

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, May 12, 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; Public Information & Government Relations Manager Joel Myer; Director of Engineering Terry Peterson; Records Coordinator Jennifer Renecker; Power Supply Manager Matt Samuelson; Director of Business Operations Michelle Wicks and Executive Assistant/Records Supervisor Lynn Eaton (recorded minutes).

No members of the public were in attendance.

MODIFICATION AND/OR APPROVAL OF AGENDA

The agenda was approved as presented.

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 28, 2015, regular commission meeting.  |                          |
| b. Voucher Nos. (dated May 5, 2015) 132029 through 132107<br>(Includes electronic funds transfer payment Nos. 1582-1584.)  | — \$ 339,078.10          |
| c. Voucher Nos. (dated May 12, 2015) 132108 through 132214<br>(Includes electronic funds transfer payment Nos. 1585-1605.) | — <u>\$ 1,129,863.21</u> |
|  | TOTAL \$ 1,468,941.31    |
| d. Void accounts payable check for the week ending May 1, 2015, in the total amount of \$400.00.                           |                          |

\* 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

Mrs. Speaks reviewed the status of the budget as of April 30, 2015, with the commissioners. Month-end receipts were approximately \$5.3 million, while expenditures were approximately \$5.5 million leaving the month with a negative budget balance of (\$216,377). The year-to-date budget balance is positive at \$709,851 which is higher than the same period last year.

Mr. Taylor gave the treasurer's report of funds through April 2015. The beginning cash balance was \$4.9 million, ending cash balance was \$5.0 million. The total investments equaled \$11.9 million and the total of all funds at month-end were \$37.1 million.

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 April. She explained that year-to-date, the engineering department has received 558 applications compared to 501 during the same period in 2014.

Mrs. Creekpaum reported that staff met with Jefferson County PUD commissioner Barney Burke last week regarding a grant proposal he is spearheading to place fast-charging, level III Electric Vehicle (EV) charging stations along the Olympic Peninsula. Mrs. Creekpaum explained that there is a court case on record that prohibits public utilities from participating in this type of function, so Mason PUD 3 will not be involved financially. Instead, the utility helped to partner Commissioner Burke with Mason Transit which has the proper infrastructure for an EV station at its new location in downtown Shelton.

Mrs. Creekpau informed commissioners that staff met with Sierra Pacific on Friday. The group recently purchased the Simpson mills in Mason County and wanted to talk about anticipated power needs for its new mill on the waterfront. Mrs. Creekpau shared that the group expressed pleasure with PUD 3's expertise, and low power rates. She also mentioned that the needs of the new mill are estimated to be similar to the current needs.

Mrs. Creekpau reported that a team of staff members have completed a second strategic planning session with an Energy Northwest facilitator. She explained that all employees had an opportunity to provide input on the strengths, weaknesses, opportunities, and threats (SWOT), and that the mission, vision and goals are near completion. Commissioners will have an opportunity to have a more thorough overview, and participate in the process at the June 9, 2015 regular commission meeting.

Mrs. Creekpau updated the commission on a telecommunication's outage that is currently happening. It is believed to be an external issue with NoaNet's system, but no answer as to the cause or duration at this time.

Mrs. Creekpau reminded the commission that the education committee and telecom department will be conducting an educational Broadband Expo for the public on Thursday, May 14 in the Johns Prairie auditorium from 3:00 p.m. to 8:00 p.m.

Mrs. Creekpau informed the commission that the speaker system for the auditorium is partially installed.

Mrs. Creekpau let the commission know that Simpson Lumber has inquired about potentially leasing the all or a portion of the administration building downtown to move its offices temporarily after the sale to Sierra Pacific is complete.

#### COMMISSION REPORT

Ms. Gott reported her participation in the strategic planning process with staff.

Mr. Farmer reported he will be attending the NWPPA annual conference and membership meeting in Anchorage, AK, next week. He also shared that he plans to attend the Broadband Expo on Thursday.

#### GOOD OF THE ORDER

After a calendar review and with no further business appearing, the commission adjourned at 10:24.

Respectfully submitted,

Lynn Eaton  
Executive Assistant / Records Supervisor

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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