

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, July 10, 2018.

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

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; Records and Compliance Manager Kristin French; Telecommunications & Community Relations Manager Justin Holzgrove; 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).

There were no members of the public present.

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 Mr. Jorgensen, to adopt the consent agenda. MOTION PASSED UNANIMOUSLY. By adopting the consent agenda, the following items were approved:

a. Minutes of the June 26, 2018 regular commission meeting			
b. Voucher Nos. (July 3, 2018)	146557 through 146635	\$	172,425.11
	(Includes electronic funds transfer payment Nos. 12707-12715		
c. Voucher Nos. (June 10, 2018)	146636 through 146674	\$	<u>306,262.98</u>
	(Includes electronic funds transfer payment Nos. 12536-12706		
	TOTAL	\$	478,688.09

* 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

No public comment

ACTION ITEMS

Recommendation was made to Award Bid SMW-2018.3 Belfair Customer Service Center to Sustainable Floors, Inc.

Mrs. Creekpaum stated that commission had previously approved the relocation of the Belfair Customer Service Center to downtown Belfair. Three (3) bids were received for the construction to provide minor configuration modification and improve the vacant office space. Sustainable Floors, Inc. was the lowest responsible bidder.

After a short discussion, Mr. Farmer moved, seconded by Ms. Gott to Award Bid SMW-2018.3 Belfair Customer Service Center to Sustainable Floors, Inc. MOTION PASSED UNANIMOUSLY.

Recommendation was made to approve submission of a District application for a Rural Broadband Grant/Loan through the community Economic Revitalization Board (CERB).

Mr. Holzgrove reported that approval of the CERB loan would expedite Fiberhood deployment in a handful of unserved and underserved rural communities in Mason County. This is a competitive grant/loan program so application does not guarantee award. PUD 3 has received letters of support from local school districts, home-based businesses, and other institutions within the project areas. Maximum amount of requested funds for each application is one million dollars. Mason PUD 3 is requesting \$966,649. Cost recovery will occur through the existing fiberhood program.

After a short discussion, Mr. Farmer moved, seconded by Mr. Jorgenson to approve the District application for a Rural Broadband Grant/Loan through the Community Economic Revitalization Board in support of the Fiberhood program, which seeks to provide service to unserved and underserved areas throughout Mason County. MOTION PASSED UNANIMOUSLY.

STAFF REPORT

Mrs. Creekpau announced that today, July 10, is Lineman Appreciation Day as proclaimed by Governor Inslee.

Mrs. Creekpau recommended a motion to approve an Interlocal Agreement for a joint purchase of a two pole, stationary transbanker for instructional purposes at the Southwest Washington Line Apprenticeship training school. PUD 3 would be one (1) of ten (10) utilities participating in this agreement. Grays Harbor PUD will house the unit and prepare for its use in the fall of 2018. Duration of agreement shall remain in effect for the useful life of the transbanker. This is a combined effort to enhance safety and training for linemen apprentices.

Mr. Farmer moved, seconded by Ms. Gott to authorize the manager to sign and enter into an interlocal agreement for the purpose of a joint purchase of a two pole, stationary transbanker for instructional purposes by participating parties. MOTION PASSED UNANIMOUSLY.

Mrs. Creekpau reported on an outage that occurred on the 4th of July holiday. A car vs. pole accident caused an outage affecting approximately 1200 customers in the Agate, Timberlakes, and Harstene area. A note was received from a Timber Lakes customer thanking the linemen and participating employees for restoring the power in such a timely manner, especially on the 4th of July.

Mrs. Creekpau said that PUD 3 has received the bill from the Bonneville Power Administration (BPA) for its portion of the Judge Simon experimental spill program. PUD 3 customers will see the first charge, appearing as a separate line item, of \$1.32 on their August bill. This is the first of four months of such charges. The communication team will be educating customers on the line item charge.

Mrs. Creekpau advised commission that members of the Parkerville area at Lake Cushman will be attending the July 24th meeting to discuss the ongoing power request to their area. The area requires a United States Forest Service Permit which has liability language not covered by PUD 3 insurance. Dick Rodruck of Public Utility Risk Management Services (PURMS) will be attending to explain insurance limitations.

At Mrs. Creekpau's request, Mr. Myer provided a Legislature update. Representative Derek Kilmer is working on legislation that would allow citizens to get a tax credit for the cost of connecting to high speed broadband. Essentially aimed at local utility districts, but fits very well with the construction adder innovation in PUD 3 Fiberhood programs.

Mrs. Creekpaum informed commission that PUD 3 is participating in a phone conference today with BPA. This is a deep dive presentation by BPA on transmission that will provide data about our load abilities in the Olympic Peninsula.

COMMISSIONERS' REPORT

Mr. Farmer reported that he will be attending the WPUDA meeting, Allyn Days, and the North Mason Chamber 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