

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

President Farmer 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 (Skookum Room) at 2621 E Johns Prairie Road in Shelton, Washington, on Tuesday, January 8, 2019.

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

The following PUD 3 personnel were present: Director of Business Services John Bennett; Director of Business Operations Michelle Burlison; Communications & Community Relations Coordinator Asia Cline; Asst. Public Information & Govt. Relations Manager Lynn Eaton; Customer Service Manager Diane Hennessy; Telecommunications & Community Relations Manager Justin Holzgrove; Director of Engineering & Utility Services Dale Knutson; Power Manager Michele Patterson; Public Information & Govt. Relations Manager Joel Myer; Administration Services Manager Mary Taylor (recorded minutes)

Members of the public in attendance was: Randy Lewis of Shelton, Gordon Weeks of the *Mason County Journal*.

MODIFICATION AND/OR APPROVAL OF AGENDA

The agenda was approved as presented.

CONSENT AGENDA

Mr. Farmer reviewed the items listed on the consent agenda Mr. Jorgenson 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 18, 2018 regular commission meeting. | | |
| b. | Voucher Nos. (December 24, 2018) 148536 through 148664
(Includes electronic funds transfer payment Nos. 14881–15071) | \$ | 1,599,543.48 |
| c. | Voucher Nos. (December 31, 2018) 148665 through 148756
(Includes electronic funds transfer payment Nos. 15072–15094) | \$ | 665,016.12 |
| d. | Voucher Nos. (January 8, 2019) 148757 through 148791
(Includes electronic funds transfer payment Nos. 15095-15113) | \$ | <u>133,184.60</u> |
| | | TOTAL | \$ 2,397,744.20 |
| e. | Voided checks for the week ending December 21, 2018 in the total amount of \$1,614.67 | | |
| f. | Voided checks for the week ending December 28, 2018 in the total amount of \$21,862.95 | | |

*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 was given

ACTION ITEM

RECOMMENDATION to approve Resolution No. 1723, “A Resolution to Declare a State of Emergency and to Designate Agents from PUD 3 to Sign Application for FEMA funds”.

Mrs. Creekpaum explained that Mason County has asked for an estimate of damages from the December 2018 wind storm in the event that a FEMA claim becomes available. Mrs. Speaks reported that \$150,000 is the current estimate but information is still being gathered.

Mr. Jorgenson moved, motion seconded by Ms. Gott to approve Resolution No. 1723, “A Resolution to Declare a State of Emergency and to Designate Agents from PUD 3 to Sign Application for FEMA funds”. MOTION PASSED UNANIMOUSLY.

STAFF REPORT

At Mrs. Creekpaum’s request, Mr. Myer reported on weather-related power outages affecting Mason County over the weekend. At the height of the outages 9,729 customers, which is 28 percent of total customers, were out of power. The three main areas affected were Southwest Mason County (Dayton substation), Lynch Road, and Angleside.

At Mrs. Creekpau's request, Mr. Myer provided a legislative report. Mr. Myer reported that the 2019 Legislative session will begin on January 14. Issues of interest to PUD 3 are: recommendations of the Southern Resident Orca Task Force, including a study on the removal of the lower Snake River dams; Clean energy legislation that may require 100 percent renewable energy sources, not including electricity from federal dams in the Columbia Basin; The Governor's desire for a better funded and coordinated program to support expansion of rural broadband; Climate change; Protection of funding for the Highway Three (3) freight corridor, also known as the Belfair Bypass; opportunities to extend Mason County's Belfair sewer system into nearby Kitsap County; balancing the Washington State operating and capital budgets; Greater Spending on mental health programs.

Mrs. Creekpau stated that the new Belfair customer service office will be open for business on Tuesday, January 22. A ribbon cutting ceremony and open house will be planned soon.

Mrs. Creekpau provided commission with an engineering update stating that service applications in 2018 totaled 1,901 which is an eleven (11) percent increase over 2017.

Mrs. Creekpau reported that 2019 is milestone years for two commissioners. Ms. Gott is recognized for 20 years of service and Mr. Farmer for 10 years. She thanked them both for their dedication and commitment to public power.

Mrs. Creekpau shared a comment from a customer living at East Mason Lake Drive East. He expressed his appreciation of excellent PUD 3 customer service. A PUD employee took the time to walk his driveway to verify the integrity of the power line and immediately phoned him to make him aware of a partially uprooted tree that was in danger of falling on his cabin. The customer was able to contact a tree service and have the situation resolved before any damage occurred. He complimented the senior leadership for promoting exceptional customer service and attention to detail as a top objective for employees of the PUD.

At Mrs. Creekpau's request, Ms. Patterson provided the commission with the power supply update. Ms. Patterson reported that total kWh delivered in November came in at 62 million at a cost of \$2.2 million. The year to date cost of power from Bonneville Power Administration (BPA) is \$26 million and the non-federal resources is \$1.9 million. The total cost of power year to date is \$29 million.

COMMISSIONERS' REPORT

Mr. Farmer reported that he met with Mrs. Creekpau to discuss her 2019 goals. He said he will be attending the Public Power Council (PPC) meeting this week.

GOOD OF THE ORDER

With no further business appearing, the commission meeting adjourned at 10:26 a.m.

Thomas J Farmer, President

ATTEST:

Linda R. Gott, Vice President

Bruce E. Jorgenson, Secretary