

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

President Bruce Jorgenson 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, June 13, 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 Operations Michelle Burleson; Communications & Community Relations Coordinator Asia Cline; Asst. Public Information & Government Relations Manager Lynn Eaton, Customer Service Manager Diane Hennessy; Telecommunications & Community Relations Manager Justin Holzgrove; Director of Engineering & Utility Services Dale Knutson; Network Systems Supervisor Joel Moore; Public Information & Government Relations Manager Joel Myer; Energy Resources Manager Michele Patterson; Engineering Manager Hamid Rezaei; Administration Services Manager Mary Taylor (recorded minutes).

Members of the public in attendance were: Jerry Eckenrode of iFIBER *ONE*; Gary Huard of Belfair; Randy Lewis of Shelton; Roy Miller of Belfair; Melanie Wagner of Belfair; 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. Farmer moved, motion seconded by Ms. Gott, to adopt the consent agenda. MOTION PASSED UNANIMOUSLY. By adopting the consent agenda, the following items were approved:

- a. Minutes of the May 23, 2017, commission meeting.
- b. Voucher Nos. (dated May 30, 2017) 141844 through 141913 — \$ 1,609,807.26
(Includes electronic funds transfer payment Nos. 7225-7390.)
- c. Voucher Nos. (dated June 6, 2017) 141914 through 141968 — \$ 140,277.34
(Includes electronic funds transfer payment Nos. 7391-7398.)
- d. Voucher Nos. (dated June 13, 2017) 141969 through 142059 — \$ 1,244,665.33
(Includes electronic funds transfer payment Nos. 7399-7571.)
- TOTAL \$ 2,994,749.93

- e. Void accounts payable checks for the week ending May 26, 2017, in the total amount of \$200.52.
Void accounts payable check for the week ending June 9, 2017, in the total amount of \$385.30

* 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 to express her opposition to the installation of new advanced meters and to the \$50.00 per month opt-out fee for advanced metering. She also made a formal request to the commission to remove the \$50.00 opt-out fee from the fee schedule.

ACTION ITEMS

Recommendation was made to adopt Resolution No. 1685, which is a “Resolution Declaring Distribution System Items Surplus (PCB and Non-PCB Contaminated)”.

Mrs. Creekpaum explained that Resolution No. 1685 is an ongoing practice to dispose of PCB and Non-PCB contaminated equipment.

Mr. Farmer moved, Mrs. Gott seconded the motion to adopt Resolution No. 1685, which is a "Resolution Declaring Distribution System Items Surplus (PCB and Non-PCB Contaminated)". THE MOTION PASSED UNANIMOUSLY.

STAFF REPORTS

At Mrs. Creekpau's request, Mr. Holzgrove provided a presentation on the PUD 3 (online and phone) broadband customer survey results. He explained the phone survey and online survey were very similar in results. Respondents were generally dissatisfied with the internet speeds currently available and the majority are in favor of contributing financially for the ability to connect to the PUD 3 fiber optic network. Mr. Holzgrove stated that future meetings for moving forward will be necessary and requested direction from the commission. Mrs. Creekpau referred to the memo providing options of meeting types. The commission agreed that an informal workshop that would allow for a small group of employees to provide the commissioners with the proposal and an in-depth discussion would be preferred first. The date for this meeting is being discussed. After the completion of that meeting, a town hall setting meeting for presentations and questions from the public will be scheduled followed by a regular commission meeting.

Mrs. Creekpau reported that Mason PUD 3 received the Diamond Level Reliable Public Power Provider Award from the American Public Power Association (APPA). This award is a benchmark of operations against other utilities nationwide and recognizes utilities that demonstrate proficiency in reliability, safety, workforce development, and system improvements. Criteria within each of the four RP3 areas are based upon sound business practices and recognized industry leading practices.

Mrs. Creekpau recognized Mr. Myer for his informative PUD presentation at the Health, Transit, and Power meeting hosted by the Economic Development Council (EDC) and Shelton Mason County Chamber of Commerce at Mason General Hospital in Shelton on June 16, 2017.

Mrs. Creekpau stated that substation maintenance will be performed during the months of June and July.

Mrs. Creekpau advised that the draft record of decision (ROD) will be released today outlining future increases from the Bonneville Power Administration (BPA) in wholesale power and transmission rates. She said the region is expecting to see a 6-8% increase in power rates and 2-4% increase in transmission rates. She also noted that utilities are anticipating a potential "spill surcharge" following U.S. Judge Simon's decision to order more water to be spilled for the fish.

At Mrs. Creekpau's request, Mr. Myer provided the commission with an update on legislative activities.

COMMISSIONERS' REPORT

Ms. Gott reported that she will be attending the NoaNet Meeting. She noted that Executive Director of NoaNet, Greg Marney, has officially announced his retirement at the end of July and this meeting will be discussing the process for his replacement.

Mr. Farmer reported his attendance at the Health, Transit, and Power meeting held by the Economic Development Council (EDC) and Shelton Mason County Chamber of Commerce.

GOOD OF THE ORDER

After a calendar review and with no further business appearing, the commission meeting adjourned at 10:56 a.m.

Respectfully submitted,

Mary Taylor
Administration Services Manager

Bruce E. Jorgenson, President

ATTEST:

Thomas J. Farmer, Vice President

Linda R. Gott, Secretary