

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

President Gott called the regular meeting of the Mason PUD 3 No. 3 board of commissioners to order at 10:00 a.m. The meeting was held in the PUD 3 auditorium, at 2621 E Johns Prairie Road in Shelton, Washington and virtually using Microsoft Teams in Shelton, Washington, on Tuesday, October 25, 2022.

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

The following PUD 3 personnel were present: IT Manager John Bennett; 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 Joel Moore; Power Manager Michele Patterson; Administration Services Manager Mary Taylor-Monger (recorded minutes).

Members of the public in attendance were Randy Lewis of Shelton (departed at 10:28 a.m.), Juli Tuson of Shelton, Kitty Lundeen Ness of Shelton, Jeff McHargue of *Arnold and Smith Insurance*.

MODIFICATION AND/OR APPROVAL OF AGENDA

The agenda was approved as presented.

PUBLIC COMMENT

No public comment was given.

CONSENT AGENDA

Ms. Gott reviewed the items listed on the consent agenda. Mr. Farmer moved; motion seconded by Mr. Jorgenson 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 October 11, 2022, regular commission meeting. | | |
| b. Voucher Nos. (October 18, 2022) 162758 through 162833
(Includes electronic funds transfer payment Nos. 36201-36235) | \$ | 2,465,209.75 |
| c. Voucher Nos. (October 25, 2022) 162834 through 162924
(Includes electronic funds transfer payment Nos. 36236-36427) | \$ | <u>1,773,454.35</u> |
| | Total | \$ 4,238,664.10 |
| d. Governance Policy Expense Approval. | | |
| e. Void accounts payable for the week ending October 14, 2022 in the total amount of \$733.40 | | |

*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 commissioners received a letter from Hood Canal Communication on October 18, 2022.

ACTION ITEMS

Recommendation was made to approve task order 9 under contract PS-2020.8 for upgrades to the Belfair Substation and addition of a ring bus switching yard in Belfair. At Mrs. Creekpau's request, Mr. Holzgrove provided a summary of the project. He stated that the addition of a ring bus and upgrade to the substation will provide more reliability and capacity in the future. He said the task order is not to exceed \$856,612.00.

After a brief discussion, Mr. Farmer moved, motion seconded by Mr. Jorgenson to approve task order 9 under contract PS-2020.8 for upgrades to the Belfair Substation and addition of a ring bus switching yard in Belfair. MOTION PASSED UNANIMOUSLY.

Recommendation was made to approve the Renewals to the benefits plans.

At Mrs. Creekpau's request, Mrs. Endicott provided commission with a summary of the renewal plans. She stated the committee is recommending a five (5) percent increase to the self-insured plan medical and vision premiums and a 3.6 percent increase to the Kaiser Permanente plan. The Kaiser plan has many changes to its coverage and deductible due to plan changes within Kaiser. Staff enrolled with Kaiser will receive detailed information of the changes and will have the opportunity to switch to the self-insured plan during open enrollment in November. MetLife Dental, Lincoln Financials short term disability, long term disability, life AD&D, and optional AD&D coverage with Zurich will all remain at the current rates.

Mr. Farmer moved, motion seconded by Mr. Jorgenson to approve the renewals to the benefits plans. MOTION PASSED UNANIMOUSLY.

STAFF REPORT

Mrs. Speaks reviewed the status of the budget as of September 30, 2022, with the commissioners. The month-end receipts for September were \$6.1 million, expenditures were \$6.4 million. Finishing the month of September with a month end negative balance of \$216,000 and a year-to-date budget balance of 1.5 million.

Mrs. Speaks then provided the treasurer's report of funds through September 2022. The opening cash balance for September was \$8.7 million and was \$4.1 million at month's end. The total of all funds at month-end were \$37.3 million.

Mrs. Creekpaum reported on the current COVID-19 efforts. As of October 23, 2022, there were 15,101 confirmed COVID-19 cases, and one hundred sixty-five (165) COVID related deaths in Mason County. There were 14 confirmed cases per 100,000 in the last seven (7) days. Washington State as of October 23, 2022, had 1.83 million confirmed COVID-19 cases and 14,549 COVID related deaths.

Mrs. Creekpaum informed the commission that the Department of Commerce issued its draft contract for Utility Arrearage grant funding to Mason PUD 3 in the amount of \$431,264.00 to address low-income customer arrearages compounded by the COVID-19 pandemic and the related economic downturn that were accrued between March 1, 2020, and December 31, 2021. Unfortunately, because of the lengthy year-long process to issue the funds and the stringent parameters spelled out in the grant's provision, the PUD will only be able to pass along a very small portion of the available grant funding to customers in need. She will keep the commission informed of the final outcome.

Mrs. Creekpaum said a comment card was received from Community Action Council praising all customer service staff for its amazing work and expressed appreciation for everyone.

Mrs. Creekpaum reported that Telecom Light Brigade training is taking place this week.

Mrs. Creekpaum stated that NISC Operations training was hosted at PUD 3 last week. It was well attended by utility employees from throughout the region.

Mrs. Creekpaum reminded commission that the budget and rate hearing will be held during the next commission meeting on November 8, 2022.

COMMISSIONERS' REPORT

Mr. Farmer reported that he attended the Northwest Requirements Utilities meeting and a budget review meeting with Mrs. Creekpaum and Mrs. Speaks.

Ms. Gott reported that she attended NoaNet and Western Public Agencies Group meetings.

GOOD OF THE ORDER

Following the calendar review, the commission meeting recessed at 10:34 a.m. and reconvened at 10:38 a.m. to meet in executive session for no more than ten (10) minutes to review threatened or pending litigation.


At 10:48 a.m. the first executive session adjourned followed by an executive session to last no more than five (5) minutes to review the performance of a public employee.

At 10:53 a.m. the executive session adjourned and the regular meeting reconvened.

With no further business appearing, the commission meeting adjourned at 10:53 a.m.


Linda R. Gott (Nov 8, 2022 17:06 PST)

Linda R. Gott, President


Thomas J Farmer (Nov 8, 2022 16:23 PST)

Thomas J. Farmer, Vice President

ATTEST:


Bruce E Jorgenson (Nov 9, 2022 11:50 PST)

Bruce E. Jorgenson, Secretary