

MINUTES OF REGULAR MEETING OF COMMISSIONERS  
OF PUBLIC UTILITY DISTRICT NO. 3  
OF MASON COUNTY, WASHINGTON

President Farmer called a regular meeting of the Mason County PUD No. 3 board of commissioners to order at 10:00 a.m. The meeting was held in the PUD 3 auditorium, at 2621 E Johns Prairie Road in Shelton, Washington, on Tuesday, April 28, 2015.

District officers present were: Commissioners, Thomas J. Farmer, Linda R. Gott and Bruce E. Jorgenson. Manager Annette Creekpaum; Finance Manager/Auditor Sherry Speaks; Treasurer Brian Taylor; and Attorney Rob Johnson.

The following PUD 3 personnel were present: Director of Business Services John Bennett; Customer Service Manager Diane Hennessy; Energy Services Manager Justin Holzgrove; Public Information & Government Relations Manager Joel Myer; Director of Engineering Terry Peterson; Power Supply Manager Matt Samuelson; Risk Manager Bob Smith; Director of Business Operations Michelle Wicks and Executive Assistant/Records Supervisor Lynn Eaton (recorded minutes).

A member of the public in attendance was Dedrick Allan of *Mason WebTV*.

MODIFICATION AND/OR APPROVAL OF AGENDA

The agenda was approved as presented. . It was noted that an executive session was scheduled for the purposes of item 42.30.110(1)(c) to consider the minimum price at which real estate will be offered for sale or lease. The estimated time is ten minutes with no action to follow.

CONSENT AGENDA

Mr. Farmer reviewed the items listed on the consent agenda Mr. Jorgenson moved, motion seconded by Ms. Gott, to adopt the consent agenda. MOTION PASSED UNANIMOUSLY. By adopting the consent agenda, the following items were approved:

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| a. Minutes of the April 14, 2015, regular commission meeting.  |                          |
| b. Voucher Nos. (dated April 21, 2015) 131851 through 131930<br>(Includes electronic funds transfer payment Nos. 1573-1576.) | — \$ 351,588.65          |
| c. Voucher Nos. (dated April 28, 2015) 131931 through 132028<br>(Includes electronic funds transfer payment Nos. 1577-1581.) | — <u>\$ 1,284,952.31</u> |
|  | TOTAL \$ 1,636,540.96    |
| d. Void accounts payable check for the week ending April 24, 2015, in the total amount of \$531.69.                          |                          |

\* Vouchers audited and certified by the district auditing officer as required by RCW 42.24.080, and those expense reimbursement claims certified as required by RCW 42.24.090, have been recorded on a listing which has been made available to the board.

COMMENTS FROM PUBLIC

No comments from the public.

STAFF REPORTS

Mr. Samuelson presented the power situation statement for March of 2015.

Mrs. Creekpaum relayed that Simpson Lumber announced the sale of the Shelton mills to Sierra Pacific who plan to rebuild a state-of-the-art facility at the waterfront location in downtown Shelton. Staff will be talking with the new owners to determine load requirements of the new operations in order to avoid negative impacts under the Bonneville Power Administration (BPA) power sales contracts.

Mrs. Creekpaum shared that the Economic Development Council will be working with the Pacific Mountain Workforce Development Council, the Department of Commerce and the Governor's office in order to identify funding and services for the displaced Simpson employees.

At Mrs. Creekpaum's request, Mr. Myer gave a legislative update to commissioners, highlighting various bills that are of interest to the utility.

Mrs. Creekpaum reported on the engineering applications through March. She explained that year-to-date, the engineering department has received 447 applications compared to 404 during the same period last year.

Mrs. Creekpaum reported that PUD 3 was named in a lawsuit to keep grid modernization bid documents from being released to third party requesters under the Public Records Act. Mason County Superior Court granted the

initial restraining order to petitioners until a later court date, however both requesters withdrew their requests causing both lawsuits to be dismissed.

Mrs. Creekaum informed commissioners that staff participated in three days of workshops with the enterprise software provider NISC last week as part of the grid modernization project. She was impressed with what the company can provide to integrate all applications utility-wide. Staff will be conducting more research on pricing and interviewing other utilities that have worked with NISC.

At Mrs. Creekaum's request, Mr. Holzgrove spoke to commission about community solar and what a potential program would look like for PUD 3 to offer to its customers. Mr. Holzgrove explained that community solar is a great option for customers looking to use solar energy but who have barriers to installing a solar PV system at their home such as: financial, site restrictions, inadequate roof, or renting. The program allows a group of people to pool resources to purchase solar units, take advantage of renewable incentives, annual billing credits, and self-consumption the production from the array. One benefit to the PUD is the ability to utilize the Renewable Energy Credits (RECs) at a x2 multiplier. PUD 3 is looking into installing a 75kw system on the roof of one of the truck bays at the Johns Prairie Operations Center. The roofs were built with infrastructure to accommodate more solar arrays including the racking and conduit to the electrical room. Mr. Holzgrove explained that staff will be requesting bids in May and expecting to report back to commission in June. If approved, the goal would be to begin operation in the fall or winter of 2015.

Mrs. Creekaum reported that the utility was approached by a commissioner from Jefferson PUD about participating in a grant to install Electric Vehicle (EV) charging stations along the Olympic Peninsula. Staff will be meeting with him to investigate the options.

#### COMMISSION REPORT

Ms. Gott reported her attendance at the Energy Northwest meetings in the Tri-Cities last week. She said the Columbia Generating Station is on track to achieve its first breaker-to-breaker run. This means that the power plant has not had any unplanned shutdowns which is unusual for a nuclear plant.

#### GOOD OF THE ORDER

After a calendar review and with no further business appearing, the commission took a short break at 10:36.

Upon return, the commission went into executive session at 10:41 for the purposes of item 42.30.110(1)(c) to consider the minimum price at which real estate will be offered for sale or lease.

The executive session adjourned at 10:51 and the regular meeting reconvened. With no further business appearing, the commission meeting adjourned at 10:51.

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Thomas J. Farmer, President

ATTEST:

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Bruce E. Jorgenson, Vice President

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Linda R. Gott, Secretary