

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, February 19, 2019.

District officers present were: Commissioners, Thomas J. Farmer; Linda R. Gott; Bruce E. Jorgenson; Manager Annette Creekpaum; Attorney Robert Johnson; 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 Bursleson; Director of Engineering & Utility Services Dale Knutson; Asst. Public Information & Govt. Relations Manager Lynn Eaton; Public Information & Govt. Relations Manager Joel Myer; Power Manager Michele Patterson; Customer Service Revenue Protection Supervisor Jennifer Renecker; Administration Services Manager Mary Taylor (recorded minutes)

Members of the public in attendance was: Randy Lewis of Shelton; Jeffrey Niten *City of Shelton Manager*

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:

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| a. | Minutes of the February 5, 2019 regular commission meeting. | | |
| b. | Voucher Nos. (February 12, 2019) 149051 through 149120
(Includes electronic funds transfer payment Nos. 15506–15692) | \$ | 3,665,065.60 |
| c. | Voucher Nos. (February 19, 2019) 149121 through 149171
(Includes electronic funds transfer payment Nos.15693-15707) | \$ | <u>1,571,200.84</u> |
| | TOTAL | \$ | 5,236,266.44 |
| d. | Void accounts payable check for the week ending February 8, 2019 in the total amount of \$312.66. Void accounts payable check for the week ending February 15, 2019 in the total amount of \$34.47 | | |

*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 Lewis.

City of Shelton Manager, Jeffrey Niten, introduced himself to the commissioners and expressed his desire of good communication and community team work as he begins his new position with the city.

ACTION ITEMS

Recommendation was made to Adopt Resolution No. 1725, “A Resolution to Declare a State of Emergency and to Designate Agents from PUD 3 to Sign Application for FEMA Funds”.

Mrs. Creekpau explained that this is a standard requirement to receive FEMA funds . Washington State Governor Inslee declared a state of emergency on December 8, 2019, which is unusual to do prior to an event. Mason 3 was impacted by the snow storm, requiring the opening of the outage center and all crews working around the clock to restore the power to over 9,000 customers.

Mr. Jorgenson moved to adopt Resolution No. 1725, “A Resolution to Declare a State of Emergency and to Designate Agents from PUD 3 to Sign Application for FEMA Funds”. Motion seconded by Ms. Gott. MOTION PASSED UNANIMOUSLY.

Recommendation was made to Adopt Resolution No. 1726, “A Resolution Declaring Distribution System Items Surplus (PCB and Non-PCB contaminated)”.

Mrs. Creekpau explained that this is a housekeeping item for equipment removed from the field.

Ms. Gott moved to adopt Resolution No. 1726, “A Resolution Declaring Distribution System Items Surplus (PCB and Non-PCB contaminated)”. Motion seconded by Mr. Jorgenson, MOTION PASSED UNANIMOUSLY.

Recommendation was made to award bid L1-2019 Totten 115kV transmission line construction.

Mrs. Creekpau explained the intent of this project is to construct an electrical 115kV transmission line extension from the Skookum substation to the location of the future Totten substation. Magnum Power, LLC was the lowest bid of \$235,870.29 plus the required trench safety systems cost of \$150 for a total of \$236,020.29 plus tax. The engineer’s estimate for the project is \$225,592.37.

Mr. Jorgenson moved to award bid L1-2019 Totten 115kV transmission line construction to lowest bidder, Magnum Power, LLC. Motion seconded by Mr. Farmer, MOTION PASSED UNANIMOUSLY.

STAFF REPORT

At Mrs. Creekpau’s request, Mrs. Speaks reviewed the status of the budget as of January 31, 2019, with the commissioners. The month-end receipts for January were \$6.8 million, expenditures were \$6.3 million. Finishing the month of January with a positive budget balance of \$523,544.

Mrs. Speaks then provided the treasurer’s report of funds through January 2019. The opening cash balance for January was \$4 million and was \$4 million at month’s end. The total of all funds at month-end were \$30.4 million.

At Mrs. Creekpau’s request, Mrs. Eaton provided commission with a storm report. She said that PUD 3 was prepared since warning of the storm was provided. At the height of the storm 9,000 customers were without power. Delays in power restoration were caused by roads blocked by snow and trees. PUD 1 assisted with restorations on Wednesday of the event. Communications with the public went well with over 100,000 hits on Facebook, 8,368 phone calls, 3,000 spoke to a live operator. Other forms of communication were IVR and Smarthub.

Mrs. Creekpau stated that there should be higher revenue due to the cold weather.

At Mrs. Creekpau’s request, Mr. Myer provided a legislative report.

Mrs. Creekpaum advised the board to expect a resolution at the next commission meeting for authorization to apply for round two (2) of the Community Economic Revitalization Board (CERB) grant.

Mrs. Creekpaum announced that PUD 3 was again one of the top five (5) employee contributors to Mason County United Way in 2018 with an increase of 67 percent over 2017.

At Mrs. Creekpaum's request, Ms. Patterson provided a power situation report.

COMMISSIONERS' REPORT

Ms. Gott reported that due to weather, she remotely participated in the February Noanet meeting. During this meeting a resolution was approved by Noanet for its member financing project.

Mr. Farmer reported that he attended the WPUA Day at the Hill in Olympia and will be attending the EDC luncheon this week.

GOOD OF THE ORDER

With no further business appearing, the commission meeting adjourned at 10:37 a.m.

Thomas J Farmer, President

ATTEST:

Linda R. Gott, Vice President

Bruce E. Jorgenson, Secretary