

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

President Bruce Jorgensen called a regular meeting to order on 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, June 12, 2018.

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

The following PUD 3 personnel were present: Director of Business Services John Bennett; Contracts and Purchasing Manager Nancy Bolender; Director of Business Operations Michelle Burleson; Communications & Community Relations Coordinator Asia Cline; Engineering Manager Tim DeVries; Assistant Public Information & Government Relations Manager Lynn Eaton; Customer Service Manager Diane Hennessy; Telecommunications & Community Relations Manager Justin Holzgrove; Director of Engineering and Utility Services Dale Knutson; Operations Manager Chris Miller; Public Information & Government Relations Manager Joel Myer; Energy Services Manager Michele Patterson; Administration Services Manager Mary Taylor (recorded minutes).

Members of the public in attendance were: Randy Lewis of Shelton

MODIFICATION AND/OR APPROVAL OF AGENDA

The agenda was approved as presented.

CONSENT AGENDA

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

- a. Minutes of the May 29, 2018 commission workshop
- b. Voucher Nos. (June 5, 2018) 146256 through 146291 \$ 74,048.76  
(Includes electronic funds transfer payment Nos. 12331-12348)
- c. Voucher Nos. (June 12, 2018) 146292 through 146378 \$ 2,627,885.22  
(Includes electronic funds transfer payment Nos. 12349-12520)
- TOTAL \$ 2,701,933.98
- d. Void accounts payable checks for the week ending June 1, 2018, in the total amount of \$5,185.22.

\* 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 Purchase Harris/Tait digital Radio System through cooperative purchasing agreement with Houston –Galveston Area Council (HGAC).

Mrs. Creekpau stated that the radio purchase has been a project 10 years in the making and noted that this purchase has been discussed at previous commission meetings.

Mr. Knutson provided a presentation on the process by PUD 3 to bring this strategic initiative to fruition. He explained that the current radio system has been utilized since the 1960's and is now obsolete. A new system, simulcast digital mobile radio/tier 3, will allow PUD 3 to be compliant with WAC 296-45-335, required communications coordination for personnel in the field. The coverage and reliability will improve greatly. The new radios will utilize the existing PUD fiber network and coordinates with the Advanced Metering Infrastructure (AMI) completion. There will be capacity for future growth and inter-operability with other agencies. PUD 3 will utilize the cooperative purchasing agreement with HGAC which has previously completed a national bid process that ensures best prices in the nation. The cost of the system is \$611,502.95 plus tax.

Mr. Farmer motioned to approve the purchase of the Harris/Tait Digital Radio System through the cooperative purchasing agreement with HGAC, in the amount of \$611,502.95, seconded by Ms. Gott. After a short discussion MOTION PASSED UNANIMOUSLY.

#### STAFF REPORT

Mrs. Creekpau reported that court proceedings are complete in the Webster vs PUD 3 small claims court case. Mr. Webster filed claims of extortion and trespassing by PUD 3. The court dismissed the case.

Mr. Johnson stated that he was allowed to represent the PUD and Mr. Webster represented himself. Colleen Walls was present and requested to testify but was advised by the judge that she had nothing to effectively contribute and was denied the request. Mr. Webster read letters that had previously been mailed to the PUD detailing information about not accessing his property and the installation of AMI meters. Judge Meadows listened to Mr. Webster's testimony and dismissed the case without requiring the PUD to provide any further documentation. Judge Meadows stated that if Mr. Webster did not want to work with PUD 3 then he could live off the grid. She also stated that PUD 3 is not harassing him, rather he is harassing the PUD.

Mrs. Creekpau said that she along with Michele Patterson and Linda Gott attended the Northwest Public Power Association (NWPPA) workshop on high density loads (HDL).

Mrs. Creekpau reported that PUD 3 is in the process of updating its pole attachment program, which will require new standards for authorized entities using the PUD's poles. The reason for the update is that the current program and corresponding agreements were developed decades ago. Since that time, State laws and National Electric Safety Code (NESC) requirements have changed, and attachment practices have evolved. In order for PUD 3's pole attachment program to reflect current joint use practices, laws, and code, it must terminate the old agreements and will refer to current service rules and regulations. Letters will be mailed to current pole attachment users with twelve months' written notice of the change which is six months longer than the required notification. There is no rate change with this cleanup program.

Mrs. Creekpau stated that the Judge Simon spill experiment is underway. The original estimated cost was 40 million and is now estimated at 10 million. In June, The Bonneville Power Administration (BPA) will charge utilities for the next four (4) months. In 2017, Resolution No. 1693 was passed that allows passing on such fees to ratepayers. We are currently working with NISC to create a line item on the ratepayers bill to reflect this charge. The spill surcharge ordered thru the court will appear on the August through November bills and will be between \$1.00 and \$1.50 per month.

At Mrs. Creekpaum's request, Mr. Myer reported on the PUD participation in the Forest Festival parade. Mr. Myer congratulated Asia Cline on her coordination efforts for this year's PUD entry into the parade. The theme was focused on the osprey camp and tree trimming efforts. The PUD took first place in its division.

At Mrs. Creekpaum request, Mr. Holzgrove reported on the Community Economic Revitalization Board (CERB). He explained that CERB is a low interest loan/grant program to local governments and federally recognized Indian tribes, financing the cost to build infrastructure to provide high-speed broadband service to rural communities. Although PUD 3 being approved is not expected, a grant request will be submitted. This is an opportunity to share the programs that PUD 3 has to offer. Commission approval will be required to submit the request for funding.

At Mrs. Creekpaum's request, Mr. Taylor reported on a revised interlocal agreement coming from Public Utility Risk Management Services (PURMS). Mr. Taylor said the three primary revisions to the agreement dealt with adding additional voting procedures; adding language to allow PURMS to acquire additional insurance as allowed by law and giving the executive committee authority to interpret and apply the interlocal agreement and other program documents to resolve or harmonize any apparent inconsistencies or ambiguous terms or provisions within a program document.

At Mrs. Creekpaum's request, Mr. Myer provided a legislative update. Mr. Myer stated that recent political remarks made at the G7 Summit about Canada are causing concerns with the negotiations on the Columbia Treaty contract. He said that carbon fee pricing signatures for Initiative 1631 are being sought. There is speculation that not enough signatures will be received by the July 1 deadline.

Mrs. Creekpaum reported on two (2) customer's comments recently received. The first comment was from a Belfair customer that has opted in to AMI metering. He was under the impression that PUD 3 could monitor and control his house but has now been educated in the matter and would like to receive the benefits of the new metering. The second comment was a thank you for continued tree trimming efforts and appreciation of no power outages in the Big Skookum Road area due to the proactive work.

#### COMMISSIONERS' REPORT

Ms. Gott reported that she spoke to the Pioneer Kiwanis group about Fiberhood, broadband, carbon initiative, and grid modernization. She also stated that she attended the HDL workshop at NWPPA.

Mr. Farmer reported that he attended the auditors entrance conference last week along with Commissioner Gott and Commissioner Jorgensen.

#### FUTURE AGENDA ITEMS

Ms. Gott requested a fleet update at a future meeting.

#### GOOD OF THE ORDER

After a calendar review and with no further business appearing, the meeting adjourned 10:59 a.m.

---

Bruce E. Jorgenson, President

ATTEST:

---

Thomas J. Farmer, Vice President

---

Linda R. Gott, Secretary