

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

President Farmer called a regular teleconference meeting of the Mason County PUD No. 3 board of commissioners to order at 10:00 a.m. The meeting was held virtually using Microsoft Teams in Shelton, Washington, on Tuesday, August 25, 2020.

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; Finance Manager/Treasurer Sherry Speaks.

The following PUD 3 personnel were present: IS Manager John Bennett; Environmental & Admin Specialist Ali Burgess (recorded minutes); Director of Business Operations Michelle Burleson; Public Information & Government Relations Manager Lynn Eaton; Customer Service Manager Diane Hennessy; Director of Engineering & Utility Services Justin Holzgrove; Conservation Manger Koral Miller.

A member of the public in attendance (teleconference) was 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 August 11, 2020 regular commission meeting.
- b. Voucher Nos. (August 18 ,2020) 154772 through 154835 \$ 592,881.18
(Includes electronic funds transfer payment Nos. 23510-23544)
- c. Voucher Nos. (August 25 ,2020) 154836 through 154906 \$ 1,677,647.45
(Includes electronic funds transfer payment Nos. 23545-23720)
- Total** \$ 270,528.63
- d. Void accounts payable checks for the week ending August 14, 2020 in the total amount of \$1,017.99 and the week ending August 21, 2020 in the total amount of \$464.90.
- e. Governance Policy Expense Approval

*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.

STAFF REPORT

Mrs. Speaks reviewed the status of the budget as of July 31, 2020, with the commissioners. The month-end receipts for July were \$5.4 million, expenditures were \$5.6 million. Finishing the month of July with a negative budget balance of \$219,404.

Mrs. Speaks then provided the treasurer's report of funds through July 2020. The opening cash balance for July was \$5 million and was \$4.6 million at month's end. The total of all funds at month-end were \$34.7 million.

Mrs. Creekpau reported on the current COVID-19 efforts. As of August 25, 2020, there are 315 confirmed COVID-19 cases, fifty-four (54) active cases and one (1) COVID related death in Mason County. Washington State has 71,125 confirmed COVID-19 cases and 1,863 COVID related deaths.

Mrs. Creekpau stated that Operations is having difficulty with participation in the casual labor pool for flaggers as an effect of COVID. This is a safety compliance issue for jobs requiring flaggers and could result in the need for full time employee (FTE) flaggers.

Mrs. Creekpau noted another affect of COVID has been the increase in service applications, which could also result in the need for added FTE. The customers pay for this process through line extension payments and system capacity fees.

Mrs. Creekpau announced that the Public Power Council (PPC) has requested nominations for the 2021 PPC Executive Committee. She requested commission's support in continuing her Executive Committee participation. Mr. Farmer, Ms. Gott, and Mr. Jorgenson were all in support.

At Mrs. Creekpau's request, Mr. Holzgrove provided commission with an engineering report. Mr. Holzgrove reported that the District has 130 new/altered service applications currently in the service engineering design phase. The District also currently has 70 new telecom connections in the telecom engineering phase. Staff have also been receiving many inquiries for large developments in the Belfair area. There is currently discussion of four major developments of multifamily, single family, and walk-up condo housing, totaling about 560 units. Additional single-family house developments are planned for the Wheelwright neighborhood in Allyn. Engineering Staff have been working with developers to get accurate load information and plans. Staff have also been working with BPA to secure capacity can be made available for these requests. A similar situation is happening in other parts of the county. The District has received several applications for a combined request for approximately 3.5 MW of capacity in the Westfield Court area near Port of Shelton's Sanderson Field, and a potential 4.5, or up to 15, MW single large load request near the Johns Prairie Operations Center. Additional transmission and substation infrastructure will be required to support this growth beyond available capacity in each of these areas.

Mr. Holzgrove also reported that the Totten Collocation facility was delivered on site on Monday, August 24. Staff will work to make the electrical connections; hire a contractor for backup generator install and security/fencing; and equip the facility with telecommunications equipment.

Mr. Holzgrove noted there will be a bid opening for the Tahuya River Valley Fiberhood (CERB 1) and pole replacement project on Wednesday. A successful award is expected to be brought forward at the next commission meeting on September 8.

Mr. Holzgrove reported that Telecommunications Staff is diligently working on an application for the Public Works Board's Rural Broadband Construction program. The District will be applying to bring fiber to approximately 680 homes and businesses in the Cloquallum Communities area, which includes parts of Cloquallum Road, Wivell Road, Loertscher Road, Lost Lake, Bulb Farm Road, Star Lake, Lake Arrowhead, and nearby roads. The application deadline is September 9, 2020.

At Mrs. Creekspaum's request, Mrs. Eaton provided commission with a legislative update.

COMMISSIONERS' REPORT

Ms. Gott reported that she attended the virtual Noanet teleconference on August 12, 2020 and will be attending the Energy Northwest strategic plan retreat (in-person) on August 25, 2020.

Mr. Farmer reported that he attended the virtual NoaNet board meeting and will be attending the Washington Public Agencies Group (WPAG) teleconference.

GOOD OF THE ORDER

With no further business appearing, the commission meeting adjourned at 10:28 a.m.



Thomas J Farmer (Sep 8, 2020 10:55 PDT)

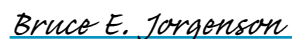
Thomas J Farmer, President



Linda R. Gott (Sep 8, 2020 11:01 PDT)

Linda R. Gott, Vice President

ATTEST:



Bruce E. Jorgenson (Sep 8, 2020 11:25 PDT)

Bruce E. Jorgenson, Secretary