



**Mason County PUD No. 1**  
**Public Rate Hearing & Regular Board Meeting**  
**May 27, 2025**  
**1:00 p.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 May 13, 2025

|                       |                            |                       |
|-----------------------|----------------------------|-----------------------|
| <b>Disbursements:</b> | Accounts Payable Wire      | \$ 406,832.26         |
|                       | Check Nos. 126643 - 126732 | \$ 495,715.17         |
|                       | Payroll Wire               | \$ 103,977.22         |
|                       | <b>Grand Total</b>         | <b>\$1,006,524.65</b> |

**4) Business Agenda**

- a. Award Landscaping Services Contracts to At Work!
- b. April Financial Report
- c. Set Public Rate Hearing for Pole Attachment Rates

**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**

## 2025 Calendar

|                |  |                            |
|----------------|--|----------------------------|
| June 5-6       | Public Power Council                     | Portland                   |
| June 6-11      | APPA National Conference                 | New Orleans, LA            |
| June 26        | WPUDA Water Committee                    | Zoom                       |
| <b>July 11</b> | <b>Employee Appreciation</b>             | <b>Potlatch State Park</b> |
| July 16-18     | WPUDA Association Meetings               | Skagit PUD                 |
| Aug 6 & 7      | Public Power Council                     | Portland                   |
| Sept 3 & 4     | Public Power Council                     | Portland                   |
| Sept 17-19     | WPUDA Association Meetings               | Grant PUD                  |
| Sept 24-26     | WPUDA Water Workshop                     | TBD                        |
| Oct 1 & 2      | Public Power Council                     | Portland                   |
| <b>Oct 3</b>   | <b>PUD 1 Customer Appreciation Event</b> | <b>PUD 1</b>               |
| Oct TBD        | WPUDA/Energy Northwest Forum             | Kennewick                  |
| Nov 12-14      | WPUDA Association Meetings               | TBD                        |
| Nov 5 & 6      | Public Power Council Annual Meeting      | Portland                   |



**Mason County Public Utility District No. 1**  
Board of Commissioners Regular Board Meeting  
May 13, 2025, Potlatch, Washington

**Present:**

Ron Gold, President  
Mike Sheetz, Vice President  
Jack Janda, Board Secretary (Zoom)  
Kristin Masteller, General Manager  
Katie Arnold, District Treasurer  
Brandy Milroy, Water Resource Manager  
Rob Johnson, Legal Counsel  
Holly Paul, Business Service Coordinator

**Visitors:**

Mike Oblizalo, Hood Canal Communications  
Clint Volk, Fire District 6

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

**PUBLIC COMMENT:** Clint Volk, District 6 Fire Chief, thanked PUD 1 for the support and involvement in the Manzanita house burn on April 27th. Mike Oblizalo, Hood Canal Communications Vice President and General Manager, thanked PUD 1 for the support in getting the historical water fountain running again in Union. He also presented the commission with photos of Morrison Pixley for the PUD's 90<sup>th</sup> Anniversary.

**APPROVAL OF CONSENT AGENDA:**

|                       |                                      |           |                   |
|-----------------------|--------------------------------------|-----------|-------------------|
| <b>Minutes:</b>       | Regular Board Meeting April 22, 2025 |           |                   |
| <b>Disbursements:</b> | Accounts Payable Wire                | \$        | 192,885.82        |
|                       | Check Nos. 126540 - 126642           | \$        | 648,181.14        |
|                       | Payroll Wire                         | \$        | 93,564.34         |
|                       | <b>Grand Total</b>                   | <b>\$</b> | <b>934,631.30</b> |

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

**Business Agenda:**

**Approve Resolution No. 2092 - Surplus** - Jack made a motion to approve Resolution 2092 as presented. Mike seconded the motion. It passed unanimously.

**Approve Revised Administrative Policy No. 1012- FR Clothing** - Jack made a motion to approve Administrative Policy 1012 as presented. Mike seconded the motion. It passed unanimously.

**Award Hwy 106 to Sunnyside Project to Hanson Excavation** – Jack made a motion to award the Hwy 106 to Sunnyside project to Hanson Excavation in the amount of \$421,817.60. Mike seconded the motion. It passed unanimously.

**March & 1st Quarter 2025 Financial Report** - Katie presented the March financial report and the 1<sup>st</sup> Quarter financials for 2025.



**Mason County Public Utility District No. 1**  
Board of Commissioners Regular Board Meeting  
May 13, 2025, Potlatch, Washington

**Financial Highlights:**

- Revenue – Gross Revenue was \$1,446,832 the month of March 2025.
- Expenditures –Gross expenditures were \$1,078,225 for the month of March 2025.
- As of March 31, the PUD has \$591,920 grant reimbursements outstanding for ongoing projects, which is an equivalent of about 19 days of our cash on hand.

| <b>Financial Metrics as Compared with Prior Year:</b>                            | <b>March<br/>2025</b>                     | <b>March<br/>2024</b>                     |
|--|---|---|
| Total General Cash and Investments   | \$758,355                                 | \$1,027,532                               |
| Current Ratio (Current Assets/Current Liabilities)                               | 1.95 to 1                                 | 2.29 to 1                                 |
| Debt Service Coverage (O&M/ Debt Service)  | 4.10                                      | 3.90                                      |
| Long-Term Debt to Net Plant  | 21%                                       | 27%                                       |
| Total Debt to Equity Ratio (Total Liabilities/Total Equity)                      | 34%                                       | 35%                                       |
| Long Term Debt to Equity Ratio<br>(Long Term Debt / Total Equity)                | 26%                                       | 32%                                       |
| Times Interest Earned Ratio<br>(Earnings before Interest & Taxes/Total Interest) | 8.87                                      | 6.96                                      |
| Cash on Hand<br>(Total Available Cash/Average Daily Costs)                       | 33 Days (General)<br>124 Days (All Funds) | 47 Days (General)<br>135 Days (All Funds) |

**Claim for Damages-Mallette** – Jack made a motion to approve the claim and asked the General Manager to forward it to Federated insurance for processing. Mike seconded the motion. It passed unanimously.

**Staff Reports**

**General Manager**— Gave a status report on the Manzanita Substation and reviewed the plans for the Lilliwaup Bay Corner, Hwy 106-Sunnyside overhead work, and Pleasant Harbor’s power plan. She also shared updates from the safety program at PUD 1. She attended the WPUDA Annual Meeting and the PPC Executive Committee meeting and will attend the NWPPA Annual Meeting next week.

**District Treasurer** – Attended the State Auditor’s Office Exit Conference Accountability meeting today. She attended the WPUDA Finance meeting.

**Water Resource Manager** – Gave a status report on Alderbrook, Manzanita Ct., Vuecrest, and Agate Beach. Water connection notices have been sent to the Agate Beach customers, and once the final testing results come in for Vuecrest, water connection notices will be sent out. She also shared upcoming project plans for Lake Arrowhead, Shadowood, and the Manzanita booster station and reservoir. She will be hosting a community meeting for Orchard Beach to discuss transferring their water system to PUD 1.

**Legal** – No report.



**Mason County Public Utility District No. 1**  
Board of Commissioners Regular Board Meeting  
May 13, 2025, Potlatch, Washington

**Correspondence** – Reviewed by the Board.

**Board Reports**

**Mike** – Attended the PPC meeting.

**Jack** – Received a notice of a 50-day outage from the nuclear power plant.

**Ron** – Will be attending the Hood Canal Coordinating Council meeting on Thursday.

**PUBLIC COMMENT** – None.

**Adjournment: 2:19 p.m.**

---

**Ron Gold, President**

---

**Mike Sheetz, Vice President**

---

**Jack Janda, Secretary**

**Mason County PUD No. 1**  
Shadowood Water System Improvement Bid Tabulation  
Bid Opening: March 18, 2025 at 4:15 PM

|                    | Elyon Maintenance Inc | At Work! | TMG      | Torres Reforestation |
|--------------------|-----------------------|----------|----------|----------------------|
| <b>Landscaping</b> |                       |          |          |                      |
| North              | \$157,400             | \$37,362 | \$48,375 | \$105,600            |
| East               | \$66,000              | \$13,696 | \$15,250 | \$24,500             |
| South              | \$59,000              | \$17,156 | \$20,725 | \$32,750             |
| Subtotal           | -                     | -        | -        | -                    |
| 8.6% Tax           | -                     | -        | -        | -                    |
| Total              |                       |          |          |                      |

| Bid Documents          |   |   |   |   |
|------------------------|---|---|---|---|
| Acknowledged Addenda 1 | x | x | x | x |

| Bid Evaluation        |  |  |  |  |
|-----------------------|--|--|--|--|
| WA L&I Standing       |  |  |  |  |
| WA L&I Debarred       |  |  |  |  |
| <b>Bidding Status</b> |  |  |  |  |

Within two business days of the bid opening on a public works project that is the subject of competitive bids, the municipality must provide, if requested by a bidder, copies of the bids the municipality received for the project. The municipality shall then allow at least two full business days after providing bidders with copies of all bids before executing a contract for the project.



## PUD1 – Executive Summary – April 2025

This report summarizes information on the current financial status of Mason County PUD No. 1 for the month of April 2025:

- **Work in Progress:**
  - Grant Applications – Ongoing
  - 2024 Annual Report (Due 05/30/25)
  - Pole Attachment Rate Update
- **Completed Projects:**
  - 2025 Budget
  - 2024 Privilege Tax Return (Due 02/25/25)
  - 2024 Form 7 (Due March 31, 2025)
  - 2022 / 2023 Accountability Audit
  - 2024 EIA Report (Due 04/30/25)

### Financial Highlights:

- Revenue – Gross Revenue was \$1,289,578 the month of April 2025.
- Expenditures – Gross expenditures were \$1,074,841 for the month of April 2025.
- As of March 31, the PUD has \$498,912 grant reimbursements outstanding for ongoing projects, which is an equivalent of about 17 days of our cash on hand.

| Financial Metrics as Compared with Prior Year:                                   | April 2025                                | April 2024                                |
|--|---|---|
| Total General Cash and Investments   | \$811,728                                 | \$995,903                                 |
| Current Ratio (Current Assets/Current Liabilities)                               | 2.36 to 1                                 | 2.22 to 1                                 |
| Debt Service Coverage (O&M/ Debt Service)  | 3.90                                      | 3.44                                      |
| Long-Term Debt to Net Plant  | 22%                                       | 26%                                       |
| Total Debt to Equity Ratio (Total Liabilities/Total Equity)                      | 34%                                       | 35%                                       |
| Long Term Debt to Equity Ratio<br>(Long Term Debt / Total Equity)                | 26%                                       | 31%                                       |
| Times Interest Earned Ratio<br>(Earnings before Interest & Taxes/Total Interest) | 7.72                                      | 6.65                                      |
| Cash on Hand<br>(Total Available Cash/Average Daily Costs)                       | 33 Days (General)<br>124 Days (All Funds) | 37 Days (General)<br>120 Days (All Funds) |



## Mason County PUD No 1

*Budget Summary by Division For the Month Ended April 30, 2025*

|                                  | <u>Electric</u>   | <u>Water</u>      | <u>Sewer</u>  | <u>Totals</u>       |
|----------------------------------|-------------------|-------------------|---------------|---------------------|
| <b>Total Revenue</b>             | \$ 1,047,049.92   | \$ 241,479.63     | \$ 1,048.87   | \$ 1,289,578.42     |
| <b>Budgeted</b>                  | \$ 1,078,422.33   | \$ 237,438.33     | \$ 1,018.00   | \$ 1,316,878.66     |
| <b>Difference (-/+)</b>          | \$ (31,372.41)    | \$ 4,041.30       | \$ 30.87      | \$ (27,300.24)      |
| <b>% of Budget</b>               | 97%               | 102%              | 103%          | 98%                 |
| <br><b>Total Expenditures</b>    | <br>\$ 829,062.62 | <br>\$ 245,681.17 | <br>\$ 97.57  | <br>\$ 1,074,841.36 |
| <b>Budgeted</b>                  | \$ 962,092.44     | \$ 221,103.10     | \$ 495.02     | \$ 1,183,690.56     |
| <b>Difference (-/+)</b>          | \$ (133,029.82)   | \$ 24,578.07      | \$ (397.45)   | \$ (108,849.20)     |
| <b>% of Budget</b>               | 86%               | 111%              | 20%           | 91%                 |
| <br><b>Net Operating Margins</b> | <br>\$ 217,987.30 | <br>\$ (4,201.54) | <br>\$ 951.30 | <br>\$ 214,737.06   |
| <b>Budgeted</b>                  | \$ 116,329.89     | \$ 16,335.23      | \$ 522.98     | \$ 133,188.10       |
| <b>Difference (-/+)</b>          | \$ 101,657.41     | \$ (20,536.77)    | \$ 428.32     | \$ 81,548.96        |
| <b>% of Budget</b>               | 187%              | -26%              | 182%          | 161%                |





## Mason County PUD No 1

*Budget Summary by Division for the Four Months Ended April, 2025*

|                                  | <u>Electric</u>     | <u>Water</u>      | <u>Sewer</u>    | <u>Totals</u>       |
|----------------------------------|---------------------|-------------------|-----------------|---------------------|
| <b>Total Revenue</b>             | \$ 4,839,192.47     | \$ 985,978.78     | \$ 4,148.70     | \$ 5,829,319.95     |
| <b>2025 Budget</b>               | \$ 11,676,446.00    | \$ 3,089,780.00   | \$ 12,399.00    | \$ 14,778,625.00    |
| <b>Difference (-/+)</b>          | \$ (6,837,253.53)   | \$ (2,103,801.22) | \$ (8,250.30)   | \$ (8,949,305.05)   |
| <b>% of Budget</b>               | 41%                 | 32%               | 33%             | 39%                 |
| <br><b>Total Expenditures</b>    | <br>\$ 3,923,379.06 | <br>\$ 829,108.83 | <br>\$ 1,113.40 | <br>\$ 4,753,601.29 |
| <b>2025 Budget</b>               | \$ 11,196,314.00    | \$ 2,680,718.00   | \$ 9,606.00     | \$ 13,886,638.00    |
| <b>Difference (-/+)</b>          | \$ (7,272,934.94)   | \$ (1,851,609.17) | \$ (8,492.60)   | \$ (9,133,036.71)   |
| <b>% of Budget</b>               | 35%                 | 31%               | 12%             | 34%                 |
| <br><b>Net Operating Margins</b> | <br>\$ 915,813.41   | <br>\$ 156,869.95 | <br>\$ 3,035.30 | <br>\$ 1,075,718.66 |
| <b>2025 Budget</b>               | \$ 480,132.00       | \$ 409,062.00     | \$ 2,793.00     | \$ 891,987.00       |
| <b>Difference (-/+)</b>          | \$ 435,681.41       | \$ (252,192.05)   | \$ 242.30       | \$ 183,731.66       |
| <b>% of Budget</b>               | 191%                | 38%               | 109%            | 121%                |

### **Cash Flow**

|   |                   |                  |                 |                   |
|---|-------------------|------------------|-----------------|-------------------|
| <b>Beginning Cash (General Fund)</b>          | <b>122,716.91</b> | <b>91,126.18</b> | <b>4,195.20</b> | <b>218,038.29</b> |
| Net Operating Margin (Excluding Depreciation) | 1,514,575.52      | 1,341,305.95     | 3,035.30        | 2,858,916.77      |
| Cash Transferred to / from Special Funds      | (497,064.82)      | (182,892.53)     | (159.25)        | (680,116.60)      |
| Change in Accounts Receivable                 | 308,592.28        | (342,507.54)     | 963.45          | (32,951.81)       |
| Change in Accounts Payable                    | 352,915.97        | 13,243.92        | 0.00            | 366,159.89        |
| Cash Expended on Utility Plant                | (1,026,137.48)    | (46,808.03)      | 0.00            | (1,072,945.51)    |
| Change in CWIP                                | (686,312.69)      | (781,697.14)     | (3,839.50)      | (1,471,849.33)    |
| <b>Ending Cash (General Fund)</b>             | <b>89,285.69</b>  | <b>91,770.81</b> | <b>4,195.20</b> | <b>185,251.70</b> |