

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

President Bruce Jorgensen called a regular meeting to order on 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 26, 2018.

District officers present were: Commissioners, Thomas J. Farmer; Linda R. Gott; and Bruce E. Jorgenson; Attorney Robert Johnson; Manager Annette Creekpau; Finance Manager/Treasurer Sherry Speaks; and Risk Manager/Auditor Brian Taylor

The following PUD 3 personnel were present: Director of Business Services John Bennett; Director of Business Operations Michelle Burleson; Communications & Community Relations Coordinator Asia Cline; Assistant Public Information & Government Relations Manager Lynn Eaton; Customer Service Manager Diane Hennessy; Director of Engineering and Utility Services Dale Knutson; Public Information & Government Relations Manager Joel Myer; Customer Service Revenue Protection Supervisor Jennifer Renecker; Administration Services Manager Mary Taylor (recorded minutes).

Members of the public in attendance were: Dedrick Allan of *Mason Web TV*, Gary Huard of Belfair, and Randy Lewis of Shelton

MODIFICATION AND/OR APPROVAL OF AGENDA

The agenda was approved as presented.

CONSENT AGENDA

Mr. Jorgensen 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 June 12, 2018 regular commission meeting
- b. Voucher Nos. (June 19, 2018) 146379 through 146467 \$ 348,788.89
(Includes electronic funds transfer payment Nos. 12521–12535)
- c. Voucher Nos. (June 26, 2018) 146468 through 146556 \$ 1,429,576.01
(Includes electronic funds transfer payment Nos. 12536-12706)
- TOTAL \$ 1,778,364.90
- d. Write off deceased, no assets, and bankruptcies in the total amount of \$2,450.31.
- e. Bonneville Power Administration Contract No. 18BS-106. Updating Portal Access and Use Agreement.
 - Exhibit A-Revision Agreement. Customer Portal Administrators, Users and authorized Third Party Users.

* 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

Public comment was given by Resident Huard.

ACTION ITEMS

Recommendation was made to Adopt Resolution No. 1710, A Resolution “Declaring Distribution System Items Surplus (PCB and Non-PCB Contaminated)”.

Mrs. Creekpau explained that this is a standard housekeeping procedure when disposing of distribution system items.

Mr. Farmer moved, motion seconded by Ms. Gott, to approve the Resolution “Declaring Distribution System Items Surplus (PCB and Non-PCB Contaminated)”. MOTION PASSED UNANIMOUSLY.

Recommendation was made to Award Bid L1-2018 Skookum Substation Construction (115KV Tap) to Michels Corporation.

Ms. Gott moved, motion seconded by Mr. Farmer, to Award Bid L1-2018 Skookum Substation Construction (115KV Tap) to Michels Corporation. After a short discussion, MOTION PASSED UNANIMOUSLY.

STAFF REPORT

Mrs. Speaks reviewed the status of the budget as of May 31, 2018, with the commissioners. The receipts for May were \$5.9 million, expenditures were \$5.5 million with a positive budget balance of \$404 thousand for the month of May. The year-to-date budget balance is \$2.3 million. Mrs. Speaks stated that with summer upon us, more capital construction costs will be coming up which will impact the budget.

Mrs. Speaks then provided the treasurer’s report of funds through May 2018. The opening revenue fund cash balance for May was \$5.4 million and was \$5 million at month’s end. The total of all funds at month-end were \$35 million.

At Mrs. Creekpau’s request, Mr. Myer provided an update on the Judge Simon experimental spill. He stated the overall cost of the additional spill was \$38.6 million. However, the Bonneville Power Administration (BPA) found savings in its fish and wildlife program to reduce the impact on rates. The court-ordered experiment will be passed along to customers. The charge will be shown as a specific line item on customer bills from August through November.

Mr. Myer advised the commission that in July a motion will be submitted to approve the submitting of the Community Economic Revitalization Board (CERB) loan/grant. He explained that \$10 million was made available for this loan/grant to assist with broadband expansion to rural communities. \$5 million of the available amount has already been designated to federally recognized Indian tribes. Mr. Myer stated that PUD 3 will be requesting \$994,000 in its application.

Mrs. Creekpau reported that engineering service applications continue to increase. In May of 2017 there were 787 applications compared to 886 in May of 2018. Of those applications, new service applications were 139 in 2017 and 162 in 2018.

COMMISSIONERS’ REPORT

Ms. Gott reported that she attended the NoaNet meeting in Spokane in June. She also attended the APPA National Conference and will provide a report at a later meeting.

GOOD OF THE ORDER

After a calendar review and with no further business appearing, the meeting adjourned 10:31 a.m.

Bruce E. Jorgenson, President

ATTEST:

Thomas J. Farmer, Vice President

Linda R. Gott, Secretary