

MINUTES OF REGULAR 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, October 27, 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; Benefits Coordinator Sarah Cooper; Director of Business Operations Michelle Endicott; Customer Service Manager Diane Hennessy; Director of Engineering & Utility Services Justin Holzgrove; Network Systems & Cyber Security Administrator Joel Moore; Power Manager Michele Patterson; Administrative Services Manager Mary Taylor-Monger (recorded minutes).

Members of the public in attendance (teleconference) were Randy Lewis of Shelton and Jeff McHargue of *Arnold and Smith Insurance* (exited at 10:15 a.m.)

PUBLIC COMMENT

No public comment was given.

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 October 13, 2020 regular commission meeting.   |              |                        |
| b. | Voucher Nos. (October 20, 2020) 155710 through 155765   |              | \$ 247,146.82          |
|    | (Includes electronic funds transfer payment Nos. 24454-24479  |              |                        |
| c. | Voucher Nos. (October 27, 2020) 155766 through 155845   |              | <u>\$ 1,675,347.49</u> |
|    | (Includes electronic funds transfer payment Nos. 24480-24685  |              |                        |
|    |   | <b>Total</b> | <b>\$ 1,922,494.31</b> |
| d. | Governance Policy Expense Approval  |              |                        |
| e. | Void accounts payable checks for the week ending October 23, 2020 in the total amount of \$1,511.29 |              |                        |

\*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 ITEMS

Recommendation was made to Adopt Resolution No. 1758, “A Resolution Authorizing the District to Terminate the Deferred Compensation Agreement 457 Plan Through Mass Mutual Life Insurance company.”

Mrs. Creekpauam stated that the recommendation reduces administrative burden and provides better investment opportunities for employees at a reduced cost.

Ms. Gott moved, motion seconded by Mr. Jorgenson to adopt Resolution No. 1758, “A Resolution Authorizing the District to Terminate the Deferred Compensation Agreement 457 Plan Through Mass Mutual Life Insurance company.” MOTION PASSED UNANIMOUSLY.

Recommendation was made to Adopt Resolution No. 1759, “A Resolution of the Commission of Public Utility District No. 3 of Mason County Authorizing the Approval and Execution of a Repayment Agreement to Provide Security for Bonds to be Issued by Northwest Open Access Network.”

Mrs. Creekpauam stated that the recommendation authorizes the manager to execute the agreement with Northwest Open Access Network (NoaNet). By refinancing the bond, NoaNet will save millions of dollars with low interest rates and will create a capital fund for the future use. This is not a PUD 3 liability.

Ms. Gott moved, motion seconded by Mr. Farmer to Adopt Resolution No. 1759, “A Resolution of the Commission of Public Utility District No. 3 of Mason County Authorizing the Approval and Execution of a Repayment Agreement to Provide Security for Bonds to be Issued by Northwest Open Access Network.” After a brief discussion, MOTION PASSED UNANIMOUSLY.

Recommendation was made to approve renewals to the benefits plans. At Mrs. Creekpauam’s request, Mrs. Endicott provided commission with a summary of the renewal plans. She stated that there are no increases to the benefit plans in 2021. COVID-19 may create long term impacts which may require future increases to the plans. Mrs. Endicott also explained that beginning in January 2021, the insurance provider will be changing from First Choice to Aetna. It was determined that Aetna is a twelve percent (12%) savings over First Choice. There will be more information provided during the open enrollment period.

Mr. Farmer moved, motion seconded by Ms. Gott, to approve renewals to the benefits plans. MOTION PASSED UNANIMOUSLY.

## STAFF REPORT

At Mrs. Creekpauam’s request, Mrs. Speaks reviewed the status of the budget as of September 30, 2020, with the commissioners. The month-end receipts for September were \$6.3 million, expenditures were \$5.3 million. Finishing the month of September with a negative budget balance of \$979,000.

Mrs. Speaks then provided the treasurer's report of funds through September 2020. The opening cash balance for September was \$4.4 million and was \$3.6 million at month's end. The total of all funds at month-end were \$33.8 million.

Mrs. Creekpau reported on the current COVID-19 efforts. As of October 26, 2020, there are 563 confirmed COVID-19 cases, sixty-one (61) active cases and nine (9) COVID related death in Mason County. Washington State has 103,500 confirmed COVID-19 cases and 2,321 COVID related deaths. As of September 2020, unemployment in the Mason County was 9.2 percent and Washington State was 7.4 percent.

Mrs. Creekpau reported that Governor Inslee announced Proclamation 20-23.11, Ratepayer Assistance and Preservation of Essential Services, has been extended to December 31, 2020.

At Mrs. Creekpau's request, Mrs. Speaks provided an update on residential past due accounts. There are 1,855 residential customers past due. For accounts greater than \$75 past due, there are 1,287 customers with an average of \$380 owed. This average increased \$15 in one month, showing a steady increase.

Mrs. Creekpau stated that PUD 3 is continuing to pursue CARES Act (Coronavirus Aid, Relief, and Economic Security) funding for COVID-19 related costs. There are currently 235 customer applications for bill assistance. Mrs. Hennessey reported that Customer Service has followed up with many applicants, requiring more documentation for approval. The public is being notified of the program through many forms of communication.

Mrs. Creekpau reported that the Public Works Board grant program did not select the District in the recently submitted grant request.

At Mrs. Creekpau's request, Mr. Taylor reported on the recent theft of a thumper van from the Belfair yard. The Sherriff's department advised that the van has been located in Graham, Washington. It had been stripped of all equipment and burned. There is an ongoing discussion to improve security. The vehicle and equipment are all covered by insurance.

Mrs. Creekpau reported that budget and rate meetings are ongoing, and hearings will occur in November.

Mrs. Creekpau read an email from a customer in Allyn commending the professionalism, safety, and hard work of one of the PUD 3 tree crews that averted a disaster with a hazardous tree.

### COMMISSIONERS' REPORT

Ms. Gott reported that she attended Energy Northwest Executive Board meeting.

Mr. Farmer acknowledged his attendance at the monthly NoaNet meetings and commended Ms. Gott on her excellent leadership and transparency while working with all 11 utility members for the NoaNet bond proposal.

### GOOD OF THE ORDER

With no further business appearing, the commission meeting adjourned at 10:34 a.m.

  
Thomas J Farmer (Nov 10, 2020 11:35 PST)

Thomas J Farmer, President

  
Linda R. Gott (Nov 10, 2020 11:39 PST)

Linda R. Gott, Vice President

ATTEST:

  
Bruce E. Jorgenson (Nov 10, 2020 12:59 PST)

Bruce E. Jorgenson, Secretary