

MINUTES OF PUBLIC MEETING OF COMMISSIONERS  
OF PUBLIC UTILITY DISTRICT NO. 3  
OF MASON COUNTY, WASHINGTON

President Farmer called a regular meeting of the Mason County PUD No. 3 board of commissioners to order at 10:00 a.m. The meeting was held in the PUD 3 auditorium (Skookum Room) at 2621 E Johns Prairie Road in Shelton, Washington, on Tuesday, January 14, 2020.

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

The following PUD 3 personnel were present: IS Manager John Bennett; Communications & Community Relations Cd Asia Cline; Asst. Public Information & Gov Relations Manager Lynn Eaton; Customer Service Manager Diane Hennessy; Director of Engineering & Utility Service Dale Knutson; Conservation Manager Koral Miller; Public Information & Gov Relations Manager Joel Myer; Power Manager Michele Patterson; Administration Services Manager Mary Taylor-Monger (recorded minutes).

Member of the public in attendance was: Ted Jackson of *United Way of Mason County*

MODIFICATION AND/OR APPROVAL OF AGENDA

The agenda was approved as presented. Ms. Gott requested to provide comment during the discussion items portion of the meeting.

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 UNANIMOUSLY. By adopting the consent agenda, the following items were approved:

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|----|---|------------------------|
| a. | Minutes of the December 10, 2019 regular commission meeting.  |                        |
| b. | Voucher Nos. (December 17, 2019) 152479 through 152548<br>(Includes electronic funds transfer payment Nos. 19953-19971)   | \$ 2,682,861.00        |
| c. | Voucher Nos. (December 24, 2019) 152549 through 152617<br>(Includes electronic funds transfer payment Nos. 19972- 19989)  | \$ 711,528.48          |
| d. | Voucher Nos. (December 31, 2019) 152618 through 152729<br>(Includes electronic funds transfer payment Nos. 19990- 20202)  | \$ 1,824,169.81        |
| e. | Voucher Nos. (January 7, 2020) 152730 through 152767<br>(Includes electronic funds transfer payment Nos. 20203- 20213)  | \$ 435,931.79          |
| f. | Voucher Nos. (January 14, 2020) 152768 through 152842<br>(includes electronic funds transfer payment Nos. 20214 - 20418)  | <u>\$ 3,732,343.59</u> |
|    | <b>TOTAL</b>  | <b>\$ 9,386,834.67</b> |
| g. | Void accounts payable checks for the week ending December 20, 2019 in the total amount of \$6,238.24. Week ending December 31, 2019 in the total amount of \$201.61 |                        |
| h. | Governance Policy Expense Approval  |                        |
| i. | BPA Contract Revision. Mutual Aid Agreement 16TX-16397  |                        |
| j. | Accounts to write off-deceased customers with no assets and bankruptcies in the total amount of \$313.07  |                        |
| k. | NoaNet Payment Agreement Amendment  |                        |

\*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

Mr. Jackson thanked PUD 3 employees for their generous United Way Contributions for 2020. The work place campaign contributions exceeded \$19,600. These funds will go along way in helping Mason County residents in need.

#### STAFF REPORT

Mrs. Creekpau reported that the temporary Bonneville Power Administration (BPA) Financial Reserves Policy (FRP) Surcharge started in January. The charge is required by BPA to build and sustain financial flexibility. This is a fixed charge that will appear monthly for the next 10 months on customer power bills. The January amount per customer, excluding low income disability and senior accounts, is \$1.62. This amount will be recalculated monthly, estimated to not exceed \$2.00 per month.

Mrs. Creekpau stated that the bond sale is progressing. The Financial Advisor and Bond Team, which includes numerous attorneys, has reviewed documents and the bond sale is scheduled for January 28, 2020.

Mrs. Creekpau said the first round of paperwork for the Rural Utilities Service grant has been completed. This is a 3.3 million, 100 percent grant that will affect 250 homes in the Grapeview 3 Fingers area. PUD 3 was the only Washington State entity that applied for this grant setting a precedence for more PUDs to apply and receive such grants.

Mrs. Creekpau reviewed the engineering statistics stating that PUD 3 had 860 service applications for 2019. That is up from 611 in 2018.

Mrs. Creekpau stated that the American Public Power Association (APPA) featured PUD 3 in two (2) articles in December 2019. The Mason County Holiday Magic Christmas Parade entry and the 2020 employee contribution to the United Way were highlighted.

Mrs. Creekpau reported on two (2) customer comments received in December 2019 that thanked PUD 3 for exceptional service and power restoration efforts.

Mrs. Creekpau shared with commissioners a photo of the payment kiosk that will be installed at the Shelton Payment Center.

At Mrs. Creekpau's request, Mr. Myer provided commission with a legislative update.

Mrs. Creekpau shared with commission the 2020 all employee annual meeting video. It showed achievements of 2019 and introduced the 2020 PUD theme of "Future Focused."

#### COMMISSIONERS' REPORT

Ms. Gott reported that she attended the ribbon cutting of the Shelton Evaluation and Treatment Center that is in the old PUD 3 building. She also attended the APPA Joint Action Agency Conference. Ms. Gott also attended a presentation put on by Utah Associate Municipal Power Systems (UAMPS) and Nuscale to provide an update on their carbon free power project and solicit interest in forming a grass roots effort to support small modular nuclear reactors (SMRs). Ms. Gott explained the group may be seeking future support from Mason PUD 3.

Mr. Farmer reported that he will be attending the sale of the bonds on January 28<sup>th</sup>. He attended the Shelton Evaluation and Treatment Center ribbon cutting ceremony and the Shelton Chamber legislative send off. Mr. Farmer also reported on the Public Power Council (PPC) meeting and his attendance at the Grapeview Community meeting.

DISCUSSION ITEMS

No items were discussed

GOOD OF THE ORDER

With no further business appearing, the commission meeting adjourned at 10:51 a.m.

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Thomas J Farmer, President

ATTEST:

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Linda R. Gott, Vice President

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Bruce E. Jorgenson, Secretary