- Assign compliance obligations to fuels with carbon intensities that exceed the standard.
- Establish compliance methods including assigning credits to fuels that have carbon intensities below the standard.

This rulemaking will also consider amendments to Chapter 173-455 WAC to establish the process for setting fees to recover the cost of developing and implementing the program.

Transportation is the largest source of greenhouse gas (GHG) emissions in Washington, contributing about 45 percent of statewide total GHG emissions. Washington enacted the Transportation Fuel – Clean Fuels Program (Engrossed Third Substitute House Bill 1091), Chapter 317, Laws of 2021, to reduce emissions of GHGs and conventional air pollutants from transportation and to spur economic development through deployment of clean fuel technology. As a result, Washington joins California, Oregon, and British Columbia, which already have similar clean (low carbon) fuel programs.

The law directs Ecology to adopt rules to start the program by January 1, 2023, that reduce the carbon intensity of transportation fuels used in Washington by 20 percent below the 2017 levels by 2038. Carbon intensity accounts for GHG emissions throughout the full life cycle of the fuel (i.e., GHG emissions from feedstock production and transport, fuel production and transport, and use of the fuel) per unit energy of the fuel.

The law allows Ecology to charge fees to recover the direct and indirect costs of developing and implementing the program, including the associated fuel supply forecasting work of the Department of Commerce (Commerce).

These rules will affect stakeholders throughout the supply chain of transportation fuels and use including:

- Transportation fuel suppliers, including petroleum refineries and parties represented by the Western States Petroleum Association (WSPA)
- Electric utilities
- Producers of low carbon transportation fuels (biodiesel, bioethanol, renewable hydrogen, etc.) and feedstock

- Alternative fuel vehicle manufacturers, electric vehicle manufacturers
- Businesses that depend heavily on transportation, truckers, and their associations
- Cities, counties and legislature
- Public interest groups, advocates of environmental and social justice, climate action.
- Transport organizations like public transit agencies and for-hire vehicle operators
- Public-at-large as consumers of transportation fuels
- State agencies: Utilities and Transportation Commission, Department of Commerce, Department of Transportation, Department of Agriculture, and Department of Natural Resources
- Governor's Office

How can you stay informed about this rulemaking?

- Visit the [rulemaking webpage](#)
- Sign up to receive [email notifications about this rulemaking](#)
- Sign up for [emails notifications about air quality rules and state implementation plans](#)
- Contact Debebe Dererie at debebe.dererie@ecy.wa.gov or 360-407-7558 for more information or if you need a hard copy of rule documents.

Federal Report

DOE finds strong opportunity for job growth in the electric sector post-pandemic

The U.S. Department of Energy (DOE) [hosted a roundtable](#) this week, "Investing in America's Energy Sector: An Opportunity to Recover and Build Back Better" to share the findings of the 2021 U.S. Energy Employment Report (USEER).

The study began in 2016 to better track and understand employment within key energy sectors. This week's release marks the return of the report management to the agency, after being produced externally since 2017. Prior to the COVID-19 pandemic, the energy sector had been one of the country's fastest-growing job markets. From 2015 to 2019, the annual growth rate for energy employment in the United States was 3%—double compared to 1.5% in the general economy. In 2020, following widespread economic losses due to the pandemic, USEER analysis shows that by the end of the year, the energy sector was already rebounding—adding back 560,000 jobs.

"Although we are still grappling with the economic shocks of the COVID-19 pandemic, the country is turning a corner and a strong energy workforce is critical to our full recovery," said Secretary of Energy Jennifer Granholm.

As the economy experienced widespread losses in 2020, the USEER analysis shows the energy sector was rebounding by the end of that year—adding back 560,000 jobs, recovering nearly half of the jobs lost. The analysis showed there was a total of 839,000 jobs lost in 2020, a 10% decline from 8.4 million to 7.5

million jobs.

Sectors with the largest declines include:

- Electric power generation, transmission, distribution, and storage, and fuels had a 9.8% decline, down to 3.1 million jobs
- Energy-efficiency sectors had an 11.4% decline, down to 2.1 million jobs
- Motor vehicles had a 9% decline, down to 2.3 million jobs

Despite the sector-wide job losses in 2020, the USEER found continued energy investments throughout the year prevented declines in some key areas and resulted in job growth:

- Electric vehicle increased by 6,000 jobs (8% increase)
- Battery storage increased by 800 jobs (1% increase)
- Hybrid electric vehicles increased by 6,000 jobs (6% increase)
- Wind generation increased by 2,000 jobs (2% increase)

“Although the renewable energy sector was hard hit by the pandemic, it provides significant potential as an economic driver. Modernization of the grid and the installation of new PV and wind capacity will provide thousands of new, high-paying jobs in manufacturing, installation and maintenance across the country,” said Martin Shields, Professor of Economics at Colorado State University. “As renewables become a larger part of the generation portfolio, it can reduce electricity prices, helping residential, industrial and commercial consumers through lower utility bills.”

Key investments to modernize the nation’s electric grid, fuels infrastructure, buildings, and transportation, will likely help recoup the job losses from 2020 and return the sector to positive growth rates in 2021. According to the report, employers from almost every energy sector signaled strong job growth in the year ahead:

The fact sheet and report can be found at www.energy.gov/useer

Energy panel advances nominees for BLM and Energy

Members of the Senate Energy and Natural Resources Committee voted 10-10 along party lines on whether to send the nomination of Tracy Stone-Manning to the chamber floor and also voted Thursday morning with little disagreement to advance four other nominees – one for the Interior Department and three for the Energy Department.

After those votes, Republicans launched into a series of criticisms of Stone-Manning and her connection with an environmental group called Earth First!, whose members inserted metal spikes into trees in a federal forest in Idaho in 1989, while Stone-Manning was a graduate student in Montana.

Sen. Jim Risch, R-Idaho., visibly frustrated and his voice raised, said tree-spiking is dangerous and predicted the Stone-Manning nomination would linger over this White House.

Democrats rose to defend Stone-Manning. Manchin said he and his

staff had reviewed hundreds of pages of records about the Idaho investigation and found Stone-Manning was not involved in the spiking.

The BLM has been without a Senate-confirmed director since the Obama administration. If confirmed, Stone-Manning would manage 245 million acres of federally owned land, largely in western states, and oversee various uses including energy leases.

The Committee also voted to advance Shalanda H. Baker to be Director of the Office of Minority Economic Impact at the Department of Energy (DOE), Samuel T. Walsh to be General Counsel at DOE, and Andrew E. Light to be Assistant Secretary of Energy of International Affairs at DOE.

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