

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, April 26, 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 Burleson; Administration & Strategic Coordinator, Asia Cline; Customer Service Manager, Diane Hennessy; Engineering and Community Relations Manager, Justin Holzgrove; Power Supply Manager Michele Patterson; Operations Manager, Scott Peterson; Director of Engineering Terry Peterson; Safety and Environmental Compliance Manager Bob Smith; and Administration and Communication Services Manager Lynn Eaton (recorded minutes).

Members of the public in attendance were Paulette and Don Cady of Belfair; Randy Lewis of Shelton; and Dedrick Allen of *Mason Web TV*.

MODIFICATION AND/OR APPROVAL OF AGENDA

The agenda was approved as presented.

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 April 12, 2016 regular commission meeting.
  - b. Voucher Nos. (dated April 19, 2016) 136567 through 136630 — \$ 2,904,261.32  
(Includes electronic funds transfer payment Nos. 2781- 2786.)
  - c. Voucher Nos. (dated April 26, 2016) 136631 through 136714 — \$ 1,407,106.79  
(Includes electronic funds transfer payment Nos. 2787 - 2935.)
- TOTAL \$ 4,311,368.11
- d. Void accounts payable checks for the week ending April 15, 2016 in the total amount of \$14,013.86.

\* 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

Shelton resident Randy Lewis asked for explanation in regards to the state and local tax listed on his PUD billing statement.

Belfair resident Don Cady expressed to the commission his concerns in regards to the recent Belfair reorganization discussions.

STAFF REPORTS

Mrs. Creekpaum reported on the engineering applications through March. She explained that the engineering department has received 480 applications year-to-date, compared to 447 during the same period last year.

At Mrs. Creekpaum's request Mr. Myer gave a government relations report. Mr. Myer reported that he and Ms. Patterson attended a meeting of the Columbia River Treaty Power Group. They heard a presentation from Brian Doherty, U.S. State Department lead negotiator, about efforts being made by the U.S. government to move negotiations forward.

Mr. Myer reported on an accident that took place near Shelton High School on Monday night, causing a power outage that affected approximately 460 customers. PUD crews restored power at 5:55 a.m. Tuesday morning.

Ms. Patterson went over the Power Situation Statement for March 2016 with commissioners. The total amount of purchased power for the month of March was 61,751 MWh which was 2.9 percent more power purchased from the Bonneville Power Administration (BPA) than March of 2015. She pointed out that there has been a 6.11

percent reduction in cost from last year due to a slightly lower costs for system peak, transmission and renewable energy credits. Ms. Patterson reported a billing error from Lakeview Light & Power with White Creek that resulted in a billing credit.

Mrs. Creekpau informed the commission that a letter was issued to the union to reverse the decision to change the Belfair crew reporting location to the Shelton Operations Center. She noted that although the change would not have affected public safety or response, the passionate public response caused management to reconsider.

Mrs. Creekpau reported that the customer care and billing portion of the National Information Solutions Cooperative (NISC) will go live in 6 days.

Mrs. Creekpau reported that Standard & Poor's reaffirmed PUD 3's A+ bond rating.

#### COMMISSIONERS REPORT

Mr. Farmer reported his recent attendance at events in the Belfair area. He also announced his plans to attend the Northwest Public Power Administration (NWPPA) annual meeting.

Mrs. Gott reported her attendance at NoaNet as well as her attendance at the Washington Public Utility District Association (WPUDA) meeting. She also announced her plans to attend the board of directors and executive board meetings for Energy Northwest this week in the Tri-Cities.

#### GOOD OF THE ORDER

Mr. Farmer reported that he had been approached regarding fiber expansion interest in the Tahuya River Valley.

Ms. Gott reported service capacity frustrations among Century Link customers.

After a calendar review and with no further business appearing, the commission meeting adjourned at 10:30.

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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