

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

President Gott called a special 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, March 15, 2016.

District officers present were: Commissioners, Thomas J. Farmer, Linda R. Gott and Bruce E. Jorgenson Manager Annette Creekspaum; 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 Burleson; Customer Service Manager Diane Hennessy; Engineering and Community Relations Manager, Justin Holzgrove; Public Information & Government Relations Manager Joel Myer; Power Supply Manager Michele Patterson; Director of Engineering Terry Peterson; Safety and Environmental Compliance Manager Bob Smith; and Administration and Communication Services Manager Lynn Eaton (recorded minutes).

No members of the public were in attendance.

MODIFICATION AND/OR APPROVAL OF AGENDA

The agenda was approved as presented however it was noted that an executive session would be held under item thirteen on the agenda for the purposes of RCW 42.30.110(1)(i)(iii) to discuss with legal counsel the legal risks of a proposed action or current practice. The executive session was expected to last approximately ten minutes with no 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:

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|--|--------------------------|
| a. Minutes of the February 09, 2016 regular commission meeting.  |                          |
| b. Voucher Nos. (dated February 29, 2016) 135902 through 135927<br>(Includes electronic funds transfer payment Nos. 2151- 2293.) | — \$ 777,542.79          |
| c. Voucher Nos. (dated March 1, 2016) 135928 through 135981<br>(Includes electronic funds transfer payment Nos. 2294 - 2296.)    | — \$ 81,750.83           |
| d. Voucher Nos. (dated March 8, 2016) 135982 through 136040<br>(Includes electronic funds transfer payment Nos. 2297-2299.)      | — \$ 501,128.56          |
| e. Voucher Nos. (dated March 15, 2016) 136041 through 136160<br>(Includes electronic funds transfer payment Nos. 2300-2461.)     | — <u>\$ 3,170,495.51</u> |
|  | TOTAL \$ 4,530,917.69    |
| f. Void accounts payable check for the week ending March 4, 2016, in the total amount of \$23,783.78.                            |                          |

*\*\*Note: The gap in voucher numbers (Nos. 135894 through 135901) and electronic funds transfer (Nos. 2008 through 2150) was due to a software conversion where the checks were run but voided before being issued.*

\* 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.

PUBLIC COMMENT

No comments from the public.

ACTION ITEMS

Recommendation was made to prequalify contractors for the public works roster. The following contractors have met the requirements for prequalification and are recommended for inclusion on the roster:

- Burke Electric, LLC of Bellevue, WA
- DJ's Electrical, Inc. of Battleground, WA
- Henkels & McCoy, Inc. of Portland, OR
- Hood Canal Communications of Union, WA
- JH Kelly, LLC of Longview, WA
- KVA Electric, Inc. of Arlington, WA

- Magnum Power, LLC of Kelso, WA
- Michels Corporation, Michels Power Division of Tumwater, WA
- Moza Construction, Inc. of Tacoma, WA
- PAR Electric Contractors, Inc. of Hubbard, OR
- Potelco, Inc. of Sumner, WA
- Power Technology, Inc. of Woodland, WA
- Saunders Line Construction, Inc. of Cheney, WA
- Wilson Construction Company of Canby, OR
- Wiseman Utilities of Tumwater, WA

Mr. Jorgenson moved, motion seconded by Mr. Farmer to prequalify the above contractors for the public works roster. The MOTION PASSED unanimously.

### STAFF REPORTS

Mrs. Creekpau reported on the number of applications for service received by the engineering department through the end of February. For 2016 the total applications received equaled 302 compared to 294 received in the same period 2015.

At Mrs. Creekpau's request, Mr. Myer gave a report on the recent storms. He explained that the District experienced two separate storm events causing up to 3,500 customers to be without power. However crews were able to restore power relatively quickly compared to other utilities in the region. PUD 3 sent a crew to help Jefferson PUD with its restoration efforts through a mutual aid agreement. Mr. Myer also highlighted the value of using social media to inform the public throughout the emergency.

Mrs. Creekpau informed the commission about an accident that occurred on Highway 3 involving a PUD line truck and two other vehicles. The State Patrol determined that the PUD was not at fault as a driver of a pickup truck crossed the centerline striking a school bus before hitting the PUD vehicle which was at a complete stop.

At Mrs. Creekpau request, Mr. Myer gave a legislative update. With the state legislature in special session, he noted that no bills that the utility was watching were written into law. He did point out that Initiative 732 (known as the carbon tax initiative) will be on the November ballot for the people to vote on. There was a discussion regarding the administration of such a tax, if approved by the people, and the impact on customers' bills.

Mr. Myer also informed the commission about the trip to Washington DC for the American Public Power Association (APPA) Legislative Rally. He shared the various issues addressed with congressional delegates and their staffers.

Mrs. Creekpau gave an update regarding the grid modernization project and the NISC enterprise software conversion. She explained that the pilot project for the automatic meters has begun and that meters are currently deployed in the field and sending meter reads back to the utility through routers and a collector at the Mason substation. She also shared that May 2, is the go-live date for the customer service portion of the NISC software.

Mrs. Creekpau informed the commission that the Mason County Sheriff's office is conducting an active shooter training for employees on location today after the meeting.

Mrs. Creekpau let the commissioners know that there will be a training offered on May 12-13 regarding how the California Independent System Operator (CAISO) project will impact the Bonneville Power Administration customers.

### COMMISSIONERS REPORT

Mr. Farmer reported his attendance at the APPA Legislative Rally in Washington DC. He also attended a town hall meeting hosted by Derek Kilmer at the PUD 3 facility.

Ms. Gott reported her attendance at the APPA Legislative Rally and Policy Makers Council meeting in Washington DC. She also attended a NoaNet meeting in Spokane last week.

### DISCUSSION

Mr. Jorgenson brought up the concern with I-732 again and suggested the commission take a position. Ms. Gott suggested the commission pass a resolution opposing the initiative.

### GOOD OF THE ORDER

Following the calendar review and with no further business appearing, the commission meeting recessed at 10:36 a.m. for a short break, and reconvened at 10:41 a.m.

The commissioners then adjourned and met in executive session for no more than 10 minutes to discuss with legal counsel the legal risks of a proposed action or current practice.

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

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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