

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, May 25, 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: John Bennett IS Manager; Environmental & Administrative Specialist Ali Burgess; Communications & Government Relations Manager Lynn Eaton; Director of Business Operations Michelle Endicott; Customer Service Manager Diane Hennessy; Director of Engineering & Utility Services Justin Holzgrove; Energy Services Manager Koral Miller; Network Systems & Cyber Security Administrator Joel Moore; Power Manager Michele Patterson; Purchasing Manager Jennifer Renecker; Administrative 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 May 4, 2021 regular commission meeting.  |       |                     |
| b. Voucher Nos. (May 11, 2021) 157597 through 157683<br>(Includes electronic funds transfer payment Nos. 27790-27996)                                      | \$    | 1,243,676.97        |
| c. Voucher Nos. (May 18, 2021) 157684 through 157735<br>(Includes electronic funds transfer payment Nos. 27997-28017)                                      | \$    | 2,806,458.33        |
| d. Voucher Nos. (May 25, 2021) 157736 through 157798<br>(Includes electronic funds transfer payment Nos. 28018-28199)                                      | \$    | <u>1,255,391.32</u> |
|  | Total | \$ 5,305,526.62.    |
| e. Governance Policy Expense Approval  |       |                     |
| f. Accounts to write off deceased customers with no assets and bankruptcies in the total amount of \$1,638.79.   |       |                     |
| g. Void accounts payable checks for the week ending May 14, 2021 in the amount of \$402.00 and for the week ending May 21, 2021 in the amount of \$900.00. |       |                     |

\*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 ITEM

Recommendation was made to approve Resolution No. 1770, A Resolution Declaring General Plant Items Surplus.

Mrs. Creekpaum explained that this is a housekeeping item usually done yearly. Due to COVID-19 in 2020, the normal surplus was delayed creating a lengthier surplus list than normal.

Mr. Farmer moved; motion seconded by Mr. Jorgenson to approve Resolution No. 1770. MOTION PASSED UNANIMOUSLY.

Recommendation was made to approve authorization for the Manager to enter into an agreement to serve a customer in Grays Harbor County Jurisdiction.

Mrs. Creekpaum stated that Grays Harbor PUD has approached PUD 3 about servicing a Grays Harbor County customer that is closer to PUD 3 services. This will benefit the customer because PUD 3 services, including fiber, are across the street from the property and Grays Harbor services are one mile away. In the immediate area there are three (3) Grays Harbor County residents that are serviced by PUD 3. Overall, there are 125 customers that are in Grays Harbor County that are serviced by PUD 3. It is more efficient and appropriate for PUD 3 to service this customer.

Mr. Farmer moved; motion seconded by Mr. Jorgenson to approve authorization for the Manager to enter into an agreement to serve a customer in Grays Harbor County Jurisdiction. After a brief discussion, MOTION PASSED UNANIMOUSLY.

### STAFF REPORT

Mrs. Speaks reviewed the status of the budget as of April 30, 2021, with the commissioners. The month-end receipts for April were \$7.8 million, expenditures were \$6.8 million. Finishing the month of April with a positive year to date budget balance of \$931,000.

Mrs. Speaks then provided the treasurer's report of funds through April 2021. The opening cash balance for April was \$7.2 million and was \$8.3 million at month's end. The total of all funds at month-end were \$34 million.

Mrs. Creekpau reported on the current COVID-19 efforts. As of May 24, 2021, there are 2,160 confirmed COVID-19 cases, and thirty-one (31) COVID related deaths in Mason County. There were 95 new confirmed cases in the last fourteen (14) days and 146 confirmed cases per 100,000 tested. Washington State, as of May 23, 2021, has 395,900 confirmed COVID-19 cases, 5,709 COVID related deaths, and 6.7 million vaccinations given. On May 14, 2021, Governor Inslee issued guidance that vaccinated people are no longer required to wear masks. On May 23, additional guidance was issued explaining how this affects employers and employees. Mason PUD 3 had a positive COVID case reported on Friday, May 21. Unfortunately, this individual attended an in-office training with the operations group with thirty (30) people in attendance. Eleven (11) close contacts were notified and numerous employees that were in attendance are out while waiting on test results. Safety protocols were not followed by unvaccinated employees with masking. Management will be dealing with these issues with more clarity.

At Mrs. Creekpau request, Mrs. Hennessey provided a report on the recent "Spring Fling". She reported that a 5K Spring Fling virtual fundraiser was held May 1-8, 2021. Over \$1,000 was raised for the Project Share fund. PUD 3 Employees, Chris Roberton, Haylee Dehning, Asia Cline, Mary Taylor-Monger, and Diane Hennessey spent non work hours organizing the event. Medals and handwritten notes were provided to all participants.

Mrs. Creekpau discussed the Jefferson County PUD interconnection project. This is a collaboration between Jefferson PUD and the Bonneville Power Administration (BPA). PUD 3 participates in way of a construction project. At Mrs. Creekpau's request, Mr. Holzgrove provided more details of the project. He stated that this project was discussed with BPA years ago when PUD 3 inquired about a route from Olympia to Shelton and then to Potlach Substation. At that time, BPA approved but required leasing the entire route from Olympia to Port Angeles. This was very costly and not of use to us. In the last year Jefferson PUD reached out to BPA with a similar request and asked if PUD 3 would be interested in leasing the route with them. Jefferson PUD has taken the lead in the project, finalizing the contract with BPA. PUD 3 will have a future construction agreement and will be a sublease recipient. This will provide a redundant path to Olympia to pair with NoaNet and connect with retail service providers that are not in Mason County. It also allows access to the Potlatch substation and Lake Cushman on a Geo Diverse route.

Mrs. Creekpau provided information on the Telecom area. She stated that for several months commission has been provided with Telecom application totals and statistics which show the demand and growth in this area. At Mrs. Creekpau's request, Mrs. Speaks provided a model of how PUD 3 will meet the growing demand in this area. To meet the demands, it is necessary to hire three (3) telecom engineers, one (1) accountant, and one (1) support admin. Mrs. Speaks reviewed the current and anticipated workload and projected the turnaround time to complete the work. With the current work requests and approved grants that will increase the workload, customers potentially will be waiting two (2) years for service. With the addition of the requested staff in this department, in the 4<sup>th</sup> quarter of 2022 customers will have a two (2) month response time which is much more reasonable. Funding for the positions will be provided through bond funds. Ms. Gott said that she is pleased to have a plan and would urge to move forward as soon as possible. Mr. Jorgenson stated that we should march forward with the proposed plan. Mr. Farmer agreed that with the funding approved to the utility for the rural broadband expansions it will require additional employees to provide prompt service to the customers. Mr. Farmer, Mr. Jorgenson, and Ms. Gott all agreed to move forward with the process of hiring three (3) telecom engineers, one (1) accountant, and one (1) support admin person.

COMMISSIONERS' REPORT

Mr. Jorgenson reported that he attended the virtual WPUA meetings.

Ms. Gott reported that she attended PPC, PNUC, NoaNet, NWPPA, Energy Northwest Participants Review Board Meeting, SAO risk assessment meeting, and the WPUA Telecom workshop.

Mr. Farmer reported that he attended the PPC, NW Requirement Board of Directors meeting, NWPPA, WPUA Telecom meeting and the SAO exit meeting.

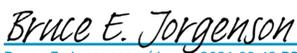
GOOD OF THE ORDER

With no further business appearing, the commission meeting adjourned at 10:44 a.m.

  
THOMAS J FARMER (Jun 8, 2021 22:17 PDT)  
Thomas J Farmer, President

  
Linda R. Gott (Jun 9, 2021 09:21 PDT)  
Linda R. Gott, Vice President

ATTEST:

  
Bruce E. Jorgenson (Jun 9, 2021 09:42 PDT)  
Bruce E. Jorgenson, Secretary