

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, April 13, 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; Customer Service Manager Diane Hennessy; Director of Engineering & Utility Services Justin Holzgrove; Conservation 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 (teleconference) was Randy Lewis of Shelton (arrived at 10:03 a.m.)

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:

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|---|--------------|---------------------|
| a. Minutes of the March 23, 2021 regular commission meeting. | | |
| b. Voucher Nos. (March 30, 2021) 157250 through 157312 | \$ | 1,430,207.49 |
| (Includes electronic funds transfer payment Nos. 27042-27229 | | |
| c. Voucher Nos. (April 6, 2021) 157313 through 157345 | \$ | 210,408.77 |
| (Includes electronic funds transfer payment Nos. 27230-27251 | | |
| d. Voucher Nos. (April 13, 2021) 157346 through 157417 | \$ | <u>4,213,141.80</u> |
| (Includes electronic funds transfer payment Nos. 27252-27506 | | |
| | Total | \$ 5,853,758.06 |
| e. Bonneville Power Administration Power Sales Agreement Contract No. 09PB-13068 exhibit A and C revisions. | | |
| f. Governance Policy Expense Approval | | |
| g. Void accounts payable checks for the week ending March 26, 2021 in the amount of \$1,300.00. | | |

*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.

CORRESPONDENCE

Mrs. Creekpau reported that on behalf of PUD 3 commissioners, letters were sent to Representative Dan Griffey, Representative Drew MacEwen, and Senator Tim Sheldon, seeking support in addressing the financial burden related to State Department of Transportation culvert repair projects. Six PUDs have requested inclusion in the state budget of \$11 million to address the significant and unexpected costs on PUDs for utility relocations required by the Culverts Decision during the 21-23 biennium.

PUBLIC COMMENTS

No public comment was given.

ACTION ITEMS

Recommendation was made to authorize the purchase of solar photovoltaic system from AP Development. Mrs. Creekpau discussed the solar array on building D at the Johns Prairie Operations Center. She stated that purchasing and maintaining the system is part of the original plan when the Operations Center was built, and we would have the opportunity to purchase and maintain the system. Ms. Patterson provided options to purchase and maintain the system. The memo requests for up to \$78,000 purchasing authority to purchase the solar panels. Ms. Patterson has negotiated a purchase price of \$72,500.

Ms. Gott motioned, seconded by Mr. Farmer to authorize the purchase of solar photovoltaic system from AP Development. After a brief discussion, MOTION PASSED UNANIMOUSLY.

STAFF REPORT

Mrs. Creekpau reported on the current COVID-19 efforts. As of April 12, 2021, there are 1,866 confirmed COVID-19 cases, and twenty-seven (27) COVID related deaths in Mason County. There were 71 new confirmed cases in the last fourteen (14) days and 109 confirmed cases per 100,000 tested. As of April 11, 2021, Washington State has 352,391 confirmed COVID-19 cases, 5,329 COVID related deaths, and 4.1 million vaccinations given. Currently Mason County is a phase three (3) county, but three (3) counties have moved back to phase two (2) due to high covid rates. A letter inquiring if PUD 3 is eligible to receive funding from the America Rescue Act has been sent to Mason County Commissioner Shutty. We have also been working with the county on the Treasury Renter's Assistance program which has a portion allocated for utilities. The second vaccination clinic for PUD 3 was held on April 7, 2021. PUD 3 qualified for immunizations under 1B Tier 2.

At Mrs. Creekpau's request, Mrs. Eaton gave a legislative update. With less than two weeks left in the legislative session, Mrs. Eaton provided an update on several bills that survived the cutoff date of bills needing to pass the opposite chamber and could have significant impacts on Mason PUD 3. Among those bills, she noted the passing of both retail telecommunications bills, HB 1336 and SB 5383, noting the historical significance if one or both receive concurrence from their house of origin. If approved, both bills will modify the same language in RCW 54 and would allow PUDs and Ports to serve

customers directly (retail) under certain circumstance and with slightly varying requirements between the bills. If concurrence occurs in each chamber, the next step for the legislation would be the governor's desk, where he would have the option to veto all or individual parts of one or both bills. If approved, having retail telecommunications authority could potentially increase opportunities for federal grants for broadband infrastructure, which has been historically elusive.

Mrs. Creekpaum reported that Mr. Brock of Alderbrook has reportedly received all necessary voter signatures from his area at Alderbrook to move out of PUD 3 territory to PUD 1 territory as a voting district. Signatures must be certified by the county before moving forward. This will result in redistricting for PUD 3 as required and coincides with the 10-year county census which also requires redistricting. The county has stated that the census totals will be available in September 2021.

Mrs. Creekpaum said the Narrow settlement with the Bonneville Power Administration (BPA) administrator is moving along. The Public Power Council (PPC), Northwest Requirements Utilities (NRU), and Western Public Agencies Group (WPAG) as well as ninety-seven (97) percent of the tier 1 load participants agree that BPA should move forward with the settlement.

At Mrs. Creekpaum's request, Ms. Patterson provided commission with the March 2021 purchase power statement.

Mrs. Creekpaum provided a telecom application update. New construction applications total forty-three (43) for March 2021. Year to date applications total 155 in comparison to 99 in 2020.

Mrs. Creekpaum announced that the International Government Finance Officers Association (GFOA) presented PUD 3 with its sixteenth consecutive Certificate of Excellence in Financial Reporting for its 2019 Comprehensive Annual Financial Report.

COMMISSIONERS' REPORT

Mr. Jorgenson inquired about pole maintenance throughout the county. Mrs. Creekpaum stated that a report will be provided at the next scheduled commission meeting.

Ms. Gott reported that she attended the virtual PPC meetings. She stated that the NoaNet CEO interview process is progressing.

Mr. Farmer reported that he also attended the virtual PPC meetings.

GOOD OF THE ORDER

With no further business appearing, the commission meeting adjourned at 10:35 a.m.

Thomas J Farmer, President

ATTEST:

Linda R. Gott, Vice President

Bruce E. Jorgenson, Secretary