

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, February 23, 2021.

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: Environmental & Admin Specialist Ali Burgess; Communications & Government Relations Manager Lynn Eaton; Director of Business Operations Michelle Endicott; Director of Engineering & Utility Services Justin Holzgrove; Conservation Manager Koral Miller; Network Systems & Cyber Security Administrator Joel Moore; Power Manager Michele Patterson; Administration Services Manager Mary Taylor-Monger (recorded minutes).

Member of the public in attendance (video conference) 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 February 9, 2021 regular commission meeting.
- b. Voucher Nos. (February 16, 2021) 156858 through 156944 \$ 4,606,979.21
(Includes electronic funds transfer payment Nos. 26284-26486)
- c. Voucher Nos. (February 23, 2021) 156945 through 157020 \$ 3,095,049.89
(Includes electronic funds transfer payment Nos. 26487-26666)
- Total** \$ 7,702,029.10
- d. Void accounts payable checks for the week ending February 12, 2021 in the amount of \$992.30.
- 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.

PUBLIC COMMENTS

No public comment was given.

ACTION ITEMS

No action items were presented.

STAFF REPORT

Mrs. Speaks reviewed the status of the budget as of January 31, 2021, with the commissioners. The month-end receipts for January were \$6.6 million, expenditures were \$6.8 million. Finishing the month of January with a negative budget balance of \$201,000.

Mrs. Speaks then provided the treasurer's report of funds through January 2021. The opening cash balance for January was \$6.8 million and was \$6.8 million at month's end. The total of all funds at month-end were \$32.6 million.

Mrs. Creekpau reported on the current COVID-19 efforts. As of February 22, 2021, there are 1,673 confirmed COVID-19 cases, and twenty-three (23) COVID related deaths in Mason County. There were 43 new confirmed cases in the last fourteen (14) days and 66 confirmed cases per 100,000 tested. As of February 19, 2021, Washington State has 316,186 confirmed COVID-19 cases, 4,822 COVID related deaths, and 1,270,425 vaccinations given.

Mrs. Creekpau reported on the current power crisis in Texas, where the power grid is an island susceptible to market prices. There are millions without power due to the winter weather and rolling outages. Some utilities have been forced to use their entire year's budget already.

At Mrs. Creekpau's request, Mr. Johnson presented the legal process for annexation of the Alderbrook territory. The annexation must be initiated by the voters with a petition, signed by twenty (20) percent of votes cast in the last election. The petition is then taken to the Mason County Prosecuting Attorney's Office who has 21 days to certify or refuse to certify. Once certified, the petition is submitted to the Board of Commissioners for both PUD 1 and PUD 3. The PUD boards must within 60 days enter a resolution approving or rejecting the petition and notify the petitioners of their decision. Each Board must pass an identical resolution. Once approved by the PUD 1 and PUD 3 boards, the petition is acted on by the County Board of Commissioners. If the County board finds that the petition complies with statute, they must approve it. The petition then goes to the County Auditor for certification. Once certified by the Auditor, PUD 1 board selects its preference for the date of the election to be held. The date must be at a special election on the dates approved in RCW 29A.04.330 that is sixty or more days after the date the preferences is given. PUD 1 must assume the cost of conducting an election. Only voters who have resided in the area to be annexed for at least 90 days preceding the election are allowed to vote. A simple majority is required for the annexation. After the election, the PUD 1 board would adopt a resolution providing for the annexation. The annexation is complete on the date adopted in the resolution. Both PUD 1 and PUD 3 must redistrict after the election.

At Mrs. Creekpau's request, Mrs. Eaton gave a legislative update. She reported on the recent meeting with Congressman Derek Kilmer and upcoming plans to meet with new Congressional Representative

Marilyn Strickland. Among updates on several bills which could possibly impact Mason PUD 3, she reported on a couple of bills tied to the PUDs legislative priorities, HB 1336 and SB 5383. She also noted a handful of bills recently signed by the Governor, specifically two affecting the PUD, HB 1368, a \$2.2 billion COVID relief package, and HB 1095, creating state business and occupation tax and state public utility tax exemptions associated with assistance programs related to a gubernatorial or presidential emergency declaration.

COMMISSIONERS' REPORT

Ms. Gott reported that she attended the Noanet meeting where Dave Spencer announced his retirement. She also attended the Washington Public Utility Districts Association (WPUDA) meetings with a special training on open public meetings.

Mr. Farmer reported that he also attended the Noanet and WPUDA meetings, as well as a Northwest Public Power Association (NWPPA) event on federal energy policy with the federal energy commissioner.

GOOD OF THE ORDER

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


THOMAS J FARMER (Mar 9, 2021 11:26 PST)

Thomas J Farmer, President


Linda R. Gott (Mar 9, 2021 16:48 PST)

Linda R. Gott, Vice President

ATTEST:


Bruce E. Jorgenson (Mar 9, 2021 17:26 PST)

Bruce E. Jorgenson, Secretary