

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

The Commissioners of Public Utility District No. 3 of Mason County, Washington met in a meeting in the PUD 3 auditorium at 307 W. Cota Street in Shelton, Washington on Tuesday, June 2, 2009.

President Linda Gott called the meeting to order at 10:00 a.m. District officers present were Commissioners Thomas J. Farmer, Linda R. Gott, and Bruce E. Jorgenson; Manager Wyla Wood; Finance Manager/Auditor Annette Creekpaum; Treasurer Sherry Speaks; and Attorney Rob Johnson.

PUD 3 employees in attendance were: Senior Power Supply Analyst Matt Samuelson; Human Resource Manager Michelle Wicks; Customer Service Manager Michele Knauf; Power Supply Analyst Diane Archer; Financial Analyst Judy Siegel; Temporary Accounting Assistant Emily Gott; Customer Service Representative Wendi Kirk; Network Systems Analyst Yvonne Julian; IS Support Technician Janet Vazquez; IS Manager John Bennett; Junior Accountant Jennifer Renecker; Energy Services Coordinator Renee Porter; Payroll Specialist Lacy McIntosh; Payroll Specialist Asia Hoopes; Engineering Manager Terry Peterson; E&O Assistant/Environmental Technician Season Eddings; Dist. Engineer/Metering Supervisor Koral Buck; Service Engineering Supervisor Brad Smotherman; Facilities Specialist Randy Howard; Operations Manager Bob Smith; Public Information Officer Joel Meyer; Service Engineering Technician Brandon Smith; E&O Support Supervisor Mary McKay; Maintenance Engineering Supervisor Nick Earsley (arrived at 10:04a.m.); Assistant to the Manager Nancy Bolender; and Administrative Assistant Lynn Harvey (recorded minutes).

Members of the public in attendance included Louis Cofoni; Tom Pearson; Dave Thacher all of Shelton; and Jeff Green (with *The Shelton-Mason County Journal*)

MODIFICATION AND/OR APPROVAL OF AGENDA

The agenda was approved with the addition of an executive session to discuss potential litigation. The executive session will last no longer than 15 minutes and no action will be taken following.

CONSENT AGENDA

Ms. Gott reviewed the items listed on the consent agenda. Mr. Jorgenson moved, motion seconded by Mr. Farmer, to adopt the consent agenda. The MOTION PASSED UNANIMOUSLY.

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

- A. Minutes of the May 26, 2009, regular commission meeting.
- B.* Voucher Nos. 101743 through 101794 — \$ 287,355.82
- C. Void accounts payable checks for the week ending May 29, 2009, in the amount of \$367.00
- D. Write-off of closed, uncollectible accounts in the total amount of \$20,604.27. These accounts will be forwarded to a collection agency for further collection efforts.
- E. Contract Action:
(1) RECOMMENDATION to Approve Extension #1 of Agreement with Olympic Associates Company.

The contract extension with Court Olson of Olympic Associates Company will continue his role as project manager for the Johns Prairie operations center project. By approving the extension, the additional contract services will cost \$34,500. The initial agreement was for \$35,500, bringing the new total contract amount to \$70,000.

* 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

Ms. Gott welcomed those present and stated that comments would be accepted throughout the meeting.

Mr. Pearson reminded the commissioners that at the May 5th meeting he requested the creation of various reports and the completion of a questionnaire to be added to the action items on today's agenda. (Attorney Rob Johnson had previously recommended against doing so as it was not required under the Public Records Act.)

Mr. Cofoni spoke in favor of the proposed relocation to the Johns Prairie site. He felt that there is never a good time to build and it could be more expensive if the project was delayed. He believes that PUD 3 should move forward if it is the best thing for the utility.

Mr. Thatcher asked if a public hearing regarding the proposed move would be forthcoming. Ms. Gott responded by saying that all of commissioners' meetings are public and there have been three open houses where the public was welcome to express their concerns.

STAFF REPORTS

Mr. Samuelson reported that there is a public meeting scheduled for June 8th with Bonneville Power Administration (BPA) to discuss subsidies for aluminum plants in the Pacific Northwest. Mr. Samuelson said he was concerned about how the diversion of resources to aluminum companies could affect the amount of lower cost wholesale electricity in future contracts with BPA. He also mentioned that there will be a Tier 2 meeting on June 22nd to discuss pricing and needs.

Mrs. Wood announced that PUD 3 Truck #130 was in the Mason County Forest Festival Parade last Saturday. Journeyman-Lineman John Clements volunteered to drive the truck and won a 3rd Place ribbon in the commercial division.

REPORT OF COMMISSIONERS

Mr. Farmer reported that he has been reading up on the plans for the State Route 3 improvements in Belfair and there will be a meeting with the utility companies involved on June 10th.

Ms. Gott thanked staff and all who attended the open houses. Although the attendance was light, she appreciated the good discussion with those who attended.

DISCUSSION ITEM

Ms. Gott brought up that in previous years the commissioners have established a summer schedule meeting every other Tuesday. It was proposed that commissioners agree to the schedule as follows: June 9, June 23, July 7, July 21, August 4 and August 18.

Mr. Jorgenson moved, motion seconded by Mr. Farmer, to approve the summer schedule. The MOTION PASSED UNANIMOUSLY

EXECUTIVE SESSION

Following a calendar review, the regular meeting recessed at 10:15 a.m. and reconvened at 10:23 a.m. at which time the commissioners met in an executive session to discuss possible litigation for no more than fifteen minutes.

The executive session adjourned at 10:27 a.m. and the regular meeting reconvened.

With no further business appearing, the meeting adjourned at 10:27 a.m.

Linda R. Gott, President

ATTEST:

Bruce E. Jorgenson, Vice President

Thomas J. Farmer, Secretary