

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

President Gott 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, December 13, 2016.

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 Robert Johnson.

The following PUD 3 personnel were present: Director of Business Services John Bennett; Director of Business Operations Michelle Burlison; Customer Service Manager Diane Hennessy; Engineering Services & Community Relations Manager Justin Holzgrove; Director of Engineering and Utility Services Dale Knutson; Public Information & Government Relations Manager Joel Myer; Energy Resource Manager Michele Patterson; Director of Engineering Terry Peterson; Records Coordinator Jennifer Renecker; Safety Manager Bob Smith; and Administration & Communication Services Manager Lynn Eaton (recorded minutes).

A member of the public in attendance was Randy Lewis of Shelton.

MODIFICATION AND/OR APPROVAL OF AGENDA

The agenda was approved as presented. It was noted that an executive session would be held as authorized by the Open Public Meetings Act, RCW 42.30.110 (1) (g) to review the performance of a public employee. The executive session is estimated to last approximately 15 minutes, with possible action to follow.

CONSENT AGENDA

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

- a. Minutes of the November 22, 2016, regular commission meeting.
  - b. Voucher Nos. (dated November 29, 2016) 139515 through 139606 — \$ 1,120,318.17  
(Includes electronic funds transfer payment Nos. 5119-5274.)
  - c. Voucher Nos. (dated December 6, 2016) 139607 through 139666 — \$ 232,891.07  
(Includes electronic funds transfer payment Nos. 5275-5278.)
  - d. Voucher Nos. (dated December 13, 2016) 139667 through 139804 — \$ 2,823,639.65  
(Includes electronic funds transfer payment Nos. 5279-5441.)
- TOTAL \$ 4,176,848.89
- e. Void accounts payable check for the week ending November 23, 2016, in the total amount of \$17.18. Void accounts payable checks for the week ending December 8, 2016, in the total amount of \$872.45.

\* 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 THE PUBLIC

No public comment.

ACTION ITEMS

Recommendation was made to adopt Resolution No. 1677, "A Resolution Establishing Positions and Grades for Supervising and Non-Union Employees." These positions are as planned for in the 2017 budget.

Mr. Jorgenson moved, motion seconded by Mr. Farmer, to adopt Resolution No. 1677, "A Resolution Establishing Positions and Grades for Supervising and Non-Union Employees." MOTION PASSED UNANIMOUSLY.

Resolution No. 1678, "A Resolution Establishing the 2017 Non-Union Compensation Plan," was presented for consideration. The resolution sets compensation levels as adopted by the 2017 budget.

Mr. Farmer moved, motion seconded by Mr. Jorgenson, to adopt Resolution No. 1678, "A Resolution Establishing the 2017 Non-Union Compensation Plan." MOTION PASSED UNANIMOUSLY.

A recommendation was then made to adopt Resolution No. 1679, "A Resolution Authorizing Nonstandard Discretionary Compensation and Benefits."

Mrs. Creekpau explained that this is a resolution that has been prepared with input from the District's attorney Rob Johnson and memorializes current practices. She noted that the resolution addresses unplanned facilities closures as well as half day holiday schedules.

Ms. Gott moved, motion seconded by Mr. Farmer to adopt Resolution No. 1679, "A Resolution Authorizing Nonstandard Discretionary Compensation and Benefits." MOTION PASSED UNANIMOUSLY.

Recommendation was made to authorize an interlocal agreement with the Mason Transit Authority (MTA) for an Electric Vehicle Charging Station project.

Mrs. Creekpau noted that the project has been in the works for over a year. She explained that MTA will pay for the cost of power, while the PUD will pay for the charging stations. Mr. Holzgrove noted that the stations will be located at the MTA's parking plaza in downtown Shelton and will serve to provide for a service for owners of electric vehicles to make it up and around the peninsula. He also made note that MTA also has plans to place a level 3 charging station at their hub in North Mason.

After a brief discussion, Mr. Farmer moved, motion seconded by Mr. Jorgenson to authorize the manager to sign an interlocal agreement with the Mason Transit Authority (MTA) for an Electric Vehicle Charging Station project. MOTION PASSED UNANIMOUSLY.

#### STAFF REPORTS

Mrs. Creekpau asked the commission for a motion to authorize the manager to sign a lease agreement with the Economic Development Council of Mason County to allow for co-locating in a portion of the payment center downtown Shelton at 310 W. Cota Street. She informed the commission that the terms of the lease would include \$700 per month for three years for the exclusive use of approximately 700 square feet, plus shared space. The district will pay all utilities except phone and internet.

Mr. Farmer moved, motion seconded by Ms. Gott to authorize the manager to enter into a lease agreement with the EDC based on the terms outlined in the document. THE MOTION PASSED UNANIMOUSLY.

Mrs. Creekpau proposed a regular commission meeting schedule for 2017. She noted that commission can consider the proposal until next meeting, and if accepted, it would avoid conflicts and the need to cancel and schedule special meetings. The schedule will be presented as a resolution at the next meeting and will be posted on the website if adopted.

Mrs. Creekpau reported on the progress with the grid modernization project. She said approximately 7,000 meters have been installed; which is nearly 20 percent of the Districts system. She also shared that 7 of the 11 collectors and 90 of the 218 routers have been installed.

At Mrs. Creekpau's request, Mr. Myer reminded the commission of the process for notifying customers. He explained that staff gave careful consideration to ensure that adequate notice was given to customers. He share that first customers will receive a detailed letter approximately one month prior to installation. Second, they will receive a post card one week in advance letting them know they are scheduled within the next week and to call the office if they have any concerns or questions. Finally on the day of installation, the meter installers (who work in pairs) will knock on the door and/or ring the doorbell to notify the occupant that power will be disrupted briefly. If no one is home, the installers will proceed with changing the meter and leave a door hanger letting the customer know they were there.

Mr. Peterson explained that after each letter mailing he receives a handful of calls from customers with questions or requests to schedule their change out. He said we are very willing to work with customers who need to schedule due to working from home, etc.

At Mrs. Creekpau's request, Mr. Myer spoke about the plans for Hydro Appreciation Day. He spoke about the need to bring awareness to the management of the Columbia River and highlight the benefits of the dams. He pointed out that PUD 3 customers, Public Power Utilities in the region and the Bonneville Power Administration are spending a lot of money on fish and wildlife efforts and it is working. There are more fish in the Columbia River than at any time since the first lower dam was built at Bonneville in 1938. He shared that staff is also developing a salmon video to help educate our customers.

Mr. Myer then gave a legislative report. He reported on issues that may be impacting the industry and PUD 3.

#### COMMISSIONERS' REPORT

Mr. Farmer reported his attendance at the Northwest River Partners scoping meeting.

Ms. Gott reported that she will be attending an Energy Northwest meeting and a NoaNet meeting.

#### GOOD OF THE ORDER

After a calendar review and with no further business appearing, the commission took a short break at 10:27.

Upon return, the commission went into executive session at 10:31 for the purposes of item 42.30.110(1)(g) to review the performance of a public employee. The executive session is estimated to last approximately 15 minutes, with possible action to follow.

At 10:46 it was announced that the commission would continue to meet in executive session for five more minutes.

At 10:51 it was announced that the commission would continue to meet in executive session for ten more minutes.

At 10:59 the executive session adjourned and the regular meeting reconvened.

Mr. Jorgenson moved, motion seconded by Ms. Gott to set the managers salary at \$195,000 effective December 16, 2016 and directed the attorney to modify the manager's contract and review her performance with her. The MOTION PASSED with Mr. Farmer voting no.

With no further business appearing, the commission meeting adjourned at 11:01.

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Linda R. Gott, President

ATTEST:

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Bruce E. Jorgenson, Vice President

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Thomas J. Farmer, Secretary