

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, July 13, 2021.

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

The following PUD 3 personnel were present: John Bennett IS Manager; Environmental Programs Coordinator-Administration Ali Burgess; Communications & Government Relations Manager Lynn Eaton; Network Systems & Cyber Security Administrator Joel Moore; Power Manager Michele Patterson; Purchasing Manager Jennifer Renecker; Administrative Services Manager Mary Taylor-Monger (recorded minutes).

Members of the public in attendance (video conference) were Dedrick Allen of *Mason Web TV* and 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 Mr. Farmer to adopt the consent agenda. MOTION PASSED BY TWO-THIRDS VOTE. By adopting the consent agenda, the following items were approved:

- a. Minutes of the June 29, 2021 regular commission meeting.
- b. Voucher Nos. (July 6, 2021) 158099 through 158148 \$ 481,031.83
(Includes electronic funds transfer payment Nos. 28636-28698)
- c. Voucher Nos. (July 13, 2021) 158149 through 158222 \$ 1,331,670.28
(Includes electronic funds transfer payment Nos. 28699-28904)
- Total** \$ 1,812,702.11
- d. Governance Policy Expense Approval
- e. Void accounts payable checks for the week ending July 2, 2021 in the amount of \$1,900.00.

*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

Mr. Lewis provided public comment.

ACTION ITEM

Recommendation was made to approve Resolution No. 1772 “A Resolution Declaring Distribution System Items Surplus (PCB free and Non-PCB Contaminated).” Mrs. Creekpau explained that this is a housekeeping item for surplus of transformers and reclosers.

Mr. Jorgenson motioned, seconded by Mr. Farmer to approve Resolution No. 1772 “A Resolution Declaring Distribution System Items Surplus (PCB free and Non-PCB Contaminated).” MOTION PASSED BY TWO-THIRDS VOTE.

STAFF REPORT

Mrs. Creekpau reported on the current COVID-19 efforts. As of July 12, 2021, there are 2,330 confirmed COVID-19 cases, and thirty-six (36) COVID related deaths in Mason County. There were 34 new confirmed cases in the last fourteen (14) days and 52 confirmed cases per 100,000 tested. Fully vaccinated in Mason County is 43 percent. Washington State, as of July 12, 2021, has 419,094 confirmed COVID-19 cases, 6,000 COVID related deaths, and 7.9 million vaccinations given. The fully vaccinated rate in Washington State is 55.9 percent.

Mrs. Creekpau stated the Washington State Moratorium for disconnections has been extended until September 30, 2021, per the governor’s proclamation 20.23.16. At Mrs. Creekpau’s request, Mrs. Speaks provided customer past due statistics. She reported that as of July 1, 2021, 2,200 customers were thirty (30) plus days past due. Within that total, 1,100 customers were (60) sixty plus days past due and 715 customers were ninety (90) plus days past due with a grand total of a little less than 1 million in past due accounts.

At Mrs. Creekpau’s request, Ms. Patterson provided a report on the recent unprecedented heat wave. Ms. Patterson stated that demand came in at 105 megawatts which is 30 percent higher than forecasted and 35 percent higher than June 2020. The energy portion was eight (8) percent higher than forecasted with an energy cost of \$120,000 above forecasted totals. This increase is attributed to the uptick in demand.

At Mrs. Creekpau’s request, Mrs. Eaton reported on a salmon and orca summit that was held in Mason County at the Squaxin Island tribe. This historic summit was 15 tribes from the region along with an association of tribes representing 50 other tribal nations. They gathered to show unity behind Representative Mike Simpson’s plan to remove the lower snake river dams. Governor Inslee issued a statement by video call at the event stating that dam removal must remain on the table to save salmon and orcas from extinction, but we also must protect access to low-cost power. Representative Simpson’s plan includes a 32 billion infrastructure package to replace the benefit of the dams, but the power industry also understands the real costs and the impacts to rates and reliability that removal of the dams could impose. There was no evidence of representation from the power industry at the summit. It is important to educate our customers on the impacts on our community. Mandatory compliance with the Clean Energy Transformation Act (CETA) requires an outreach to at risk populations. Our resource plans include at risk populations and receiving feedback from them so whatever clean energy future we have is done in an equitable way for those populations. If dams are removed, power bills could potentially double. We are environmental stewards at PUD 3 and

understand the importance of helping salmon and orcas, but customers need to be fully away of consequences of damn removal.

Mrs. Creekpaum provided commission with a telecom statistics report. New construction applications totaled 39 in May 2021 and 264 year to date compared to 230 in 2020.

Mrs. Creekpaum reported on the recent ribbon cutting at Tahuya River Valley fiberhood project that affects 217 customers.

Mrs. Creekpaum stated that considerable time has been spent with American Rescue Plan Act funds (ARPA) with Mason County commissioners discussing projects that could be used for those funds such as the Belfair substations funding for phase I, II, and III, a telecom project at the Cloquallum area, and customer accounts. Commissioner Farmer sent a letter to Mason County Commissioners explaining the economic development possibilities with approved funding for Mason County PUD 3.

At Mrs. Creekpaum's request, Mrs. Eaton provided a report on community engagement. Mrs. Eaton said that more annual events are occurring in Mason County this summer, but PUD 3 will not be participating this summer with a physical presence. We will support through advertising and sponsorship opportunities.

COMMISSIONERS' REPORT

Mr. Jorgenson stated that he will be attending the WPUDA meetings in Skamania.

Mr. Farmer reported that he attended the Tahuya River Valley ribbon cutting event. He also attended a forum on the future regarding recovery from COVID event sponsored by many local entities. It included a presentation by Mrs. Eaton and Mrs. Hennessey talking about PUD 3's contributions to assist customers paying their bills after COVID related issues. Mr. Farmer discussed the letter he sent to Mason County commissioners in support of the Belfair substation infrastructure and customer assistance funding. He is hopeful that the commission will do the right thing.

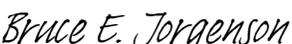
GOOD OF THE ORDER

With no further business appearing, the commission meeting adjourned at 10:24 a.m.


THOMAS J FARMER (Jul 28, 2021 11:24 PDT)
Thomas J Farmer, President


Linda R. Gott (Jul 28, 2021 10:24 PDT)
Linda R. Gott, Vice President

ATTEST:


Bruce E. Jorgenson (Jul 28, 2021 16:20 PDT)

Bruce E. Jorgenson, Secretary