

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, July 25, 2017.

District officers present were: Commissioners, Thomas J. Farmer, Linda R. Gott and Bruce E. Jorgenson. Manager Annette Creekpau; 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; 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; Public Information & Government Relations Manager Joel Myer; Energy Resources Manager Michele Patterson; Safety Manager Bob Smith; Administration Services Manager Mary Taylor (recorded minutes).

Members of the public in attendance were: Dedrick Allan of *Mason Web TV*; Jay Himlie of Shelton; Gary Huard of Belfair; Randy Lewis 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. 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 July 11, 2017, regular commission meeting.
  - b. Voucher Nos. (dated July 18, 2017) 142444 through 142497 — \$ 300,694.52  
(Includes electronic funds transfer payment Nos. 7979-7986)
  - c. Voucher Nos. (dated July 11, 2017) 142498 through 142583 — \$ 2,624,059.55  
(Includes electronic funds transfer payment Nos. 7987-8161)
- TOTAL \$ 2,924,754.07

\* 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.

CORRESPONDENCE

Mrs. Gott asked that it be noted for the record that the commissioners each received a certified letter from PUD 3 customer Colleen Walls. Mason PUD 3 attorney, Mr. Johnson, had responded by letter to Ms. Walls on July 7, 2017, and also provided a written response in person at today's meeting.

### 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 requested the removal of the \$50.00 opt-out fee from the fee schedule.

Gary Huard stated that he opposes the grid modernization program and the \$50.00 opt out fee.

Jay Himlie provided a report on Health and Radiofrequency Electromagnet Fields from Advanced Meters by the Public Utility Commission of Texas. This report stated that there is no credible evidence or connection of health effects to exposure of radiofrequency emissions from the wireless technology of advanced metering.

### ACTION ITEMS

Recommendation was made by Mrs. Creekpau to adopt Resolution No.1687, "A Resolution Supporting H.R. 3144 Federal Legislation Addressing the Federal Columbia River Power System Biological Opinion". This resolution would support the federal legislation that would require adherence to the current river management plan without impulsive changes or experimental initiatives.

Ms. Gott moved, Mr. Farmer seconded the motion to adopt Resolution No. 1687, which is a "A Resolution Supporting H.R. 3144 Federal Legislation Addressing the Federal Columbia River Power System Biological Opinion". THE MOTION PASSED UNANIMOUSLY.

It was then recommended to Award Bid SMW-2017.4, Riverhill Direction Drilling. This project is for the replacement of single-phase underground power line in the Riverhill development area of North Mason County. Pacific Utility Contractors of University Place, Washington was the lowest responsible bidder at \$167,993.40 plus tax.

Mr. Farmer moved, Ms. Gott seconded the motion to Award Bid SMW-2017.4, Riverhill Direction Drilling. THE MOTION PASSED UNANIMOUSLY.

It was recommended to approve the purchase to replace crew line truck 216 with Altec D3050a-TR crew line truck. Truck 216 has 176 thousand miles and 18,000 engine hours. The cost to replace is approximately \$303,000. Funding will come from the EVR fund.

Mr. Farmer moved, Ms. Gott seconded the motion to approve purchase of Altec D3050a-TR Crew Line Truck. THE MOTION PASSED UNANIMOUSLY.

It was recommended to approve the purchase to replace crew bucket truck 131 with Altec AM55E crew bucket truck. Truck 131 has 150 thousand miles and 12,400 engine hours. The cost to replace is approximately \$295,000. Funding will come from the EVR fund.

Ms. Gott moved, Mr. Farmer seconded the motion to approve purchase of Altec AM55E Crew Bucket Truck. THE MOTION PASSED UNANIMOUSLY.

### MANAGERS REPORT

Mrs. Speaks reviewed the status of the budget as of June 30, 2017 with the commissioners. The month-end receipts for June were \$5.4 million, expenditures were \$4.7 million. Finishing the month with a positive budget balance of \$670,950 and \$4.2 million year to date.

Mr. Taylor gave the treasurer's report of funds through June 30. The total of all funds at month-end was \$34.3 million.

Mrs. Creekpaum reported that engineering received 20 more applications in the month of June 2017 over June 2016.

Mrs. Creekpaum updated the commission on the Grid Modernization Project process. So far, 13,200 meters have been installed, 167 routers, and 10 collectors.

Mrs. Creekpaum reported that the National Information Solutions Cooperative (NISC) experienced a power outage on July 24, 2017 that affected 1,700 NISC cloud servers. It was a result of a series of catastrophic power failures and not a cybersecurity related incident. There was no data loss and NISC will be conducting a full forensic evaluation to mitigate a future occurrence.

Mrs. Creekpaum stated that the Westside Managers meeting will be held at PUD 3 on July 28<sup>th</sup>.

Mrs. Creekpaum said that she was asked to be on the panel at the Public Power Council (PPC) meeting August 2-3 in Portland, OR. PUD 3 will be providing a 5-minute video regarding its relationship with Bonneville Power Administration's (BPA) transmission system.

Mrs. Creekpaum reported that the soft launch of the Fiberhood program will be July 26 and the system wide launch will take place beginning August 1.

At Mrs. Creekpaum's request, Mr. Myer provided the commission with an update on the legislative session. Mr. Myer stated that the state capital budget is on hold due to the recent state Supreme Court ruling known as the Hirst decisions. This ruling limits the use of new domestic wells in certain rural areas when it harms senior water rights. This delay is affecting the City of Shelton sewer upgrade, domestic violence and low income funding, and the Economic Development Council (EDC) progress with workforce development and business growth.

Ms. Patterson reported that Packwood and Nine Canyon had a resource shaping service credit from BPA that was more than anticipated thus lowering the cost. The year to date total purchase for power is \$14 million which is about 50 percent of the annual purchase power budget. This is right in line with the 2017 budget.

### COMMISSIONERS' REPORT

Ms. Gott reported that she attended the APPA's policy makers council meeting in Virginia on July 17-20, 2017

Mr. Farmer stated that he attended the WPUDA conference on July 18-20 at Ocean Shores, WA.

GOOD OF THE ORDER

After a calendar review and with no further business appearing, the commission meeting adjourned at 10:46 a.m.

Respectfully submitted,

Mary Taylor  
Administration Services Manager

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Bruce E. Jorgenson, President

ATTEST:

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Thomas J. Farmer, Vice President

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Linda R. Gott