



Mason County Public Utility District No. 1
Board of Commissioners Regular Board Meeting
October 27, 2020 Potlatch, Washington

Present:

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

Visitors:

No visitors on phone.

APPROVAL OF CONSENT AGENDA:

Minutes: October 13, 2020 Regular Board Meeting

Disbursements:	<u>Accounts Payable Check Register</u>	
	Accounts Payable Wire	\$ 120,376.82
	Check Nos. 119256 - 119325	\$ 228,146.39
	A/P Total	\$ 348,523.21
	<u>Payroll Expense</u>	
	Payroll Wire	\$ 57,447.95
	Grand Total	\$ 405,971.16

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

PUBLIC COMMENT: No public on phone.

BUSINESS AGENDA:

Approval of Resolution No. 2040- Opposing PPC Bylaws Proposal – Jack made a motion to approve Resolution No. 2040- Opposing the PPC Bylaws Proposal. Mike seconded the motion. Motion carried.

Approval of Administrative Policy No. 1016 Telework Stipend – Mike made a motion to approve Administrative Policy No. 1016- Telework Stipend. Jack seconded the motion. Motion carried.

September and 3rd Quarter Financials – Katie reported that the gross revenues were \$840,594 for the month of September 2020 and gross expenditures were \$747,530. She also reported the cash on hand is down \$93,530 due to delayed account payments, late fees etc., due to COVID. As of September 30, there were 98 electric accounts and 52 water accounts that were 90 days or more past due for a total of \$37,519. This has increased from the previous month, but Shiane is continuing to make personal phone calls to setup payment plans and provide contact information for available assistance. The PUD has also started receiving CARES Act Assistance applications for the funding made available to the PUD from Mason County. This will greatly help our customers with their past due accounts as well as the PUD's cash



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flow. Katie also presented the 3rd Quarter financials, comparing against the annual budget for the PUD. She stated that the budget is right on track with where we should be this time of year. Staff has been diligent in meeting and reviewing the status of the budget each quarter to ensure the PUD is able to achieve budget, especially given the financial impacts due to the pandemic.

Financial Metrics as Compared with Prior Year:	September 2020	September 2019
Total General Cash and Investments	\$903,466	\$779,645
Current Ratio (Current Assets/Current Liabilities)	3.87 to 1	3.25 to 1
Debt Service Coverage (O&M/ Debt Service)	2.57	2.46
Long-Term Debt to Net Plant	41%	44%
Total Debt to Equity Ratio (Total Liabilities/Total Equity)	56%	62%
Long Term Debt to Equity Ratio (Long Term Debt / Total Equity)	52%	57%
Times Interest Earned Ratio (Earnings before Interest & Taxes/Total Interest)	4.09	3.94
Cash on Hand (Total Available Cash/Average Daily Costs)	40 Days (General) 193 Days (All Funds)	34 Days (General) 177 Days (All Funds)

3rd Quarter Strategic Plan Update – Kristin gave an update for the 3rd Quarter Strategic Plan. A lot of work has been accomplished this year, despite all the abnormalities and interruptions. Due to the COVID pandemic some items were moved to 2021, but most items are on track to finish in 2020 or already done.

Staff Reports –

General Manager - Kristin reported that she gave Northwest River Partners permission to add Mason PUD 1 as a signatory on a letter to the governors of Washington, Oregon, Idaho and Montana regarding the four-state coalition that will evaluate the declining salmon populations. She reported that the PUD had won an award from Gov Tech and AT&T magazine for our operational response to the pandemic. PUD 1 was chosen out of hundreds of nominations. She congratulated the commissioners and employees for making this happen stating that the commission was supportive and decisive, being the first government agency in Mason County to take actions to protect employees and the public; and also that the employees have been flexible during all the changes in work schedules and willing to try different ideas and methods until we found things that worked for our utility.

Kristin thanked Kevin Shetty, Mason County Commissioner, for helping to get the CARES Act funding passed and also sent thanks to the other commissioners. Kristin is also working with George Caan at WPUA regarding an extension of the CARE's Act deadline. George and Liz Anderson are working on a letter to congress requesting that the deadline be extended through early 2021 to give agencies more time to apply the funds. Last week, Kristin and Annette Creekpaum, Mason PUD 3 General Manager went on KMAS (Ifiberoneneews) to promote the CARE's Act Funding. Kristin reported that she virtually attended the Energy NW Forum last week. She also met with Marcus and the new BPA forecaster regarding future



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BPA rates. Kristin also suggested that we only meet once in November and once in December, unless there is something pressing for the board to meet about.

Mike made a motion to cancel the regular board meetings on November 24 and December 22. Jack seconded the motion. Motion carried.

Director of Operations – Darin reported that Hanson Excavating is doing a great job. They have finished with the hard part of going up the hill. The Electric crew is still staying very busy with new customer installation and line extensions. The water crew replaced two wells last week: one at Springwood and the other at Union. The PUD purchased a VAC truck at auction. Purchase price was \$45,250.00, plus tax. It had originally been owned by a government agency. Darin sent it to a VAC truck company to be inspected. Darin reported that there had been a safety meeting that covered the PUD's Emergency Action Plan. Darin goes over the pandemic safety precautions at every safety meeting with the crew. There have been no accidents or near misses.

Director of Business Services – Katie reported that the PUD has posted the meter reader job opening both internally at the PUD and externally to the public. Applications are due by November 3rd, and plan to have the positioned filled by the 16th of November.

Legal Counsel– No report

Board Reports –

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

Jack Janda – Jack reported he also had virtually attended the WPUDA meeting and thought it was very educational.

Ron Gold – Ron reported that he had virtually attended a WIRA 14 workshop last week. He also attended the WPUDA Budget meeting. He thought the budget meeting was well presented.

PUBLIC COMMENT – No public comment.

EXECUTIVE SESSION – None.

Adjournment: 2:07 pm.

Ron Gold, President

Mike Sheetz, Vice President

Jack Janda, Secretary