



**Mason County PUD No. 1
Regular Board Meeting
March 8, 2022
1:00 p.m.**

Join Zoom Meeting
<https://us02web.zoom.us/j/85869053743>

Meeting ID: 858 6905 3743
1 (253) 215-8782

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

1) Consent Agenda

Minutes: February 22, 2022 Regular Board Meeting

Disbursements:	Accounts Payable Wire	\$ 306,054.53
	Check Nos. 121326-121332	\$ 95,192.94
	121334-121368	\$ 106,579.46
	A/P Sub-Total	\$ 507,826.93
	Payroll Wire	\$ 69,182.20
	Check No. 121333	\$ 1521.34
	Grand Total	\$ 578,530.47

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

- a. Move March 22nd Regular Meeting
- b. Award Generator Bid to Henden Electric Inc.
- c. January Financials

4) Staff Reports

- a. General Manager
- b. District Treasurer
- c. Water Resource Manager
- d. Legal Counsel

5) Correspondence

6) Board Comments

7) Other Business/Public Comment

8) Executive Session - None

9) Adjournment

2022 Calendar

March 16-18	WPUDA	TBA
March 24	WPUDA	TBA (Water Committee Meeting)
March 24	WPAG	9:00 am
April 6-7	PPC	Virtual
April 13-15	WPUDA	TBA
April 28	WPAG	9:00 am
May 4-5	PPC	Embassy Suites Portland Airport
May TBA	WPUDA	Telecom Workshop
May TBA	WPUDA	Managers Committee
May 18	WPAG	9:00 am
May 22-25	NWPPA	Annual Conference
June 1-2	PPC	Virtual
<i>June (TBA)</i>		<i>Employee Appreciation</i>
June TBA	WPUDA	Strategic Planning Committee Meeting
June 10-15	APPA	National Conference
June 23	WPUDA	TBA (Water Committee Meeting)
June 23	WPAG	9:00 am
July 13-15	WPUDA	TBA (Association Meetings)
July 28	WPAG	9:00 am
August 3-4	PPC	Sheraton Portland Airport
August 25	WPAG	9:00 am
August 31/Sept 1	PPC	Virtual (Executive Committee Meeting)
September 14-16	WPUDA	TBA (Association Meetings)
September 22	WPAG	9:00 am
September 21-23	WPUDA	TBA (Water Workshop)
October 5-6	PPC	Virtual (Executive Committee Meeting)
<i>October 7</i>	<i>PUD Campus</i>	<i>Customer Appreciation</i>
October 13	WPUDA	TBA (Budget Committee meeting)
October 22	WPAG	9:00 am
November 16-18	WPUDA	TBA (Association Meetings)
November 16	PPC Town Hall	Sheraton Portland Airport
November 17	PPC Annual Mtg.	Sheraton Portland Airport
Nov/Dec	WPAG	Date/Time TBA



Mason County Public Utility District No. 1
Board of Commissioners Regular Board Meeting
February 22, 2022, Potlatch, Washington

Present:

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

Visitors:

Paul Strapac

CALL TO ORDER: Mike Sheetz called the Regular Board meeting to order at 1:00 p.m.

APPROVAL OF CONSENT AGENDA:

Minutes: February 8, 2022 Regular Board Meeting

Disbursements:	<u>Accounts Payable Check Register</u>	
	Accounts Payable Wire	\$ 60,169.13
	Check Nos. 121282-121325	\$ 224,534.46
	A/P Sub Total	\$ 284,703.59
	<u>Payroll Expense</u>	
	Payroll Wire	\$ 73,300.50
	Grand Total	\$ 358,004.09

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

PUBLIC COMMENT: None

BUSINESS AGENDA:

Approve the Wildfire Mitigation Plan – Jack made a motion to approve the Wildfire Mitigation Plan. Ron seconded the motion. Motion carried.

Approve the Vegetation Management Plan – Jack made a motion to approve the Vegetation Management Plan. Ron seconded the motion. Motion carried.

Authorize the GM to sign the ARPA Contract with Mason County for Broadband Project funding – Jack made a motion to authorize the GM to sign the ARPA Contract with Mason County for Broadband Project funding in the amount of \$100,000. Ron seconded the motion. Motion carried.



Authorize the GM to sign the Amended ARPA contract with Mason County for Arrearages – Jack made a motion to authorize the GM to sign the amended ARPA contract with Mason County for the transfer of \$100,000 of arrearages funding to the fiber project and retain \$25,000 in total arrearages support. Ron seconded the motion. Motion carried.

Authorize the GM to sign a 3 year contract with Big Blue Landscaping – Jack made a motion to authorize the GM to sign a three year contract with Big Blue Landscaping. Ron seconded the motion. Motion carried.

Staff Reports -

General Manager – Kristin reported that Mike Sheetz had a meeting with representatives at AGYC and she put together a report to address their questions and the follow up questions that Mike brought back from the meeting. She reviewed the report with the commission and stated that Mike would forward it to AGYC's general manager. She reported that the wildfire bill had passed 49-0 in the house and was up for a vote in the senate, so it is a good thing that the PUD is ahead of the curve on getting a plan approved and in place. She reported that the Eels Hill rebuild was finished and waiting on county approval. She reported that HCC's boring machine broke again on the Colony Surf project, so we ended up trenching the rest of the hill to complete that underground section. Jared Hanson is starting on February 28 with HCC to lay fiber in divisions 5 & 6 and the power crew will replace underground during this time while the ditches are open. She reported that the U.S. Forest Service wants a \$1 million dollar liability policy. Insurance is not available for this type of liability. She asked if they could reduce the amount due to the PUD's size and budget. She is still awaiting an answer. She reported that the logger should be ready to start with the clearing for the Jorstad substation easement in a month or so.

Director of Finance – Katie reported that she was made aware that Jefferson County's storm damage from November had been declared by FEMA. Most of PUD 1's storm damage for that event was in Jefferson County, so she was working to get a Request for Public Assistance submitted to FEMA for that storm damage reimbursement. She also gave an update on the status of the January 2022 storm, stating that the Mason County threshold is approximately \$269,000 to qualify for a FEMA declaration. She wasn't concerned with the county meeting that threshold since PUD 1's damages alone are over half a million dollars. It will be a while before we see funding since it still must go through the governor and then to the president for approval before FEMA we will reimburse for damages.

Water Resource Manager - Brandy reported that she had received an inquiry from a small water system owner off Webb Hill. The system has approximately 6 connections. She also reported that the mainline replacement on Blackberry Lane in Alderbrook should be finished in two weeks and when the water techs tie in the line there will be a water outage on Blackberry Lane and Blackberry Court. Customers will be notified of the outage ahead of time. She reported that the generator bids for Arcadia Estates and Bellwood water systems are due on February 28th. She also reported that the survey crew will be at Shadowood well site doing a topographic survey on either February 25 or 28. The HOA has been informed.

Rob Johnson, Attorney – None



Mason County Public Utility District No. 1
Board of Commissioners Regular Board Meeting
February 22, 2022, Potlatch, Washington

Correspondence – None

Board Reports –

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

Jack – Jack reported that he attended the WPUDA meeting last week.

Ron – None

PUBLIC COMMENT - None

EXECUTIVE SESSION – None

Adjournment: 1:52 p.m.

Mike Sheetz, President

Jack Janda, Vice President

Ron Gold, Secretary

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Accounts Payable Check Register

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02/21/2022 To 03/03/2022

Bank Account: 4 - COLUMBIA BANK - DISTRICT

Check / Tran Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
621 02/25/2022	WIRE	WASH 22	WASHINGTON STATE DEPT OF REVEN	PUD PRIVILEGE TAX	199,327.70
623 03/01/2022	WIRE	IRS	WEST COAST BANK	FEDERAL TAX LIABILITY	26,836.24
624 03/01/2022	WIRE	WASH 1	WA DEPT OF RETIREMENT SYS	STATE RETIREMENT - PLAN 2	16,493.12
625 03/01/2022	WIRE	WASH 7	WA STATE TREAS-MS: PO-11	DEFERRED COMPENSATION	9,497.25
626 03/01/2022	WIRE	HRA	HRA VEBA TRUST CONTRIBUTI	VEBA MEDICAL SAVINGS	2,898.21
627 02/28/2022	WIRE	WASH 3	WA DEPT OF REVENUE	MONTHLY EXCISE TAX	51,002.01
121326 02/24/2022	CHK	FERRIER	JANIECE FERRIER	MONTHLY REIMBURSEMENT-#0911011922	1,351.21
121327 02/24/2022	CHK	KESTER	KESTER, GREGORY C.	MONTHLY REIMBURSEMENT	1,383.64
121328 02/24/2022	CHK	LILLIWAUP FAL	LILLIWAUP FALLS GENERATING COMP	JANUARY POWER USAGE	3,526.97
121329 02/24/2022	CHK	MUNCHR	MUNCH, ROY	MONTHLY REIMBURSEMENT	740.77
121330 02/24/2022	CHK	2	CITY OF MCLEARY	MUTUAL AID - 2022 SNOW STROM	85,127.35
121331 02/28/2022	CHK	BROWNT	BROWN, TIM	CLOTHING ALLOWANCE REIMBURSEMENT	200.00
121332 02/28/2022	CHK	MASON7	MASON COUNTY AUDITOR	ELECTRIC EASEMENTS	2,863.00
121334 03/01/2022	CHK	IBEW	IBEW LOCAL UNION #77	UNION DUES	899.28
121335 03/01/2022	CHK	PUDEMP	PUD #1 EMPLOYEE FUND	EMPLOYEE FUND	220.00
121336 03/01/2022	CHK	AFLAC	AFLAC	SUPPLEMENTAL INSURANCE	187.84
121337 03/01/2022	CHK	AMERICOOOL	AMERICOOOL HEATING & AIR CONDITI	DUCTLESS HEATPUMP & BPA INCENT.-FASHOLTZ	1,300.00
121338 03/01/2022	CHK	CASCA1	CASCADE COLUMBIA DIST.CO.	WATER SAMPLING SUPPLIES	780.08
121339 03/01/2022	CHK	CENTURYLINK	CENTURYLINK	LONG DISTANCE & OUTBOARD CHARGES(21)LINE	197.86
121340 03/01/2022	CHK	COLONI	COLONIAL LIFE INSURANCE	SUPPLEMENTAL INSURANCE	860.06
121341 03/01/2022	CHK	CCAP	COMPACTION CONTRACTING	VUECREST WATER PROJECT-GRADING	1,085.00
121342 03/01/2022	CHK	DAY	DAY WIRELESS SYSTEMS	RECURRING CHARGES-TWO WAY RADIO 26 UNITS	525.18
121343 03/01/2022	CHK	DOH	DEPT. OF HEALTH	2022 OPERATING PERMIT & CERTIFCATION FEE	3,598.40
121344 03/01/2022	CHK	GORDON TRUC	FREIGHTLINER NORTHWEST OLYMPIA	CREDIT-EQUIPMENT #78 INJECTOR	616.59
121345 03/01/2022	CHK	GENPAC	GENERAL PACIFIC INC	ELECTRIC NON INVENTORY SUPPLIES	3,389.00
121346 03/01/2022	CHK	HACH	HACH COMPANY	CHLORINE READER SCREEN	3,296.01

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Accounts Payable Check Register

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02/21/2022 To 03/03/2022

Bank Account: 4 - COLUMBIA BANK - DISTRICT

Check / Tran Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
121347 03/01/2022	CHK	L.G.	L. G. ISAACSON CO. INC.	SHOP SUPPLIES	314.26
121348 03/01/2022	CHK	30	NORTHWEST ROCK, INC	EELLS HILL PROJECT-ROCK	3,140.73
121349 03/01/2022	CHK	NWPPA	NWPPA	(3)WORK ORDER VIRTUAL WORKSHOPS	900.00
121350 03/01/2022	CHK	PACIF1	PACIFIC UNDERWRITERS CORP	SUPPLEMENTAL INSURANCE-JULIE	15.92
121351 03/01/2022	CHK	PARSON	PARSONS DIESEL & STEAM	SERVICE VEHICLE #78	895.13
121352 03/01/2022	CHK	PENINSULA HEA	PENINSULA HEAT COMPANY	DUCTLESS HEATPUMP & BPA INCENT-MCDONALD	3,400.00
121353 03/01/2022	CHK	SMS CLEANING	SMS CLEANING, INC	CLEANING SERVICE-LESS RETAINAGE	2,779.20
121354 03/01/2022	CHK	SMS	SMS-SUPERIOR MAINTENANCE SOLUTI	MONTHLY JANITORIAL SERVICE	1,425.60
121355 03/01/2022	CHK	THE BROOKFIEL	THE BROOKFIELD GROUP	CHANGED NAME ON IP PHONE FROM KIM TO ENG	157.33
121356 03/01/2022	CHK	TOZIER	TOZIER BROS, INC	WHITE STRIPING PAINT	12.16
121357 03/01/2022	CHK	VERIZO	VERIZON WIRELESS	ISLAND LAKE MANOR,BEL AIRE, & SHADOWOOD	117.30
121358 03/01/2022	CHK	34	WASHINGTON ALARM, INC	MONTHLY BILLING - SECURITY SYSTEM SHOP	162.75
121359 03/01/2022	CHK	WASH 8	WASHINGTON STATE	FEBRUARY 2022- HEALTH & LTD INS	48,973.63
121360 03/01/2022	CHK	NAPA AUTO PA	WESTBAY NAPA AUTO PARTS	THIS OFFSETS CREDIT MEMO #285-958688	436.29
121361 03/03/2022	CHK	CITI CARDS	CITI CARDS	MO.CITI CHARGES ON ACCT# ENDING IN 4326	9,854.00
121362 03/03/2022	CHK	DON SMALL & S	DON SMALL & SONS OIL DIST	GAS & DIESEL	9,663.59
121363 03/03/2022	CHK	GDS ASSOCIATE	GDS ASSOCIATES, INC	DUCKABUSH ESTUARY HIGHWAY RELOCATION	2,644.41
121364 03/03/2022	CHK	MASON CO GAR	MASON COUNTY GARBAGE	MONTHLY GARBAGE CHARGES	1,017.24
121365 03/03/2022	CHK	MASTELLER	KRISTIN MASTELLER	EXPENSE REIMBURSEMENTS	397.36
121366 03/03/2022	CHK	NWSS	NORTHWEST SAFETY SERVICE LLC	SAFETY SERVICES ON 02/10/2022	1,136.25
121367 03/03/2022	CHK	PAPE KENWORT	PAPE KENWORTH	VEHICLE #76-FRONT TOW HITCH (BAL.OF INV)	1,532.28
121368 03/03/2022	CHK	PERFORMANCE	PERFORMANCE SYSTEMS INTEGRATIO	ANNUAL FIRE EXPTINGUISHER INSPECTION	648.73

Total Payments for Bank Account - 4 :	(48)	507,826.93
Total Voids for Bank Account - 4 :	(0)	0.00
Total for Bank Account - 4 :	(48)	507,826.93

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Accounts Payable Check Register

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Grand Total for Payments :	(48)	507,826.93
Grand Total for Voids :	(0)	0.00
Grand Total :	(48)	507,826.93

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Accounts Payable Check Register

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PARAMETERS ENTERED:

Check Date: 02/21/2022 To 03/03/2022

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

MAR 2022 To MAR 2022

Date	Journal Description	Actv BU Project	Mod Jrnl Reference	Code	
Account: 0 131.2 CASH-GENERAL FUND (DISTRICT)					
03/01/22	64909 Check Print	0	Department: 0	PL 2 PAYROLL	69,182.20

PARAMETERS ENTERED:

Division: All

Accounts: 0 131.2

Department: All

Activity: All

Sort By: Div/Acct

Date Selection: Period

Period: MAR 2022 To MAR 2022

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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Karnold

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Payroll/Labor

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Check Register

Pay Date: 03/01/2022 To 03/02/2022

Empl Name	Pay Date	Dir Dep/Check	Net Pay	Type
135 TIMOTHY BROWN	03/01/2022	121333	1,521.34	CHK

PARAMETERS ENTERED:

Pay Date: 03/01/2022 To 03/02/2022
Check/Direct Deposit: All
Employee: 135
Journal: 0

Division: All
Format: Summary By Check
Sort By: Check/Direct Deposit

Mason County PUD 1 Generator Installation 2022

	Legacy Power Systems	Five Rivers Construction, Inc	Henden Electric, Inc	Summit Solutions Group
Total	\$ 133,813.90	\$ 121,541.70	\$ 98,843.50	\$ 149,097.09

Scope of Work

Install Single Phase (240v) commercial grade liquid cooled generator with minimum 500-gallon propane tank with automatic transfer switch at Arcadia Estates well site.

Install Three Phase (480v) commercial grade liquid cooled generator with minimum 500-gallon propane tank with automatic transfer switch at Bellwood A well site.



PUD1 – Executive Summary – January 2022

This report summarizes information on the current financial status of Mason County PUD No. 1 for the month of January 2022:

- **Work in Progress:**
 - Cash Flow Monitoring from COVID-19 Effects
 - 2021 Form 7
 - 2021 Privilege Tax Return
 - 2021 Annual Report (State Auditors Office)

- **Completed Projects:**
 - Clean Energy Implementation Plan
 - 2022 Budget Development
 - Hazard Mitigation Grants – 2021 / 2022
 - DOH Construction Loans / Grants for 2022 Projects

- **Planned Key Milestones, Activities and / or Events:**
 - Long range financial and budgetary planning – ongoing.

Financial Highlights:

- Revenue – Gross Revenue was \$1,671,176 for the month of January 2022.
- Expenditures –Gross expenditures were \$1,255,748 for the month of January 2022.
- COVID Metrics –As of January, there were 74 electric accounts and 28 water accounts that were 90 days or more past due for a total of \$40,992.

Financial Metrics as Compared with Prior Year:	January 2022	January 2021
Total General Cash and Investments	\$1,078,041	\$988,208
Current Ratio (Current Assets/Current Liabilities)	2.10 to 1	2.74 to 1
Debt Service Coverage (O&M/ Debt Service)	5.19	3.72
Long-Term Debt to Net Plant	36%	39%
Total Debt to Equity Ratio (Total Liabilities/Total Equity)	49%	55%
Long Term Debt to Equity Ratio (Long Term Debt / Total Equity)	44%	49%
Times Interest Earned Ratio (Earnings before Interest & Taxes/Total Interest)	10.82	6.40
Cash on Hand (Total Available Cash/Average Daily Costs)	32 Days (General) 137 Days (All Funds)	35 Days (General) 151 Days (All Funds)



Mason County PUD No 1

Budget Summary by Division For the Month Ended January 31, 2022

	<u>Electric</u>	<u>Water</u>	<u>Sewer</u>	<u>Totals</u>
Total Revenue	\$ 1,442,926.54	\$ 227,346.66	\$ 902.34	\$ 1,671,175.54
Budgeted	\$ 1,096,327.00	\$ 177,985.00	\$ 902.50	\$ 1,275,214.50
Difference (-/+)	\$ 346,599.54	\$ 49,361.66	\$ (0.16)	\$ 395,961.04
% of Budget	132%	128%	100%	131%
Total Expenditures	\$ 1,059,709.07	\$ 195,328.37	\$ 710.42	\$ 1,255,747.86
Budgeted	\$ 903,300.57	\$ 180,533.45	\$ 765.71	\$ 1,084,599.73
Difference (-/+)	\$ 156,408.50	\$ 14,794.92	\$ (55.29)	\$ 171,148.13
% of Budget	117%	108%	93%	116%
Net Operating Margins	\$ 383,217.47	\$ 32,018.29	\$ 191.92	\$ 415,427.68
Budgeted	\$ 193,026.43	\$ (2,548.45)	\$ 136.79	\$ 190,614.77
Difference (-/+)	\$ 190,191.04	\$ 34,566.74	\$ 55.13	\$ 224,812.91
% of Budget	199%	-1256%	140%	218%



Mason County PUD No 1

Budget Summary by Division for the One Month Ended January 31, 2022

	<u>Electric</u>	<u>Water</u>	<u>Sewer</u>	<u>Totals</u>
Total Revenue	\$ 1,442,926.54	\$ 227,346.66	\$ 902.34	\$ 1,671,175.54
2022 Budget	\$ 9,867,493.00	\$ 2,559,920.00	\$ 11,169.00	\$ 12,438,582.00
Difference (-/+)	\$ (8,424,566.46)	\$ (2,332,573.34)	\$ (10,266.66)	\$ (10,767,406.46)
% of Budget	15%	9%	8%	13%
Total Expenditures	\$ 1,059,709.07	\$ 195,328.37	\$ 710.42	\$ 1,255,747.86
2022 Budget	\$ 9,511,110.00	\$ 2,324,170.29	\$ 8,121.00	\$ 11,843,401.29
Difference (-/+)	\$ (8,451,400.93)	\$ (2,128,841.92)	\$ (7,410.58)	\$ (10,587,653.43)
% of Budget	11%	8%	9%	11%
Net Operating Margins	\$ 383,217.47	\$ 32,018.29	\$ 191.92	\$ 415,427.68
2022 Budget	\$ 356,383.00	\$ 235,749.71	\$ 3,048.00	\$ 595,180.71
Difference (-/+)	\$ 26,834.47	\$ (203,731.42)	\$ (2,856.08)	\$ (179,753.03)
% of Budget	108%	14%	6%	70%
Cash Flow				
Beginning Cash (General Fund)	49,753.30	96,037.62	4,195.20	149,986.12
Net Operating Margin (Excluding Depreciation)	477,193.67	78,342.35	163.88	555,699.90
Cash Transferred to / from Special Funds	15,406.78	(54,769.80)	(2.34)	(39,365.36)
Change in Accounts Receivable	(417,727.95)	385.59	(189.58)	(417,531.94)
Change in Accounts Payable	429,447.12	6,771.21	28.04	436,246.37
Cash Expended on Utility Plant	(391.74)	(18,657.70)	0.00	(19,049.44)
Change in CWIP	(480,409.96)	(12,932.26)	0.00	(493,342.22)
Ending Cash (General Fund)	73,271.22	95,177.01	4,195.20	172,643.43



Mason County PUD No. 1

Cash & Investment Balances

As of January 31, 2022

Cash Balances

Cash - General Funds

\$ 172,643.43

Cash - Restricted

\$ 58,417.96

Total Cash

\$ 231,061.39

Investment Balances (LGIP)

Investments - Electric

\$ 539,357.11

Investments - Sewer

\$ 30,551.99

Investments - Water

\$ 277,070.67

Total Investments

\$ 846,979.77

Total Cash & Investments

\$ 1,078,041.16

***Does Not Include Designated Funds*