

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 conducted a regular business meeting in the PUD 3 auditorium at 307 W. Cota Street in Shelton, Washington on Tuesday, October 20, 2009.

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

PUD 3 employees in attendance were: Power Supply Analyst Diane Archer; Senior Service Engineering Assistant Karen Burns; Maintenance Engineering Supervisor Nick Earsley; Administrative Assistant Lynn Harvey; Power Supply Manager Jay Himlie; Public Information Officer Joel Myer; Shelton Line Superintendent Scott Peterson; Engineering Manager Terry Peterson; Senior Power Supply Analyst Matt Samuelson; GIS Technician Brian Schneidmiller; Operations Manager Bob Smith; Service Engineering Supervisor Brad Smotherman; Human Resources Manager Michelle Wicks; and Assistant to the Manager Nancy Bolender (recorded minutes).

There were no members of the public in attendance.

MODIFICATION AND/OR APPROVAL OF AGENDA

The agenda was accepted as presented.

CONSENT AGENDA

Ms. Gott reviewed the items listed on the consent agenda.

Mr. Farmer moved, motion seconded by Ms. Gott, to adopt the consent agenda. MOTION PASSED.

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

- A. Minutes of the October 13, 2009, regular commission meeting.
- B.* Voucher Nos. 103794 through 103864 — \$ 443,255.08
(Includes electronic funds transfer payment number 281)
- C. Void accounts payable checks for the week ending October 16, 2009, in the total amount of \$1,598.24.

* 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 noted that while no members of the public were in attendance at this time, comments would be accepted throughout the meeting.

STAFF REPORTS

Mr. Samuelson reported on the Renewable Energy System Cost Recovery Incentive Payment program (RCW 82.16) for the fiscal year ending June 30, 2009. The PUD currently has seven customers, with one coming on, who participate in the PUD's net metering program. Four of the systems applied for payment under the incentive program. These systems generated approximately 9000 kWh for a combined incentive of approximately \$1,350. While PUD 3 pays the incentive for the Department of Revenue, the amount paid is deducted from the PUD's tax filing.

Mrs. Wood informed the commissioners that the Lynch Road fiber project has been completed. It took about six weeks for the backbone installation to be finished and now individual line extensions are underway. The PUD will be connecting its 500th end user to its system – Lynch Road Farms. The fiber extension was done in part with economic development funds obtained from Mason County. A report will be filed shortly with the county, so the funds will be released to PUD 3.

Mrs. Wood reported that outage center training has been ongoing as staff is preparing for storm season.

Mrs. Wood referenced a letter, which had been previously given to the commissioners, written by Governor Gregoire to the US Department of Commerce in which she provides a list of the top ten broadband stimulus applications for Washington State. Mason County PUD No. 3's \$8,560,000 proposal for a middle mile project in the Kamilche census tract made the list. The Department of Commerce will be making a final decision sometime in November as to which projects receive stimulus funding. A NoaNet project is also a finalist.

COMMISSIONERS' REPORT

Mr. Farmer reported on his attendance at the Tahuya Community Association meeting and the Allyn Community Association board meeting. He also noted that he had made a presentation to the Executive Director of the Cascade Land Conservancy relating to small shellfish growers.

As Ms. Gott was on personal leave last week, she had no report.

GOOD OF THE ORDER

Following a calendar review and with no further business appearing, the regular meeting adjourned at 10:12 a.m.

Linda R. Gott, President

ATTEST:

Bruce E. Jorgenson, Vice President

Thomas J. Farmer, Secretary