

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

President Linda 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, January 17, 2017.

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 Burlison; Engineering Services & Community Relations Manager Justin Holzgrove; Director of Engineering and Utility Services Dale Knutson; Engineering Project Manager – Metering Specialist Koral Miller; Public Information & Government Relations Manager Joel Myer; Energy Resources Manager Michele Patterson; Operations Manager Scott Peterson; Director of Engineering Terry Peterson; Safety Manager Bob Smith; and Administration & Communication Services Manager Lynn Eaton (recorded minutes).

Members of the public in attendance were Randy Lewis of Shelton, Ken Adkison of Shelton and Colleen Walls of Belfair.

MODIFICATION AND/OR APPROVAL OF AGENDA

The agenda was approved as presented.

CONSENT AGENDA

Mr. Jorgenson 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 December 27, 2016, regular commission meeting.			
b. Voucher Nos. (dated December 30, 2016)	139989 through 140004	— \$	419,007.71
c. Voucher Nos. (dated January 3, 2017)	140005 through 140103	— \$	114,538.94
	(Includes electronic funds transfer payment Nos. 5604-5611.)		
d. Voucher Nos. (dated January 10, 2017)	140104 through 140190	— \$	886,487.21
	(Includes electronic funds transfer payment Nos. 5612-5771.)		
e. Voucher Nos. (dated January 17, 2017)	140191 through 140289	— \$	<u>3,198,253.73</u>
	(Includes electronic funds transfer payment Nos. 5772-5778.)		
	TOTAL	\$	4,618,287.59

* 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

Colleen Walls addressed the commission with concerns regarding the advanced meters the district is deploying. She noted that she did not want to have an advanced meter installed at her home as she has health concerns. She also said the \$50 opt-out fee would be a hardship.

Ms. Gott encouraged Ms. Walls to speak with the staff at the PUD who has done much research on the many scientific studies regarding the safety of the advanced meter technology the district is using.

Mr. Jorgenson asked staff how many other customers have chosen to opt-out. Mrs. Creekpaum informed him that there have only been two so far.

ACTION ITEMS

Recommendation was made to elect officers for the 2017 year. Mr. Farmer moved that Bruce Jorgenson be president. Ms. Gott seconded. MOTION PASSED UNANIMOUSLY.

Ms. Gott then motioned that she rotate to Secretary and Mr. Farmer rotate to Vice President. Mr. Farmer seconded. MOTION PASSED UNANIMOUSLY.

Recommendation was then made to approve the organizational membership representation for 2017. Mr. Farmer moved, motion seconded by Mr. Jorgenson to approve the organizational membership representation for 2017.
MOTION PASSED UNANIMOUSLY

A recommendation to purchase an Altec LR7-60E70 Tree Trimming Bucket Truck which was competitively bid under the NJPA contract 31014-ALT. At Mrs. Creekpau's request, Mr. Peterson explained that the existing truck is overdue for replacement and has been put off for a couple of years. The industry standard for this type of a truck is 10-12 years and has been in service for 14 years. The existing truck has over 7,500 hours of use on the boom which is double what most trucks are. The cost of the replacement will be approximately \$255,000. Funding will come from the Emergency Vehicle Replacement Fund (EVR).

STAFF REPORTS

Mrs. Creekpau provided an engineering report to the commission. She noted that 314 applications for permanent new services were accepted during the 2016 year, compared to 213 during 2015. She noted that this is a good indicator of growth.

Mrs. Creekpau reported that the Grid Modernization Project is moving along. The district has installed 10 out of 11 collectors, 105 out of 218 routers, and 8,000 out of 34,000 meters. She explained that the project is ahead of schedule; however since they started in a more urban area, the progress may slow once we reach the more rural areas of the county.

At Mrs. Creekpau's request, Mr. Myer gave a legislative report. He informed the commission on any legislative issues that may affect the district.

Mrs. Creekpau informed the commission that the second phase of the customer survey regarding telecommunications is underway and is expected to be completed by the end of February. Staff will compile the results and the commission will receive a report once it is complete.

Mrs. Creekpau noted that there are three retirements this month. Outside Serviceman Mel Ferrier, Off-Hours Serviceman John Donovan, and Telecommunications Project Engineer Joe McClanahan.

Mrs. Creekpau announced that the all-employee annual meeting will be held on Friday, January 27.

Mrs. Creekpau noted for the record that she has been formally elected to serve on the Public Power Council board.

COMMISSIONERS' REPORT

Ms. Gott reported that she was sworn in.

Mr. Farmer reported that he attended the WPUDA meetings last week. He also noted that he would be attending the Kitsap Commissioner John Armstrong's retirement event as well as the Shelton-Mason County Chamber of Commerce Gala on Friday.

Mr. Jorgenson reported his attendance at the WPUDA legislative reception.

GOOD OF THE ORDER

After a calendar review and with no further business appearing, the commission meeting adjourned at 10:36.

Bruce E. Jorgenson, President

Thomas J. Farmer, Vice President

ATTEST:

Linda R. Gott, Secretary