

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, September 12, 2017.

District officers present were: Commissioners, Thomas J. Farmer, and Bruce E. Jorgenson. Manager Annette Creekpaum, Attorney Robert Johnson, Auditor Sherry Speaks and Treasurer Brian Taylor. (Commissioner Linda Gott was out of town).

The following PUD 3 personnel were present: Director of Business Services John Bennett; Director of Operations Michelle Burleson; Customer Service Manager Diane Hennessy; Telecommunications & Community Relations Manager Justin Holzgrove; Customer Service Revenue Protection Supervisor Jennifer Renecker; and Administration Services Manager Mary Taylor (recorded minutes).

Members of the public in attendance were: 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. It was noted that an executive session would be held for the purposes of item 42.30.110(1)(iii) To discuss with legal counsel the legal risks of a proposed action or current practice. The executive session is estimated to last approximately 10 minutes, with no action to follow.

CONSENT AGENDA

Mr. Jorgenson reviewed the items listed on the consent agenda and moved to approve the agenda. Mr. Farmer seconded the motion to adopt the consent agenda. MOTION PASSED UNANIMOUSLY. By adopting the consent agenda, the following items were approved:

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| a. Minutes of the August 22, 2017, regular commission meeting. | | |
| b. Voucher Nos. (dated August 29, 2017) 143005 through 143078 | | \$ 1,042,953.46 |
| (Includes electronic funds transfer payment Nos. 8392-8576) | | |
| c. Voucher Nos. (dated September 5, 2017) 143079 through 143170 | | \$ 193,750.42 |
| (Includes electronic funds transfer payment Nos. 8577-8585) | | |
| d. Voucher Nos. (dated September 12, 2017) 143171 through 143218 | | <u>\$ 813,388.94</u> |
| (Includes electronic funds transfer payment Nos. 8586-8766) | | |
| | TOTAL | \$ 2,050,092.82 |
| e. Void accounts payable checks for the week ending August 25, 2017, in the total amount of | | \$1,794.71 |
| f. Void accounts payable checks for the week ending September 01, 2017, in the total amount of | | \$444.57 |

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

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

ACTION ITEMS

Recommendation was made to Adopt Resolution No. 1690, a Resolution Declaring Electrical System Items Surplus (Non-PCB Contaminated).

Mr. Farmer moved, Mr. Jorgenson seconded the motion to Adopt Resolution No. 1690 "A Resolution Declaring Electrical System Items Surplus (Non-PCB contaminated)". THE MOTION PASSED UNANIMOUSLY.

DISCUSSION

Mr. Jorgenson commented on the recent hurricane that struck Florida. He explained his involvement with the recovery efforts when Mt. St. Helens erupted in 1980. He requested that PUD 3 linemen experience the gratifying experience of helping others in the time of need. Mr. Johnson stated that Mason PUD 3 does not have an existing mutual agreement with utilities in Florida and explained that without an invitation from a utility, PUDs are not allowed to assist. Mrs. Creekpauum stated that two PUD linemen requested, and have been approved, a leave of absence for up to ten weeks in order to work with contractors in Florida to assist with restoration efforts.

STAFF REPORT

Mrs. Creekpauum reported that she approved a competitive bid exemption for emergency work on State Route 106. This exemption is authorized under RCW 39.04.280. The contractor for Mason PUD 3 was working on an emergency underground replacement and struck an aquifer. This caused the hillside to wash away toward State Route 106 requiring immediate repairs. The repairs are completed.

Mr. Holzgrove advised that Mason PUD 3 has been working with the City of Shelton to secure a grant for approximately \$266,000 for the upgrade of street lights in the City from high pressure sodium (HPS) to light emitting diode (LEDs). In exchange, PUD would reduce the City's current and future outdoor lighting rate by 30 percent from HPS levels, due to the rebated material cost. This would only apply to Schedule 41 outdoor lighting rates for the City of Shelton (not to all customers). More discussion and information will be provided to the commission before a motion is brought forward.

Mrs. Creekpauum updated the commission on the grid modernization project. Over 14,900 meters have been installed, 179 routers, and 10 collectors.

Mrs. Creekpaum read a PUD 3 Google review written by Bradley Mortenson. Mr. Mortenson expressed his appreciation for PUD 3 and its exemplary customer service. Mr. Mortenson stated that he “makes full use of his smart meter and appreciates the SmartHub app to understand his usage”. “The social presence is phenomenal with outstanding Youtube videos and online presence”. His recent home energy audit helped him to fully understand his home’s efficiency. Mr. Mortenson appreciates the PUD 3’s dedication to renewable energy with their solar farm, and also making Fiberhoods a reality.

Mrs. Creekpaum requested discussion and a possible motion be made that will enable PUD 3 employees to donate personal time off (PTO) time for donation to relief funds for Florida.

Mr. Farmer moved, and Mr. Jorgenson seconded to approve a motion that allows PUD 3 employees to donate PTO time for emergency relief funds in Florida. **THE MOTION PASSED UNANIMOUSLY.**

Mrs. Creekpaum said that September is disaster preparedness month. PUD 3 will be asking customers to be prepared for a disaster by making plans and kits. Plan and kit information encouraging customers to be prepared is available for customers on the PUD website and social media. Flashlights will be distributed to customers on September 15th to promote the event.

Mr. Myer reviewed the national weather outlook. Washington State is expecting flooding, winds and cold snaps but not as cold as last winter. Washington state rates number two in the variety of natural disasters that can occur so it is important to be prepared.

Mrs. Creekpaum announced that Economic Development Council (EDC) Director Lynn Longan resigned her position. There is no information at this time on her replacement.

COMMISSIONERS’ REPORT

Mr. Farmer and Mr. Jorgensen stated that they will be attending the Washington Public Utility Districts Association (WPUDA) meeting in Wenatchee this week.

GOOD OF THE ORDER

After a calendar review and with no further business appearing, the commission took a short break at 10:39.

Upon return, the commission went into executive session at 10:44 for the purposes of item 42.30.110(1)(iii) To discuss with legal counsel the legal risks of a proposed action or current practice. The executive session is estimated to last approximately 10 minutes, with no action to follow.

At 10:54 the commission announced it would continue in executive session for approximately 5 more minutes.

At 10:57 the executive session adjourned and the regular meeting reconvened. With no further business appearing, the commission meeting adjourned at 10:57.

Respectfully submitted,

Mary Taylor
Administration Services Manager