



**Mason County PUD No. 1
Special Board Meeting
October 22, 2024
10:00 a.m.**

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

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

1) Call Regular Business Meeting to Order

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) Consent Agenda

Minutes:

Regular Board Meeting October 8, 2024

Disbursements:

| | |
|--------------------------|----------------|
| Accounts Payable Wire | \$ 246,177.00 |
| Check Nos. 125653-125709 | \$1,032,329.01 |

| | |
|--------------|--------------|
| Payroll Wire | \$ 83,958.19 |
|--------------|--------------|

| | |
|--------------------|-----------------------|
| Grand Total | \$1,362,464.20 |
|--------------------|-----------------------|

4) Business Agenda

- a. PPC Executive Committee Nominations
- b. Approve list of DWSRF Project Applications
- c. September 2024 Financials
- d. Duckabush Project Change Order No. 3

5) Staff Reports

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

6) Correspondence

7) Board Comments

8) Other Business/Public Comment

9) Executive Session may be held as authorized by the Open Public Meetings Act (RCW 42.30.110)

10) Adjourn

2024 Calendar

| | |
|---------------|--|
| October 23-24 | Energy Northwest Members Forum, Richland |
| October 31 | WPAG Meeting, Virtual |
| November 6 | PPC Town Hall Embassy Suites Portland Airport |
| November 7 | PPC Annual Meeting Embassy Suites Portland Airport |
| Nov 13-15 | WPUDA Association meetings, Olympia |



Mason County Public Utility District No. 1
Board of Commissioners Regular Board Meeting
October 8, 2024, 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
Rob Johnson, Legal Counsel

Visitors: None

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

PUBLIC COMMENT: None.

APPROVAL OF CONSENT AGENDA

| | | |
|-----------------------|---|----------------------|
| Minutes: | Workshop, Public Hearing & Regular Board Meeting September 24, 2024 | |
| Disbursements: | Accounts Payable Wire | \$ 166,204.44 |
| | Check Nos. 125528-125652 | \$ 433,692.13 |
| | Payroll Wire | \$ 97,446.22 |
| | Check No. 125578 | \$ 2,874.20 |
| | Grand Total | \$ 700,216.99 |

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

Business Agenda:

Approve the Prequalified Electrical Contractors List– Mike made a motion to approve the revised Prequalified Electrical Contractors list; Ron seconded the motion. It passed unanimously.

Resolution No. 2083- Designating a FEMA Applicant Agent– Ron made a motion to approve Resolution No. 2083 as presented; Mike seconded the motion. It passed unanimously.

Award Lake Arrowhead Mainline Project– Ron made a motion to award the Lake Arrowhead Mainline Project to Rognlin’s Inc. in the amount of \$1,574,700; Mike seconded the motion. It passed unanimously.

Authorize the General Manager to sign the Federated Subscriber’s Agreement– Ron made a motion to authorize the General Manager to sign the Federated Subscriber’s Agreement; Mike seconded the motion. It passed unanimously.

Staff Reports –

General Manager – Kristin reported that Josh Garlock has accepted the electric superintendent position and will start mid-November. She stated that the PUD sold all of the Climate Commitment Act allowances at the last auction and she and Katie will present to Finance Committee a proposal for how to allocate those funds internally.



Mason County Public Utility District No. 1
Board of Commissioners Regular Board Meeting
October 8, 2024, Potlatch, Washington

District Treasurer – Katie reported that one of the strategic plan items staff has been working on is cybersecurity and penetration testing of our systems. She has been soliciting quotes from firms that do this work and then found that the State Auditor’s Office has a division that does it for free for public agencies. Katie has set up a meeting with them to get a scope of services together to start this work.

Water Resource Manager – Brandy reported that the crews are busy doing lead service line inventories and she is working on getting Rognlin’s contract ready for Lake Arrowhead this week.

Legal Counsel – Rob gave an update on the settlement agreement for the Hill Way project and stated that the process went well and was a good outcome for the PUD.

Correspondence – None.

Board Reports –

Mike – Attended the WPUDA meetings in Wenatchee and the WPUDA water workshop in Spokane.

Jack – Gave an update on the Energy Northwest new nuclear project.

Ron – Attended the PPC FUEL session virtually.

PUBLIC COMMENT – None.

EXECUTIVE SESSION – None.

Adjourned: 1:27 p.m.

Jack Janda, President

Ron Gold, Vice President

Mike Sheetz, Secretary

10/18/2024 1:52:10 PM

Accounts Payable
Check Register

10/07/2024 To 10/18/2024

Bank Account: 4 - UMPQUA BANK - DISTRICT

| Check / Tran Date | Pmt Type | Vendor | Vendor Name | Reference | Amount |
|----------------------|-------------|---------------|---------------------------------|--|------------|
| 1102 10/10/2024 | WIRE | BPA | UMPQUA BANK | POWER USAGE | 181,911.00 |
| 1114 10/16/2024 | WIRE | IRS | WEST COAST BANK | FEDERAL TAX LIABILITY | 31,986.84 |
| 1115 10/16/2024 | WIRE | WASH 1 | WA DEPT OF RETIREMENT SYS | STATE RETIREMENT - PLAN 2 | 18,970.98 |
| 1116 10/16/2024 | WIRE | WASH 7 | WA STATE TREAS-MS: PO-11 | DEFERRED COMPENSATION | 9,369.25 |
| 1117 10/16/2024 | WIRE | HRA | HRA VEBA TRUST CONTRIBUTI | VEBA MEDICAL SAVINGS | 3,697.47 |
| 1118 10/16/2024 | WIRE | DSHS | DSHS | DEPARTMENT OF SOCIAL HEALTH SERVICES | 241.46 |
| 125653 10/07/2024 | CHK | COLONI | COLONIAL LIFE INSURANCE | SUPPLEMENTAL INSURANCE | 601.89 |
| 125654 10/07/2024 | CHK | 2 | BGWP | PROFESSIONAL MEDIATION-BZR POWER DIV | 998.75 |
| 125655 10/14/2024 | CHK | A WORKSAFE | A WORKSAFE SERVICE, INC | AFTER HOURS DRUG/ALCOHOL COLLECTION | 481.25 |
| 125656 10/14/2024 | CHK | A-LINE LAND | A-LINE LAND SURVEYING, LLC | VUECREST WATERLINE EASEMENT-GERBING VIEW | 1,500.00 |
| 125657 10/14/2024 | CHK | AAA | AAA SEPTIC TANK PUMPING | HANDICAP POTTIE & HAND WASH STATION | 452.63 |
| 125658 10/14/2024 | CHK | ANIXTER | ANIXTER INC | ELECTRIC NON INVENTORY PARTS | 458.38 |
| 125659 10/14/2024 | CHK | CAPIT2 | CAPITAL INDUSTRIAL, INC. | EQUIPMENT #114-PARTS | 170.00 |
| 125660 10/14/2024 | CHK | CINTAS CORP | CINTAS CORPORATION | SAFETY SUPPLIES | 1,247.84 |
| 125661 10/14/2024 | CHK | DOH | DEPARTMENT OF HEALTH | WOODLAND MANOR-SANITARY SURVEY INSPECTIO | 1,800.00 |
| 125662 10/14/2024 | CHK | DITCH WITCH | DITCH WITCH WEST | EQUIPMENT #114 & #119-PART | 1,633.68 |
| 125663 10/14/2024 | CHK | DON SMALL & S | DON SMALL & SONS OIL DIST | GAS & DIESEL | 1,525.40 |
| 125664 10/14/2024 | CHK | GDS ASSOCIATE | GDS ASSOCIATES, INC | MONTHLY WPAG EXPENSES | 206.20 |
| 125665 10/14/2024 | CHK | GENPAC | GENERAL PACIFIC INC | ELECTRIC INVENTORY-WIRE & ALLEY BRACE AR | 13,503.05 |
| 125666 10/14/2024 | CHK | HOOD CANAL | HOOD CANAL MARKET FRESH | HAMA RIDGE WATER-WEATHER STRIP TAPE | 359.87 |
| 125667 10/14/2024 | CHK | JIMINI | JIMINI CONSTRUCTION LLC | (6)WATER PATCHES & (5)ELECTRIC PATCHES | 16,576.00 |
| 125668 10/14/2024 | CHK | LARRY BROWN | LARRY BROWN CONSTRUCTION, INC | VUECREST WATER RESERVOIR PROJECT | 122,354.19 |
| 125669 10/14/2024 | CHK | SHEL 2 | MASON COUNTY JOURNAL | DISPLAY AD FULL COLOR-9/19/24 | 798.00 |
| 125670 10/14/2024 | CHK | MEGUIRE WHIT | MEGUIRE WHITNEY | GRANT WRITING | 1,875.00 |
| 125671 10/14/2024 | CHK | MOTOR CONT | MOTORS AND CONTROLS | HIGHLAND ESTATES WATER-BOOSTER PUMP PART | 159.26 |
| 125672 10/14/2024 | CHK | MT VIEW LOCA | MT. VIEW LOCATING SERVICES, LLC | MONTHLY UNDERGROUND LOCATES | 4,037.50 |

10/18/2024 1:52:10 PM

Accounts Payable
Check Register

10/07/2024 To 10/18/2024

Bank Account: 4 - UMPQUA BANK - DISTRICT

| Check / Tran Date | Pmt Type | Vendor | Vendor Name | Reference | Amount |
|--|-------------|------------|--------------------------|--|-------------------|
| 125699 10/18/2024 | CHK | GENPAC | GENERAL PACIFIC INC | ELECTRIC NON INVENTORY PARTS-BREAKERS | 13,343.68 |
| 125700 10/18/2024 | CHK | GMES LLC | GMES LLC | SAFETY GLOVES & CABLE PULLING TOOL | 1,457.16 |
| 125701 10/18/2024 | CHK | GRAY | GRAY & OSBORNE, INC | VUEWCREST RESERVOIR AND BOOSTER STATION | 13,808.63 |
| 125702 10/18/2024 | CHK | GRAY1 | GRAY, JOYCE | TRAVEL PER DIEM-RENO, NV | 204.00 |
| 125703 10/18/2024 | CHK | MOTOR CONT | MOTORS AND CONTROLS | WATER INVENTORY PART-5HP BOOSTER PUMP | 1,602.93 |
| 125704 10/18/2024 | CHK | NISC | NISC | 2024 MIC CONFERENCE-JEREMIAH | 1,125.00 |
| 125705 10/18/2024 | CHK | 28 | PETRO CARD | BULK OIL | 973.41 |
| 125706 10/18/2024 | CHK | DOE | WA STATE DEPT OF ECOLOGY | 2025 WATER QUALITY-MANZANITA STORWATER P | 780.00 |
| 125707 10/18/2024 | CHK | 34 | WASHINGTON ALARM, INC | REPAIR PANIC BUTTON-LILI'S DESK | 281.01 |
| 125708 10/18/2024 | CHK | WPUDA | WASHINGTON PUD ASSOC. | 2024 FINANCE OFFICER MEETING-KATIE | 1,988.00 |
| 125709 10/18/2024 | CHK | 2 | COBANK | LINE OF CREDIT FEES | 2,310.50 |
| Total Payments for Bank Account - 4 : | | | | | (63) 1,278,506.01 |
| Total Voids for Bank Account - 4 : | | | | | (0) 0.00 |
| Total for Bank Account - 4 : | | | | | (63) 1,278,506.01 |
| Grand Total for Payments : | | | | | (63) 1,278,506.01 |
| Grand Total for Voids : | | | | | (0) 0.00 |
| Grand Total : | | | | | (63) 1,278,506.01 |

10/18/2024 1:41:41 PM

GENERAL LEDGER TRANSACTION DETAIL

Page: 1

OCT 2024 To OCT 2024

| Date | Journal Description | Actv BU Project | Mod | Jrnl Reference | Code | |
|---|---------------------|-----------------|-----|----------------|------|-----------|
| Account: 0 131.2 CASH-GENERAL FUND (DISTRICT) | | | | | | |
| 10/16/24 | 85788 Check Print | 0 | PL | 2 PAYROLL | | 83,958.19 |

PARAMETERS ENTERED:

Division: All

Accounts: 0 131.2

Department: All

Activity: All

Sort By: Div/Acct

Date Selection: Period

Period: OCT 2024 To OCT 2024

Module: PL

Journal Activity: All

Accounts With No Transactions: Yes

Extended Reference: No

Interface Detail: No

Group by Department: Yes

/pro/rpttemplate/acct/2.59.1/gl/GL_TRANS_DETAIL.xml.rpt

51217

PUBLIC POWER COUNCIL – EXECUTIVE COMMITTEE ELECTION

For the term of January 1, 2025 through December 31, 2026

INSTRUCTIONS: Please complete each ballot by numerically ranking ALL the candidates on the ballot in your utility's order of preference.

- | | | |
|-------|---------------------------|-------------------------------------|
| _____ | Anderson, Jim..... | Midstate Electric Cooperative, OR |
| _____ | Anderson, Steve..... | Clark Public Utilities, WA |
| _____ | Beach, Max | Idaho County Light & Power, ID |
| _____ | Calnon, Libby | Hood River Electric Cooperative, OR |
| _____ | Capper, Megan..... | Eugene Water and Electric Board, OR |
| _____ | Case, Bryan | Fall River Electric Cooperative, ID |
| _____ | Creekpaum, Annette | Mason County PUD No. 3, WA |
| _____ | Dietz, John | McMinnville Water & Light, OR |
| _____ | Dunn, Rick..... | Benton County PUD, WA |
| _____ | Echenrode, Robert..... | Umatilla Electric Cooperative, OR |
| _____ | Falkenberg, Humaira | Pacific County PUD #2, WA |
| _____ | Forepaugh, Lindsay | Wasco Electric Cooperative, OR |
| _____ | Huhta, Gary | Cowlitz County PUD, WA |
| _____ | Johnson, Mark | Flathead Electric Cooperative, MT |
| _____ | Lindell, Dawn | Seattle City Light, WA |
| _____ | Morgan, Joe | Modern Electric Water Company, WA |
| _____ | Prairie, Bear | Idaho Falls Power, ID |
| _____ | Redmond, Ryan | Benton REA, WA |
| _____ | Robinson, Chris | Tacoma Power, WA |
| _____ | Smith, Jim | Klickitat County PUD, WA |
| _____ | Sykes, Michael | Columbia River PUD, OR |
| _____ | Taylor, Steven..... | Okanogan County PUD #1, WA |
| _____ | Wallen, Rich..... | Grant County PUD, WA |
| _____ | Zyskowski, Jason..... | Snohomish County PUD, WA |

_____ Write in candidate: _____

2024-25 DWSRF Applications Projects List

1. Arcadia Estates – Iron and Manganese Treatment
2. Bellwood A & B – Consolidation
3. Black B & C, Cedar Meadows 1 & 2 – Consolidation, Iron and Manganese Treatment, and generator
4. Cherry Park, Island Lake Manor, Lakewood, Springwood, and Woodland Manor – Consolidation, reservoir with draft hydrant, treatment: nitrate and pfas, and generator
5. Madrona Beach – High DSL, design and construct mainline existing leaking mainline
6. Harstene Retreat – Iron and Manganese Treatment
7. Viewcrest Beach - Iron and Manganese Treatment, Reservoir, Booster Station, and generator
8. View Ridge Heights – High DSL, design and construct, reroute mainline from wells to upper portion of water system.



PUD1 – Executive Summary – September 2024

This report summarizes information on the current financial status of Mason County PUD No. 1 for the month of September 2024:

- **Work in Progress:**
 - Grant Applications – Ongoing
 - 2019 / 2020 CETA Audit
 - 2022 / 2023 Accountability Audit
 - 2025 Budget

- **Completed Projects:**
 - 2023 Financial Audit & 2023 Federal Audit
 - 2024 Budget
 - 2023 Privilege Tax Return (Due 2/29/24)
 - 2023 EIA Report (Due 4/30/24)
 - 2023 Form 7 (Due 3/31/24)
 - 2023 Annual Report (Due 05/30/24)

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

Financial Highlights:

- Revenue – Gross Revenue was \$1,052,325 for the month of September 2024.
- Expenditures – Gross expenditures were \$917,204 for the month of September 2024.
- As of September 30, the PUD has \$1,099,610 in grant reimbursements outstanding for ongoing projects, which is an equivalent of about 43 days of our cash on hand.

| Financial Metrics as Compared with Prior Year: | September 2024 | September 2023 |
|--|---|---|
| Total General Cash and Investments | \$1,087,351 | \$975,242 |
| Current Ratio (Current Assets/Current Liabilities) | 1.89 to 1 | 1.68 to 1 |
| Debt Service Coverage (O&M/ Debt Service) | 3.62 | 3.09 |
| Long-Term Debt to Net Plant | 24% | 30% |
| Total Debt to Equity Ratio (Total Liabilities/Total Equity) | 35% | 39% |
| Long Term Debt to Equity Ratio (Long Term Debt / Total Equity) | 29% | 35% |
| Times Interest Earned Ratio (Earnings before Interest & Taxes/Total Interest) | 6.07 | 4.26 |
| Cash on Hand (Total Available Cash/Average Daily Costs) | 43 Days (General) 165 Days (All Funds) | 38 Days (General) 170 Days (All Funds) |



Mason County PUD No 1

Budget Summary by Division For the Month Ended September 30, 2024

| | <u>Electric</u> | <u>Water</u> | <u>Sewer</u> | <u>Totals</u> |
|------------------------------|-----------------|----------------|---------------|-----------------|
| Total Revenue | \$ 774,287.59 | \$ 277,010.21 | \$ 1,027.35 | \$ 1,052,325.15 |
| Budgeted | \$ 763,304.00 | \$ 276,809.31 | \$ 989.93 | \$ 1,041,103.24 |
| Difference (-/+) | \$ 10,983.59 | \$ 200.90 | \$ 37.42 | \$ 11,221.91 |
| % of Budget | 101% | 100% | 104% | 101% |
| Total Expenditures | \$ 719,541.06 | \$ 197,556.75 | \$ 106.05 | \$ 917,203.86 |
| Budgeted | \$ 780,587.79 | \$ 220,404.55 | \$ 1,462.44 | \$ 1,002,454.78 |
| Difference (-/+) | \$ (61,046.73) | \$ (22,847.80) | \$ (1,356.39) | \$ (85,250.92) |
| % of Budget | 92% | 90% | 7% | 91% |
| Net Operating Margins | \$ 54,746.53 | \$ 79,453.46 | \$ 921.30 | \$ 135,121.29 |
| Budgeted | \$ (17,283.79) | \$ 56,404.76 | \$ (472.51) | \$ 38,648.46 |
| Difference (-/+) | \$ 72,030.32 | \$ 23,048.70 | \$ 1,393.81 | \$ 96,472.83 |
| % of Budget | -317% | 141% | -195% | 350% |



Mason County PUD No 1

Budget Summary by Division for the Nine Months Ended September 30, 2024

| | <u>Electric</u> | <u>Water</u> | <u>Sewer</u> | <u>Totals</u> |
|---|-------------------|------------------|-----------------|-------------------|
| Total Revenue | \$ 8,640,864.47 | \$ 2,370,223.83 | \$ 9,429.61 | \$ 11,020,517.91 |
| 2024 Budget | \$ 11,337,957.00 | \$ 2,946,410.00 | \$ 12,222.00 | \$ 14,296,589.00 |
| Difference (-/+) | \$ (2,697,092.53) | \$ (576,186.17) | \$ (2,792.39) | \$ (3,276,071.09) |
| % of Budget | 76% | 80% | 77% | 77% |
| Total Expenditures | \$ 7,282,394.79 | \$ 1,653,436.25 | \$ 5,231.13 | \$ 8,941,062.17 |
| 2024 Budget | \$ 10,447,134.00 | \$ 2,563,896.00 | \$ 9,580.00 | \$ 13,020,610.00 |
| Difference (-/+) | \$ (3,164,739.21) | \$ (910,459.75) | \$ (4,348.87) | \$ (4,079,547.83) |
| % of Budget | 70% | 64% | 55% | 69% |
| Net Operating Margins | \$ 1,358,469.68 | \$ 716,787.58 | \$ 4,198.48 | \$ 2,079,455.74 |
| 2024 Budget | \$ 890,823.00 | \$ 382,514.00 | \$ 2,642.00 | \$ 1,275,979.00 |
| Difference (-/+) | \$ 467,646.68 | \$ 334,273.58 | \$ 1,556.48 | \$ 803,476.74 |
| % of Budget | 152% | 187% | 159% | 163% |
| Cash Flow | | | | |
| Beginning Cash (General Fund) | 71,824.92 | 88,805.73 | 4,195.20 | 164,825.85 |
| Net Operating Margin (Excluding Depreciation) | 3,057,046.25 | 3,689,140.21 | 4,198.48 | 6,750,384.94 |
| Cash Transferred to / from Special Funds | 617,988.75 | (358,976.99) | (634.45) | 258,377.31 |
| Change in Accounts Receivable | (15,157.32) | 651,274.34 | 300.42 | 636,417.44 |
| Change in Accounts Payable | 1,825,325.80 | 11,922.19 | - | 1,837,247.99 |
| Cash Expended on Utility Plant | (2,297,143.54) | (346,182.58) | 0.00 | (2,643,326.12) |
| Change in CWIP | (3,187,977.19) | (3,645,442.95) | (3,864.45) | (6,837,284.59) |
| Ending Cash (General Fund) | 71,907.67 | 90,539.95 | 4,195.20 | 166,642.82 |



Mason County PUD No. 1

Cash & Investment Balances

As of September 30, 2024

Cash Balances

Cash - General Funds

\$ 166,642.82

Cash - Restricted

\$ 86,871.70

Total Cash

\$ 253,514.52

Investment Balances (LGIP)

Investments - Electric

\$ 592,811.96

Investments - Sewer

\$ 10,735.91

Investments - Water

\$ 230,288.40

Total Investments

\$ 833,836.27

Total Cash & Investments

\$ 1,087,350.79

***Does Not Include Designated Funds*



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

SMALL WORKS PROJECT
CHANGE ORDER FORM
No. 3

The following changes are hereby incorporated into this Contract:

A. Description of Change:

As per attached.

B. Contract Price Adjustment:

As a result of this Change Order, the total Contract shall be increased decreased by the sum of \$ 25,000.00 plus sales tax, which the amount Contractor acknowledges is full and complete compensation for the Contract Work including changes incorporated by this Change Order.

This Change Order shall not provide any basis for any other payments to or claims by the Contractor as a result of or arising out of the performance of the work described herein. The new total revised Contract Price is \$ 1,339,801.64 including sales tax.

C. Time of Completion:

The time of completion shall be increased / decreased by 0 calendar days. The revised completion date shall be 10/31/2024.

D. Except as specifically provided herein, all other Contract terms and conditions shall remain unchanged.

CONTRACTOR

Company: RiverLine Power, LLC

Accepted By: L. Lewis

Title: Project Manager

Date: 10/17/2024

PUBLIC UTILITY DISTRICT NO. 1
OF MASON COUNTY, WASHINGTON

Accepted By: _____

Title: _____

Date: _____