

MINUTES OF REGULAR 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, January 9, 2018.

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; Director of Business Operations Michelle Burlison; HR & Business Operations Assistant Karissa Byrne; Records Coordinator Sarah Cooper; Assistant Public Information & Government Relations Manager Lynn Eaton; Energy Efficiency Coordinator/Specialist II Renee Fiedler; Customer Service Manager Diane Hennessy; Director of Engineering and Utility Services Dale Knutson; Interim Power Supply Manager Pat McGary; Public Information & Government Relations Manager Joel Myer; Energy Efficiency Advisor/Specialist III Daniel Parsons; Energy Resources Manager Michele Patterson; Customer Service Revenue Protection Supervisor Jennifer Renecker; Energy Efficiency Advisor/Specialist III Salem Schankel; and Administration Services Manager Mary Taylor (recorded minutes).

Members of the public in attendance were: Jim Boldt of Brinnon, 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 as authorized by the Open Public Meetings Act, RCW 42.30.110 (1) (g) to review the performance of a public employee. The executive session is estimated to last approximately 5 minutes, with possible action to follow.

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 December 19, 2017, regular commission meeting.			
b. Voucher Nos. (December 26, 2017)	144439 through 144531	\$	1,290,216.34
(Includes electronic funds transfer payment Nos. 10148–10328)			
c. Voucher Nos. (December 29, 2017)	144532 through 144648	\$	1,047,363.21
(Includes electronic funds transfer payment Nos. 10329–10355)			
d. Voucher Nos. (January 3, 2018)	144649 through 144656	\$	27,796.70
(Includes electronic funds transfer payment Nos. 10356–10361)			
e. Voucher Nos. (January 9, 2018)	144657 through 144693	\$	<u>2,959,178.11</u>
(Includes electronic funds transfer payment Nos. 10362–10373)			
	TOTAL	\$	5,324,554.36

f. Void accounts payable checks for the week ending January 5, 2018, in the total amount of \$9,768.23.

* 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 expressed her opposition to the advanced meters and opt-out fees.

Jim Boldt shared his progress in trying to obtain broadband to northwest Mason County.

DISCUSSION ITEMS

Mrs. Creekpaum introduced Therese Hampton of E3. Ms. Hampton provided a presentation on the study performed for the Public Generating Pool (PGP) to inform policymakers on the effectiveness of various potential policies to reduce carbon emissions. The study looked at several policy scenarios such as Carbon Tax, Carbon Cap, Increased Renewable Portfolio Standards, and No New Gas Generation to name a few. The study looked at cost and emissions impact for each scenario. This study is important to our District and to our region because it is important for us to educate lawmakers on the costs and impacts the various scenarios create versus increased mandates for the Renewable Portfolio Standards post 2020.

ACTION ITEMS

Recommendation was made to approve the organization membership representation for 2018.

Mrs. Creekpaum explained that updating the PUD representation is a yearly housekeeping item.

Mr. Farmer moved, motion seconded by Ms. Gott, to approve the organization membership representation for 2018. MOTION PASSED UNANIMOUSLY.

STAFF REPORT

Mrs. Creekpaum provided an update on the grid modernization project. There have been 25,700 advanced meters installed, 186 routers, and 10 collectors.

Mrs. Creekpaum stated that the new Engineering Manager, Tim DeVries, will begin work at PUD 3 on January 16, 2018.

At Mrs. Creekpaum's request, Mr. Holzgrove gave an update on a recent outage affecting the Mason County Christian School. He explained that over the Christmas break there was a power outage that affected only the Christian School. The advanced meter reported the outage to the PUD command center, a serviceman was dispatched, repairs were made, and power was restored. Without the advanced meter this outage would have been unknown and when the school staff and students returned from the

holiday break it would have been to a cold, dark school. This is a great example of the benefits of the advanced meter and grid modernization project.

Mrs. Creekpaum said that the PUD Annual Employee meeting was held on January 8, 2018. Meterman, Shiloh Downer, was selected for the employee excellence award winner for 2017. Shiloh built a meter testing board that will save the district tens of thousands of dollars in comparison to purchasing it on the open market.

At Mrs. Creekpaum request, Mr. Myer gave a legislative update. Mr. Myer stated the legislature is in session and facing 200 pre-filed bills. These include incremental hydro, net neutrality, telecom, 5G deployment, worker safety, and pole attachments. The capital budget is still in limbo, waiting on the water decisions from last session. Mr. Myer said that Congressman Heck's staffer would be visiting the PUD today to learn about the Fiberhood Project and discuss the pole attachment issues.

COMMISSIONERS' REPORT

Mr. Farmer reported that he attended PPC meeting in Portland.

GOOD OF THE ORDER

Following the calendar review, the commission meeting recessed at 11:02 a.m. for a short break, and reconvened at 11:06 a.m. to meet in executive session for 5 minutes to review the performance of a public employee.

At 11:11, the executive session was extended for 5 minutes.

At 11:14, the executive session adjourned and the regular meeting reconvened.

Recommendation was made to Adopt Resolution No. 1702, "Confirming the Treasurer and Deputy Treasurer for Public Utility District No. 3 of Mason County".

Ms. Gott moved, motion seconded by Mr. Farmer to approve Resolution No. 1702, "Confirming the Treasurer and Deputy Treasurer for Public Utility District No. 3 of Mason County". THE MOTION PASSED UNANIMOUSLY.

Recommendation was then made to Adopt Resolution No. 1703, "Confirming the Auditor and Deputy Auditor for Public Utility District No. 3 of Mason County".

Ms. Gott moved, motion seconded by Mr. Farmer to approve Resolution No. 1703, "Confirming the Auditor and Deputy Auditor for Public Utility District No. 3 of Mason County". THE MOTION PASSED UNANIMOUSLY.

With no further business appearing, the commission meeting adjourned at 11:15.

Bruce E. Jorgenson, President

ATTEST:

Thomas J. Farmer, Vice President

Linda R. Gott, Secretary