

# DRAFT

2017 BOARD OF COMMISSIONERS  
*Paul D. Kenner, President*  
*Jeffrey L. McClure, Vice President*  
*Michael J. Murphy, Secretary*

## **PUBLIC UTILITY DISTRICT No. 1** *of Whatcom County*

Agenda for the  
Regular Meeting of February 28, 2017  
8:00 a.m. at the PUD Office

1. Public Comment
2. Approval of Meeting Minutes held February 14, 2017
3. Approval of Claims for February 28, 2017
4. Nooksack Salmon Enhancement Association Presentation
5. Approve Resolution No. 720 – Amend Non-Bargaining Unit’s Employee Compensation Program to Update Staff Position List and Salary Ranges
6. Moody’s Rating Change on 2010 Series A & B and 2012 LTGO Bonds
7. Approve Interlocal Agreement with Public Utility District No.1 of Clallam County
8. Manager’s Report
9. Adjourn

*Next Commission Meetings*

*March 14 and March 28, 2017 – Regular Meetings*  
*All meetings begin at 8:00 a.m. at PUD Administration Office -*  
*1705 Trigg Road, Ferndale, WA unless other location announced.*  
**PUD #1 of Whatcom County (360) 384-4288**

**DRAFT**

**MINUTES OF THE MEETING OF THE COMMISSION**

**February 14, 2017**

The regular meeting of the Board of Commissioners of Public Utility District No. 1 of Whatcom County was called to order at 8:00 a.m. by Commissioner Paul Kenner. Said meeting was open to the public and notice thereof had been given as required by law. Those present included Commissioner Jeff McClure, Commissioner Mike Murphy and Legal Counsel Jon Sitkin. Staff: Steve Jilk, General Manager; Rebecca Schlotterback, Manager of Contracts and Regulatory Compliance; Brian Walters, Director of Utility Operations, Annette Smith, Director of Finance; Duane Holden, Manager of Construction and Facilities; Paul Siegmund, Manager of Automation and Technology; Mike Macomber, IT/SCADA Tech; Alec Strand, Project Manager; Aaron Peterson, IT/SCADA Tech; and Traci Irvine, Accountant I.

Public attending: Robin Dexter, Environmental Working Group; Dave Olson, Citizen; Max and Carole Perry, Citizens.

**Public Comment**

No public comment.

**Approval of the Meeting Minutes and Claims**

The Commissioners were presented with the Minutes of the Meeting January 24, 2017 and the following Claims of February 14, 2017:

<b>VENDOR NAME</b>	<b>AMOUNT</b>
APPLIED DIGITAL IMAGING	26.09
ARBITRAGE GROUP INC.	4,500.00
ARGO INTERNATIONAL CORPORATION	101.23
BAY CITY SUPPLY	185.75
BELLINGHAM HERALD	980.00
CARDIAC SCIENCE CORPORATION	1,707.02
CENTRAL WELDING SUPPLY	103.58
CHMELIK SITKIN & DAVIS	3,510.06
CORNERSTONE MANAGEMENT, INC.	4,080.00
CULLIGAN NORTHWEST	100.85
EDGE ANALYTICAL LABORATORIES	165.00
ELECTRIC POWER SYSTEMS - EPS	9,800.75
FCS GROUP	935.00
FEDERAL EXPRESS	52.16
FERNDALE ACE HARDWARE	100.11
FRONTIER	1,374.29
GENEVA CONSULTING	2,205.00
GUARDIAN SECURITY SYSTEMS, INC	492.00
HD FOWLER CO, INC	391.00
HEALTH PROMOTIONS NORTHWEST	90.00
KCDA PURCHASING COOPERATIVE	288.40
MASSMUTUAL RETIREMENT SVCS LLC	8,258.33
NORTHWEST MOWING & GARDENING	447.42
P&P EXCAVATING, LLC	5,538.93
PLATT ELECTRIC SUPPLY CO	404.67
PLATTS	2,521.84
PORTAL WAY FARM & GARDEN	56.48

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PUBLIC UTILITY RISK MANAGEMENT SERVICES	9,085.20
PUD #1 OF WHATCOM COUNTY	594.74
REGENCE BLUE SHIELD	35,552.43
REISNER DISTRIBUTION, INC	1,241.20
RICOH USA	384.21
SMITH MECHANICAL	7,907.93
SSC - SANITARY SERVICE COMPANY	356.98
STREMLER GRAVEL, INC	4,402.40
TEAMSTER LOCAL #231	410.00
UNITED WAY OF WHATCOM COUNTY	315.00
UTILITIES UNDERGROUND LOCATION	20.64
VERIZON WIRELESS	4,068.23
WA ST SUPPORT REGISTRY	250.00
WASHINGTON DENTAL SERVICE	2,853.65
WASHINGTON TEAMSTERS WELFARE	9,747.90
WATERHOUSE ENVIRONMENTAL SERV CORP	17,040.68
WHATCOM JANITORIAL	1,170.00
XEROX CORPORATION	129.06
<b>GRAND TOTAL</b>	<b>\$143,946.21</b>

**ACTION:** Commissioner Murphy motioned to approve the MINUTES OF THE MEETING HELD JANUARY 24, 2017 and the CLAIMS OF FEBRUARY 14, 2017. Commissioner Kenner second the motion. Motion passed unanimously.

**Award of Bid: Fiber Installation Project**

Background – The District developed a Capital Improvement Project list for work to be completed in 2017. The fiber installation project was budgeted under Capital Improvement Project (CIP-IS-15) to be completed in 2017. A fiber optic communication cable will be installed between the District’s Water Treatment Plants No. 1 and No. 2. Included are two taps (one to the District’s Northgate Potable Well and one to the District’s Repeater Tower) that will provide the interconnections needed to improve the backbone communication system. The *Additive Alternate A* is for spare fiber and splice boxes for the District’s inventory.

On February 07, 2017 the District received and publicly read aloud two (2) bids submitted for this project. Engineer’s Estimate for the project is \$872,000.00 not including tax. Totals below do not include tax. The bid results are as follows:

<i>Contractor</i>	<i>Base Bid</i>	<i>Additive Alternate – A</i>	<i>Bid Total</i>
<b>Global Telecom Engineering and Construction LLC</b>	\$455,821.12	\$4,608.29	<b>\$460,429.41</b>
Robinson Brothers Construction, Inc. (RBC)	\$788,537.05	\$7,977.98	\$796,515.03

Based on review of the submitted bids, staff recommends awarding the Bid to Global Telecom Engineering and Construction, LLC, who submitted the lowest priced, responsive bid.

Commissioner Kenner asked if the low bid was reasonable compared to the engineer’s estimate. Walters stated that the three references for Global Telecom were contacted and all were very satisfied with the working relationship. One reference, the City of Vancouver, WA stated that Global Telecom’s bid for their project was also low, based on their engineers’ estimate and it finished on time and on budget. During the bid opening they also stated that can get the fiber in a relative shorter time than other contractors.

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Commissioner McClure encouraged staff that the products meet the specifications and that there is a close review of the work performed. Holden stated that Global Telecom confirmed that submittals will closely follow the bidding specifications. Walters stated that there will be an annual pole attachment fee to Puget Sound Energy for the use of their poles to hang the fiber and that cost has been budgeted but is not part of this bid.

**ACTION:** Commissioner McClure motioned to AWARD BID AND ADDITIVE ALTERNATE-A TO GLOBAL TELECOM ENGINEERING AND CONSTRUCTION, LLC FOR THE 2016 BACKBONE COMMUNICATIONS SYSTEM IMPROVEMENT PROJECT AND AUTHORIZE THE GENERAL MANAGER TO SIGN THE CONTRACT. Commissioner Murphy second the motion. Motion passed unanimously.

## **Resolution No. 719 – Adopting Data Privacy Policy**

Background – In 2015, the Washington State Legislature changed the data privacy requirements for electrical utilities handling customer data. Chapter 19.29A RCW establishes data privacy requirements for electrical utilities handling customer data. All consumer-owned utilities are required to establish a privacy policy consistent with the statewide minimum requirements. The data privacy requirements in RCW 19.29A.100 and .110 applies to both small and large utilities. In addition, these regulations supplement the disclosure rules provided in the Public Records Act, Chapter 42.56 RCW.

Currently, Whatcom PUD does not have such a data privacy policy in place.

While the requirements in RCW 19.29A.100 and .110 only apply to electrical utilities, Whatcom PUD provides both electrical and water services. Whatcom PUD may consider adopting a consistent data privacy policy for both utilities for administrative efficiency. The minimum requirements for a data privacy policy are found at RCW 19.29A.100 subsections (1) through (8) and include the following:

- A provision that disclosed data cannot be used for commercial or marketing purposes without the consent of the customer;

- Distinguish releases authorized by the customer versus releases for essential business functions, which do not require customer authorization;

- A statement that information released in Official Statements are for essential business functions and such information may be released without consent from the customer;

- An outline of the purpose that customer data will be used when released to a third-party (i.e., customer consent is not required when releasing the information is in the performance of an essential business function—for example providing information to a third-party vendor);

- Procedures for investigation and resolution of complaints by a customer whose private or proprietary information may have been sold or disclosed by the utility for the purposes of marketing services or products; and

- The policy should inform the customers that the utility is subject to the Public Records Act and that the policy is supplemental to the provisions and exemptions that exist in the Act regarding certain private and proprietary customer information.

The proposed data privacy policy we believe would satisfy the requirements of RCW 19.29A.100 (1-8) and would be applicable to both electrical and water utilities. This policy would protect District customers and their customers.

**ACTION:** Commissioner Murphy motioned to APPROVE RESOLUTION NO. 719 ESTABLISHING A DATA PRIVACY POLICY. Commissioner McClure second the motion. Motion passed unanimously.

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## **Approve Interlocal Agreement with Whatcom County Flood Control Zone District for Groundwater Model Funding**

Background – The Whatcom Local Integrating Organization (LIO), comprised of the Watershed Management Board (WRIA1 Watershed Planning and Salmon Recovery), identified the completion of Phase 4 of the Groundwater Model as a high priority for the Whatcom LIO. Each year the Puget Sound Partnership (PSP) allocates \$100,000 for a high priority project identified by a LIO. This year the Whatcom LIO identified the Groundwater Model as that project. PUD is acting as the sponsor for the project and the Puget Sound Partnership approved the project funding.

Whatcom County, through the County Flood Control Zone District (FCZD) has managed the first three phases of the project and contracted with the consultant to do the work. As the PUD will receive the funds through the PSP, the PUD can, through an Interlocal Agreement (ILA) with the FCZD, receive the funds and pass those funds to the FCZD and the contract with the consultant can stay with the FCZD. This will bring efficiency and stability to the work and will not require the PUD to start the consultant process all over.

With this \$100,000 in revenue to the project, there still remains a shortfall to the funding for the project of about \$44,000. There is a planned budget amendment request to the County Council, DBA the FCZD, in that amount to complete the project. The PUD can administer the grant and the billing/payments with the PSP and the FCZD through the ILA.

Robin Dexter stated that the Planning Unit supports this work and devoted remaining 2016 Planning Unit funds to support the groundwater monitoring in support of the project.

Commissioner Murphy commented that he hoped the model, once completed, would not sit on a shelf. Jilk stated that there is a great interest in seeing the model used but the details of who will manage it and how to fund the management and updating of it have yet to be answered. It will be important to get buy-in from the stakeholders including the tribes, local and state agencies, and others. McClure stated that he hopes the final report will be presented in a format that is not overly technical and has an outreach component to the general public.

Mrs. Perry commented that on February 5, 2017 NASA released data that a whistleblower stated was cooked science and that we must be careful of science information that is presented to the public.

**ACTION:** Commissioner McClure motioned to APPROVE THE INTERLOCAL AGREEMENT BETWEEN WHATCOM COUNTY FLOOD CONTROL ZONE DISTRICT AND PUBLIC UTILITY DISTRICT NO. 1 OF WHATCOM COUNTY FOR IMPLEMENTATION OF A GROUNDWATER MODELING PROJECT IN THE LYNDEN-EVERSON-NOOKSACK-SUMAS AREA AND AUTHORIZE GENERAL MANAGER TO SIGN. Commissioner Murphy second the motion. Motion passed unanimously.

## **Approve Purchase of a Water Utility Vehicle from Columbia Ford under Washington Department of Enterprise Procurement Contract**

Background – As part of a scheduled vehicle replacement/upgrade plan, staff identified the need to purchase a new pick-up truck for water utility operations in 2017. The approved 2017 CIP budget includes the purchase of this vehicle. The new pick-up will replace a Ford Ranger pick-up scheduled for replacement. The Ranger will then be deemed surplus and sold at an auction.

The District, under contract with the State of Washington Department of Enterprise Services, may purchase vehicles available for sale by dealers throughout the State. The dealers and vehicles have been awarded contracts with the State through competitive bids in response to State Request for Bid solicitations. In this manner, the District can secure items at a competitive price, using the State's competitive bid process in lieu of the District issuing its own bid solicitation.

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If approved, the vehicle to be purchased is a 2017 Ford F-250, three-quarter ton, extended cab pick-up with 4-wheel drive. It is available through the Columbia Ford dealership in Longview, Washington. Columbia Ford was awarded a State contract under the State's solicitation for competitive bids. Purchase of the new pick-up will have no impact on the District's 2017 budget, as the purchase price is less than the 2017 budget amount for CIP RW-14.

**ACTION:** Commissioner Murphy motioned to APPROVE THE PURCHASE OF A WATER UTILITY VEHICLE (CIP RW-14) FROM COLUMBIA FORD UNDER A WASHINGTON STATE DEPARTMENT OF ENTERPRISE SERVICES PROCUREMENT CONTRACT FOR THE PRICE OF **\$36,792.76**, (INCLUDES SALES TAX) AND AUTHORIZE THE DISTRICT'S GENERAL MANAGER TO PROCEED WITH THE PURCHASE. Commissioner McClure second the motion. Motion passed unanimously.

## **Manager's Report**

### Presentation on February 18, 2017 – Understanding Your Water Rights

Dave Olson stated that the workshop on Saturday, February 18 is the first in a series to be sponsored as part of the Department of Health Grant awarded to the District. This workshop is focused on Group A Drinking Water Systems with less than a 1,000 connections. Jim Bucknell and Andy Dunn, of RH2 Engineering will be guest speakers. There will be three more workshops in the spring and several in the fall of 2017 and winter of 2018. Detailed information on the future workshops will be forthcoming.

### Water Talks on February 22, 2017

Jilk stated that there is a one day presentation on various water topics from 9:30 to 3:00pm on Wednesday February 22. Two of the presentations that may be of interest are the 11:00 AM presentation by Chuck Lindsay on hydrology of Whatcom County and the 11:30 AM presentation by RH2 on water rights and permitting issues. Staff can provide more information if the Commissioners are interested in attending.

### Commissioner Murphy and WPUDA Water Committee

Murphy stated that he is a member of the WPUDA Water Committee and will be assisting the development of programs and activities for the annual water workshop.

### Whatcom County Council Presentation on March 7

Jilk stated that the Whatcom County Council will provide a video compilation of Washington State legislative testimony regarding the Hirst case on March 7 at 6:00 pm. They have asked several speakers to sit on a panel to answer questions from the public after the video presentation. The panel currently includes Bob Carmichael, Steve Jilk, Bill Clarke, Buck Smith and Chuck Lindsay.

### SSA Marine and Gateway Pacific Terminal

Jilk stated that the PUD was copied on the letter that SSA Marine sent to Whatcom County notifying that SSA Marine was withdrawing the permit for the coal terminal project.

## **Adjourn**

There being no further business for the regular meeting, the Commission adjourned the regular meeting at 8:50 a.m.

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Paul D. Kenner, President

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Michael J. Murphy, Secretary

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Jeffrey L. McClure, Commissioner

**AGENDA ITEM # 4**  
**February 28, 2017**

# Memo

**To:** Commissioners Kenner, McClure and Murphy

**From:** Stephan Jilk, General Manager

**Date:** February 28, 2017

**Re:** Funding Request in the Amount of \$16,000 for Nooksack Salmon Enhancement Association to support Washington Conservation Corps Crew Work on Habitat Restoration Projects for 2017

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**Requested Action** – APPROVE FUNDING IN THE AMOUNT OF \$16,000 FOR NOOKSACK SALMON ENHANCEMENT ASSOCIATION TO SUPPORT WASHINGTON CONSERVATION CORPS CREW WORK ON HABITAT RESTORATION PROJECTS FOR 2017.

**Background** – In 2012, the Commission approved a request for funding from the Nooksack Salmon Enhancement Association (NSEA) for 2013 projects. The funding supported the Washington Conservation Corps (WCC) Crew work on habitat restoration on various streams throughout Whatcom County and Nooksack tributaries. NSEA provided a project report to the Commission at the completion of the projects in 2013.

In 2014, 2015, and 2016, NSEA requested funding to acquire restoration materials such as plants, vole and beaver protection, and large woody debris for salmon habitat restoration of lowland streams. The work was performed again by the WCC Crew and managed by NSEA staff.

For 2017, NSEA is requesting funding to provide project oversight, acquire restoration materials such as plants, vole and beaver protection, and large woody debris for salmon habitat restoration of lowland streams. The work will be performed again by the Washington Conservation Corps (WCC) Crew and managed by NSEA staff. A minimum of ten salmon habitat restoration projects will be implemented on WRIA 1 lowland streams. NSEA Project Manager Darrell Gray will present an update at the February 28 Commission Meeting.

Whatcom PUD has had no other requests to support habitat restoration other than NSEA's request.

**Fiscal Impact** – Funding has been allocated in the 2017 budget for this purpose.

**Recommended Action** – APPROVE FUNDING IN THE AMOUNT OF \$16,000 FOR NOOKSACK SALMON ENHANCEMENT ASSOCIATION TO SUPPORT WASHINGTON CONSERVATION CORPS CREW WORK ON HABITAT RESTORATION PROJECTS FOR 2017.



***“Community support and involvement are essential to recovering salmon.”***

– WRIA1 Salmon Recovery Plan

February 21, 2017

Dear Whatcom PUD Commissioners Jeffrey McClure, Paul Kenner, and Michael Murphy,

The Nooksack Salmon Enhancement Association is greatly appreciative of the opportunity to present our 2017 project proposal to Public Utility District # 1 of Whatcom County. Below is a brief overview of our proposal.

**Project Back Ground:**

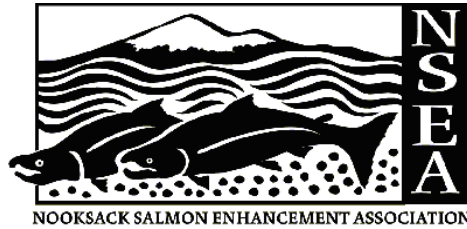
NSEA regularly receives calls from WRIA 1 lowland stream landowners regarding salmon and salmon habitat on their property. These calls present a great opportunity to educate landowners about salmon and their habitat needs, and ultimately encourage stewardship of this valuable resource. Most calls are followed up with a site visit to assess the existing habitat, understand the landowner’s needs, and discuss possible habitat improvement opportunities. However, with the majority of current salmon habitat restoration funding being directed towards Chinook recovery in the upper Nooksack Forks, it has become difficult to find resources to implement salmon habitat restoration projects on lowland streams.

NSEA annually sponsors a Washington Conservation Corps Crew to assist with on the ground WRIA 1 salmon habitat restoration projects. The crew consists of a supervisor and 5 crewmembers, and comes with their own transportation and a good selection of hand and small power tools. NSEA provides the crew with project oversight, office space, storage and staging areas, and a large inventory of tools and equipment. NSEA prides it self on being able to respond to landowner inquiries promptly and implement habitat restorations projects in a cost efficient and timely manner. What we are currently lacking to accomplish such projects is funding to provide project oversight, and acquire restoration materials such as plants, vole and beaver protection, and large woody debris (LWD). We feel great opportunities are being missed and that without follow up and support landowners will get discouraged and will be less inclined to improve salmon habitat on their property.

**Project Goals:**

- Educate Landowners about salmon and their habitat needs
- Present opportunities for improving salmon habitat on their property
- Implement salmon habitat restoration projects appropriate for their property and their needs
- Whenever possible, directly involve landowners in on the ground salmon habitat restoration



**Project Tasks:**

1. Respond immediately to landowner inquiries regarding streams, salmon and salmon habitat on their property
2. Arrange site visits to discuss landowner needs and opportunities for salmon habitat improvements on their property.
3. Develop restoration plans
4. Complete appropriate pre-project monitoring
5. Implement restoration projects
6. Complete appropriate post project monitoring to document project success

**Project Timeline: 01/01/2017 – 12/31/2017****Project Deliverables:**

Implement a minimum of 10 salmon habitat restoration projects on WRIA 1 lowland streams. Projects may include the following:

Riparian planting

Livestock exclusion

LWD placement and minor channel modification

Fish passage barrier removal

NSEA would be happy to follow up with a report and/or a presentation of the projects accomplished

**Funding Request: \$16,000**

We are looking forward to presenting some of the Salmon Habitat Restoration Projects you helped support in 2016 at your February 28 Board meeting, and hope you will consider our request of \$16,000 for continuing this great partnership in 2017.

Darrell Gray  
NSEA Project Manager

**AGENDA ITEM # 6  
FEBRUARY 28, 2017**

# Memo

**To:** Commissioners Kenner, McClure & Murphy  
**From:** Annette Smith – Finance Director  
**Date:** February 28, 2017  
**Re:** Moody’s Rating Change on 2010 Series A & B and 2012 LTGO Bonds

**Requested Action** – Information only.

**Background** – Bond ratings are independent evaluations provided by private companies on a bond issuer’s financial strength, or its ability to pay a bond’s principal and interest in a timely fashion. The rating companies we have used recently at the District are Moody’s and Standard and Poor’s.

Our current outstanding bonds, their rating agencies, and rating at the time of issue are:

2007 Water Revenue Bonds – Not rated

2010 Series A & B LTGO – Moody’s **A1**

2012 LTGO – Moody’s **A1**

2013 LTGO – Standard & Poor’s **A+**

2016 LTGO – Not rated, private placement with Heritage Bank

Below is the rating scale from the top four rating agencies:

Moody's	S&P	Fitch	NAIC*	
Aaa	AAA	AAA	1	Investment Grade
Aa1	AA+	AA+	1	
Aa2	AA	AA	1	
Aa3	AA-	AA-	1	
A1	A+	A+	1	
A2	A	A	1	
A3	A-	A-	1	
Baa1	BBB+	BBB+	2	
Baa2	BBB	BBB	2	
Baa3	BBB-	BBB-	2	

On February 15, 2017, Moody’s published a report stating that they had upgraded the bond ratings of 136 local governments in Montana, Oregon and Washington. The District’s 2010 LTGO, Series A & B, and 2012 LTGO bonds were included in this rating upgrade. The ratings went from **A1** (Upper-medium grade and are subject to low credit risk) to **AA3** (high quality and subject to very low credit risk).

**Fiscal Impact** – No immediate impact. Future bond issues could have more favorable interest rates.

**Requested Action** – Information only.

# PUBLIC UTILITY DISTRICT No.1

*of Whatcom County*

1705 Trigg Road Ferndale, WA 98248

P: (360) 384-4288 F: (360) 384-4849

**AGENDA ITEM # 5**  
**February 28, 2017**

## Memo

**To:** Commissioners Kenner, McClure and Murphy  
**From:** Stephan Jilk, General Manager  
**Date:** February 28, 2017  
**Re:** Resolution No. 720 - Amend Non-Bargaining Unit's Employee Compensation Program to Update Staff Position List and Salary Ranges

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**Requested Action:** ADOPT RESOLUTION NO. 720 – A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE PUBLIC UTILITY DISTRICT NO. 1 OF WHATCOM COUNTY (“DISTRICT”) AMENDING THE EMPLOYEE COMPENSATION POLICY UPDATING THE STAFF POSITION LIST AND ANNUAL SALARY RANGES FOR NON-BARGAINING UNIT EMPLOYEES.

**Background:** This is a recommendation for the Commission to adopt a resolution amending the District's Employee Compensation Policy to update position salary ranges and employee positions, and add one new position (Assistant General Manager).

In 2007, the District established an Employee Compensation Policy. This policy established employee positions, by title, salary ranges for those positions, required an annual review and update of those salary ranges and provided certain authority to the District's General Manager in implementing that policy.

This policy provided guidelines for setting salary ranges for all non-bargaining unit employee positions, establishing employee positions and job descriptions for all positions, and establishing a methodology for updating the salary ranges. The policy granted the General Manager the authority to establish individual employee salaries within the Commission approved salary ranges. The maximum amount, in percentage terms of adjustments to an individual employee salary in a calendar year to be granted by the General Manager was also set.

In August 2015, the Employee Compensation Policy was amended (Resolution 695) for the purpose of updating the “at-will” employment status, “industry salary comparison” in which District staff utilizes the Washington Public Utility Districts Association (WPUDA) Salary Survey, and now outlines “additional benefits and other compensation” for the non-bargaining unit employees of the District.

**Job Descriptions**

This action approves a new position of Assistant General Manager and amends the Director of Utility Operations position. As operational needs change and as programs such as PUD involvement in countywide water resource management expands, staff roles and responsibilities need to reflect these changes. This requested action, amending the job descriptions and related salary ranges, results in adding a new position, Assistant General Manager, a salary range assigned to that position and adjusts the current salary range for the Director of Utility Operations position.

The resulting staff assignments will not increase the number of employees. We will be making staff assignments with current staff.

Making these changes reflect a continued shift in staff working on fewer, large capital projects, and more on maintenance and upgrade type projects, a growing number of new customers, both in our Industrial water and Grandview systems, and an expanding role by administration in countywide water resource planning and management.

**Fiscal Impact:** All actions taken by the General Manager to implement the Salary Program will be within the 2017 budget as approved by the Commission.

**Recommended Action:** ADOPT RESOLUTION NO. 720 – A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE PUBLIC UTILITY DISTRICT NO. 1 OF WHATCOM COUNTY (“DISTRICT”) AMENDING THE EMPLOYEE COMPENSATION POLICY UPDATING THE STAFF POSITION LIST AND ANNUAL SALARY RANGES FOR NON-BARGAINING UNIT EMPLOYEES.

**RESOLUTION NO. 720**

**A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE PUBLIC UTILITY DISTRICT NO. 1 OF WHATCOM COUNTY (“DISTRICT”) AMENDING THE EMPLOYEE COMPENSATION POLICY FOR PURPOSES OF UPDATING THE POSITION TITLES AND ANNUAL SALARY RANGES FOR NON-BARGAINING UNIT EMPLOYEES**

**WHEREAS**, RCW 54.12.090 authorizes the Board of Commissioners of the District (the “Commission”) to create positions and fix salaries; and

**WHEREAS**, the Commission finds it in the best interest of the District to annually review the policy for administering a compensation program for the non-bargaining unit employees of the District; and

**WHEREAS**, RCW 54.16.100 authorizes the General Manager to recommend to the Commission compensation of the non-bargaining unit employees, including salaries; and

**WHEREAS**, the General Manager has reviewed the organization of the District and the positions and salary ranges required to efficiently manage and achieve the goals of the District; and

**NOW, THEREFORE, BE IT RESOLVED** by the Commission of Public Utility District No. 1 of Whatcom County as follows:

**I**

The Employee Compensation Policy of the Commission of the Public Utility District No.1 of Whatcom County is amended for the purpose of updating the annual salary ranges for the non-bargaining unit employees of the District; and

**II**

The titles of all positions have been established and all position titles added to a list of Position Titles and Yearly Salary Ranges for District non-bargaining unit employees, attached hereto as Exhibit “A” (the “Salary Ranges List”); and

**III**

The salary ranges for positions set forth in the attached Salary Ranges List have been reviewed and established in accordance with the Employee Compensation Policy; and

**IV**

Effective March 1, 2017, the position titles shown on the attached Salary Ranges List for District non-bargaining unit employees are hereby authorized and classified in the salary range shown and supersede any previous lists; the new position of Assistant General Manager is attached hereto as Exhibit “B” (“New Job Description”); and,

**V**

Effective March 1, 2017, the District’s Contribution to Retirement for all non-bargaining unit employees is set at 7.8%.

**ADOPTED** by the Board of Commissioners of Public Utility District No. 1 of Whatcom County at a regular meeting thereof, held this 28<sup>th</sup> day of February, 2017.

**Public Utility District No. 1 of  
Whatcom County**

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Paul D. Kenner, President/Commissioner

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Jeffrey L. McClure, Commissioner

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Attest: Michael J. Murphy, Secretary/Commissioner

**EXHIBIT A**

POSITION TITLES and YEARLY SALARY RANGES LIST  
for  
DISTRICT NON-REPRESENTED UNIT EMPLOYEES

	Position	2017 Range (A)		March 1, 2017 Proposed	
		Low	High	Low	High
	1 General Manager***	\$131,000	\$165,000	No Change	
New	2 Assistant GM	-	-	\$121,000	\$130,000
Revised	3 Director of Utility Ops	\$110,000	\$130,000	\$105,000	\$120,000
	4 Director of Finance	\$90,000	\$105,000	No Change	
	5 Electric System Supervisor**	\$90,000	\$101,000	No Change	
	6 Manager - Construction & Facilities	\$85,000	\$105,000	No Change	
	7 Water System Supervisor	\$85,000	\$95,000	No Change	
	8 Substation Technician II*	\$75,000	\$89,000	No Change	
	9 Manager - Automation & Technology	\$72,000	\$95,000	No Change	
	10 Substation Technician I*	\$72,000	\$85,000	No Change	
	11 Manager - Contracts & Regulatory Compl.	\$66,000	\$82,000	No Change	
	12 Project Manager	\$60,000	\$75,000	No Change	
Open	13 Assistant Finance Director	\$57,000	\$72,000	No Change	
Open	13 Process and Control Engineer	\$60,000	\$72,000	No Change	
	14 IT/SCADA Tech	\$60,000	\$70,000	No Change	
	15 IT/SCADA Tech	\$60,000	\$70,000	No Change	
	16 Assistant to GM	\$48,000	\$65,000	No Change	
	17 Accountant I	\$44,000	\$56,000	No Change	

\*Substation Technician (I and II) are hourly paid positions. Salary range is stated in annualized hours (2,080) rate without overtime or special pay.

\*\*Electric System Supervisor is an hourly paid position. Salary range is stated in annualized hours (2,080) rate without overtime or special pay.

\*\*\*General Manager salary is established by Commission via Contract Terms.

(A) Current Ranges (Approved Resolution No. 716 – December 20, 2016)

**EXHIBIT B – NEW JOB DESCRIPTION “ASSISTANT GENERAL MANAGER”**

**PUBLIC UTILITY DISTRICT NO. 1 of Whatcom County**

Job Title:	Assistant General Manager	Department:	Administration
Reports To:	General Manager	Status:	Exempt
Salary Range:	\$121,000 - \$130,000	Position Type:	FTE
<b>SUMMARY</b>			
Assist the District's General Manager in managing the District's operations in a manner that facilitates accomplishment of the District's goals.			
<b>Supervision Received:</b>			
Perform duties under the general supervision of the District's General Manager.			
<b>Supervision Provided:</b>			
Exercise general supervision of the District's Director of Utility Operations and other District staff, as assigned by the General Manager. Perform supervisory responsibilities in accordance with the organization's policies and applicable laws.			
<b>Essential Duties and Responsibilities:</b>			
<p>Act on the General Manager's behalf in his/her absence or when unavailable, as delegated by the General Manager or directed by the District's Commission.</p> <p>Ensure the continuity of District operations by signing District contracts and other legal documents, as delegated by the General Manager or in his absence, as directed by the District's Commission.</p> <p>Attend regular and special Commission meetings and workshops, give presentations to elected officials, customers and the general public.</p> <p>Assist General Manager in developing, implementing, and managing strategic initiatives consistent with the District Commission's Strategic Plan.</p> <p>Manage special projects and specific District initiatives as directed by the General Manager.</p> <p>Respond to customers' and other constituents' inquiries and complaints.</p> <p>Assist General Manager in negotiating, developing, implementing and maintaining industrial water contracts with existing and new customers.</p> <p>Lead management team's efforts to assure the District's compliance with regulatory standards governing electric utility operations.</p> <p>Lead management responsibility for power supply, transmission, interconnection, regulatory, and other agreements necessary for operation of the District's electric system and reliable electric services for District customers.</p> <p>Lead management team's efforts to develop and maintain a robust District cybersecurity program.</p> <p>Assist General Manager in assessing and managing District's risks to mitigate impacts on District operations from a financial, physical asset, legal, and regulatory perspective</p> <p>Supervise, provide training, and assign work to District's Director of Utility Operations and other District staff as assigned by the General Manager.</p> <p>Carries out supervisory responsibilities in accordance with the District's policies and applicable laws and as directed by the General Manager.</p> <p>Make recommendations to the General Manager regarding salary levels for District staff under supervision of Assistant General Manager. Participate in salary and wage negotiations, as directed by General Manager.</p> <p>Assist the General Manager in developing and enforcing rules, regulations, policies, and procedures which pertain to the District's operations.</p> <p>Must be available to work non-routine and emergency shifts including nights, weekends, holidays and other periods, as required during the District's operations and maintenance activities.</p> <p>Act as the District's representative at meetings, as assigned by the General Manager.</p> <p>Perform other duties as assigned by the General Manager.</p>			
<b>Qualifications:</b>			
To perform this job successfully, an individual must be able to perform each essential duty as defined by the District. The requirements listed both above and below are representative of the knowledge, skill,			

and/or ability that the Assistant General Manager must possess to adequately perform their responsibilities. Reasonable accommodations may be made to enable individuals with disabilities to perform the essential functions.
<b>Education and/or Experience</b>
Degree from four-year college or university and a minimum five (5) years experience relating to operations and maintenance of municipal water and electric utility systems with progressively greater management responsibilities; or any equivalent combination of education and experience directly related to or including the requirements and duties as outlined above.
<b>Language Skills:</b>
<p>Ability to read, analyze, and interpret general business, scientific and technical journals, technical procedures, legal documents, survey descriptions, maps, and governmental regulations.</p> <p>Fluent in the English language with the ability to communicate clear and concise written and verbal instructions and information to coworkers, customers and others.</p> <p>Ability to write routine reports and correspondence as well as speak effectively while working with District customers, staff or supervising contractors.</p> <p>Ability to effectively prepare and present general and technical information and respond to general and technical questions from the General Manager, Commission, employees, customers, governmental agencies, vendors, and the public.</p> <p>Ability to meet and work with the public effectively and courteously.</p>
<b>Mathematical Skills:</b>
Ability to work with and understand mathematical and financial concepts such as probability and statistical inference and the ability to apply other mathematical concepts such as fractions, percentages, ratios, and proportions to solve and/or prepare solutions for the improvement of the District's operations.
<b>Reasoning Ability:</b>
<p>Ability to define problems, collect data, establish facts, and draw valid conclusions.</p> <p>Ability to interpret an extensive variety of technical instructions in mathematical and financial analyses.</p>
<b>Other Skills and Abilities:</b>
<p>Thorough knowledge of equipment, facilities, materials, methods, and procedures used in water and electric utility systems operations and maintenance.</p> <p>Knowledge and understanding of tools, machinery and equipment commonly used in electric and water utility systems.</p> <p>Ability to guide, direct, and motivate staff; ability to organize and supervise the activities of various personnel performing operation, maintenance and construction work; ability to communicate effectively, verbally and in writing; ability to establish and maintain effective working relationships with employees, agencies, customers and the public.</p> <p>Proficient in a variety of computer software including but not limited to MS Office, the Internet, as well as the District's Supervisory Control and Data Acquisition (SCADA) computer, equipment and devices.</p>
<b>Certificates, Licenses, Registrations:</b>
<p>Must possess a valid Washington State Driver's License with driving record free from serious or frequent violation.</p> <p>Must be able to obtain security and safety clearances required to gain access into Whatcom PUD's customer's facilities and electric substations, i.e. Transportation Worker Identification Credential (TWIC).</p>
<b>Physical Demands</b>
<p>The physical demands described herein are representative of those that must be met by an employee to successfully perform the essential functions of the job. Reasonable accommodations may be made to enable individuals with disabilities to perform the essential functions required by this position.</p> <p>While performing the duties of this job, the employee is regularly required to use hands and fingers to handle, feel or operate objects, tools, or controls and reach with hands and arms. The employee is frequently required to stand, talk and hear. The employee is occasionally required to walk, sit, climb, balance, stoop, kneel, crouch, crawl and/or smell.</p> <p>Specific vision abilities required by this job include close visions, distance vision, color vision, peripheral vision, depth perception and the ability to adjust focus.</p>
<b>Work Environment</b>
The work environment characteristics described herein are representative of those an employee encounters while performing the essential functions of this job. Reasonable accommodations may be made to enable individuals with disabilities to perform the essential functions required by this position.



While performing the duties of this job, the employee occasionally works in outside weather conditions, works near moving mechanical parts and is occasionally exposed to wet and/or humid conditions and vibrations. The employee occasionally works in high, precarious places and is occasionally exposed to fumes, dust or airborne particles, toxic or caustic chemicals and the risk of electrical shock.

The noise level in the work environment is usually loud in plant or field settings and moderately quiet in office settings.

HR/OFFICE USE:

Reviewed By:	<i>Stephan Jilk</i> , General Manager	Date:	21 February 2017
Approved By:	COMMISSION – Resolution No.	Date:	
Last Updated By:		Date/Time:	