



Mason County PUD No. 1  
Regular Board Meeting  
May 23, 2023  
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. Regular Board Meeting

1) **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.*

2) **Consent Agenda**

**Minutes:** Regular Board Meeting May 9, 2023

<b>Disbursements:</b>	Accounts Payable Wire	\$ 66,575.64
	Check Nos. 123251-123311	\$ 148,966.12
	Check Nos. 123313-123314	\$ 1,366.31
	Payroll Wire	\$ 80,170.01
	Check No. 123312	\$ 2,511.79
	<b>Grand Total</b>	<b>\$ 299,589.87</b>

3) **Business Agenda**

a. Conversation about Energy Northwest Nuclear Exploration Effort

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** may be held as authorized by the Open Public Meetings Act (RCW 42.30.110)

9) **Adjournment**

## 2023 Calendar

May 25	WPAG	Beijing Rm, SeaTac Airport
June 11-14	AWWA National Conf.	Toronto, Canada
June 16-21	APPA National Conf.	Seattle
June TBA	Strategic Plan Comm.	WPUDA, Olympia
June 29	Water Committee	Olympia
June 29	WPAG	Virtual
<b>July 7<sup>th</sup></b>	<b>PUD Employees Picnic</b>	<b>Potlatch State Park (Noon to ?)</b>
July 12-14	WPUDA	Location TBA
July 20	WPAG	Virtual
August 31	WPAG	Beijing Rm, SeaTac Airport
Sept. 13-15	WPUDA	Location TBA
Sept. 27-29	Water Workshop	Leavenworth (Enzian Inn)
Sept. 28	WPAG	Virtual
<b>October 6</b>	<b>Customer Appreciation</b>	<b>Drive-Thru Upper Campus 11-2</b>
October TBA	Admin/Finance/HR	Location TBA
October TBA	Energy NW PP Forum	Tri-Cities area
October 26	WPAG	London Rm, SeaTac Airport
November 15-17	WPUDA	Location TBA
November	PPC Annual Mtg.	Portland, OR
Nov/Dec (TBA)	WAPAG	Virtual
Nov. 29-Dec 1	WPUDA Annual Conf.	Location TBA



**Mason County Public Utility District No. 1**  
Board of Commissioners Regular Board Meeting  
May 9, 2023, Potlatch, Washington

**Present:**

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

**Visitors:** Ron Bock - Alderbrook  
Tim Sheldon - Potlatch

**CALL TO ORDER:** Jack called the Regular Meeting to order at 1:00 p.m.

**PUBLIC COMMENT:** Tim Sheldon is concerned about the scotch broom that is growing on the south side of PUD property located on the upper campus. His concern is that as it goes to seed it will contaminate his crushed gravel.

**APPROVAL OF CONSENT AGENDA:**

**Minutes:** Regular Board Meeting- April 25, 2023

**Disbursements:** Accounts Payable Check Register  
Accounts Payable Wire \$ 66,037.95  
Check Nos. 123222-123250 \$ 108,808.87

**A/P Sub Total \$ 174,846.82**

Payroll Expense  
Payroll Wire \$ 78,874.00

**Grand Total \$ 253,720.82**

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

**BUSINESS AGENDA:**

**Award 2023 Vegetation Management contract** – Ron made a motion to award the 2023 Vegetation Management contract to Kemp West in the amount of \$188,300.00. Mike seconded the motion. Motion carried.

**Staff Reports –**

**General Manager** – None.



**Mason County Public Utility District No. 1**  
Board of Commissioners Regular Board Meeting  
May 9, 2023, Potlatch, Washington

**District Treasurer** – Katie reported that the electric crews have been working on brushing to get ahead of the season’s growth. They’ll soon start working on construction projects identified in the 2023 Strategic Plan. She also reported that she’s working to finish up the 2022 Annual Report so that she can send to Mike Wittenberg, the District’s Auditor, for review, before the report is to be uploaded to the State by the end of May.

**Water Resource Manager** – Brandy reported that Rob is working on getting the quit claim deeds for the road ownership at Canal Mutual. She reported that the contractor will be on site at the end of this month at Agate Beach. She also reported that she and TJ met with Gray & Osborne at Bay East for the kickoff meeting to start the design of the manganese removal treatment. She reported that she had informed the Bay East HOA that the PUD received the DWSRF for the manganese removal. She also let them know that at this time there is no completion date. The water crew is working on installing the first of two new storage buildings on the upper campus. These buildings will be used to store materials out of the weather for future jobs.

**Legal Counsel** – Rob reported that he will be attending the Water Lawyers group at Lake Chelan next week.

**Correspondence** – None.

**Board Reports –**

**Mike** – Mike reported that he will be attending the NWPPA Annual Conference in Anchorage next week.

**Jack** – None.

**Ron** – Ron reported that he will be attending the NWPPA Annual Conference in Anchorage next week.

**PUBLIC COMMENT** – None.

**EXECUTIVE SESSION** – None

**Adjournment: 1:19 p.m.**

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**Jack Janda, President**

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**Ron Gold, Vice President**

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**Mike Sheetz, Secretary**

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# Accounts Payable Check Register

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05/08/2023 To 05/18/2023

**Bank Account: 4 - UMPQUA BANK - DISTRICT**

Check / Tran Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
843 05/16/2023	WIRE	IRS	WEST COAST BANK	FEDERAL TAX LIABILITY	32,520.28
844 05/16/2023	WIRE	WASH 1	WA DEPT OF RETIREMENT SYS	STATE RETIREMENT - PLAN 2	20,751.56
845 05/16/2023	WIRE	WASH 7	WA STATE TREAS-MS: PO-11	DEFERRED COMPENSATION	9,657.75
846 05/16/2023	WIRE	HRA	HRA VEBA TRUST CONTRIBUTI	VEBA MEDICAL SAVINGS	3,646.05
3098 05/08/2023	DD	BUILDERS	BUILDERS FIRSTSOURCE, INC	INV#63648433 & SO 65869668 PAID TWICE	0.00
3099 05/15/2023	DD	BUILDERS	BUILDERS FIRSTSOURCE, INC	INV#63648433 & SO 65869668 PAID TWICE	0.00
123251 05/08/2023	CHK	BRUCE TITUS F	BRUCE TITUS FORD	VEHICLE #50-SENSOR	102.19
123252 05/08/2023	CHK	COLONI	COLONIAL LIFE INSURANCE	SUPPLEMENTAL INSURANCE	712.71
123253 05/08/2023	CHK	CRC	COOPERATIVE RESPONSE CENTER, INC	AFTER HOURS ANSWERING SERVICE	1,734.31
123254 05/08/2023	CHK	D&L AUTOMOTI	D&L AUTOMOTIVE	VEHICLE #64-REPAIRS TO AIR CONDITIONING	409.86
123255 05/08/2023	CHK	DON SMALL & S	DON SMALL & SONS OIL DIST	DIESEL	11,642.54
123256 05/08/2023	CHK	FERRIER	JANIECE FERRIER	MONTHLY REIMBURSEMENT-#51058600	1,502.80
123257 05/08/2023	CHK	GDS ASSOCIATE	GDS ASSOCIATES, INC	MONTHLY WPAG EXPENSES	311.57
123258 05/08/2023	CHK	GE SOFTWARE	GE SOFTWARE INC DBA EKOS	EKOS FUEL SITE MODULE	80.00
123259 05/08/2023	CHK	GENPAC	GENERAL PACIFIC INC	ELECTRIC INVENTORY PARTS-(2)SWITCH CABIN	1,881.39
123260 05/08/2023	CHK	GILLIARDI LOG	GILLIARDI LOGGING AND CONSTRUCT	ROCK	141.22
123261 05/08/2023	CHK	GOLDSTREET	GOLDSTREET DESIGN AGENCY, INC.	WEBSITE HOSTING	50.00
123262 05/08/2023	CHK	GRAY	GRAY & OSBORNE, INC	LAKE ARROWHEAD WATER MAIN REPLACEMENT	4,527.95
123263 05/08/2023	CHK	HDFOWL	HD FOWLER COMPANY	(6)BLADDER TANKS	6,890.34
123264 05/08/2023	CHK	HOODCA	HOOD CANAL COMMUNICATIONS	INTERNET, IT, ALARM DIALER, & TELEPHONE	5,570.48
123265 05/08/2023	CHK	KESTER	KESTER, GREGORY C.	REPLACE LOST CHECK-MONTHLY REIMBURSEMENT	1,522.26
123266 05/08/2023	CHK	LEMAY MOBILE	LEMAY MOBILE SHREDDING	(1)65 GALLON SHRED CART	65.00
123267 05/08/2023	CHK	LEW RENTS WE	LEW RENTS WEST	RENT BOOM MANLIFT-NEW STORAGE BUILDING	1,844.50
123268 05/08/2023	CHK	MARSH	MARSH MUNDORF PRATT & SUL	MONTHLY WPAG SERVICES	283.47
123269 05/08/2023	CHK	MASON CO GAR	MASON COUNTY GARBAGE	MONTHLY GARBAGE CHARGES	423.58
123270 05/08/2023	CHK	MASTELLER	KRISTIN MASTELLER	TRAVEL EXPENSE REIMBURSEMENT	641.40

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Check / Tran Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
123271 05/08/2023	CHK	MILES	MILES SAND & GRAVEL COMPANY	PUD PROPERTY-CARPORT FOOTING	2,444.51
123272 05/08/2023	CHK	NCCI	NCCI	VUECREST ROAD ASSESSMENT	155.00
123273 05/08/2023	CHK	NWSS	NORTHWEST SAFETY SERVICE LLC	SAFETY SERVICE-APRIL 13, 2023	1,136.25
123274 05/08/2023	CHK	PARSON	PARSONS DIESEL & STEAM	SERVICE VARIOUS VEHICLES & EQUIPMENT	3,306.54
123275 05/08/2023	CHK	RICOH USA	RICOH USA, INC.	RENT ON TWO MACHINES & ADDITIONAL IMAGES	514.29
123276 05/08/2023	CHK	RWC GROUP	RWC GROUP	ANNUAL ON COMMAND SERVICE	1,064.79
123277 05/08/2023	CHK	SPECTRA LAB	SPECTRA LABORATORIES-KITSAP, LLC	VARIOUS WATER SAMPLES	1,521.80
123278 05/08/2023	CHK	SPIKES	SPIKES HYDRAULICS & EQUIP	EQUIPMENT #103-PARTS	849.38
123279 05/08/2023	CHK	STANDARD PES	STANDARD PEST CONTROL	QUARTERLY PEST CONTROL-PUD OFFICES & SHO	423.16
123280 05/08/2023	CHK	IRWIN	THE IRWIN-HODSON COMPANY	WHITE/BLACK UTILITY POLE PLATES-MASON 1	698.40
123281 05/08/2023	CHK	SHOP	THE SHOPPER'S WEEKLY	PRINT - ANNUAL REPORTS	337.76
123282 05/08/2023	CHK	TOZIER	TOZIER BROS, INC	FORKLIFT PROPANE	41.69
123283 05/08/2023	CHK	UTILI1	UTILITIES UNDERGROUND LOCATION	MONTHLY ELECTRIC LOCATES	280.28
123284 05/08/2023	CHK	VERIZO	VERIZON WIRELESS	ISLAND LAKE MANOR,BEL AIRE, & SHADOWOOD	150.16
123285 05/08/2023	CHK	DOE	WA STATE DEPT OF ECOLOGY	CANAL MUTUAL WATER RIGHT-PROOF OF APPROP	50.00
123286 05/08/2023	CHK	180 ENGINEERIN	JEREMIAH WAUGH	SUBCONTRACTOR-T3	700.00
123287 05/08/2023	CHK	WEST	WEST COAST MOBILE EQUIPMENT REP	VEHICLE #62-LOW FUEL PRESSURE	1,058.78
123288 05/08/2023	CHK	WESTCARE CLI	WESTCARE CLINIC	2023 FITNESS FOR DUTY TEST-SAM MIRANDA	127.00
123289 05/08/2023	CHK	2	ASCEND ROOFING COMPANY	INSPECTED LEAK IN ENTRY WAY OF MAIN BLDG	379.75
123290 05/08/2023	CHK	2	DALEY ELECTRIC	REPLACE BAD LIGHT SWITCH-JOYCE'S OFFICE	379.75
123291 05/08/2023	CHK	2	EXTREME COLLISION CENTER	VEHICLE #61-REPAIRS 2015 FORD SUPER DUTY	6,686.99
123292 05/08/2023	CHK	2	JEFFERSON CO. PUD NO. 1 - FOUR COR	MUTUAL AID 12/2/2022 SNOW STORM	10,701.82
123293 05/08/2023	CHK	180 ENGINEERIN	JEREMIAH WAUGH	APRIL ENGINEERING-MANZANITA & MAPPING,T3	4,462.50
123294 05/09/2023	CHK	US BANK-CCC	US BANK	ACCOUNT NUMBER 4484 7345 5001 2554	31,429.08
123295 05/15/2023	CHK	ANIXTER	ANIXTER INC	ELECTRIC NON INVENTORY PARTS	2,584.27
123296 05/15/2023	CHK	CENTUR	CENTURYLINK	TELEPHONE CHARGES ACCT#206-Z05-0016 020	1,507.39

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# Accounts Payable Check Register

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05/08/2023 To 05/18/2023

**Bank Account: 4 - UMPQUA BANK - DISTRICT**

Check / Tran Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
123297 05/15/2023	CHK	HARB 1	HARBOR SAW & SUPPLY INC.	REPAIRS TO CHAINSAW	250.47
123298 05/15/2023	CHK	HDFOWL	HD FOWLER COMPANY	WATER NON INVENTORY PARTS	7,221.42
123299 05/15/2023	CHK	L.G.	L. G. ISAACSON CO. INC.	VEHICLE #67 PARTS & SHOP SUPPLIES	501.87
123300 05/15/2023	CHK	NISC	NISC	APRIL 2023 RECURRING INVOICE	13,405.59
123301 05/15/2023	CHK	NWPPA	NWPPA	NWPPA ANNUAL CONF MEETING-MIKE & KRISTIN	1,650.00
123302 05/15/2023	CHK	PARSON	PARSONS DIESEL & STEAM	SERVICE VARIOUS VEHICLES	2,118.46
123303 05/15/2023	CHK	PUD#3	PUD #3 OF MASON COUNTY	ELECTRIC NON INVENTORY SUPPLIES	1,546.73
123304 05/15/2023	CHK	JOHN 3	ROBERT W. JOHNSON	APRIL RETAINER FEE	3,815.51
123305 05/15/2023	CHK	GOOS	TJ GOOS	REIMBURSE-DOT PHYSICAL	150.00
123306 05/15/2023	CHK	TOZIER	TOZIER BROS, INC	SUPPLIES FOR VEHICLE#71-SEAL TAPE & TIES	21.77
123307 05/15/2023	CHK	WPUDA	WASHINGTON PUD ASSOC.	2023 FINANCE OFFICERS MEETING-KATIE	75.00
123308 05/15/2023	CHK	NAPA AUTO PA	WESTBAY NAPA AUTO PARTS	VEHICLE #76-BATTERY CABLE & STARTER LUG	90.92
123309 05/15/2023	CHK	WHITEWOLF EN	WHITEWOLF ENGINEERING SERVICES	RIPPLEWOOD WATER SYSTEM	4,587.50
123310 05/15/2023	CHK	HOOD CANAL	HOOD CANAL MARKET FRESH	DISTILLED WATER-T3 SUB STATION BATTERY	113.97VOID
123311 05/15/2023	CHK	2	THOMAS CURRIER	INACTIVE REFUND	88.00VOID
123313 05/16/2023	CHK	IBEW	IBEW LOCAL UNION #77	UNION DUES	1,116.31
123314 05/16/2023	CHK	PUDEMP	PUD #1 EMPLOYEE FUND	EMPLOYEE FUND	250.00
<b>Total Payments for Bank Account - 4 :</b>					(67) 216,706.10
<b>Total Voids for Bank Account - 4 :</b>					(2) 201.97
<b>Total for Bank Account - 4 :</b>					(69) 216,908.07
<b>Grand Total for Payments :</b>					(67) 216,706.10
<b>Grand Total for Voids :</b>					(2) 201.97
<b>Grand Total :</b>					(69) 216,908.07

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# Accounts Payable Check Register

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**PARAMETERS ENTERED:**

**Check Date:** 05/08/2023 To 05/18/2023

**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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Page: 1

**GENERAL LEDGER  
TRANSACTION DETAIL**

MAY 2023 To MAY 2023

Date	Journal Description	Actv BU Project	Mod	Jrnl Reference Code	Beginning Balance:
Account: 0 131.2 CASH-GENERAL FUND (DISTRICT)			Department:	0	
05/16/23	74744 Check Print	0	PL	2 PAYROLL	80,170.01

**PARAMETERS ENTERED:**

**Division:** All  
**Accounts:** 0 131.2  
**Department:** All  
**Activity:** All  
**Sort By:** Div/Acct  
**Date Selection:** Period  
**Period:** MAY 2023 To MAY 2023  
**Module:** PL  
**Journal Activity:** All  
**Accounts With No Transactions:** Yes  
**Extended Reference:** No  
**Interface Detail:** No  
**Group by Department:** Yes

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# Payroll/Labor

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## Check Register

Pay Date: 05/16/2023 To 05/16/2023

Empl Name	Pay Date	Dir Dep/Check	Net Pay	Type
135 TIMOTHY BROWN	05/16/2023	123312	2,511.79	CHK

**Grand Total:**

**Pay Date:** 05/16/2023 To 05/16/2023  
**Check/Direct Deposit:** All  
**Employee:** 135  
**Journal:** 0

**PARAMETERS ENTERED:**

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

Karnold



## Key Project Facts

### Offeror

Energy Northwest

### Energy Type

Advanced Nuclear: X-energy's XE-100, High Temperature Gas Reactor

### Generating Capacity

Scalable up to 960MWe (12 80MWe reactors)

### Tax Credits Available

Production Tax Credit (\$45Y) (Inflation Reduction Act), OR  
Investment Tax Credit (\$48E) (Inflation Reduction Act)

### Priority

Priority will be given to expressions of Interest from utilities and other entities providing financial support to Energy Northwest for exploration and advancement of the new nuclear project.

### Expected Future Commitment:

Energy Northwest seeks parties interested in considering entering into a binding power contract ("contract") with Energy Northwest for a minimum 30-year term. It is expected that a term sheet will be developed collaboratively between March and October 2023 to allow for consideration of the terms included in the Bonneville Power Administration Post 2028 draft policy Record of Decision (ROD) scheduled for release in July 2023 and that binding contracts will only be executed after preferred options for project development and construction funding have been identified and approved by utility participants. The following key provisions are expected to be terms necessary to support the funding processes:

- Once operational, Energy Northwest will recover all costs associated with the operation of the Project from contracting parties. This will be a binding commitment of the contracting parties regardless of whether a contracting party takes delivery of all, some, or none of its allocated power produced by the Project.
- A maximum LCOE that, if estimated to exceed, will allow a contracting party the option, not the obligation, to exit the Project without further liability to Energy Northwest. The projected LCOE will be based on independently verified class 3 estimate or better at agreed upon project milestones with the estimate at completion (EAC) to be updated annually from final investment decision through commercial completion.

### Location

Richland, WA (Energy Northwest Site-1)

# Project Schedule

## Development & Finance

Energy Northwest has been working on initial site environmental reviews and licensing activities with X-energy and will also take advantage of work previously done on the site for previous, unfinished nuclear construction.

Energy Northwest intends to pursue financing for the development phase and non-nuclear construction phase.

Energy Northwest intends to pursue financing for the nuclear construction phase through the US Department of Energy Loan Program Office and has already submitted a Part 1 application to that office.

## Substantial Project Start

2023

## Construction Start

As early as 2026

## Commercial Operation

First Unit: As early as 2029

## Information Contacts

Greg Cullen, Energy Northwest, Vice President [GVCULLEN@energy-northwest.com](mailto:GVCULLEN@energy-northwest.com), 509-377-6105

Jared Knode, Energy Northwest [JRKNODE@energy-northwest.com](mailto:JRKNODE@energy-northwest.com), 614-313-2764

# Advanced Nuclear Project Offering

## Expression of Interest

Energy Northwest (EN) is proposing an advanced reactor generating project capable of generating up to 960MWe<sup>1</sup>. The Project will initially be comprised of a minimum of four Xe-100 reactors from X-energy. Each reactor will produce an estimated 80MWe net. EN's Site 1 has had prior nuclear development where the construction was halted prior to operation in the 1980s. The site is located on Federal lands for which EN has a long-term lease north of Richland, WA and approximately two miles from the Columbia River on the DOE's Hanford site.

Energy Northwest is formally soliciting expressions of interest with the intent to develop to a binding commitment under the contracts. Please complete and return this expression of interest form by May 31, 2023.

The signature below is provided under the following conditions:

1. The submittal of this document constitutes an expression of interest only and does not constitute an obligation or commitment by the entity (utility, cooperative, end-use customer, etc.) or Energy Northwest. Any party expressing interest in the Project can withdraw at any time in writing prior to execution of a contract.
2. The future execution of a contract will constitute a binding commitment which will be subject to the approvals of the governing bodies of all applicable parties and Energy Northwest as deemed appropriate.

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<sup>1</sup> Output is currently an estimate that depends on several factors, including cooling methodology, efficiencies of selected equipment, and atmospheric conditions.

## Expression of Interest Form

Entity Name:

Address:

Telephone:

Email:

Point of Contact (Name & Title)

Authorized signature:

Date:

Number of MWe interested in (use intervals of 5):

Preferred availability of generation: 2029/2030/2031/2032/2034

Comments:

Please return completed form to:

Energy Northwest – Jared Knode  
PO Box 968, Md 1035  
Richland, Washington 99352

Or electronically to:

Jared Knode

[jrknode@energy-northwest.com](mailto:jrknode@energy-northwest.com)

Tel: 614-313-2764