

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, April 9, 2019.

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

The following PUD 3 personnel were present: Director of Business Services John Bennett; Communications & Community Relations Coordinator Asia Cline; Customer Service Manager Diane Hennessy; 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; Administration Services Manager Mary Taylor (recorded minutes)

Members of the public in attendance was: Dedrick Allen of *Mason Web TV*; Randy Lewis of Shelton

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 March 26, 2019 regular commission meeting. | | |
| b. Voucher Nos. (April 2, 2019) 149568 through 149662
(Includes electronic funds transfer payment Nos. 16310-16338) | \$ | 526,396.75 |
| c. Voucher Nos. (April 9, 2019) 149663 through 149718
(Includes electronic funds transfer payment Nos.16339-16362) | \$ | <u>226,931.91</u> |
| | TOTAL | \$ 753,328.66 |
| d. Void accounts payable check for the week ending March 29, 2019 in the total amount of \$317.09. | | |

*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

Resident Lewis provided public comment.

STAFF REPORT

Mrs. Creekpaum reported that two (2) Pioneer Elementary School students and one (1) Evergreen Elementary School student recently received awards at the local science fair. All entries were electricity based and judged by PUD 3 employees.

Mrs. Creekpauum said that Mason PUD 3 received a top safety award from the American Public Power Association (APPA) and the Northwest Public Power Association (NWPPA).

Mrs. Creekpauum stated that Material & Supply Specialist Tina Ward is representing PUD 3 at the Engineering and Operations Conference and Trade show this week where she is Chairperson of the event. Over 750 participants plus vendors are attending this year's conference.

Mrs. Creekpauum reported that engineering has received 346 applications through February 2019. This is a six (6) percent increase of 2018. Most of these applications are new service for permanent residents.

At Mrs. Creekpauum's request, Mr. Knutson provided a presentation on the pole contact license agreement that will be proposed to commission at a future meeting. Mr. Knutson stated that the purpose of the license agreement is to define clear terms, rules, fees and process for pole attachments that comply with district policies, NESC, and State of Washington RCW 54. There are no proposed rate changes for pole attachments at this time. The current agreements were developed in the 1970's and do not reflect current joint use practices and laws. The proposed agreement will emphasize safety and best practices of district utility facilities for internal needs and pole attachments. In June 2018 notice was given to all licensees that PUD 3 is updating its pole attachment program which requires new standards for authorized entities using PUD poles. An updated pole attachment license agreement and joint use rules and regulations will be provided to licensees and a commission workshop will be provided prior to authorization of the new pole attachment license agreement that will take effect on June 30, 2019.

At Mrs. Creekpauum's request, Mr. Myer provided a legislative report. Mr. Myer explained the Clean Energy Bill (Senate Bill 5116) is in the House Committee on Appropriations. This bill requires, elimination of coal-fired power in our fuel mix by 2025; energy be greenhouse gas neutral by 2030; 100 percent of our power must come from non-emitting and renewable resources by 2045; penalty of \$60 per megawatt-hour for not meeting the standards.; extends some sales and use tax exemptions for alternative energy equipment to 2030; changes the Energy Independence Act (Initiative 937) to allow us to use energy from hydropower efficiency upgrades to meet a portion of the renewable energy standard; money spent to meet the renewable energy standards could not be used to meet the requirements of the clean energy bill.

Both versions of the Governor's broadband legislation are getting hearings this week. They are close on most features, with the Senate bill being the preferred measure. It includes, A newly created broadband office to facilitate policies, grant and loan programs; Programs established for local governments (including public utility districts), port districts, and privately-owned telecommunications businesses; PUDs would have authorization to act as an interim internet service provider if an ISP went out of business ; A special committee to review local government broadband proposals would be split: The Utilities and Transportation Commission would review the technical aspect of a plan. A separate group would review the financial feasibility of a proposal.

At Mrs. Creekpauum's request, Mrs. Eaton addressed a recently asked question regarding low income assistance. Mrs. Eaton stated that the Communications team reviewed the accessibility for low income information on the PUD website. A banner linking directly to bill assistance information has been developed. She explained that most customers find assistance information from the PUD customer service staff. The staff is well versed on local charities and assistance programs which includes the PUD project share program. Mrs. Hennessy stated that when customers apply for PUD accounts they are asked on the application if financial assistance is needed. She also stated that the pre-paid accounts have been very helpful for customers, allowing them to obtain an account without requiring a large deposit.

At Mrs. Creekpauum's request, Mr. Taylor stated the State Auditor will begin its yearly financial audit beginning Monday April 15. The audit will go through the end of May and commission will be advised of entrance and exit meeting dates.

COMMISSIONERS' REPORT

Mr. Farmer reported that he will be attending the NoaNet meeting April 10.

DISCUSSION ITEMS

Mr. Jorgenson expressed his concern with the large number of homeless people living in Mason County and asked how PUD 3 can help with the situation. Mrs. Creekpaum stated that PUD 3 is currently working on a community engagement policy for employees. Mr. Myer said that PUD 3 employees continue to help with community contributions; Foster children contributions; school backpacks; school supply donations; project share; Shuck and Share; turkey basket donations and children holiday gifts. PUD 3 is also a top 5 contributor to the United Way of Mason County and recently raised \$41,000 toward the construction of the new YMCA in Shelton.

GOOD OF THE ORDER

With no further business appearing, the commission meeting adjourned at 10:45 a.m.

Thomas J Farmer, President

ATTEST:

Linda R. Gott, Vice President

Bruce E. Jorgenson, Secretary