

Gary Huard also expressed his opposition to the grid modernization program and the \$50.00 opt out fee.

ACTION ITEMS

Recommendation was made by Mrs. Creekpau to approve an interlocal agreement with Snohomish County pursuant to RCW 39.34 to streamline purchasing processes.

After a brief discussion, Mr. Farmer moved, Ms. Gott seconded the motion to approve the interlocal agreement with Snohomish County in order to streamline purchasing processes. **THE MOTION PASSED UNANIMOUSLY.**

MANAGERS REPORT

Mrs. Creekpau introduced a video created by PUD 3 employees showing the recent re-location of two federally protected osprey. The beginning construction of an osprey nest was discovered on top of a PUD power pole. Before it became inhabited, a 4x4 nesting platform was built in house, installed on a 90-foot pole that was no longer usable in the system, near the existing pole. The nest was successfully transferred to the nesting platform and the osprey immediately continued construction. This re-location will protect the osprey and the integrity of the PUD 3 system.

Mrs. Creekpau stated the small works bid (SMW-2017.6) for the Cushman backbone fiber extension has been sent out to qualified bidders. The bid opening will be on August 16, 2017 with the goal to be on the August 22 meeting agenda for approval.

Mrs. Creekpau discussed the zero-based budget process that each department uses when submitting requests for the budget. Each year, the department heads work with their staff to determine the department needs from projects to training. This allows for frequent feedback and develop their employees to be thinking economically. There is also a five-year rolling financial plan that is focusing on long term financial decisions. Several cost saving processes were developed as part of our strategic plan. A few examples are; NISC software, grid modernization project, monthly meetings with the manager, work-order prioritization plan, and the employee excellence program. The current programs and approach is what is creating an environment where strategic initiatives drive employee performance, accomplishments, and continuous improvement all year long.

At Mrs. Creekpau's request, Mr. Myer provided the commission with an update on the legislative session. Mr. Myer stated that because the state capital budget is on hold it may impact state employees and result in layoffs. It has been approved for the Economic Development Council (EDC) to move forward with the workforce development and business growth study.

Mrs. Creekpau reported that a letter regarding the Potlatch substation has been sent to the Bonneville Power Administration (BPA) and she will keep the commission up to date on the progress.

Justin Holzgrove stated that the soft launch for the Fiberhood project happened at the end of July. The official launch began on August 1.

COMMISSIONERS' REPORT

Mrs. Gott reported that she attended the Public Power Council (PPC) on August 2 and 3. She complimented Mrs. Creekpau on the video that PUD 3 prepared explaining the relationship between PUD 3 and BPA's transmission system.

Mrs. Gott said that Greg Marney has retired from NoaNet. Dave Spencer is the acting CEO while interviews for Mr. Marney's replacement are underway. The board may make a recommendation at the September NoaNet meeting for the new CEO.

Mr. Farmer stated that he attended the PPC meeting in Portland, Or.

Mr. Farmer and Mr. Holzgrove will be attending a Fiberhood community meeting at Tahuya River Valley on August 12.

GOOD OF THE ORDER

After a calendar review and with no further business appearing, the commission meeting adjourned at 10:42 a.m.

Respectfully submitted,

Mary Taylor
Administration Services Manager