



**Mason County PUD No. 1  
Special Board Meeting  
October 31, 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. Special 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:** Special Board Meeting October 17, 2023

<b>Disbursements:</b>	Accounts Payable Wire	\$ 66,096.42
	Check Nos. 123947-124050	\$ 341,381.34
	Payroll Wire	\$ 80,006.06
	<b>Grand Total</b>	<b>\$487,483.82</b>

**3) Business Agenda**

- a. Climate Commitment Act- Matt Samuelson
- b. September 2023 Financials & 3<sup>rd</sup> Quarter Review
- c. Approval of 3<sup>rd</sup> Quarter Delinquent Account Write-Offs
- d. "Go Paperless" Credit Discussion
- e. Amend Travel Policy for GSA/Per Diem Changes
- f. Resolution No. 2073- Surplus Property
- g. Approve GM to Sign Intergovernmental Disposition with Squaxin Island Tribe for Stream Monitoring Equipment Transfer
- h. Award Ripplewood Mainline Project to Hanson Excavation, LLC

**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**

November 15-17	WPUDA	Location TBA
November	PPC Annual Mtg.	Portland, OR
Nov/Dec (TBA)	WPAG	Virtual
April 17-19, 2024	WPUDA Annual Meeting	Skamania Lodge



**Mason County Public Utility District No. 1**  
Board of Commissioners Special Board Meeting  
October 18, 2023, Potlatch, Washington

**Present:**

Jack Janda, President (virtually)  
Ron Gold, Vice President  
Mike Sheetz, Board Secretary  
Kristin Masteller, General Manager  
Katie Arnold, District Treasurer  
Brandy Milroy, Water Resource Manager

**Visitors:** Tom Carroll, Bolduc Water System

**Excused:** Rob Johnson, Legal Counsel

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

**PUBLIC COMMENT:** Tom Carroll thanked the PUD staff for their communication and presentation to their HOA regarding transferring ownership of the water system to the PUD. He said he was very impressed with the experience and complimented staff.

**APPROVAL OF CONSENT AGENDA:**

Accounts Payable Wire	\$ 91,209.59
Check Nos. 123833-123867	\$ 582,500.53
Check Nos. 123869-123946	\$ 340,307.46
Payroll Wire	\$ 111,768.18
Payroll Check No. 123868	\$ 2,152.00
<b>Grand Total</b>	<b>\$1,127,937.76</b>

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

**Business Agenda:**

**3rd Quarter Report- 2023 Strategic Work Plan** – Kristin gave an update on the progress on 2023's strategic work plan.



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**August 2023 Financials** – Katie presented the August 2023 financial report to the board. Jack remarked that he was proud of the PUD’s progress in paying down long term debt and noted the progress toward meeting the PUD’s financial goals.

**Financial Highlights:**

- Revenue – Gross Revenue was \$984,878 for the month of August 2023.
- Expenditures –Gross expenditures were \$914,642 for the month of August 2023.
- As of August 31, the PUD has \$680,863 in grant reimbursements outstanding for ongoing projects.

<b>Financial Metrics as Compared with Prior Year:</b>	<b>August 2023</b>	<b>August 2022</b>
Total General Cash and Investments	\$1,429,297	\$1,219,072
Current Ratio (Current Assets/Current Liabilities)	2.25 to 1	2.18 to 1
Debt Service Coverage (O&M/ Debt Service)	3.04	3.38
Long-Term Debt to Net Plant	30%	34%
Total Debt to Equity Ratio (Total Liabilities/Total Equity)	38%	46%
Long Term Debt to Equity Ratio (Long Term Debt / Total Equity)	35%	42%
Times Interest Earned Ratio (Earnings before Interest & Taxes/Total Interest)	4.13	5.26
Cash on Hand (Total Available Cash/Average Daily Costs)	55 Days (General) 190 Days (All Funds)	48 Days (General) 193 Days (All Funds)

**Waive Competitive Bidding for Magnum Power Emergency Storm Assistance on 9/25/23** – Kristin reported that we had a surprise storm on September 25<sup>th</sup> that required extra assistance and that Magnum was already on property working on the pole replacement project so they were moved over to assist the crew in restoring power in one of several locations that had damage. Ron made a motion to declare an emergency and waive the competitive bidding process for the emergency storm repair on September 25, 2023; Mike seconded the motion. It passed unanimously.

**Release Easement for Goodpasters’ Properties** – Kristin reported that new underground utility easements were obtained from the three parcels that currently have overhead easements and that the board needed to release the overhead easements, per the agreements. Ron made a motion to release the easements for Parcels: 42212-24-00030, 00010, and 00020 per the new easement agreements. Mike seconded the motion. It passed unanimously.

**Award Fiber Maintenance Contract to Hood Canal Communications** – Kristin reported that Hood Canal Communications was the only responsive bidder to the RFP for fiber maintenance and staff



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October 18, 2023, Potlatch, Washington

recommended that the contract be awarded to HCC. Ron made a motion to award the Fiber Maintenance Agreement to Hood Canal Communications. Mike seconded the motion. It passed unanimously.

**Approve Vegetation Management Change Order No. 1 for Danger Tree Removal** – Kristin reported that Kemp West and the electric superintendent reviewed a list of danger trees that posed an immediate risk to the power lines. Kemp West provided a quote that is a little above the leftover budget but can be made up in other areas of the budget that are underspent. Kristin recommended a change order in Kemp West's contract to include the tree removal. Ron made a motion to approve the Vegetation Management Contract Change Order No. 1 in the amount of \$48,895 to include danger tree removal. Mike seconded the motion. It passed unanimously.

**Approve Change Order No. 1 for Agate Beach** – The contractor at Agate Beach needs to extend the substantial completion date for one month and staff agrees with the extension. Ron made a motion to approve the Agate Beach change order No. 1 to extend the substantial completion date. Mike seconded the motion. It passed unanimously.

**Approve Purchase and Sale Agreement for Bolduc Water System** – Brandy included an executive summary in the board packet describing the Bolduc Water System and its current condition and future upgrades and calculated a period of approximately 8 years before the PUD's return on initial investment will be repaid. This estimate was very conservative and based on only basic charge payments by the permanent, full-time residents. It's likely the ROI will be achieved sooner. Ron made a motion to authorize the manager to sign the Purchase and Sale Agreement with Bolduc Water System. Mike seconded the motion. It passed unanimously.

**Approve Change Order No. 1 for Hill Way Project**– Kristin reported that the PUD initiated an upsize in the underground cable for this project that necessitated a change order. The entire project amount is still under the grant budget award. Ron made a motion to approve Change Order No. 1 for the Hill Way project in the amount of \$136,650, plus tax, for the upsized cable. Mike seconded the motion. It passed unanimously.

**Authorize the GM to sign the DWSRF contracts for Bay East Funding**– Kristin said the Dept. of Health Drinking Water State Revolving Fund loan documents finally came through for Bay East. There are two loan documents to approve, each with different funding amounts and loan forgiveness amounts. Mike asked when the PUD would start reaching out to the Bay East HOA about the project and Brandy replied that they're aware that the PUD was awarded the funding a while ago but that we are still quite a way out from starting construction still. Kristin said once the project bid was awarded, we had a construction schedule that the PUD will reach out to the Bay East customers and communicate project scope, timeline and activities with them. Ron made a motion authorize the General Manager to sign both Drinking Water State Revolving Fund Loan Contracts Numbers DWL28365-0 and DWL28232-0 for the Bay East Water System. Mike seconded the motion. It passed unanimously.



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**Staff Reports –**

**General Manager** – Kristin reported that she met with Aspect consulting regarding the groundwater modeling study with the Squaxin Island Tribe and that the consultants seem to be disagreeing on the modeling and the findings of the study since it is not showing impacts to the creek that the tribal staff thought would or should show. She is waiting for the consultants to decide if they can agree and move forward or if they are unable to agree and then the PUD and tribe will take the next steps in the Memorandum of Agreement. She will consult with the water attorney and the PUD's attorney and then schedule an executive session next meeting to discuss details with the commission. Kristin gave a debrief of the customer appreciation event. It had very high attendance again this year and was a great event. Matt Samuelson is almost done with his report for the PUD regarding the Climate Commitment Act and Kristin and Matt will share those findings with the board and other PUDs to help small utilities navigate the new CCA procedures. The new customer service representative has been hired and started this week. Staff is working on finishing the 2024 budget and strategic plan and getting the checklists done so they can sign the state appropriations contracts for the water system projects. Julie Gray's retirement party is Friday at 4:00 at the Shelton Yacht Club. Kristin and Katie are scheduling a ribbon cutting to close out the CERB broadband project. 18 customers have signed up for service so far. Kristin then reviewed the proposed meeting schedule through the end of the year including one day of meetings in November and one day in December. The board agreed to cancel the 2<sup>nd</sup> meetings in November and December unless there is urgent business that needs to be conducted during the holiday weeks.

**District Treasurer** – Katie reported that she and Kristin met with FCS Group to review the electric Cost of Service Analysis and that the COSA findings and rate recommendations will be presented during the budget workshop in November.

**Water Resource Manager** – Brandy reported she finally received the easement for the Union Ridge system. This will enable the PUD to feed a section of connections from the Union system instead, which will open up the connections for Union Ridge for those that have been waiting to connect. Ripplewood water main project has its pre-bid walkthrough this week and the bids will be opened next week. Lake Cushman HOA has reached out for preliminary information on water system transfer. They are just gathering information at this point.

**Legal Counsel** – Rob was excused for an APPA legal conference.

**Correspondence** – Customer thank yous were shared along with a letter sent to Bonneville Power Administration regarding the draft Provider of Choice policy that was published.

**Board Reports –**

**Mike** – No report.

**Jack** – No report.

**Ron** – Ron attended WPAG.

**PUBLIC COMMENT** – No additional comments.



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**EXECUTIVE SESSION** – None.

**Adjournment: 2:13 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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10/13/2023 To 10/27/2023

Bank Account: 4 - UMPQUA BANK - DISTRICT

Check / Tran Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
916 10/16/2023	WIRE	IRS	WEST COAST BANK	FEDERAL TAX LIABILITY	30,806.95
917 10/16/2023	WIRE	WASH 1	WA DEPT OF RETIREMENT SYS	STATE RETIREMENT - PLAN 2	21,035.78
918 10/16/2023	WIRE	WASH 7	WA STATE TREAS-MS: PO-11	DEFERRED COMPENSATION	10,832.50
919 10/16/2023	WIRE	HRA	HRA VEBA TRUST CONTRIBUTI	VEBA MEDICAL SAVINGS	3,421.19
123947 10/16/2023	CHK	2	Guy Anderson	2023 Community Solar	4.37
123948 10/16/2023	CHK	2	Cheryl Ayres	2023 Community Solar	131.04
123949 10/16/2023	CHK	2	Summer Blaze	2023 Community Solar	218.39
123950 10/16/2023	CHK	2	Nick Browne	2023 Community Solar	43.68
123951 10/16/2023	CHK	2	Marca Bruff	2023 Community Solar	218.39
123952 10/16/2023	CHK	2	William Buckholz	2023 Community Solar	43.68
123953 10/16/2023	CHK	2	Niel Challastrom	2023 Community Solar	218.39
123954 10/16/2023	CHK	2	Tom Charouhas	2023 Community Solar	43.68
123955 10/16/2023	CHK	2	Tony Chinn	2023 Community Solar	87.36
123956 10/16/2023	CHK	2	Clarke Jerome Partnership	2023 Community Solar	152.87
123957 10/16/2023	CHK	2	Dale Cotton	2023 Community Solar	4.37
123958 10/16/2023	CHK	2	Marel Current	2023 Community Solar	43.68
123959 10/16/2023	CHK	2	Michelle Doolittle	2023 Community Solar	218.39
123960 10/16/2023	CHK	2	Jim Embree	2023 Community Solar	218.39
123961 10/16/2023	CHK	2	Vicky Engel	2023 Community Solar	43.68
123962 10/16/2023	CHK	2	Mark Fischer	2023 Community Solar	218.39
123963 10/16/2023	CHK	2	Margaret Graves	2023 Community Solar	8.74
123964 10/16/2023	CHK	2	James Gray	2023 Community Solar	43.68
123965 10/16/2023	CHK	2	Dawn Hansen-Smart	2023 Community Solar	21.84
123966 10/16/2023	CHK	2	Matthew Hirsch	2023 Community Solar	43.68
123967 10/16/2023	CHK	2	Steven Illman	2023 Community Solar	218.39
123968 10/16/2023	CHK	2	Sandra Jaeger	2023 Community Solar	4.37



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Bank Account: 4 - UMPQUA BANK - DISTRICT

Check / Tran Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
123969 10/16/2023	CHK	2	Jack Janda	2023 Community Solar	65.52
123970 10/16/2023	CHK	2	Ellen Jenner	2023 Community Solar	436.78
123971 10/16/2023	CHK	2	Susanna Jones	2023 Community Solar	218.39
123972 10/16/2023	CHK	2	Gary Lee	2023 Community Solar	109.20VOID
123973 10/16/2023	CHK	2	Debra Mattson	2023 Community Solar	327.59
123974 10/16/2023	CHK	2	Donald McIntyre	2023 Community Solar	436.78
123975 10/16/2023	CHK	2	Mike Newby	2023 Community Solar	218.39
123976 10/16/2023	CHK	2	James Noble	2023 Community Solar	43.68
123977 10/16/2023	CHK	2	Brian Oleson	2023 Community Solar	218.39
123978 10/16/2023	CHK	2	Victoria Pavel	2023 Community Solar	43.68
123979 10/16/2023	CHK	2	Roslynne Reed	2023 Community Solar	43.68
123980 10/16/2023	CHK	2	Sheri Saari	2023 Community Solar	218.39
123981 10/16/2023	CHK	2	Kent Schwartz	2023 Community Solar	43.68
123982 10/16/2023	CHK	2	Kenneth Sebbby	2023 Community Solar	87.36
123983 10/16/2023	CHK	2	Jerry Severn	2023 Community Solar	218.39
123984 10/16/2023	CHK	2	Annette Smith	2023 Community Solar	218.39
123985 10/16/2023	CHK	2	Bruce Smith	2023 Community Solar	21.84
123986 10/16/2023	CHK	2	Carol Smith	2023 Community Solar	218.39
123987 10/16/2023	CHK	2	Mark Smith	2023 Community Solar	8.74
123988 10/16/2023	CHK	2	Michael Sneddon	2023 Community Solar	218.39
123989 10/16/2023	CHK	2	Richard Sperling	2023 Community Solar	43.68
123990 10/16/2023	CHK	2	Fred Stern	2023 Community Solar	65.52
123991 10/16/2023	CHK	2	Cindy Sund	2023 Community Solar	21.84
123992 10/16/2023	CHK	2	Cindy Taylor	2023 Community Solar	218.39
123993 10/16/2023	CHK	2	Marianne Taylor	2023 Community Solar	4.37
123994 10/16/2023	CHK	2	Kristen Tollefsen	2023 Community Solar	21.84

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Bank Account: 4 - UMPQUA BANK - DISTRICT

Check / Tran Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
123995 10/16/2023	CHK	2	Angela Velkov	2023 Community Solar	65.52
123996 10/16/2023	CHK	2	Cheryl Wagner	2023 Community Solar	65.52
123997 10/16/2023	CHK	2	Nathan Wolf	2023 Community Solar	43.68
123998 10/16/2023	CHK	2	David York	2023 Community Solar	218.39
123999 10/16/2023	CHK	IBEW	IBEW LOCAL UNION #77	UNION DUES	1,118.29
124000 10/16/2023	CHK	PUDEMP	PUD #1 EMPLOYEE FUND	EMPLOYEE FUND	240.00
124001 10/18/2023	CHK	ASPECT CONSU	ASPECT CONSULTING LLC	UNION REGIONAL WATER SYTEM CONSOLIDATION	4,743.00
124002 10/18/2023	CHK	CENTURYLINK	CENTURYLINK	LONG DISTANCE & OUTBOUND CHARGES(21)LINE	198.85
124003 10/18/2023	CHK	ENGINEERING U	ENGINEERING UNLIMITED, INC	BALANCE OWING ON INVOICE-SALES TAX	97.56
124004 10/18/2023	CHK	GENPAC	GENERAL PACIFIC INC	ELECTRIC NON INVENTORY-TRANS. GROUND LUG	760.59
124005 10/18/2023	CHK	MAGNUM POWE	MAGNUM POWER, LLC	HOOD CANAL 101 PHASE TWO	145,123.22
124006 10/18/2023	CHK	MILES	MILES SAND & GRAVEL COMPANY	CANYONWOOD-(3)ECOLOGY BLOCKS-GENERATOR	211.58
124007 10/18/2023	CHK	PARSON	PARSONS DIESEL & STEAM	SERVICE VARIOUS VEHICLES	1,491.88
124008 10/18/2023	CHK	SPEC	SPECIALTY ENGINEERING, INC.	HOODSPORT SUBSTATION REGULATORS-SERVICES	5,486.50
124009 10/18/2023	CHK	WASH23	STATE OF WASHINGTON	2022 HAZARDOUS WASTE GENERATION FEE	65.00
124010 10/18/2023	CHK	TOZIER	TOZIER BROS, INC	VEHICLE #104-SWITCH	110.87
124011 10/18/2023	CHK	VERIZO	VERIZON WIRELESS	MONTHLY TABLETS & (3)CELLULAR CHARGES	523.92
124012 10/18/2023	CHK	2	DIANE COLEMAN	ROOF TOP SOLAR INCENTIVE-7/31/2023	1,863.72
124013 10/18/2023	CHK	2	ROGER MYHRE	ROOF TOP SOLAR INCENTIVE-7/31/2023	2,629.62
124014 10/18/2023	CHK	2	SKOKOMISH TRIBAL CENTER	ROOF TOP SOLAR INCENTIVE-7/31/2023	5,575.56
124015 10/18/2023	CHK	2	STARR WHITE ROAD WORKS	STARR WHITE COMMUNITY-ROAD MAINT. FEE	200.00
124016 10/18/2023	CHK	ALPHANW	ALPHA NW COMPANY	ELECTRIC INVENTORY PARTS-ARM BRACKET	3,006.16
124017 10/18/2023	CHK	ALPHA POWER	ALPHA POWER SYSTEMS, INC	ELECTRIC NON INVENTORY-600AMP PROTECTIVE	9,772.11
124018 10/18/2023	CHK	BCP	BCP LANDSCAPE SUPPLIES	UNION WATER	68.36
124019 10/18/2023	CHK	DANDAN	DANIEL C RUBINO DBA:DAN DAN THE	OFFICE KEYS	46.78
124020 10/18/2023	CHK	DOH	DEPT. OF HEALTH	CANYONWOOD SANITARY SURVEY INSPECTION	2,291.00

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Bank Account: 4 - UMPQUA BANK - DISTRICT

Check / Tran Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
124021 10/18/2023	CHK	SHEL 2	MASON COUNTY JOURNAL	LEGAL NOTICES-ESI PHONE SYSTEM	155.00
124022 10/18/2023	CHK	MTC	MATERIALS TESTING & CONSULTING, IAGATE BEACH WATER PHASE II-SIEVE ANALYSI		171.00
124023 10/18/2023	CHK	PROGLASS	PROGLASS INCORPORATED	ELECTRIC INVENTORY-3PHASE SWITCH CABINET	13,736.03
124024 10/18/2023	CHK	TOZIER	TOZIER BROS, INC	SHOP KEYS	176.64
124025 10/18/2023	CHK	ULINE	ULINE	POLY BAGS	339.96
124026 10/18/2023	CHK	DOE	WA STATE DEPT OF ECOLOGY	MASON POLE YARD	607.28
124027 10/18/2023	CHK	GOLDSTREET	GOLDSTREET DESIGN AGENCY, INC.	FALL 2023 NEWSLETTER	3,324.78
124028 10/18/2023	CHK	GRAY	GRAY & OSBORNE, INC	AGATE BEACH WATER SYSTEM IMPROVEMENTS	16,337.17
124029 10/18/2023	CHK	VERIZO	VERIZON WIRELESS	ISLAND LAKE MANOR, BEL AIRE,& SHADOWOOD	75.06
124030 10/18/2023	CHK	NAPA AUTO PA	WESTBAY NAPA AUTO PARTS	UNION WATER-RESERVOIR HATCH GASKET	34.60
124031 10/19/2023	CHK	2	GARY LEE FAMILY TRUST	REPLACE #123972-CHECK MADE OUT WRONG	109.20
124032 10/23/2023	CHK	CASCA1	CASCADE COLUMBIA DIST.CO.	MULTICHLORINE & SODIUM HYPOCHLORITE	2,226.91
124033 10/23/2023	CHK	SOUTH SOUND S	SOUTH SOUND SOLAR	PANEL CLEANING-LOWER & UPPER BUILDINGS	2,775.00
124034 10/23/2023	CHK	2	ELIZABETH DELIZO	INACTIVE REFUND	50.00
124035 10/23/2023	CHK	ATWORK!	ATWORK! COMMERCIAL ENTERPRISES	LANDSCAPE MAINTENANCE	11,345.47
124036 10/23/2023	CHK	BUILDERS	BUILDERS FIRSTSOURCE, INC	MATERIALS-BUILD NEW ELECTRIC METER ROOM	1,023.36
124037 10/23/2023	CHK	CHUCKALS	CHUCKALS OFFICE PRODUCTS	RECEIPT BOOKS	427.49
124038 10/23/2023	CHK	DAY	DAY WIRELESS SYSTEMS	RECURRING CHARGES-TWO WAY RADIO 28 UNITS	562.06
124039 10/23/2023	CHK	POMP'S TIRE	GCR TIRES & SERVICE	VEHICLE #77-(4)NEW TIRES	3,074.28
124040 10/23/2023	CHK	SHEL 2	MASON COUNTY JOURNAL	MANZANITA SUBSTATION MATERIALS-AD	263.50
124041 10/23/2023	CHK	PARSON	PARSONS DIESEL & STEAM	SERVICE VARIOUS VEHICLES	610.31
124042 10/23/2023	CHK	POWER ENGINE	POWER ENGINEERS	MANZANITA SUBSTATION ENGINEERING & TEST	18,944.82
124043 10/24/2023	CHK	37	JORDAN ADAMS	CLOTHING ALLOWANCE	255.36
124044 10/24/2023	CHK	ANIXTER	ANIXTER INC	ELECTRIC NON INVENTORY PART-PIN VISE TOP	3,327.70
124045 10/24/2023	CHK	BUILDERS	BUILDERS FIRSTSOURCE, INC	UNION WATER-SKYVIEW PROJECT	97.41
124046 10/24/2023	CHK	CITI CARDS	CITI CARDS	MONTHLY COSTCO CREDIT CARD #4326	21,321.89

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Check / Tran Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
124047 10/24/2023	CHK	GENPAC	GENERAL PACIFIC INC	ELECTRIC NON INVENTORY PART-SERVICE GRIP	585.90
124048 10/24/2023	CHK	HOODCA	HOOD CANAL COMMUNICATIONS	WATER LINE BORE ON MANZANITA	46,895.33
124049 10/24/2023	CHK	PLATT ELECTRI	PLATT	ELECTRIC NON INVENTORY SUPPLIES	321.04
124050 10/24/2023	CHK	ROHLIN	ROHLINGER ENTERPRISES INC	CLEAN & TEST LINEMEN'S GLOVES	148.37
Total Payments for Bank Account - 4 :					(107) 407,368.56
Total Voids for Bank Account - 4 :					(1) 109.20
Total for Bank Account - 4 :					(108) 407,477.76
Grand Total for Payments :					(107) 407,368.56
Grand Total for Voids :					(1) 109.20
Grand Total :					(108) 407,477.76

10/27/2023

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**PARAMETERS ENTERED:****Check Date:** 10/13/2023 To 10/27/2023**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



# Washington State Climate Commitment Act (CCA)

Overview and Guidance for Mason County PUD No. 1

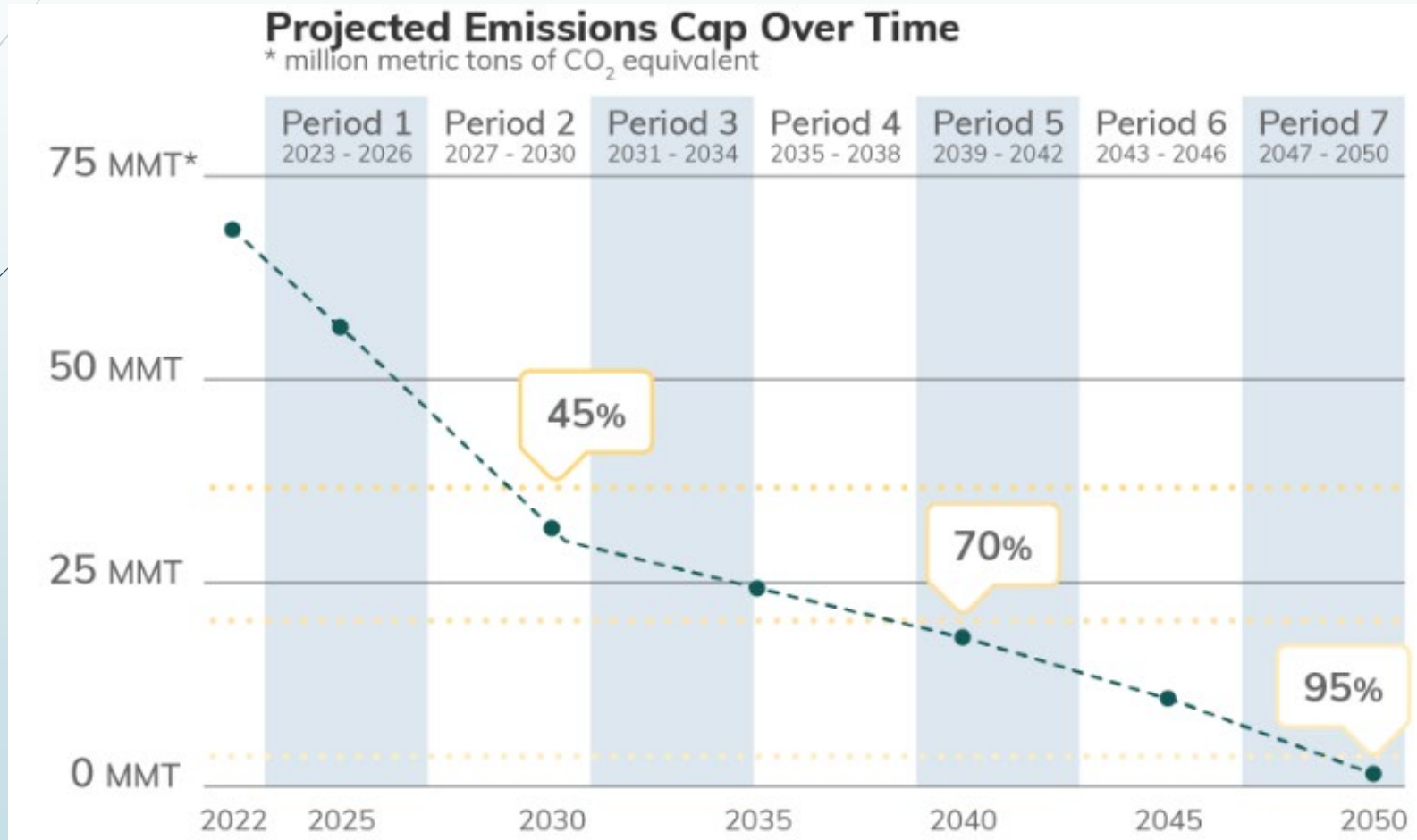
Presented by:  
Matt Samuelson  
[matthew.samuelson@gmail.com](mailto:matthew.samuelson@gmail.com)  
(360) 490-3819



# What is the C.C.A.?

- An Economy-wide greenhouse gas (GHG) “Cap and invest” program aimed at reducing overall GHG emissions in the state of Washington
- Mandates a declining cap on GHG emissions from major emitters in Washington supported by an emissions allowance and auction system
- Aims to achieve a 90% reduction in GHG emissions over 1990 levels by 2050
- Businesses covered by the program must obtain allowances equal to their emissions and submit them to Ecology according to a staggered four-year compliance schedule
- State revenues from the auctions will be invested in decarbonization, reducing pollution in underserved communities, and investing in climate resiliency

# CCA program emissions targets



Source: Department of Ecology





# What does this mean for Mason PUD 1?

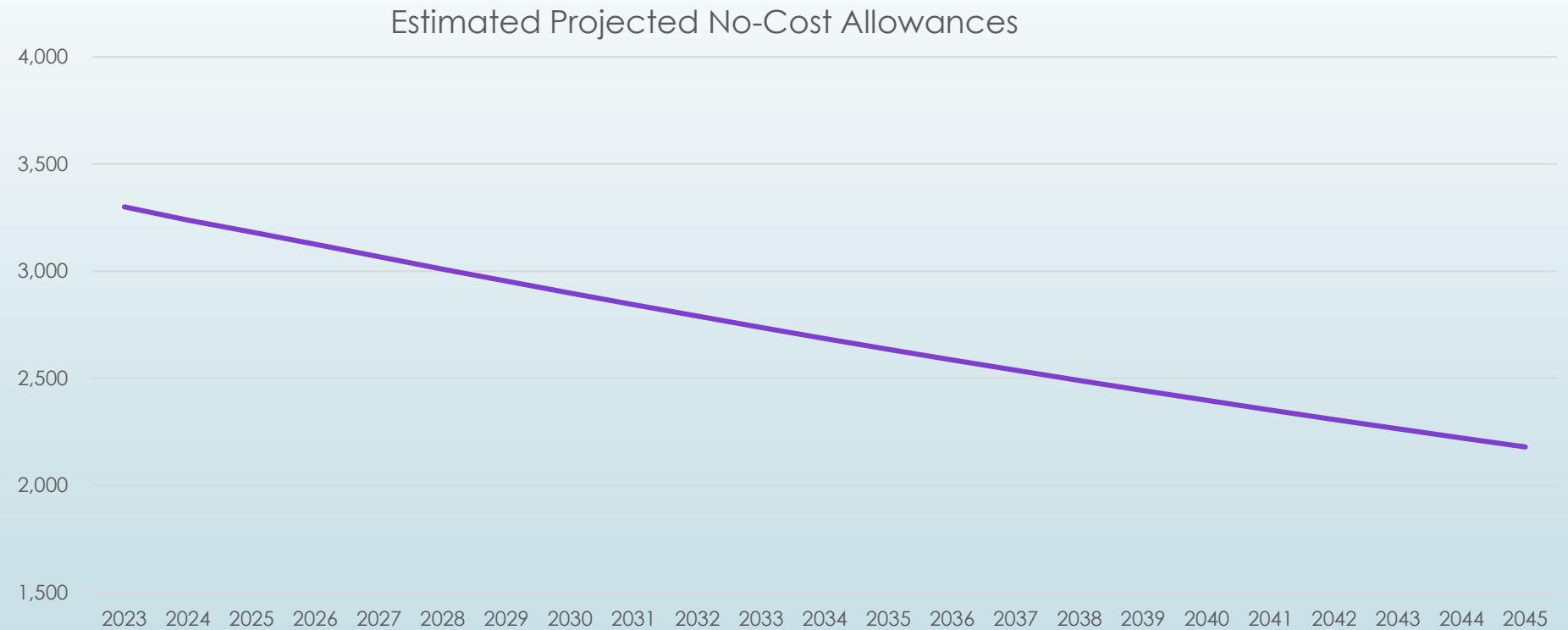
- The District is not required to register as a CCA 'covered' entity
  - Under 25,000 metric tons CO<sub>2</sub>e emissions per year
  - Under 10,000 metric tons CO<sub>2</sub>e emissions per year:
    - Not required to submit a GHG report to the Department of Commerce
  - In 2020 Mason 1 was at 1412 metric tons CO<sub>2</sub>e (per Commerce website)
- Previously registered as an Opt-In 'covered' entity
  - Requires an annual GHG report to Commerce
  - Incurs an annual compliance obligation
  - Is not eligible for no-cost allowances
- As a General Market Participant, the District:
  - Will not incur a compliance obligation
  - Will not be required to submit a GHG report to Commerce
  - Will receive annual no-cost allowances based on portfolio carbon footprint to minimize costs imposed on ratepayers as a result of the legislation



# Compliance instruments

- A compliance instrument is the equivalent of the offset of one metric ton CO<sub>2</sub>.
  - This is not to be confused with a renewable energy credit-it can take several megawatt hours from an emitting resource to equal one metric ton of CO<sub>2</sub>, or vice versa.
- The District will receive no-cost allowances of compliance instruments from Ecology on an annual basis
  - The amount is reduced annually by statutory formula
- No-cost allowances can be traded, consigned to auction, or retired for compliance (if a 'covered' entity).
- Revenue from consigning no-cost allowances to auction might be most appropriately used to help fund compliance with the Clean Energy Transformation Act (CETA)
- Don't rule out trading

# No-Cost allowances for Mason 1



\*No-cost allowances allocation decreases over time to reflect utility industry obligations under C.E.T.A.



# No-cost allowance rules

- Floor and ceiling prices increase by 5% per year, plus the rate of inflation
- Four auctions per year, with a 70-day notice
- An entity must register before the posted deadline to participate in each auction, if buying
- If selling, an entity must transfer the desired number of instruments from their holding account to their limited use holding account and request Ecology consign them to auction
- A registered entity may not in aggregate hold more than 10 percent of the total number of allowances of any vintage year made available by Ecology

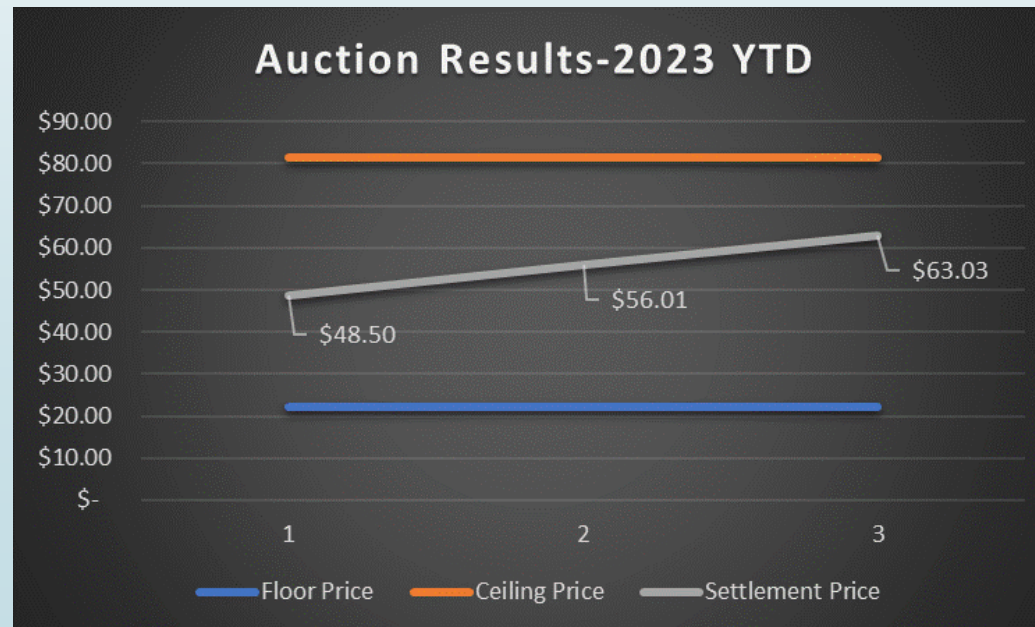
# Summary of auctions YTD

- State revenues have far outpaced initial expectations with only 3 of 4 2023 auctions complete

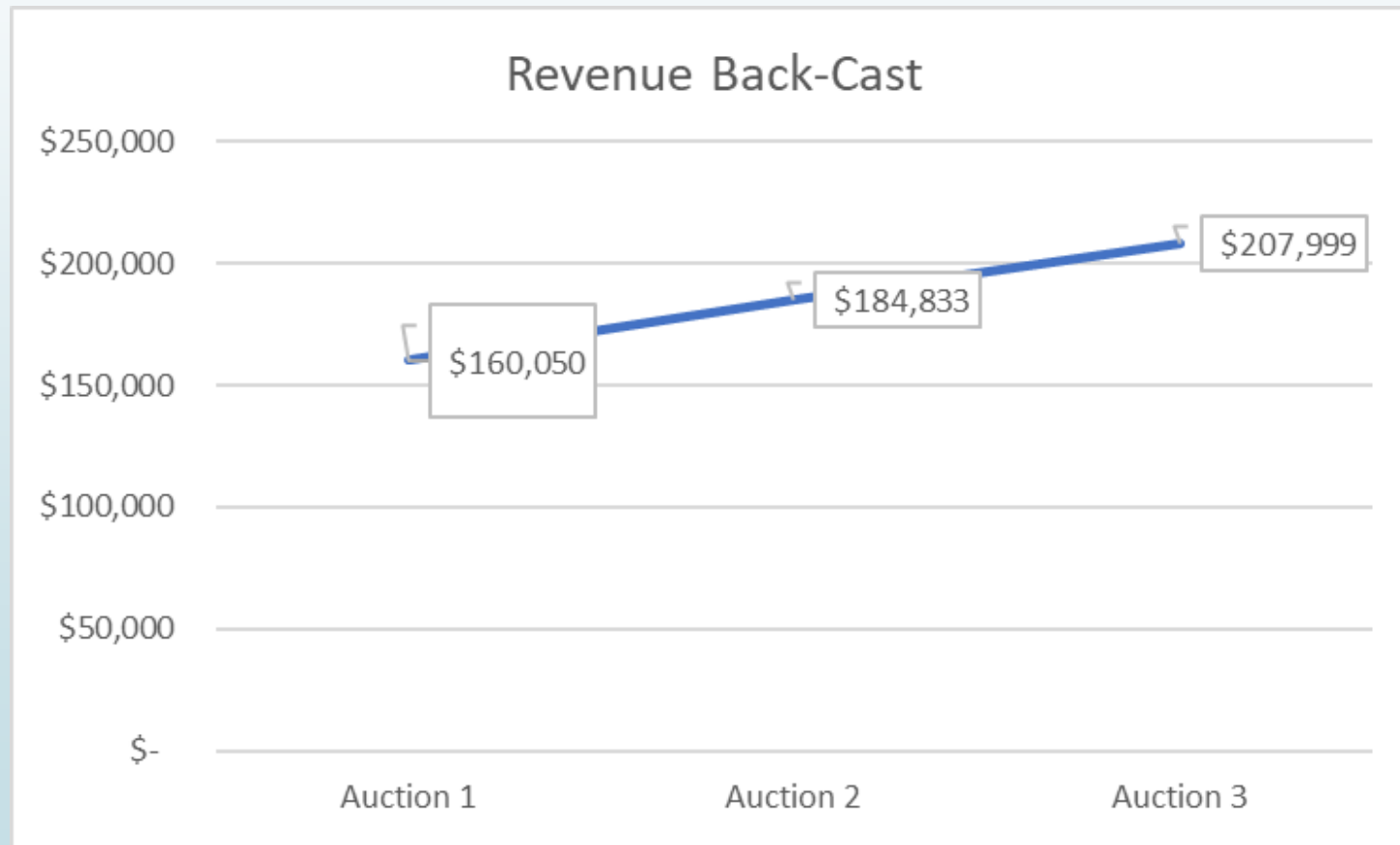
	Initial Projection	Realized YTD (9 months)
2023 (6 months)	\$ 220,613,259	\$ 1,276,166,520
2024	\$ 443,968,977	
2025	\$ 444,215,286	
2026	\$ 441,849,184	
2027 (6 months)	\$ 235,266,558	
Total	\$ 1,785,913,264	\$ 1,276,166,520
*All funding for programs is subject to legislative appropriation		
*Initial revenue forecast is estimated on best assumptions		

# Auction settlement prices

<u>Auction #</u>	<u>Floor Price</u>		<u>Ceiling Price</u>		<u>Settlement</u>	<u>Consigned</u>	<u>Ecology</u>
					<u>Price</u>	<u>Allowances</u>	<u>Allowances</u>
						<u>Sold</u>	<u>Sold</u>
1	\$	22.20	\$	81.47	\$ 48.50	0	6,185,222
2	\$	22.20	\$	81.47	\$ 56.01	0	8,585,000
3	\$	22.20	\$	81.47	\$ 63.03	2,927,349	5,657,651



# Mason PUD 1 Revenue Back-Cast (If had consigned entire 2023 allowances to auction)



\*Assumes entire 2023 allowance sold at each of the auctions



# Strategies for consigning allowances to auction

- May sell entire annual allowance at any of the four annual auctions
- May bank entire allowance for future auctions
- Any combination of the above.
  - Settlement prices may go up or down
- Invest the auction revenues in the LGIP or another financial instrument and increase total funds available for the benefit of ratepayers
  - The statute appears to be silent on when the revenues must benefit ratepayers
- Recommend to spend the revenues in a manner that both benefits ratepayers *and* meets investment requirements for conservation, clean energy targets, low-income, and vulnerable populations under the CETA
  - First priority must be given to the mitigation of any rate impacts to low-income customers
- Recommend placing the revenues in a restricted reserve account for future use





# Considerations

- The law could be amended in the future to reduce the threshold for covered entities, or to include all utilities in the compliance obligation
- The law could be repealed
- The District could eventually exceed the existing CO<sub>2</sub>e threshold
- Future auctions bid prices can move either direction
  - Entities could elect to pay the penalty
  - Trading of compliance instruments could increase outside of the auction process, decreasing demand at auction
  - Ecology is considering proposing legislative changes to the statute that would allow it to link the CCA program to other carbon markets such as California and Quebec.
    - Could result in changes to market clearing prices, potentially increasing supply and driving the price per instrument down.



## PUD1 – Executive Summary – September 2023

This report summarizes information on the current financial status of Mason County  
PUD No. 1 for the month of September 2023:

- **Work in Progress:**
  - Grant Applications – Ongoing
  - 2019 / 2020 CETA Audit
  - 2024 Budget
- **Completed Projects:**
  - 2023 Budget
  - 2020 / 2021 Audit (Exit Conference January 2023)
  - 2022 Privilege Tax Return
  - 2022 Form 7 (Due 03/31/23)
  - 2022 EIA Report (Due 04/30/23)
  - 2022 Annual Report (Due 05/30/23)
  - 2022 Audit & Single Audit
- **Planned Key Milestones, Activities and / or Events:**
  - Long range financial and budgetary planning – ongoing.

### Financial Highlights:

- Revenue – Gross Revenue was \$1,105,113 for the month of September 2023.
- Expenditures –Gross expenditures were \$867,245 for the month of September 2023.
- As of September 30, the PUD has \$749,749 in grant reimbursements outstanding for ongoing projects.

<b>Financial Metrics as Compared with Prior Year:</b>	<b>September 2023</b>	<b>September 2022</b>
Total General Cash and Investments	\$975,242	\$1,068,709
Current Ratio (Current Assets/Current Liabilities)	1.68 to 1	2.08 to 1
Debt Service Coverage (O&M/ Debt Service)	3.09	3.00
Long-Term Debt to Net Plant	30%	34%
Total Debt to Equity Ratio (Total Liabilities/Total Equity)	39%	47%
Long Term Debt to Equity Ratio (Long Term Debt / Total Equity)	35%	41%
Times Interest Earned Ratio (Earnings before Interest & Taxes/Total Interest)	4.26	5.21
Cash on Hand (Total Available Cash/Average Daily Costs)	38 Days (General) 170 Days (All Funds)	56 Days (General) 157 Days (All Funds)



## Mason County PUD No 1

*Budget Summary by Division For the Month Ended September 30, 2023*

	<u>Electric</u>	<u>Water</u>	<u>Sewer</u>	<u>Totals</u>
<b>Total Revenue</b>	\$ 819,934.23	\$ 284,099.85	\$ 1,078.79	\$ 1,105,112.87
<b>Budgeted</b>	\$ 719,881.00	\$ 242,399.31	\$ 989.93	\$ 963,270.24
<b>Difference (-/+)</b>	\$ 100,053.23	\$ 41,700.54	\$ 88.86	\$ 141,842.63
<b>% of Budget</b>	114%	117%	109%	115%
 <b>Total Expenditures</b>	 \$ 680,489.74	 \$ 186,000.59	 \$ 754.43	 \$ 867,244.76
<b>Budgeted</b>	\$ 779,195.86	\$ 212,080.28	\$ 1,517.63	\$ 992,793.77
<b>Difference (-/+)</b>	\$ (98,706.12)	\$ (26,079.69)	\$ (763.20)	\$ (125,549.01)
<b>% of Budget</b>	87%	88%	50%	87%
 <b>Net Operating Margins</b>	 \$ 139,444.49	 \$ 98,099.26	 \$ 324.36	 \$ 237,868.11
<b>Budgeted</b>	\$ (59,314.86)	\$ 30,319.03	\$ (527.70)	\$ (29,523.53)
<b>Difference (-/+)</b>	\$ 198,759.35	\$ 67,780.23	\$ 852.06	\$ 267,391.64
<b>% of Budget</b>	-235%	324%	-61%	-806%

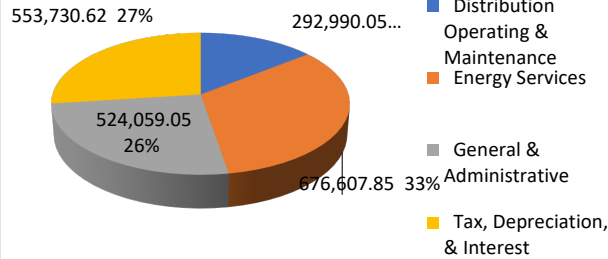
## Mason County PUD No. 1

Status of Budget  
As of September 30, 2023

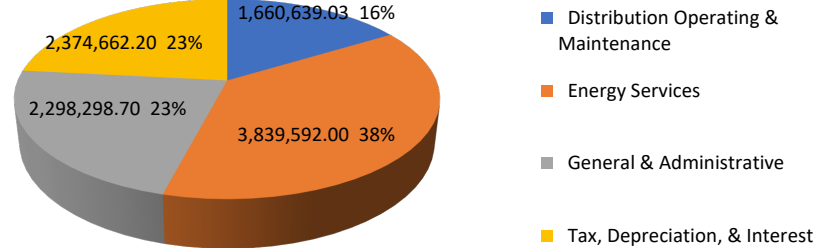
### ELECTRIC DIVISION

	3rd Quarter 2023	3rd Quarter Budget	% of 3rd Qtr Budget	2023 Actuals	2023 Budget	% of Annual Budget
Revenue	2,273,967.29	2,146,895.00	106%	8,498,383.23	10,712,903.00	79%
<b>Expenditures</b>						
Distribution Operating & Maintenance	292,990.05	417,081.51	70%	1,127,429.97	1,660,639.03	68%
Energy Services	676,607.85	767,598.00	88%	2,806,187.84	3,839,592.00	73%
General & Administrative	524,059.05	572,885.67	91%	1,733,414.64	2,298,298.70	75%
Tax, Depreciation, & Interest	553,730.62	568,761.05	97%	1,731,463.18	2,374,662.20	73%
<b>TOTAL EXPENDITURES</b>	<b>\$ 2,047,387.57</b>	<b>\$ 2,326,326.23</b>	<b>88%</b>	<b>7,398,495.63</b>	<b>\$ 10,173,191.93</b>	<b>73%</b>
<b>NET OPERATING MARGINS</b>	<b>\$ 226,579.72</b>	<b>\$ (179,431.23)</b>	<b>-126%</b>	<b>1,099,887.60</b>	<b>\$ 539,711.07</b>	<b>204%</b>

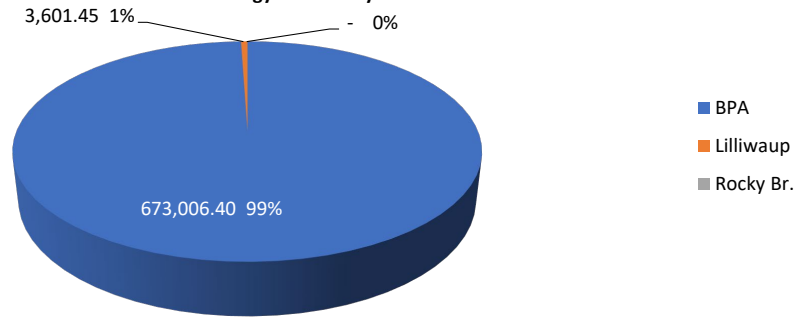
3rd Quarter Expenditures



2023 Budgeted Expenditures



Energy Services by Vendor



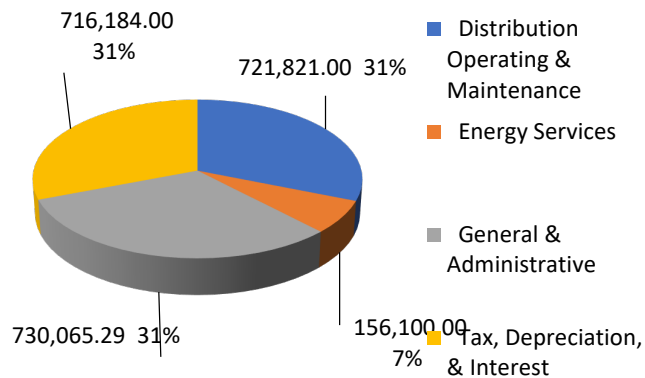
## Mason County PUD No. 1

*Status of Budget*  
As of September 30, 2023

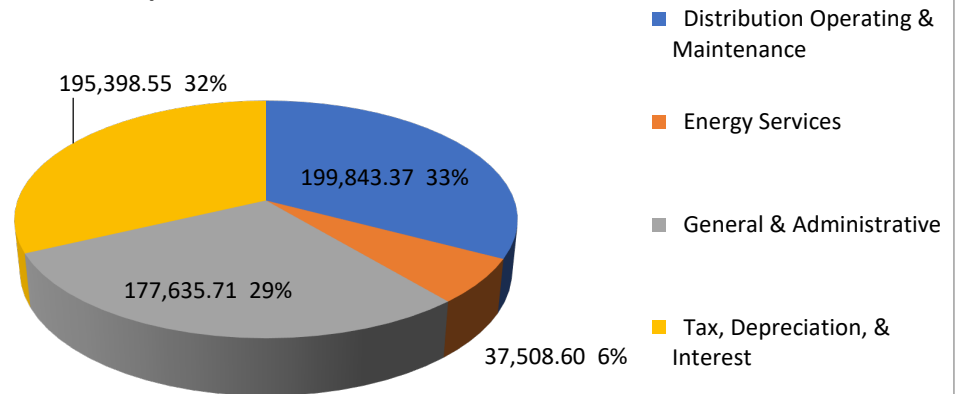
### WATER DIVISION

	3rd Quarter 2023	3rd Quarter Budget	% of 3rd Qtr Budget	2023 Actuals	2023 Budget	% of Annual Budget
Revenue	849,532.51	747,197.93	114%	2,251,125.74	2,559,920.00	88%
<b>Expenditures</b>						
Distribution Operating & Maintenance	199,843.37	212,882.63	94%	532,521.77	721,821.00	74%
Energy Services	37,508.60	41,250.00	91%	119,348.59	156,100.00	76%
General & Administrative	177,635.71	179,706.36	99%	556,653.17	730,065.29	76%
Tax, Depreciation, & Interest	195,398.55	187,892.55	104%	588,889.61	716,184.00	82%
<b>TOTAL EXPENDITURES</b>	<b>\$ 610,386.23</b>	<b>\$ 621,731.54</b>	<b>98%</b>	<b>1,797,413.14</b>	<b>\$ 2,324,170.29</b>	<b>77%</b>
<b>NET OPERATING MARGINS</b>	<b>\$ 239,146.28</b>	<b>\$ 125,466.39</b>	<b>191%</b>	<b>453,712.60</b>	<b>\$ 235,749.71</b>	<b>192%</b>

**2023 Budgeted Expenditures**



**3rd Quarter Expenditures**



## Mason County PUD No. 1

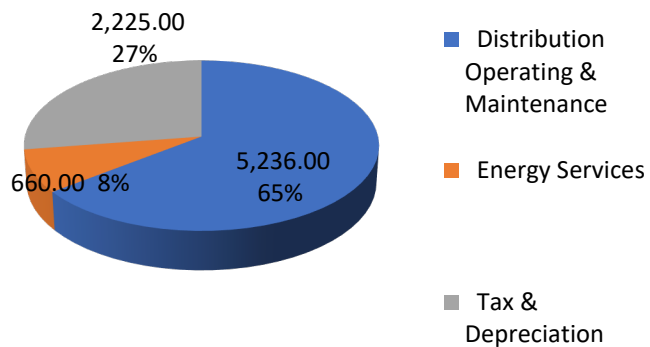
### Status of Budget

As of September 30, 2023

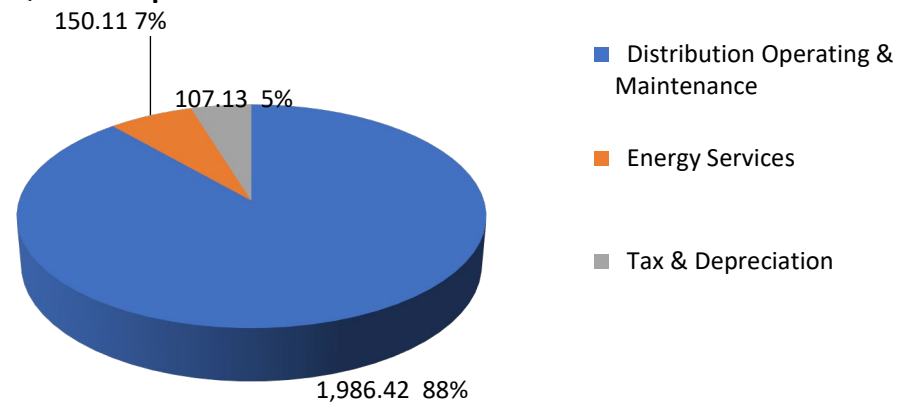
### SEWER DIVISION

	3rd Quarter 2023	3rd Quarter Budget	% of 3rd Qtr Budget	2023 Actuals	2023 Budget	% of Annual Budget
Revenue	3,199.45	2,969.79	108%	8,664.39	11,124.00	78%
<b>Expenditures</b>						
Distribution Operating & Maintenance	1,986.42	2,367.82	84%	5,129.58	5,236.00	98%
Energy Services	150.11	180.00	83%	417.36	660.00	63%
Tax & Depreciation	107.13	111.00	97%	321.39	2,225.00	14%
<b>TOTAL EXPENDITURES</b>	<b>\$ 2,243.66</b>	<b>\$ 2,658.82</b>	<b>84%</b>	<b>\$ 5,868.33</b>	<b>\$ 8,121.00</b>	<b>72%</b>
<b>NET OPERATING MARGINS</b>	<b>\$ 955.79</b>	<b>\$ 310.97</b>	<b>307%</b>	<b>\$ 2,796.06</b>	<b>\$ 3,003.00</b>	<b>93%</b>

**2023 Budgeted Expenditures**



**3rd Quarter Expenditures**



**Mason County PUD No. 1**  
*Treasurer's Report to Commission*  
September 30, 2023

9/30/2023

General Electric Cash	60,518.67
General Water Cash	88,021.55
General Sewer Cash	4,195.20
Investments	821,906.71
Petty and Register	600.00
<b>General Funds Total</b>	<b>975,242.13</b>

**Designated Reserves**

Commerical Liability Fund	111,332.85
Computer Replacement Fund	117,404.63
Pole Yard	108,720.22
Privilege Tax Fund	124,961.08
Replacement Equipment Fund	262,616.30
Substation Fund	2,285,565.96
Water Regulatory Fund	105,729.67
System Development Fee	186,079.00
<b>Designated Reserves Total</b>	<b>\$ 3,302,409.71</b>

**Restricted Funds**

Customer Deposits	100,101.47
Electric Revenue Bond '18	397,385.43
Electric Revenue Bond Reserve '18	526,741.87
Electric System Revenue Bond 2014	308,439.07
Electric System Bond Reserve '14	320,623.07
Public Works Trust Fund	138,921.99
RUS Treasury Bond	290,676.20
US Treasury Reserves	235,946.79
Water System Revenue Bond '18	185,899.15
<b>Restricted Funds Total</b>	<b>2,504,735.04</b>
<b>TOTAL ALL FUNDS</b>	<b>6,782,386.88</b>

**Long-Term Debt**

	Beginning Balance	Principle Payments	Ending Balance
Electric Revenue Bond 2014	2,239,867.50		2,239,867.50
Electric Revenue Bond 2018	5,770,000.00		5,770,000.00
PWTF	489,585.02	(33,147.59)	456,437.43
RUS Long Term Debt	2,566,769.40	0.00	2,566,769.40
Water Bond '18	2,116,000.00		2,116,000.00
<b>Total Long Term Debt</b>	<b>13,182,221.92</b>	<b>(33,147.59)</b>	<b>13,149,074.33</b>

**Mason County PUD No. 1**  
*LGIP Investment Activity 3rd Qtr 2023*

	<u>6/30/2023</u>	Transfer In	Interest Earned	Transfers Out	<u>9/30/2023</u>
<b>General Investments</b>	1,103,027.89	38,100.00	13,112.82	-332,334.00	<b>821,906.71</b>
<b>Designated Reserves</b>					
Commerical Liability Fund	73,896.19	36,300.00	1,136.66		111,332.85
Computer Replacement Fund	115,879.89		1,524.74		117,404.63
Pole Yard	107,308.27		1,411.95		108,720.22
Privilege Tax Fund	78,721.55	45,000.00	1,239.53		124,961.08
Replacement Equipment Fund	199,633.83	60,000.00	2,899.48		262,533.31
Substation Fund	1,903,523.01	623,664.04	29,035.71	(270,656.80)	2,285,565.96
Water Regulatory Fund	104,356.56		1,373.11		105,729.67
Sysyem Development Fund	158,044.87	24,999.00	3,035.13		186,079.00
<b>Designated Reserves Total</b>	<b>2,741,364.17</b>	<b>789,963.04</b>	<b>41,656.31</b>	<b>(270,656.80)</b>	<b>3,302,326.72</b>
<b>Restricted Funds</b>					
Electric Revenue Bond '18	265,302.09	128,013.00	4,070.34		397,385.43
Electric Revenue Bond Reserve '18	519,901.06		6,840.81		526,741.87
Electric System Revenue Bond 2014	226,726.02	78,375.00	3,338.05		308,439.07
Electric System Bond Reserve '14	316,459.13		4,163.94		320,623.07
Public Works Trust Fund	134,174.78	36,000.00	1,773.11	(33,147.59)	138,800.30
RUS Treasury Bond	509,414.68	60,000.00	6,739.97	(59,531.66)	516,622.99
Water System Revenue Bond '18	118,047.11	66,000.00	1,852.04	0.00	185,899.15
<b>Restricted Funds Total</b>	<b>2,090,024.87</b>	<b>368,388.00</b>	<b>28,778.26</b>	<b>(92,679.25)</b>	<b>2,394,511.88</b>
<b>TOTAL ALL FUNDS</b>	<b>5,934,416.93</b>	<b>1,196,451.04</b>	<b>83,547.39</b>	<b>(695,670.05)</b>	<b>6,518,745.31</b>





## TRAVEL POLICY

This policy sets forth conditions of allowable travel, travel expenses, authorization and reimbursement for persons on official District business. (Employee includes Commissioners) Mason County PUD No. 1 adheres to IRS Code Section 463, under "An Accountable Plan".

Administration of this policy is the responsibility of the General Manager. It is the responsibility of each employee to review this policy and understand its intent and requirements prior to departure.

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Claimed travel expenses will be authorized only when essential to the transactions of official District business. Travelers are expected to exercise prudence in incurring expenses.

All travel plans require prior approval of respective Department Directors. Airline tickets, car rental, and hotel reservations may be arranged through Human Resources or Accounting.

### Required Approval:

- Commissioners, Attorney, General Manager - Authorized by the Commission/GM
- Department Directors - Authorized by the General Manager
- All other employees - Authorized by the Department Director (supervisor)
- All travel outside the continental United States and British Columbia - Authorized by the Commission

Travel arrangements shall be made for the most direct routing, taking the shortest, reasonable amount of District time. Any other routing, except as required in order to obtain reasonable accommodations and schedules, is presumed to be for the personal benefit of the traveler with the excess cost payable by the traveler.

Employees shall make every reasonable effort to travel on the same day as the meeting's beginning or end. Exceptions to this must have prior approval from the Department Directors.

Because of varied costs associated with travel dates, distances and locations, three types of travel reimbursement are recognized by the District:

1. Company or Personal charge card
2. Per Diem in accordance with Federal GSA Per Diem Rates
3. Reimbursement for Actual Cost with Department Director and General Manager approval

### Credit Cards:

The District will allow travel expense to be charged on District-sponsored charge cards or personal charge cards to be reimbursable to the employee. Itemized receipts will be required. The District may at the employee's request, provide a District credit card to each employee when traveling on company business and/or meets the qualifying criteria as determined by the Department Director or General Manager.

No personal expenses are allowed on company credit cards.

All non-exempt employees shall be required to return District credit cards to the finance department upon return from business travel. Upon separation from the District, all employees must return all District-issued credit cards to the finance department.



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**Per Diem:**

Per Diem is available for meals and incidental expenses for overnight travel. If an employee is representing the PUD at a meeting or conference outside the local area (defined as District services areas, Mason County and South Jefferson County) Per Diem shall be paid at 75% of the annual Meals & Incidentals Rates (MI&E) per the GSA guidelines for the first and last full day of overnight travel and 100% of the MI&E for any additional overnight days of travel.

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When a meal is provided by an organization or included in a membership registration fee, the per diem rate will be reduced per meal in accordance with MI&E rates.

Incidental expenses are \$5.00 per day.

Excess reimbursement of travel advances must be reimbursed upon return.

**Actual Expense within Mason County and South Jefferson County:**

Expenses related to local business travel and meetings (within Mason County and South Jefferson County) are reimbursed according to actual cost. Receipts must be itemized when submitted for reimbursement or for purchases made with the District credit card.

Subsistence expense within Mason County and South Jefferson County is not considered a travel expense, but rather a business meeting or hosting expense. Subsistence expense incurred within Mason County and South Jefferson County shall be reimbursed at actual expense, and must be approved by the employee's Department Director or the General Manager.

**Air Travel Policy:**

The District pays for coach class air travel for the employee. The District does not pay for air travel for the employee's family members.

Travel arrangements should be made 15 days in advance if possible to take advantage of the most economical rate. Every effort should be made to take advantage of government rates and other reduced fares.

If there are penalties associated with changing reservations, the District will pay for these, provided the District required the change or the change was beyond the control of the employee. Penalties or cancellation charges incurred for personal reasons will be the responsibility of the employee.

**Travel to and from Terminals:**

Travel to and from airport terminals should be by a reasonable method available consistent with business requirements; e.g.; ride share, car rental, airport bus, limousine or taxi. On trips of more than one day's duration, long-term or economy parking should be used and receipts attached to the expense report.

**District Owned Vehicles:**

Every reasonable effort should be made to use District vehicles when official business requires automotive transportation, and pool travel in one vehicle when possible. District-



owned vehicles are not to be used for personal purposes, except for incidental stops that are along the route to be traveled.

Non District Personnel may ride in the District-owned car as long as such use is handled with discretion and, approved by the General Manager. The fact that a spouse is going along on a business trip is not sufficient reason to request use of a personal car.

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Driving District-owned vehicles requires thoughtful discipline, constant attention to safe driving practices, observation of traffic laws and regulations, and recognition that driving safety and courtesy.

An employee operating a District vehicle shall have a current and valid driver's license in his or her possession while driving. Parking of District vehicles at employees' homes for extended periods of time or on a regular basis is prohibited unless specifically permitted by the General Manager.

#### **Rental Car:**

When possible, District vehicles will be used for employee travel outside the District on District business. Rental vehicles may be used for District business if necessary and by approval of the Department Director or General Manager.

District insurance provides for collision coverage for a rental vehicle used for District business. Additional insurance coverage is at the employee discretion and expense. Fuel and associated costs, such as parking fees, are paid by the District when on official business; and, by the employee (at the current IRS rate) when the District or rental vehicle is used for personal business.

The rental car should be returned immediately following the completion of District business with a full tank of fuel. Rental charges must be supported by a receipt and should be charged to a credit card.

#### **Use of Personal Automobile:**

When a privately owned vehicle is used (such as when a car is needed but no District vehicle is available), reimbursement for official travel will be adjusted according to the current reimbursement schedule approved by the Commission, plus tolls and reasonable parking charges. When traveling, such reimbursement will not exceed the cost of commercial air fare, including mileage to and from the airport, airport parking fees, transportation to and from destination airport to motel and/or meeting place, and those motel and meal expenses that would have been incurred with air travel for the same trip. Employees traveling by personal automobile on company business are required to carry, at the employee's expense, liability and property damage insurance at the minimum required by law, and that policy shall be primary.

#### **Lodging:**

When making reservations, request the least expensive rate available, usually the government rate. When lodging is part of the official business "package" an employee may



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use or reserve the accommodations provided. That is, if meetings are held in hotel/motel-owned facilities, or if arrangements have been made to reserve a block of rooms for participants, it is sufficient reason to use such accommodations.

When lodging expense is increased because it includes family members traveling with the employee, the employee shall pay the difference in cost. Suite accommodations are not permitted; the District pays only for standard single rooms.

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Receipts will be required for all charges and should be charged on a District or personal credit card. The charges, when shown on the expense report form, should be itemized to show meals, telephone charges, etc.

In-room movies and use of the mini-bars are considered personal expenses and not reimbursable. These expenses should not be reflected among the charges on the District-issued credit card.



**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

**A RESOLUTION DECLARING ITEMS AS SURPLUS PROPERTY**  
**RESOLUTION NO. 2073**

WHEREAS, the listed items of personal property located on exhibit "A" attached hereto and incorporated by this reference are no longer usable by Public Utility District No. 1 of Mason County (the "District");

WHEREAS, the District intends to enter into an Intergovernmental Disposition Agreement (RCW 39.33.010) with the Squaxin Island Tribe to transfer the surplus equipment authorized by this resolution in exchange for the Tribe's continuance of the stream monitoring at Schumacher Creek and sharing of the stream monitoring data.

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of Mason County PUD No. 1 that the listed items of personal property are declared surplus and that the District is hereby authorized to transfer the salable items to the Squaxin Island Tribe in exchange for stream flow data from Schumacher Creek, resulting in the best return to the District; and

BE IT FURTHER RESOLVED that the attached items are hereby made a part of Resolution No. 2073.

ADOPTED this 31st day of October 2023.

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Jack Janda, President

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Ron Gold, Vice President

ATTEST:

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Mike Sheetz, Secretary



**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

## **Attachment A**

# **Bid No. SURPLUS-2073**

## **Surplus Equipment**

NOTICE IS HEREBY GIVEN THAT THE BOARD OF COMMISSIONERS OF PUBLIC UTILITY DISTRICT NO. 1 OF MASON COUNTY, WASHINGTON, DOES HEREBY SURPLUS EQUIPMENT AS FOLLOWS:

- 1- Swoffer Staff Gauge & Data Logger
- 1- Data Transfer Unit with Hobo Logger
- 4- Galvanized Steel Well Points

INTERGOVERNMENTAL DISPOSITION OF PROPERTY BETWEEN MASON COUNTY PUD NO. 1  
AND THE SQUAXIN ISLAND TRIBE

THIS AGREEMENT is made on November 1, 2023 between Public Utility District No. 1 of Mason County, hereinafter called the "PUD", and the Squaxin Island Tribe, hereinafter called the "Tribe", and collectively called the "PARTIES".

WHEREAS, both the PUD and the Tribe share an interest in the monitoring the monthly stream flows at Schumacher Creek for watershed planning purposes; and

WHEREAS, both the PUD and the Tribe deem it appropriate and efficient to operate a stream monitoring station and share monthly monitoring data; and

WHEREAS the PUD currently possesses stream monitoring equipment and a monitoring station at Schumacher Creek, which the PUD is no longer able to utilize; and

WHEREAS the Tribe is able and willing to utilize the equipment and continue the monthly stream monitoring at Schumacher Creek and agrees to share that data annually with the PUD by October 31<sup>st</sup> of each calendar year; and

WHEREAS, should the Tribe become unable to continue the monitoring program at Schumacher Creek, the Tribe shall provide reasonably prompt notice to the PUD and return any operable surplus equipment to the PUD; and

NOW, THEREFORE, BE IT HEREBY AGREED by and between the PARTIES, that the PUD will transfer ownership of the surplus property to the Tribe for the sum of Zero Dollars and Zero Cents, and the Tribe shall thereafter operate a monthly streamflow monitoring program at Schumacher Creek thereon. The Tribe will once annually provide the monthly streamflow data to the PUD no later than October 31<sup>st</sup> of each year;

This AGREEMENT shall be in full force and effect from and after November 1, 2023, unless terminated sooner by either PARTY upon 90 days' notice in writing to the other PARTY. This AGREEMENT may be amended in any particular by mutual AGREEMENT in writing by and between the PARTIES and is effective upon signatures of the Parties below.

Mason County PUD No. 1

Squaxin Island Tribe

\_\_\_\_\_  
Kristin Masteller  
General Manager

\_\_\_\_\_  
Date

\_\_\_\_\_  
Andy Whitener  
Director of Natural Resources

\_\_\_\_\_  
Date

## 10/25/2023

Bid Prices													
Subtotal	\$696,410	\$511,428	\$504,432	\$597,970	\$490,286	\$366,733	\$550,508	\$513,740	\$789,840	\$485,000	\$635,788	\$637,403	\$460,000
8.5% Tax	\$59,194.85	\$43,471.38	\$42,876.72	\$50,827.45	\$41,674.31	\$31,172.31	\$44,793.14	\$43,667.90	\$67,136.40	\$41,225.00	\$54,041.98	\$54,179.24	\$39,100.00
Total	\$755,604.85	\$554,899.38	\$547,308.72	\$648,797.45	\$531,960.31	\$397,905.31	\$597,300.64	\$557,407.90	\$856,976.40	\$526,225.00	\$689,829.98	\$691,582.11	\$499,100.00

[illegible]