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 (Skookum Room) at 2621 E Johns Prairie Road in Shelton, Washington, on Tuesday, September 24, 2019.

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

The following PUD 3 personnel were present: Director of Business Operations Michelle Burleson; Asst. Public Information & Gov Relations Manager Lynn Eaton; Customer Service Manager Diane Hennessy; Telecommunications & Community Relations Manager Justin Holzgrove; Director of Engineering & Utility Services Dale Knutson; Conservation Manager Koral Miller; Network Systems & Cyber Security Administrator Joel Moore; Public Information & Gov Relations Manager Joel Myer; Power Manager Michele Patterson; Customer Service Revenue Protection Supervisor Jennifer Renecker; Administration Services Manager Mary Taylor-Monger (recorded minutes).

Members of the public in attendance were: Dedrick Allen of Mason Web TV, Randy Lewis of Shelton

MODIFICATION AND/OR APPROVAL OF AGENDA

The agenda was approved as presented.

CONSENT AGENDA

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

a. Minutes of the September 10, 2019 public hearings and regular commission meeting.

b. Voucher Nos. (September 17, 2019) 151461 through 151544  $2,972,550.89
   (Includes electronic funds transfer payment Nos. 18442-18641)

c. Voucher Nos. (September 24, 2019) 151545 through 151625  $856,528.40
   (Includes electronic funds transfer payment Nos. 18642-18656)

   TOTAL  $3,829,079.29

d. Void accounts payable checks for the week ending September 13, 2019 in the total amount of $58,299.63.

e. Governance Policy Expense Approval

*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 was given.

ACTION ITEMS

Recommendation was made to Adopt Resolution No. 1742, A Resolution “Adopting the budget for the fiscal year 2020 as presented and/or amended.”

Mrs. Creekpaum reported that the budget was discussed at the September 10, 2019 hearing and reiterated that it began with a $2.4 negative amount but was reduced to zero with cuts.

At Mrs. Creekpaum’s request, Mrs. Speaks reviewed the 2020 proposed budget. She stated that the proposed budget is $77.6 million, which is a 2.7 percent increase over the 2019 budget. Mrs. Speaks outlined the factors effecting the budget: Increase in kWh sales; renewable energy mandates; BPA Finance Reserve Surcharge; expiration of the payment from the Bonneville Power Administration (BPA) for Residential exchange program; completion of the Totten substation; grid modernization; supervisory control and data acquisition (SCADA); Community Economic Revitalization Board (CERB); and the addition of a boring and line crew.

Mr. Farmer commented on the long budget process and hard work by staff. He expressed appreciation for no rate increases over the last three years.

After a brief discussion, Ms. Gott motioned, seconded by Mr. Farmer to approve Resolution No. 1742, A Resolution “Adopting the budget for the fiscal year 2020 as presented and/or amended.” MOTION PASSED UNANIMOUSLY.
Recommendation was made to Adopt Resolution No. 1743, A Resolution “Revising certain rate schedules and establishing schedule 27 (a rate schedule for public electric vehicle charging).”

Mrs. Creekpaum said the rate schedule includes a ten cent ($0.10) per day increase in the daily system charge for rate schedules 12, 21, and 61 that will be effective with meter readings on and after October 1, 2019. A new rate schedule 27 to establish a rate for public electric vehicle (EV) charging equipment. The schedule has clarifying language and/or change titles in schedules 20, 21, 24, and 61 for increased transparency and ease of understanding.

Mr. Jorgenson moved, seconded by Ms. Gott to approve Resolution No. 1743, A Resolution “Revising certain rate schedules and establishing schedule 27 (a rate schedule for public electric vehicle charging).” After a brief discussion, MOTION PASSED UNANIMOUSLY.

STAFF REPORT

At Mrs. Creekpaum’s request, Mrs. Speaks reviewed the status of the budget as of August 31, 2019, with the commission. The month-end receipts for August were $5 million, expenditures were $5.6 million. Finishing the month of August with a negative budget balance of $598,410.

Mrs. Speaks then provided the treasurer’s report of funds through August 2019. The opening cash balance for August was $3.3 million and was $2.8 million at month’s end. The total of all funds at month-end were $31 million.

Mrs. Creekpaum announced that after a year of efforts, the communications team earned the 2019 Tom Hougan Award for the best overall communication effort at the Northwest Public Power Association’s Communications & Energy Innovations conference. This is the second largest award competition in the United States.

At Mrs. Creekpaum’s request, Mrs. Hennessy reported on the upcoming Shuck and Share 5K fundraiser. She stated that this is the sixth year of the event that raises money for the Project Share fund, assisting low income customers with their power bills. It is a successful event with the help of over twenty PUD 3 employee volunteers and community donations.

At Mrs. Creekpaum’s request, Mr. Myer reported on a recent EE News publication. EE News wrote an inaccurate story about the financial health of the Bonneville Power Administration. Scott Simms, Public Power Council and Debra Smith of Seattle City Light issued an Op/Ed to the Seattle Times. They noted that BPA is working with its customers and partners to control costs, but this should not be considered something akin to financial problems.

The intent is to:

- Sustain competitiveness in the energy marketplace for its clean, renewable energy.
- Retain the value of cost-based, reliable, baseload energy for public power customers in the Pacific Northwest.
- Continue funding for the largest regionally-funded endangered species recovery effort in the nation.
- A call for regional cooperation in maintaining the successful mission of the Bonneville Power Administration.

At Mrs. Creekpaum’s request, Ms. Patterson provided commission with a power situations statement and fuel mix disclosure.

COMMISSIONERS’ REPORT

Mr. Jorgenson reported on the recent passing of Lewis County PUD Commissioner Dean Dahlin.

Ms. Gott reported that she attended the NoaNet meeting on September 12 where discussions ensued regarding the optional merger/acquisition with Energy Northwest.

Mr. Farmer reported that he attended the Washington Public Utilities District Associations (WPUDA) meetings in Kitsap County. He also attended the NoaNet meeting via phone conference.

DISCUSSION ITEMS

No items were discussed.

GOOD OF THE ORDER

With no further business appearing, the commission meeting adjourned at 10:30 a.m.