Mason County PUD No. 1
Regular Board Meeting
October 27, 2026
1:00 p.m.

1) **Call the Regular 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: October 13, 2026, Regular Meeting

Disbursements:	Accounts Payable Wire		$ 296,719.50
	Check Nos.	129032-129059	$ 184,376.25
	Check Nos.	129061-129095	$ 122,667.90
	Payroll Wire		$ 112,151.12
	Check Nos.	129060	$ 2,465.00
	Grand Total		**$ 718,379.77**

4) **Business Agenda**
   a. Claim for Damagers- Hoem
   b. 3rd Quarter Conservation Update
   c. Enchantment Change Order No. 1
   d. Lilliwaup Corner Change Order No. 3
   e. Interlocal Agreement with Hood Canal School for Mechanic Services
   f. September 2026 and 3rd Quarter Financials

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**

2026 Calendar

November 4	Public Power Council Town Hall	Portland
November 5	Public Power Council Annual Meeting	Portland
Nov 18-20	WPUDA Association Meetings	Olympia

2027 Calendar

January 6-7	PPC meetings	Virtual
January 13-15	Association meetings	Olympia
February 3-4	PPC meetings	Portland
February 17-19	Association meetings	Olympia
March 3-4	PPC meetings	Portland
March 17-19	Association meetings	Olympia
April 7-8	PPC meetings	Virtual
April 28-30	WPUDA Annual Conference	TBD
May 5-6	PPC meetings	Portland
June 2-3	PPC meetings	Portland
July 14-16	Association meetings	TBD
August 4-5	PPC meetings	Portland
September 1-2	PPC meetings	Portland
September 22-24	Water Workshop	Leavenworth
October 6-7	PPC meetings	Portland
November 3	PPC Town Hall	Portland
November 4	PPC Annual Meeting	Portland
November 17-19	Association meetings	Olympia

Mason County Public Utility District No. 1
``Board of Commissioners Regular Board Meeting
October 13, 2026, Potlatch, Washington

Present:
Ron Gold, President
Mike Sheetz, Vice President
Jack Janda, Board Secretary
Kristin Masteller, General Manager
Katie Arnold, District Treasurer
Brandy Milroy, Water Resource Manager
Rob Johnson, Legal Counsel

Visitors:
Jan Morris
Michael Miller

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

PUBLIC COMMENT: None.

APPROVAL OF CONSENT AGENDA:

Minutes:	September 22, 2026, Regular Meeting		
Disbursements:	Accounts Payable Wire		$ 356,277.33
	Check Nos.	128925-129031	$ 772,079.89
	Payroll Wire		$ 110,319.29
	Grand Total		**$ 1,238,676.51**

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

Business Agenda:

Approve the Lilliwaup Corner Change Order No. 1- Jack made a motion to approve the Lilliwaup Change Order No. 1 in the amount of $3,000.00. Mike seconded the motion. It passed unanimously.

Approve the Lilliwaup Corner Change Order No. 2- Jack made a motion to approve the Lilliwaup Change Order No. 2 in the amount of $213,150.00. Mike seconded the motion. It passed unanimously.

Claim for Damages- Flem- Jack made a motion to deny the claim due to lack of evidence to support that the damage was proximately caused by PUD negligence. Mike seconded the motion. It passed unanimously.

August 2026 Financials-

Financial Metrics as Compared with Prior Year:	August 2026	August 2025
Total General Cash and Investments	$1,277,901	$855,399
Current Ratio (Current Assets/Current Liabilities)	1.65 to 1	2.03 to 1
Debt Service Coverage (O&M/ Debt Service)	3.19	3.40
Long-Term Debt to Net Plant	24%	21%
Total Debt to Equity Ratio (Total Liabilities/Total Equity)	34%	36%
Long Term Debt to Equity Ratio (Long Term Debt / Total Equity)	29%	25%
Times Interest Earned Ratio (Earnings before Interest & Taxes/Total Interest)	3.68	6.16
Cash on Hand (Total Available Cash/Average Daily Costs) ***Includes Days Cash on Hand from Outstanding Grant Reimbursements**	103 Days (General) 216 Days (All Funds)	55 Days (General) 170 Days (All Funds)

Approve the 2026 Energy Resource Plan- Jack made a motion to approve the 2026 Energy Resource Plan. Mike seconded the motion. It passed unanimously.

Staff Reports –

General Manager – Kristin attended the PPC meeting and gave the board a list of project updates.

District Treasurer – Katie reported that the HEAR and EERP ductless/ducted heating system rebate projects are starting now.

Water Resource Manager – Brandy went to the WPUDA Water Workshop in Wenatchee last month. The water crew is busy doing maintenance items this month. Canal View Mainline project is at 50% complete. Bay East treatment project is now underway as well.

Legal Counsel – No report.

Correspondence – Correspondence was shared with the board.

Board Reports –
Mike – Mike went to the WPUDA Water Workshop.
Jack – Jack reported good Customer Appreciation Event with many industry leaders in attendance.
Ron – Ron went to SWAT tour on Sunnyside Road and a FUEL meeting with PPC.

PUBLIC COMMENT – None.

EXECUTIVE SESSION – None.

Meeting Adjourned: 1:45 p.m.

Ron Gold, President	**Mike Sheetz, Vice President**	**Jack Janda, Secretary**

Accounts Payable
Check Register

10/09/2026 To 10/22/2026

Bank Account: 4 - COLUMBIA BANK - DISTRICT

Check / Tran	Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
1569	10/13/2026	WIRE	BPA	COLUMBIA BANK	POWER USAGE	202,440.00
1571	10/14/2026	WIRE	WASH 22	WASHINGTON STATE DEPT OF REVEN	3RD QUARTER LEASEHOLD TAX	1,143.14
1573	10/16/2026	WIRE	IRS	WEST COAST BANK	FEDERAL TAX LIABILITY	39,830.23
1574	10/16/2026	WIRE	WASH 1	WA DEPT OF RETIREMENT SYS	STATE RETIREMENT - PLAN 2	16,476.75
1575	10/16/2026	WIRE	WASH 7	WA STATE TREAS-MS: PO-11	DEFERRED COMPENSATION	12,403.51
1576	10/16/2026	WIRE	HRA	HRA VEBA TRUST CONTRIBUTI	VEBA MEDICAL SAVINGS	4,512.86
1577	10/16/2026	WIRE	DSHS	DSHS	DEPARTMENT OF SOCIAL HEALTH SERVICES	162.41
1579	10/20/2026	WIRE	COBANK	COBANK	LINE OF CREDIT FEES	19,578.88
1580	10/20/2026	WIRE	LILLIWAUP FAL	LILLIWAUP FALLS GENERATING COMP	POWER USAGE	171.72
5522	10/14/2026	DD	HOODSPORT AC	HOODSPORT ACE & LUMBER	REFUND-SEE INV#1350 (VEHICLE #68)	0.00
5551	10/20/2026	DD	HOODSPORT AC	HOODSPORT ACE & LUMBER	REFUND-SEE INV#1350 (VEHICLE #68)	0.00
129032	10/14/2026	CHK	DON SMALL & S	DON SMALL & SONS OIL DIST	DIESEL & UNLEADED	3,706.39
129033	10/14/2026	CHK	EUROFINS DRIN	EUROFINS DRINKING WATER & WASTE	AGATE BEACH WATER-WATER SAMPLE	3,715.00
129034	10/14/2026	CHK	GENPAC	GENERAL PACIFIC INC	ELECTRIC NON INVENTORY PARTS-GUY WIRE	3,569.68
129035	10/14/2026	CHK	GRAY	GRAY & OSBORNE, INC	MANZANITA RESERVOIR & BOOSTER	57,132.75
129036	10/14/2026	CHK	L.G.	L. G. ISAACSON CO. INC.	SHOP SUPPLIES & VEHICLE #82A DRILL BITS	682.54
129037	10/14/2026	CHK	MARSH	MARSH MUNDORF PRATT & SUL	MONTHLY WPAG SERVICES	283.45
129038	10/14/2026	CHK	SHEL 2	MASON COUNTY JOURNAL	SPORTS SCHEDULE-AD	582.00
129039	10/14/2026	CHK	NISC	NISC	PRINT SERVICES	15,575.62
129040	10/14/2026	CHK	DITCH WITCH	PAPE KENWORTH	EQUIPMENT #119-LEVER VALVE	446.24
129041	10/14/2026	CHK	PLATT ELECTRI	PLATT	SHOP SUPPLIES	5,005.34
129042	10/14/2026	CHK	JOHN 3	ROBERT W. JOHNSON	MONTHLY RETAINER FEES	4,731.62
129043	10/14/2026	CHK	STATE	STATE AUDITOR'S OFFICE	ACCOUNTABILITY AUDIT,FEDERAL,& FINANCIAL	10,363.50
129044	10/14/2026	CHK	TAURUS POWER	TAURUS POWER & CONTROLS	HOODSPORT WTR-INSTALL & PROGRAM FREE DRI	2,811.52 VOID
129045	10/14/2026	CHK	VON	THE VON CORPORATION	SERVISAVOR 20KVA MODEL 20M-LW	6,910.51
129046	10/14/2026	CHK	DOE	WA STATE DEPT OF ECOLOGY	POLE YARD	1,562.04

Accounts Payable
Check Register

10/09/2026 To 10/22/2026

Bank Account: 4 - COLUMBIA BANK - DISTRICT

Check / Tran	Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
129047	10/14/2026	CHK	WPUDA	WASHINGTON PUD ASSOC.	MONTHLY DUES	2,137.00
129048	10/14/2026	CHK	WATER	WATER MGMT LABS	VARIOUS WATER SYSTEM SAMPLES	2,243.00
129049	10/14/2026	CHK	NAPA AUTO PA	WESTBAY NAPA AUTO PARTS	VEHICLE #71-DRAIN VALVE	1,142.46
129050	10/15/2026	CHK	ANIXTER	ANIXTER INC	ELECTRIC INVENTORY PART-GANG SWITCH	23,305.56
129051	10/15/2026	CHK	ASW	ARCHBRIGHT	Q4 2026 L&I CLAIM ONLY SERVICE FEE	924.27
129052	10/15/2026	CHK	ATWORK!	ATWORK! COMMERCIAL ENTERPRISES	LANDSCAPE MAINTENANCE-AUGUST	9,567.07
129053	10/15/2026	CHK	BRUCE TITUS F	BRUCE TITUS FORD	VEHICLE #67-RETURNED PARTS	382.82
129054	10/15/2026	CHK	BUILDERS	BUILDERS FIRSTSOURCE, INC	MADRONA PARK WATER	43.46
129055	10/15/2026	CHK	CENTUR	CENTURYLINK	TELEPHONE CHARGES ACCT#333887863	1,347.68
129056	10/15/2026	CHK	CENTURYLINK	CENTURYLINK	LONG DISTANCE & OUTBOUND CHARGES	83.80
129057	10/15/2026	CHK	CINTAS CORP	CINTAS CORPORATION	SAFETY SUPPLIES	1,055.93
129058	10/15/2026	CHK	D & L POLES,IN	D & L POLES, INC	ENCHANTMENT PROJECT	24,650.00
129059	10/16/2026	CHK	MASON CO COM	MASON COUNTY COMMUNITY SERVIC	HOLIDAY BEACH WATER-PERMIT	415.00
129061	10/16/2026	CHK	IBEW	IBEW LOCAL UNION #77	UNION DUES	1,240.25
129062	10/16/2026	CHK	PUDEMP	PUD #1 EMPLOYEE FUND	EMPLOYEE FUND	260.00
129063	10/16/2026	CHK	ATWORK!	ATWORK! COMMERCIAL ENTERPRISES	SEPTEMBER LANDSCAPE MAINTENANCE SERVICES	12,602.55
129064	10/16/2026	CHK	DON SMALL & S	DON SMALL & SONS OIL DIST	UNLEADED & DIESEL	3,046.07
129065	10/16/2026	CHK	GOLDSTREET	GOLDSTREET DESIGN AGENCY, INC.	2026 FALL NEWSLETTER	2,664.33
129066	10/16/2026	CHK	HOODSPORT AC	HOODSPORT ACE & LUMBER	ALDERBROOK WATER-SUPPLIES	17.88
129067	10/16/2026	CHK	KRISTMAS TOW	KRISTMAS TOWN KIWANIS	ANNUAL KRISTMAS TOWN KIWANIS	312.00
129068	10/16/2026	CHK	EDC	MASON EDC	MARKETING DUES	1,500.00
129069	10/16/2026	CHK	PURCH	PURCHASE POWER	METER REFILL 9/21/2026	1,557.25
129070	10/16/2026	CHK	STUART C IRBY	STUART C IRBY CO	ELECTRIC NON INVENTORY PARTS	792.83
129071	10/16/2026	CHK	SUMMIT FIRE	SUMMIT FIRE & SECURITY LLC	ANNUAL FIRE EXTINGUISHER INSPECTIONS	1,581.67
129072	10/16/2026	CHK	WATER	WATER MGMT LABS	VARIOUS WATER SAMPLES	1,480.00
129073	10/16/2026	CHK	NAPA AUTO PA	WESTBAY NAPA AUTO PARTS	HIGHLAND ESTATES WATER-GENERATOR PARTS	64.97

Accounts Payable
Check Register

10/09/2026 To 10/22/2026

Bank Account: 4 - COLUMBIA BANK - DISTRICT

Check / Tran	Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
129074	10/16/2026	CHK	MASON7	MASON COUNTY AUDITOR	EASEMENT 32232-50-50017	304.50
129075	10/20/2026	CHK	ALPHA NW	ALPHA NW	ELECTRIC NON INVENTORY PARTS	3,610.69
129076	10/20/2026	CHK	ANIXTER	ANIXTER INC	ELECTRIC NON INVENTORY PARTS	8,752.08
129077	10/20/2026	CHK	BLACK	BLACK STAR	3' X 10' CUSTOMER APPRICIATION BANNER	195.48
129078	10/20/2026	CHK	CAPIT2	CAPITAL INDUSTRIAL, INC.	EQUIPMENT #114-OIL SEAL	38.09
129079	10/20/2026	CHK	DON SMALL & S	DON SMALL & SONS OIL DIST	UNLEADED & DIESEL	2,860.41
129080	10/20/2026	CHK	GDS ASSOCIATE	GDS ASSOCIATES, INC	MONTHLY WPAG SERVICES	471.09
129081	10/20/2026	CHK	GENPAC	GENERAL PACIFIC INC	ELECTRIC INVENTORY-(1)750PDMT 3-PHASE TR	36,994.59
129082	10/20/2026	CHK	GRAIN	GRAINGER	SHOP SUPPLIES-GENERAL UTILITY ROPE	334.33
129083	10/20/2026	CHK	H20 SOLUTIONS	H20 SOLUTIONS, LLC	2026 POTABLE WATER RESERVOIR/TANK	9,367.00
129084	10/20/2026	CHK	HARB 1	HARBOR SAW & SUPPLY INC.	REPAIR STIHL TRIMMER	77.86
129085	10/20/2026	CHK	HDFOWL	HD FOWLER COMPANY	WATER NON INVENTORY PARTS	666.81
129086	10/20/2026	CHK	L.G.	L. G. ISAACSON CO. INC.	SHOP SUPPLIES-GRIP GLOVES	334.04
129087	10/20/2026	CHK	LADUE FENCIN	LADUE FENCING INC	AUTOMATIC GATE @ MANZANITA CAMPUS	19,902.41
129088	10/20/2026	CHK	ARCTOS ENVIR	ROB NAGEL	HOLIDAY BEACH WATER-HABITAT MANAGEMENT	2,730.00
129089	10/20/2026	CHK	STUART C IRBY	STUART C IRBY CO	ELECTRIC NON INVENTORY PARTS-GROUND RODS	2,822.35
129090	10/20/2026	CHK	TOZIER	TOZIER BROS, INC	FORKLIFT - PROPANE	105.33
129091	10/20/2026	CHK	DOE	WA STATE DEPT OF ECOLOGY	MANZANITA RESERVOIR CONSTRUCTION STORMW	217.00
129092	10/20/2026	CHK	WATER2	WATER PLUS CORPORATION	WATER NON INVENTORY-WATER SAMPLING	2,552.52
129093	10/20/2026	CHK	2	LISA EVERSON	REFND APPLICATION FEE-23560 N HWY 101	100.00
129094	10/21/2026	CHK	2	DIANE ANDERSON	Credit Balance Refund	300.00
129095	10/22/2026	CHK	TAURUS POWER	TAURUS POWER & CONTROLS	HOODSPORT WTR-INSTALL & PROGRAM FREE DRI	2,811.52

Total Payments for Bank Account - 4 :	(73)	600,952.13
Total Voids for Bank Account - 4 :	(1)	2,811.52
Total for Bank Account - 4 :	(74)	603,763.65

Accounts Payable
Check Register

Grand Total for Payments :	(73)	600,952.13
Grand Total for Voids :	(1)	2,811.52
Grand Total :	(74)	603,763.65

Accounts Payable
Check Register

PARAMETERS ENTERED:

Check Date:	10/09/2026 To 10/22/2026
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

10/22/2026 2:14:54 PM

Payroll/Labor

Check Register

Pay Date: 10/16/2026 To 10/16/2026

Empl	Name	Pay Date	Dir Dep/Check	Net Pay	Type
114	MICHAEL YORK	10/16/2026	129060	2,465.00	CHK

PARAMETERS ENTERED:

Pay Date: 10/16/2026 To 10/16/2026
Check/Direct Deposit: All
Employee: 114
Journal: 0

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

10/22/2026 2:13:31 PM

GENERAL LEDGER
TRANSACTION DETAIL

OCT 2026 To OCT 2026

Date	Journal Description	Actv	BU Project	Mod	Jrnl Code	Reference	
Account: 0 131.2 CASH-GENERAL FUND (DISTRICT)				Department:	0		
10/16/26	100715 Check Print	0		PL	2	PAYROLL	112,151.12

PARAMETERS ENTERED:

Divsion: All
Accounts: 0 131.2
Department: All
Activity: All
Sort By: Div/Acct
Date Selection: Period
Period: OCT 2026 To OCT 2026
Module: PL
Journal Activity: All
Accounts With No Transactions: Yes
Extended Reference: No
Interface Detail: No
Group by Department: Yes

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

INSTRUCTIONS FOR COMPLETING A STANDARD TORT CLAIM FORM

For the District to pay a claim, it is up to the claimant to specify how the damage was caused by negligence of the District's employees. Equipment failure or acts of nature (wind, lightening, trees, etc.) will not be reimbursed by the District. Please specify what negligence of the District's employees caused the damage.

Before presenting a Standard Tort Claim form, please read these instructions, the Standard Tort Claim form, and other appropriate forms **in their entirety.**

- Type or print clearly in ink and sign the Standard Tort Claim form.

- Provide all requested information and any available documents or evidence supporting your claim, such as medical records or bills for personal injuries, photographs, proof of ownership for property damages, receipts for property value, etc.

- If the requested information cannot be supplied in the space provided, please use additional blank sheets so your Standard Tort Claim form can be easily read and understood.

- The following are examples on how to complete the Standard Tort Claim Form:

1. Doe, Jane K. January 1, 1060
2. 1234 Hwy 101, Shelton WA 98584
3. P0 Box 12345, Shelton WA 98584
4. Same (or residence at the time of incident)
5. 360-123-4567 (H) 360-456-7890 (W)
6. jdoe@hotmail.com
7. August 9, 2010
8. 8:00 a.m.
9. If the incident that caused the damages occurred over a period of time, please provide the beginning time and the ending time in Item 9
10. Hwy 101, Southbound, Milepost 109, near Potlatch State Park.
11. Doe, John Q., 1234 Hoodsport Way NW, Hoodsport WA 98584 (360) 456-3456; Tow Truck Driver, Acme Towing
12. Identify any PUD No. 1 personnel who have knowledge or list "Unknown"
13. Please provide the name of the District employee who you allege is responsible for the damages.
14. Please describe the incident that resulted in the injury or damages, specifically answering the questions who, what, where, when and why, e.g.: "PUD No. 1 truck failed to stop at stop sign and hit my vehicle".

PUBLIC UTILITY DISTRICT NO. 1
OF MASON COUNTY
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BOARD OF COMMISSIONERS
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15. If you reported this incident to law enforcement, safety, or security personnel, please provide a copy of the report or contact information to the person you spoke with.

16. Please provide all of your medical providers with their names, address, telephone numbers, and the type of treatment. If you were treated for a personal injury, please include your medical records and bills.

17. Attach any other documents which support your claim.

18. Please provide the dollar amount for your damages, including your time loss, medical costs, property damage loss, etc. This amount should represent your opinion of total compensation. ****Please submit a statement or repair estimate from a qualified auto or appliance repair person who can identify the costs to repair the auto or appliance and the cause of damage. In addition, the District will only cover the repair or fair market value of damaged equipment and vehicles and NOT new substitute equipment and vehicles.*

19. If your claim involves a motor vehicle accident, please complete, sign, and attach the Vehicle Collision Form posted on the website.

(360) 877-5249 (800) 544-4223 FAX (360) 877-9274
www.mason-pud1.org

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

STANDARD CLAIM FORM

PLEASE TYPE OR PRINT IN INK

Please return to:

General Manager
21971 N. Hwy 101Shelton, WA 98584

Business Hours: 8:00am - 5:00pm

PERSONAL INFORMATION

1. CLAIMANT'S NAME:
HOEM Cliff A.
Last Name First Middle

2. RESIDENCE ADDRESS CURRENT ADDRESS:
510 E Hyland Dr. Union 98592

3. MAILING ADDRESS (IF DIFFERENT):
P.O. Box 161 Union WA 98592

4. RESIDENTIAL ADDRESS AT TIME OF INCIDENT:
510 E Hyland

5. CLAIMANT'S DAYTIME TELEPHONE: ( ) 360 ( ) 4904874
Home Business

6. CLAIMANT'S E-MAIL ADDRESS WAS cliffh@hcTc.com

INCIDENT INFORMATION

7. DATE OF INCIDENT: 8-9 / / 26 About 12-10 week ago
month day year

8. TIME: 9-10 A.M. / P.M. (CIRCLE ONE)

9. IF THE INCIDENT OCCURRED OVER A PERIOD OF TIME PLEASE PROVIDED:

BEGINNING TIME: / /
month day year
ENDING TIME: / /
month day year

10. LOCATION OF INCIDENT:
Union Mason
Address/Street/Mile Post City County

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

11. NAMES, ADDRESSES, AND TELEPHONE NUMBERS OF ALL PERSONS INVOLVED, OR WITNESS, TO THIS INCIDENT: Cliff & Sharon HOEM

Cliff 360 490 4874 Sharon 360 7915040

12. NAMES, ADDRESSES, AND TELEPHONE NUMBERS OF ALL DISTRICT EMPLOYEES HAVING KNOWLEDGE ABOUT THIS INCIDENT (ATTACH ADDITIONAL SHEETS, IF NECESSARY):

13. DISTRICT EMPLOYEE ALLEGEDLY RESPONSIBLE FOR DAMAGES/INJURY:_____

14. DESCRIBE CONDUCT AND CIRCUMSTANCES CAUSING INJURY OR DAMAGES, EXPLAINING EXTENT OF MEDICAL, PHYSICAL, OR MENTAL INJURIES (ATTACH ADDITIONAL SHEETS, IF NECESSARY):

Power Went on & off About 4 Times in 5 min, I unplugged My computer When I plug it in Next day, It Buzzed & smoked Fried it

15. LAW ENFORCEMENT/SECURITY/FIRE/EMERGENCY AGENCIES WHO RESPONDED TO THE INCIDENT (PLEASE INCLUDE REPORT OR CASE NUMBER IF AVAILABLE)

16. NAME, ADDRESS, AND TELEPHONE NUMBER OF TREATING PHYSICIAN(S) AND ATTACH COPIES OF MEDICAL REPORTS AND BILLINGS:

17. PLEASE PROVIDE COPIES OF ANY DOCUMENTS, PICTURES, OR OTHER RECORDS THAT SUPPORT OR RELATE TO YOUR CLAIM. We will need you to provide the year, make and model for each item you claim was damaged such as appliances or vehicles.

Pictures call my cell, My computer is TOAST

(360) 877-5249 (800) 544-4223 FAX (360) 877-9274
www.mason-pud1.org

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BOARD OF COMMISSIONERS
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RON GOLD, Commissioner

18. I / WE DO HEREBY CLAIM DAMAGES FROM _____ IN THE SUM OF $ 800 .

This claim form must be signed either:
(i) By the claimant, verifying the claim;
(ii) Pursuant to a written power of attorney, by the attorney in fact for the claimant;
(iii) By an attorney admitted to practice in Washington state on the claimant's behalf; or
(iv) By a court-approved guardian or guardian ad litem on behalf of the claimant.

I certify or declare under penalty of perjury under the laws of the State of Washington that the foregoing is true and correct.

Cliff Hoem 10-5-26
Signature of Claimant Date

How your claim will be processed:

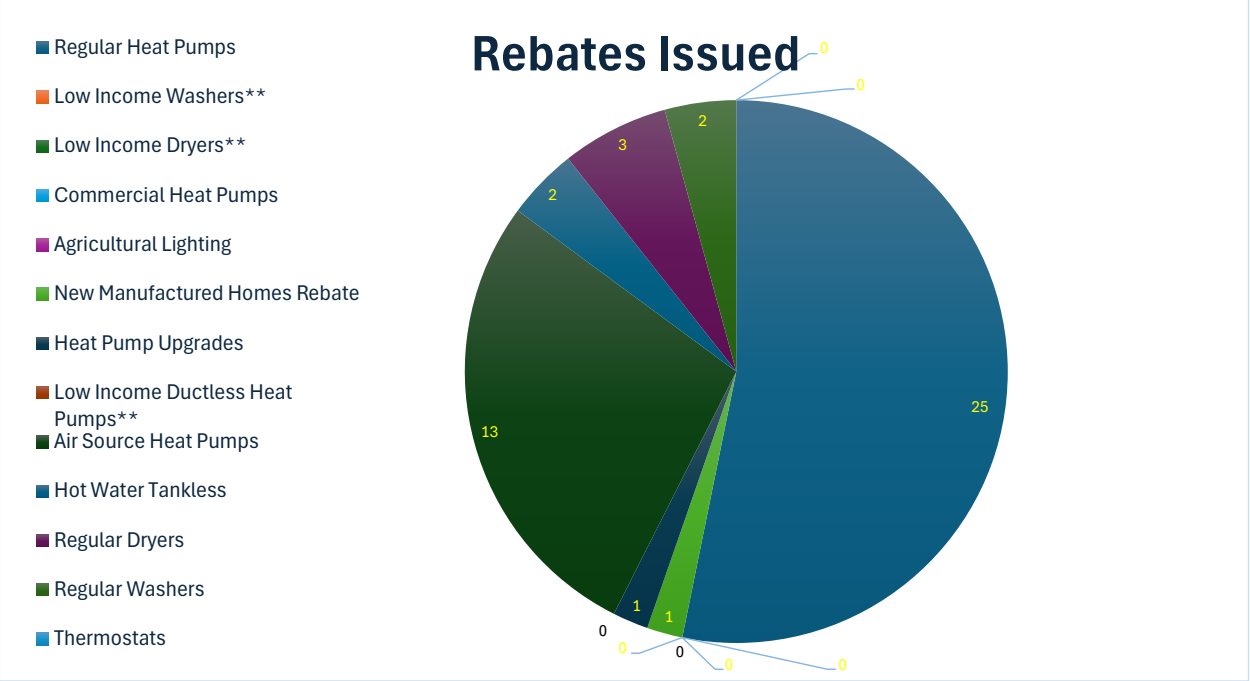
1. Claimant submits claim and supporting material to the General Manager.
2. GM conducts an internal investigation to gather facts and review claim with senior staff team.
3. PUD attorney reviews claim and makes recommendation to either approve or deny the claim, or to send it to the PUD's insurance carrier for independent investigation and review.
4. After the investigation is completed, the claim is presented at following Board of Commissioners meeting for approval/denial if it does not need to be sent to the insurance carrier.
5. If the claim is denied, a letter is sent to the claimant explaining why it was denied.
6. If the claim is not initially denied by the Board of Commissioners, it will be sent to the PUD's insurance carrier for processing.
7. If the claim is approved, payment unless the amount is minimal, in which case it may be processed in the PUD's next accounting cycle.

No claims shall be considered without completion of the standard tort claim form and supporting documentation. No claims shall be presented to the Board of Commissioners without going through the investigation process, internal review and review by the PUD's attorney.

TOSHIBA
DISK DRIVE DT01ACA050
MAR-2014
DRIVE REV AAA AB10 / 750
S/N 34DG4YMKS X15
CAPACITY:500GB
LBA:976,773,168 SECTORS
CHS:16383/16/63
TOSHIBA CORPORATION
RATED:5V 420mA,12V 420mA
MADE IN CHINA
HDKPC01A1A02 S
SATA 6.0 Gb/s
WARRANTY VOID IF ANY LABEL/
SCREW IS REMOVED OR BROKEN
E145163
DC
KCC-REM-TSD
-DT01ACA100
DO NOT COVER ANY DRIVE HOLES

ZALMAN
SATA 2
PUSH

2025 / 2029 EEI BUDGET		$ 281,900.00
Category	**Rebates Issued**	**Total $ Value**
Regular Heat Pumps	25	$ 22,520.00
Low Income Washers**	0	$ -
Low Income Dryers**	0	$ -
Commercial Heat Pumps	0	$ -
Agricultural Lighting	0	$ -
New Manufactured Homes Rebate	1	$ 1,200.00
Heat Pump Upgrades	1	$ 600.00
Low Income Ductless Heat Pumps**	0	$ -
Air Source Heat Pumps	13	$ 18,850.00
Hot Water Tankless	2	$ 3,600.00
Regular Dryers	3	$ 175.00
Regular Washers	2	$ 88.00
Thermostats	0	$ -
Customer Appreciation BBQ	0	$ -
Total Rebates Issued		**$ 47,033.00**



PUBLIC UTILITY DISTRICT NO. 1 BOARD OF COMMISSIONERS
OF MASON COUNTY
N. 21971 Hwy. 101
Shelton, Washington 98584

MIKE SHEETZ, Commissioner
JACK JANDA, Commissioner
RON GOLD, Commissioner

PUBLIC WORKS CONTRACT

CHANGE ORDER FORM

NO. **1**

The following changes are hereby incorporated into this Contract:

A. Description of Change:

Install approximately 250' of trench in very rocky soil with a rock adder of $80.00 per foot for a total of $20,000.

B. Contract Price Adjustment:

As a result of this Change Order, the total Contract shall be increased/decreased by the sum of $ 20,000 , 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 $ 142,266.00 , including sales tax.

C. Time of Completion:

The time of completion shall be increased/decreased by 123 calendar days. The revised completion date shall be 11/30/2026 .

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

CONTRACTOR

Company: D&L Poles

Accepted by: _____

Title: _____

Date: _____

PUBLIC UTILITY DISTRICT NO. 1 OF MASON COUNTY

Accepted by: _____

Title: _____

Date: _____

Adder	Labor	Material	Extended
Rock (3) 2"	20	60	80

PUBLIC UTILITY DISTRICT NO. 1 BOARD OF COMMISSIONERS
OF MASON COUNTY
N. 21971 Hwy. 101
Shelton, Washington 98584

MIKE SHEETZ, Commissioner
JACK JANDA, Commissioner
RON GOLD, Commissioner

PUBLIC WORKS CONTRACT

CHANGE ORDER FORM

NO. **3**

The following changes are hereby incorporated into this Contract:

A. Description of Change:

68ft of boring rock per rock adder $490 per ft from bid. See attached bid sheet and bore log. Bore log shows 135' this was reduced to 68ft because the rock was not as dense as previous section. 68ft x $490/ft = $33,320.00

B. Contract Price Adjustment:

As a result of this Change Order, the total Contract shall be **increased**/decreased by the sum of $**33,320.00**, 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 $**727,804.62**, including sales tax.

C. Time of Completion:

The time of completion shall be **increased**/decreased by **7** calendar days. The revised completion date shall be **11/20/2026**.

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

CONTRACTOR	**PUBLIC UTILITY DISTRICT NO. 1 OF MASON COUNTY**
Company: _____	
Accepted by: _____	Accepted by: _____
Title: _____	Title: _____
Date: _____	Date: _____

lilliwaup bore Post office south 220′

Bars	Depth and percentage
Bar 1 1200′ from v1	3′. (27%)
Bar2 1185′ from v1	6′1 (27%)
Bar3 1170′ from v1	9′ (24.5%)
Bar4 1155′ from v1	13′ (18%)
Bar5 1140′ from v1	14′ START **ROCK** (12.2%)
Bar6 1125′ from v1	17′2 (6.7%)
Bar7 1110′ from v1	17′1 (+1%)
Bar8 1095′ from v1	16′ (+7%)
Bar9 1080′ from v1	14′4 (+11%)
Bar10 1065′ from v1	12′ (+11%)
Bar11 1050′ from v1	10′6 (+7%)
Bar12 1035′from v1	9′10 (+5%)
Bar 13 1020′from v1	7′4 (+9.5%)
Bar 14 1005′ from v1	6′ (+11%) END ROCK 135′
Bar 15 990′ from v1	4′2″ (+17%)
Bar 15. 980′ from v 1	3′ (+20%)
220′ bore from 3′ to 3′ 135′ of rock	

SAW CUT & REPAVE DRIVEWAYS	PER FOOT	500	500	1,000
TRENCH (3) 3" & (2) 2"	PER FOOT	100	50	150
TRENCH (2) 2"	PER FOOT	80	15	95
ROCK TRENCH (3) 3" & (2) 2"	PER FOOT	450	50	500
ROCK TRENCH (2) 2"	PER FOOT	450	40	490
BORE (3) 3" & (2) 2"	PER FOOT	150	50	200
BORE (2) 2"	PER FOOT	90	20	110
ROCK BORE (3) 3" & (2) 2"	PER FOOT	400	90	490
ROCK BORE (2) 2"	PER FOOT	120	30	150
SOIL IMPORT/EXPORT	PER CUBIC FT	40	40	80
CONSTRUCTION SUBTOTAL				400,200.00
GENERAL SUBTOTAL				25,000.00
PROJECT SUBTOTAL (CONSTRUCTION + GENERAL)				425,200.00
TAXES (8.6%)				36,567.20
PROJECT TOTAL				461,767.20

Description	**Bid Amount**
Project Total Amount Bid for Comparison (without sales tax)	$ 425,200.00
Cost of Trench Safety Systems (without sales tax) if applicable *RCW 39.04-180*	$ 1,500
8.6% Sales Tax	$ 36,696.20
Total Bid (including tax)	$ 463,396.20

Total bid amount in words: FOUR HUNDRED SIXTY THREE THOUSAND, THREE HUNDRED NINETY SIX DOLLARS and TWENTY CENTS

INTERLOCAL AGREEMENT
FOR MECHANIC SERVICES

BETWEEN
PUBLIC UTILITY DISTRICT NO. 1 OF MASON COUNTY
AND
HOOD CANAL SCHOOL DISTRICT NO. 404

This Interlocal Agreement for Mechanic Services ("Agreement") is entered into by and between **Public Utility District No. 1 of Mason County**, a Washington municipal corporation ("PUD"), and **Hood Canal School District No. 404**, a Washington public school district ("District"), collectively referred to as the "Parties."

RECITALS

WHEREAS, PUD and District are each public agencies authorized to enter into interlocal agreements pursuant to Chapter 39.34 RCW;

WHEREAS, PUD employs personnel with the qualifications and experience necessary to perform maintenance, inspection, troubleshooting, and repair services for vehicles, equipment, and related machinery;

WHEREAS, District owns and operates vehicles, equipment, and machinery that require periodic preventive maintenance, inspection, repair, and service;

WHEREAS, the Parties desire to cooperate for the purpose of making qualified mechanic services available to District on a regular basis while utilizing existing public resources efficiently;

WHEREAS, the Parties intend that PUD will make a qualified mechanic available to District approximately one (1) day per week, subject to scheduling, availability, and the terms of this Agreement;

NOW, THEREFORE, in consideration of the mutual covenants and conditions contained herein, the Parties agree as follows:

1. PURPOSE

The purpose of this Agreement is to establish a cooperative arrangement under which PUD will provide mechanic services to District for the maintenance and repair of District-owned vehicles, equipment, machinery, and related facilities or components, as mutually agreed upon by the Parties.

This Agreement is intended to promote efficient use of public resources and is entered into pursuant to the Washington Interlocal Cooperation Act, Chapter 39.34 RCW.

2. SERVICES TO BE PROVIDED

2.1 Mechanic Services

PUD shall make a qualified PUD mechanic ("Mechanic") available to District approximately one (1) day per week for the performance of maintenance and repair services.

Services may include, without limitation:

a. Preventive maintenance and scheduled servicing of District vehicles and equipment;

b. Diagnosis and troubleshooting of mechanical, electrical, hydraulic, and related equipment problems;

c. Repair and replacement of worn or defective components;

d. Inspection and adjustment of vehicles and equipment;

e. Maintenance of District transportation, grounds, maintenance, custodial, and other equipment;

f. Assistance with determining repair-versus-replacement needs;

g. Maintenance records and documentation reasonably related to services performed; and

h. Other mechanic or equipment-maintenance services mutually agreed upon by the Parties.

2.2 Scheduling

The Parties shall establish a mutually acceptable regular schedule for the Mechanic's services, generally consisting of one (1) eight-hour workday per week, unless otherwise agreed in writing.

The Parties recognize that the actual number of hours worked in any particular week may vary based upon holidays, employee leave, emergencies, workload, District closures, PUD operational requirements, and other circumstances.

The Mechanic shall remain an employee of PUD at all times and shall not become an employee of District by virtue of this Agreement.

2.3 Priorities and Work Authorization

District shall designate an appropriate representative to communicate maintenance and repair requests to PUD.

District shall identify requested work and, where reasonably practicable, establish priorities for the Mechanic.

The Mechanic may determine that a requested repair requires additional parts, equipment, specialized services, or expertise. The Mechanic shall communicate such needs to District before incurring significant additional costs, except where immediate action is reasonably necessary to protect persons or property.

District shall be responsible for authorizing and paying for parts, materials, outside services, and other direct costs associated with District equipment unless otherwise agreed in writing.

2.4 School Bus Inspection Report

The District shall remain responsible for its school bus fleet, for presenting buses for inspection, and for compliance with applicable inspection and operating requirements. The District shall notify PUD promptly of scheduled Washington State Patrol (WSP) inspections and identify the buses to be presented. PUD shall coordinate with the District to make the Mechanic available to prepare buses and assist WSP inspection personnel at the scheduled annual inspection. The Parties shall arrange any inspection support needed outside the Mechanic's regular weekly schedule in advance.

For an unannounced WSP inspection, PUD shall provide assistance as reasonably available after receiving notice from the District. The Mechanic's absence when WSP arrives shall not relieve the District of its obligation to present the buses selected by WSP. The Mechanic may assist with inspection logistics, mechanical questions, and repairs, but shall not act as a WSP inspection officer or represent that a bus has passed a WSP inspection.

The Mechanic shall promptly report inspection deficiencies and other safety concerns to the District's designated transportation representative, identifying any bus that should be withheld from service. PUD shall document authorized corrective work and provide the District with the information needed for any required WSP follow-up. The District shall determine when a bus may return to student transportation, subject to applicable WSP inspection and permit requirements. If work constitutes a major repair, modification, rebuild, or interior renovation requiring inspection under WAC 392-143-040, the District shall arrange that inspection before the bus transports students.**3. EMPLOYMENT AND SUPERVISION**

3.1 PUD Employee

The Mechanic shall remain solely an employee of PUD. PUD shall be responsible for all matters relating to the Mechanic's employment, including wages, payroll, benefits, payroll taxes, workers' compensation, unemployment insurance, employment-related insurance, employee leave, and compliance with applicable employment laws and collective bargaining obligations.

3.2 Direction of Work

For purposes of day-to-day work performed under this Agreement, District may identify equipment requiring service and communicate desired work priorities.

PUD shall retain responsibility for the Mechanic's employment, personnel matters, technical supervision, safety policies applicable to PUD employees, scheduling, discipline, and other employer responsibilities.

Nothing in this Agreement creates an employer-employee relationship between District and the Mechanic.

3.3 Work Location

Services will ordinarily be performed at District facilities or other locations designated by District, including locations where District vehicles or equipment are reasonably located.

The Mechanic may also perform work at PUD facilities or other locations when reasonably necessary to complete a repair or obtain access to tools, equipment, parts, or specialized resources.

4. COMPENSATION AND REIMBURSEMENT

4.1 Fully Burdened Employee Cost

In consideration for the services provided under this Agreement, District shall reimburse PUD for the **fully burdened employee compensation cost** attributable to the Mechanic's services performed for District.

"Fully Burdened Employee Compensation Cost" means the actual cost incurred by PUD for the Mechanic for the hours attributable to District services, including, as applicable:

a. Regular wages;

b. Employer-paid payroll taxes;

c. Retirement contributions;

d. Health, dental, vision, and other employer-paid employee benefits;

e. Workers' compensation premiums or assessments;

f. Unemployment insurance;

g. Paid leave and other compensation costs attributable to the Mechanic's employment; and

h. Other customary employer-paid compensation costs reasonably allocable to the Mechanic.

PUD shall provide District with the applicable hourly fully burdened rate upon commencement of this Agreement and shall provide reasonable notice of material changes to that rate.

4.2 Billing

PUD shall invoice District monthly for services provided during the preceding month.

Invoices shall identify, at a minimum:

a. The dates services were performed;

b. The number of hours attributable to District services, itemized by District bus number, as applicable;

c. The applicable fully burdened hourly rate; and

d. Reimbursable mileage and other approved direct costs, if any.

District shall pay the undisputed amounts of properly supported invoices received by the fifteenth (15th) day of a month on the last business day of that month. Undisputed amounts of invoices received after the fifteenth (15th) day shall be paid on the last business day of the following month, subject to applicable public-agency payment and auditing requirements.

4.3 Mileage

District shall reimburse PUD for use of PUD vehicle and fuel by the Mechanic while traveling in a PUD or privately owned vehicle for authorized District-related business under this Agreement. A minimum one-hour truck fee shall be charged each day that the Mechanic reports to District facilities.

In special circumstances that may require the Mechanic to travel outside of Mason County on behalf of the District, the lesser of the PUD's hourly truck usage rate or mileage shall be calculated based upon actual miles driven for authorized District business and shall be reimbursed at the then-current mileage rate adopted by PUD or, if the Parties agree, the applicable Washington State Office of Financial Management mileage reimbursement rate.

As of July 1, 2026, the Washington OFM privately owned vehicle mileage rate is $0.76 per mile. The Parties may use the then-current OFM rate without amending this Agreement.

Mileage shall not include ordinary commuting between the Mechanic's residence and regular work location, except to the extent otherwise required by applicable law or PUD policy.

4.4 Parts and Materials

Unless otherwise agreed, District shall be responsible for the cost of parts, materials, specialized tools, outside vendors, towing, and other direct expenses necessary to maintain or repair District-owned equipment.

PUD shall obtain District authorization before incurring any individual expense exceeding **$500**, except where emergency action is reasonably necessary to prevent injury, substantial property damage, or additional equipment damage.

5. EQUIPMENT, TOOLS, AND FACILITIES

District shall make available, to the extent reasonably necessary, its vehicles, equipment, maintenance records, service histories, facilities, and other resources necessary for the Mechanic to perform authorized services.

PUD shall provide the ordinary tools and equipment customarily used by the Mechanic in the performance of the Mechanic's duties, unless the Parties agree otherwise.

Neither Party shall be required to purchase specialized equipment solely for purposes of this Agreement unless separately approved in writing.

6. SAFETY

Each Party shall be responsible for maintaining a safe work environment within the areas and facilities under its control.

District shall notify PUD of known hazardous conditions, hazardous materials, unusual equipment hazards, or other conditions that could reasonably affect the Mechanic's safety.

PUD shall remain responsible for its employee's compliance with applicable PUD safety policies and procedures.

The Parties shall cooperate in investigating any workplace accident or incident involving the Mechanic while performing services under this Agreement.

7. INSURANCE

Each Party shall maintain insurance coverage, or participate in a self-insurance program, sufficient to satisfy its obligations under applicable law and this Agreement.

Nothing in this Agreement shall be construed as requiring either Party to obtain insurance coverage that is unavailable to a public agency or inconsistent with its statutory authority or established risk-management program.

Upon reasonable request, each Party shall provide evidence of applicable insurance or self-insurance coverage.

8. INDEMNIFICATION

Each Party shall be responsible for its own acts and omissions and those of its officers, employees, and agents to the extent permitted by law.

Each Party agrees to defend, indemnify, and hold harmless the other Party, and its officers, officials, employees, and agents, from claims, demands, damages, losses, liabilities, or expenses, including reasonable attorneys' fees, to the extent caused by the negligent acts or omissions of the indemnifying Party or its officers, employees, or agents in the performance of this Agreement.

Neither Party shall be required to indemnify the other Party for the negligence or willful misconduct of the other Party or its officers, employees, or agents.

Nothing in this section shall be construed to require either Party to indemnify the other Party for liabilities arising beyond the extent permitted by Washington law.

9. OWNERSHIP OF EQUIPMENT

All District vehicles, equipment, tools, records, and other property provided by District shall remain the property of District.

All PUD vehicles, equipment, tools, records, and other property provided by PUD shall remain the property of PUD.

Nothing in this Agreement transfers title to any property between the Parties.

10. RECORDS

Each Party shall maintain records relating to its performance under this Agreement in accordance with applicable laws, regulations, records-retention schedules, and public-records requirements.

Records created or maintained by either Party may be subject to disclosure under the Washington Public Records Act and other applicable laws.

The Parties shall cooperate in responding to lawful requests for records relating to this Agreement.

11. TERM

This Agreement shall commence on **November 01, 2026**, following execution by both Parties and completion of any required approvals, and shall remain in effect through **October 31, 2027**, unless earlier terminated pursuant to this Agreement.

The Parties may extend the Agreement by written amendment approved by the governing bodies or authorized officials of both Parties.

12. TERMINATION

Either Party may terminate this Agreement without cause upon thirty (30) days' prior written notice to the other Party.

Either Party may terminate this Agreement immediately upon written notice if continued performance would violate applicable law or if the other Party materially breaches this Agreement and fails to cure the breach within thirty (30) days after receiving written notice describing the breach.

Upon termination, District shall pay PUD for all services properly performed and authorized expenses incurred through the effective date of termination.

Termination shall not relieve either Party of obligations that accrued before the effective date of termination.

13. ADMINISTRATION

Because this Agreement does not create a separate legal entity, the Parties designate the following representatives as responsible for administering the Agreement:

For PUD:
Public Utility District No. 1 of Mason County
Attn: Kristin Masteller
Title: General Manager
Address: 21971 N US Highway 101, Shelton, WA 98584
Email: kristinm@mason-pud1.org

For District:
Hood Canal School District No. 404
Attn: Dr. Lance Gibbon
Title: Superintendent
Address: 111 WA St. Rt. 106, Skokomish, WA 98584
Email: lgibbon@hoodcanalschool.org

The designated representatives may coordinate schedules, approve routine work requests, review invoices, and resolve day-to-day administrative matters. They may not materially amend this Agreement unless authorized to do so in writing by the respective governing bodies or officials with authority to approve such amendments.

14. NO SEPARATE LEGAL ENTITY

The Parties do not intend to create a separate legal or administrative entity through this Agreement.

Each Party shall retain its separate legal identity, powers, duties, and responsibilities.

Nothing in this Agreement shall be construed to create a partnership, joint venture, or other legal entity between the Parties.

15. APPROPRIATION AND FUNDING

Performance by each Party under this Agreement is subject to the availability and appropriation of legally available funds.

Neither Party shall be obligated to incur expenditures in excess of funds legally available for that purpose.

District's obligation to reimburse PUD shall be limited to services and expenses properly authorized and incurred under this Agreement.

16. COMPLIANCE WITH LAW

Each Party shall comply with all applicable federal, state, and local laws, regulations, rules, and policies in performing its obligations under this Agreement.

The Parties acknowledge that the District's participation in this Agreement is subject to the requirements applicable to Washington school districts, including applicable provisions of RCW Title 28A.

PUD shall prohibit any PUD employee assigned to work at a District public school who has contact with children at the school in the course of employment, and who has pled guilty to or been convicted of a felony crime specified in RCW 28A.400.322, from working at the school. PUD shall complete any record checks required by RCW 28A.400.303 for assigned personnel whose duties will involve regularly scheduled unsupervised access to children. Failure to comply with the first sentence is grounds for the District to terminate this Agreement immediately upon written notice, notwithstanding the cure period in Section 12.

17. NO THIRD-PARTY BENEFICIARIES

This Agreement is entered into solely for the benefit of the Parties.

Nothing in this Agreement is intended to create any rights or benefits for any third party.

18. DISPUTE RESOLUTION

The Parties shall attempt in good faith to resolve any dispute arising under this Agreement through discussions between their designated representatives.

If the representatives are unable to resolve the dispute, the matter shall be referred to the General Manager of PUD and the Superintendent of District, or their designees, for resolution.

Nothing in this section prevents either Party from pursuing any remedy otherwise available by law.

19. AMENDMENTS

This Agreement may be amended only by a written document signed by authorized representatives of both Parties and approved in accordance with each Party's applicable legal requirements.

20. NOTICES

All notices required under this Agreement shall be in writing and shall be delivered personally, by recognized overnight delivery service, or by email with confirmation of receipt, to the representatives identified in Section 13.

Either Party may change its notice information by written notice to the other Party.

21. FILING AND PUBLICATION

Following execution, the Parties shall take the actions necessary to satisfy the filing or electronic posting requirements applicable to interlocal agreements under RCW 39.34.040.

RCW 39.34.040 provides that, before an interlocal agreement enters into force, it must be filed with the county auditor or alternatively listed by subject on a public agency's website or other electronically retrievable public source.

22. FORCE MAJEURE

Neither of the Parties shall be liable nor deemed to be in default for any delay or failure in performance under the Agreement or other interruption of service or employment resulting, directly or indirectly, from acts of God, civil or military authority, acts of the public enemy, terrorism, bomb threats, computer virus, epidemic, power outage, acts of war, accidents, fires, explosions, earthquakes, floods, failure of transportation, machinery, or supplies, vandalism, strikes or other work interruptions by the employees of any party, or any other cause beyond the reasonable control of the party affected thereby. However, each party shall utilize its best good faith efforts to perform under this Agreement in the event of any such occurrence or circumstance.

23. SEVERABILITY

If any provision of this Agreement is determined to be invalid or unenforceable, the remaining provisions shall remain in full force and effect to the maximum extent permitted by law.

24. ENTIRE AGREEMENT

This Agreement constitutes the entire agreement between the Parties concerning the subject matter addressed herein and supersedes all prior oral or written understandings concerning that subject matter.

25. COUNTERPARTS AND ELECTRONIC SIGNATURES

This Agreement may be executed in counterparts, each of which shall be deemed an original and all of which together shall constitute one agreement.

Electronic signatures may be used to the extent permitted by applicable law and the policies of the Parties.

26. AUTHORITY

The individuals signing below represent and warrant that they have authority to execute this Agreement on behalf of their respective public agencies.

IN WITNESS WHEREOF, the Parties have executed this Interlocal Agreement as of the dates set forth below.

PUBLIC UTILITY DISTRICT NO. 1 OF MASON COUNTY

By: _____

Kristin Masteller, General Manager
Public Utility District No. 1 of Mason County
Address: 21971 N US Highway 101, Shelton, WA 98584
Email: kristinm@mason-pud1.org

HOOD CANAL SCHOOL DISTRICT NO. 404

By: _____

Name: Dr. Lance Gibbon
Title: Superintendent
Date: 10/19/2026

PUD1 – Executive Summary – September 2026

This report summarizes information on the current financial status of Mason County PUD No. 1 for the month of September 2026:

- **Work in Progress:**
  - Grant Applications – Ongoing
  - 2025 Accountability Audit
  - 2027 Budget

- **Completed Projects:**
  - 2026 Budget
  - 2025 Privilege Tax Return (Due 02-25-26)
  - 2025 Annual Report – Internal
  - 2025 EIA Report (Due 04-30-26)
  - 2025 Form 7 (Due 03-31-26)
  - 2025 Annual Report – State Auditor (Due 05-30-26)
  - 2025 Financial & Federal Single Audit

Financial Highlights:

- Revenue – Gross Revenue was $954,363 for the month of September 2026.
- Expenditures –Gross expenditures were $1,169,142 for the month of September 2026.
- As of September the PUD has $1,788,631 grant reimbursements outstanding for ongoing projects, which is an equivalent of about 60 days of our cash on hand*.

Financial Metrics as Compared with Prior Year:	September 2026	September 2025
Total General Cash and Investments	$1,277,901	$855,399
Current Ratio (Current Assets/Current Liabilities)	1.38 to 1	1.46 to 1
Debt Service Coverage (O&M/ Debt Service)	2.85	3.34
Long-Term Debt to Net Plant	24%	24%
Total Debt to Equity Ratio (Total Liabilities/Total Equity)	34%	36%
Long Term Debt to Equity Ratio (Long Term Debt / Total Equity)	29%	25%
Times Interest Earned Ratio (Earnings before Interest & Taxes/Total Interest)	2.87	5.95
Cash on Hand (Total Available Cash/Average Daily Costs) ***Includes Days Cash on Hand from Outstanding Grant Reimbursements**	75 Days (General) 201 Days (All Funds)	78 Days (General) 200 Days (All Funds)

Mason County PUD No 1

Budget Summary by Division For the Month Ended September 30, 2026

	Electric	Water	Sewer	Totals
Total Revenue	$ 741,578.41	$ 211,805.82	$ 979.17	$ 954,363.40
Budgeted	$ 822,902.18	$ 297,918.32	$ 977.70	$ 1,121,798.20
Difference (-/+)	$ (81,323.77)	$ (86,112.50)	$ 1.47	$ (167,434.80)
% of Budget	90%	71%	100%	85%
Total Expenditures	$ 889,965.01	$ 277,310.13	$ 1,866.39	$ 1,169,141.53
Budgeted	$ 899,457.03	$ 237,952.78	$ 1,413.91	$ 1,138,823.72
Difference (-/+)	$ (9,492.02)	$ 39,357.35	$ 452.48	$ 30,317.81
% of Budget	99%	117%	132%	103%
Net Operating Margins	$ (148,386.60)	$ (65,504.31)	$ (887.22)	$ (214,778.13)
Budgeted	$ (76,554.85)	$ 59,965.54	$ (436.21)	$ (17,025.52)
Difference (-/+)	$ (71,831.75)	$ (125,469.85)	$ (451.01)	$ (197,752.61)
% of Budget	194%	-109%	203%	1262%

Mason County PUD No. 1

Status of Budget

As of September 30, 2026

ELECTRIC DIVISION

	3rd Quarter 2026	3rd Quarter Budget	% of 3rd Qtr Budget	2026 Actuals	2026 Budget	% of Annual Budget
Revenue	2,426,251.54	2,407,132.94	101%	8,940,463.75	12,081,264.99	74%
Expenditures						
Distribution Operating & Maintenance	341,881.70	524,273.14	65%	1,175,666.42	1,996,340.83	59%
Energy Services	673,759.11	706,795.00	95%	2,615,534.23	4,366,822.00	60%
General & Administrative	697,988.65	734,686.56	95%	2,121,006.88	2,690,188.65	79%
Tax, Depreciation, & Interest	716,313.94	649,531.78	110%	2,219,682.63	2,685,839.02	83%
TOTAL EXPENDITURES	$ 2,429,943.40	$ 2,615,286.48	93%	8,131,890.16	$ 11,739,190.50	69%
NET OPERATING MARGINS	$ (3,691.86)	$ (208,153.54)	2%	808,573.59	$ 342,074.49	236%

Mason County PUD No. 1

Status of Budget

As of September 30, 2026

WATER DIVISION

	3rd Quarter 2026	3rd Quarter Budget	% of 3rd Qtr Budget	2026 Actuals	2026 Budget	% of Annual Budget
Revenue	910,950.78	940,754.96	97%	2,475,212.53	3,242,799.39	76%
Expenditures						
Distribution Operating & Maintenance	268,035.76	237,144.89	113%	717,708.84	955,984.66	75%
Energy Services	53,900.35	49,000.00	110%	137,386.90	186,000.00	74%
General & Administrative	193,650.11	218,462.29	89%	588,750.21	778,987.30	76%
Tax, Depreciation, & Interest	257,629.30	216,777.27	119%	738,666.55	899,820.94	82%
TOTAL EXPENDITURES	$ 773,215.52	$ 721,384.45	107%	2,182,512.50	$ 2,820,792.90	77%
NET OPERATING MARGINS	$ 137,735.26	$ 219,370.51	63%	292,700.03	$ 422,006.49	69%

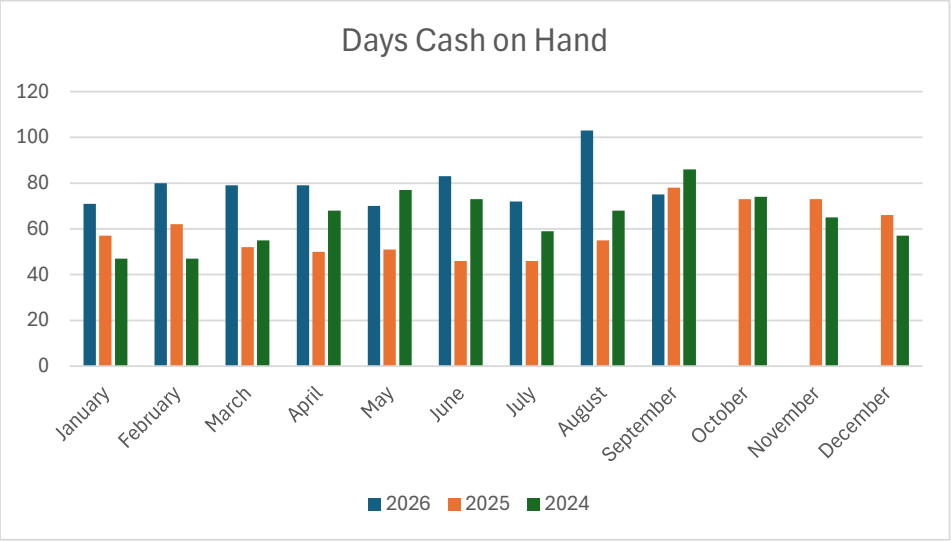
Mason County PUD No. 1

Status of Budget

As of September 30, 2026

SEWER DIVISION

	3rd Quarter 2026	3rd Quarter Budget	% of 3rd Qtr Budget	2026 Actuals	2026 Budget	% of Annual Budget
Revenue	2,937.66	2,933.10	100%	8,804.22	11,312.00	78%
Expenditures						
Distribution Operating & Maintenance	2,226.20	1,713.00	130%	4,536.43	5,850.00	78%
Energy Services	195.15	193.74	101%	592.74	775.00	76%
Tax & Depreciation	108.96	108.99	100%	326.88	2,473.00	13%
TOTAL EXPENDITURES	$ 2,530.31	$ 2,015.73	126%	$ 5,456.05	$ 9,098.00	60%
NET OPERATING MARGINS	$ 407.35	$ 917.37	44%	$ 3,348.17	$ 2,214.00	151%

Days Cash on Hand

	January	February	March	April	May	June	July	August	September	October	November	December
2026	71	80	79	79	70	83	72	103	75			
2025	57	62	52	50	51	46	46	55	78	73	73	66
2024	47	47	55	68	77	73	59	68	86	74	65	57