

**MINUTES OF THE REGULAR
MEETING OF THE COMMISSION**

October 12, 2021

1. Call to Order | Pledge of Allegiance

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 Atul Deshmane. Said meeting was open to the public and notice thereof had been given as required by law. Those present via Zoom teleconference included Commissioner Mike Murphy, Commissioner Christine Grant, Commissioner Atul Deshmane, and Legal Counsel Jon Sitkin. Staff attending via Zoom teleconference: Steve Jilk, General Manager; Ann Grimm, Executive Assistant; Rebecca Schlotterback, Manager of Contracts and Regulatory Compliance; Annette Smith, Director of Finance; Brian Walters, Assistant General Manager; Duane Holden, Director of Utility Operations; Alec Strand, Project Manager; Jon Littlefield, Electric Systems Supervisor; Paul Siegmund, Manager of Automation and Technology; Aaron Peterson, IT/SCADA Technician; and Traci Irvine, Accountant I.

Public attending via teleconference/Zoom:

Dave Olson, Citizen	Jack Wellman, Puget Sound Energy
Scott Wallace, Citizen	Rick Maricle, Citizen
Max Perry, Citizen	Philip Morley, Citizen

2. Approval of Agenda

No changes made.

3. Approval of Consent Agenda

ACTION: Commissioner Murphy MOTIONED TO APPROVE THE REGULAR MEETING OF SEPTEMBER 28, 2021 MEETING MINUTES AND THE CLAIMS OF OCTOBER 12, 2021. Commissioner Grant second the motion. Motion passed unanimously.

Claims of October 12 2021:

VENDOR NAME	AMOUNT
APPLIED INDUSTRIAL TECHNOLOGIES, INC	30.00
ASPLUNDH TREE EXPERT CO	5,295.12
CDW/COMPUTER DISCOUNT WAREHOUSE	16,669.01
CORNERSTONE MANAGEMENT, INC.	1,833.00
CRABTREE, DEVIN	13.17
EDGE ANALYTICAL LABORATORIES	20.00
FERNDALE ACE HARDWARE	31.30
HARDWARE SALES, INC	365.60
HEALTH PROMOTIONS NORTHWEST	90.00
K ENGINEERS, INC.	135.00
KCDA PURCHASING COOPERATIVE	120.20
MASSMUTUAL RETIREMENT SVCS LLC	11,999.99
NORTH COAST ELECTRIC COMPANY	6,312.48
NORTHWEST CASCADE, INC.	118.50
NORTHWEST FIBER DBA ZIPLY FIBER	1,381.86
NORTHWEST MOWING & GARDENING	540.76
NP INFORMATION SYSTEMS (3-D CORP)	252.42
PACIFIC SURVEY & ENGINEERING	1,167.50
PLATT ELECTRIC SUPPLY CO	97.16
POTELCO, INC	26,426.47
PROTHMAN	6,500.00
PUD #1 OF WHATCOM COUNTY	19.89
PUGET SOUND ENERGY, INC	8,544.80
REGENCE BLUE SHIELD	45,049.07
REISNER DISTRIBUTION, INC	1,785.85
RH2 ENGINEERING, INC	1,099.83
RICOH USA	169.53

SHRED-IT USA	43.78
SSC - SANITARY SERVICE COMPANY	534.99
TEAMSTER LOCAL #231	537.00
ULINE, INC.	508.45
UNITED WAY OF WHATCOM COUNTY	495.00
US BANK	1,601.78
UTILITIES UNDERGROUND LOCATION	25.80
VERIZON WIRELESS	1,849.11
WA PUBLIC UTILITY DISTRICTS ASSOC	250.00
WASHINGTON DENTAL SERVICE	2,779.10
WASHINGTON TEAMSTERS WELFARE	12,029.15
WESTERN REFINERY SERVICES	2,686.53
WHATCOM JANITORIAL	1,250.00
WHISTLE WORKWEAR	367.17
WILSON ENGINEERING, LLC	2,079.00
WIN-911	1,160.00
GRAND TOTAL	\$164,265.37

4. Public Comment No. 1

No comments made.

5. Old Business

5a) General Manager Appointment Process Update

Sitkin reported that an updated summary was provided to Commissioners over the weekend. At today's Executive Session, Commissioners will review the first round of candidates selected for initial interviews. Bill McDonald from Prothman will attend to answer any questions. The Commission will provide direction to Prothman and Sitkin for follow up regarding a public engagement process for prospective candidates with the public and staff.

5b) Broadband Program Update

Jilk and Grant attended the Port/PUD Broadband Steering Committee meeting last week. Gina Stark (Port) provided a status update: Port's work to date. County Executive Sidhu has also requested a meeting with Stark and others for an update.

Commissioner Grant commented there is increasing interest on what the plan is, to tell "our (PUD's) story" and that communication is critical. She would like to hear more from Chris Walker/NoaNet on the role of the PUD and suggested a report from Walker at the Commission next meeting. Jilk agreed on the importance of an update. The presentation for the CERB grant is coming up and information from NoaNet could be utilized for it.

The Port has been working on the broadband effort longer than the PUD, and according to Grant, there are many people who also want to collaborate in the effort and want to know, especially, what the PUD can bring to the table in the partnership with the Port.

Murphy asked about federal grants being offered and whether or not the PUD can take advantage of them. The *American Rescue Act* grant provides funding for each state, designated to assist with COVID relief and rescuing the economy. Up to \$45 million is anticipated for Whatcom County and the County has committed a significant amount of this funding towards broadband.

Murphy thanked everyone working on broadband; in follow up from the Minutes of the last meeting, he had asked if the PUD could route fiber out of Ferndale to North County.

The Port is working from a *four quadrant/segment approach* on hanging fiber – the first segment originally designated fiber from Deming – Glacier – down to Highway 9 and possibly connect up in Skagit County; however, this pre-planned route was disrupted, and the fiber route altered as noted on September 28. The Port is now discussing segments with a private provider who has already primed areas for fiber. Although there is already fiber in Ferndale, discussion with the private provider might have a plan/different segment than what the Port had identified. Selecting areas that are most unimproved or in need of sufficient access to fiber are being considered first.

Deshmane commented that the Port went from a clear vision on their fiber plan, endorsed by their Commission, and is now less clear: His reasons being the original undertaking was more complicated and expensive than envisioned; less backbone is being built by the public sector because there is more enthusiasm for the private sector to use federal and other sources for funding broadband; the risk and

complexity; and finally, other people are wanting to collaborate on the project with the Port and PUD. The project is taking time and not happening as quickly as some are anticipating.

Grant wants to hear from NoaNet on suggestions for the PUD and what steps to take. Over the last few months, the PUD has been slow in coming onboard with broadband. The Port is doing a good job in moving the project forward, receiving support and funding. The PUD should proceed with the grant request for CERB funding and with information from NoaNet, develop a plan for reaching underserved areas in the county. The CERB decision is due November 18 and Jilk suggests regardless of the outcome, the PUD should proceed with a plan.

6. New Business

6a) Approve Resolution No. 801

District staff has identified equipment and/or materials that are of little or no longer used for the operations of the District as referenced in Resolution No. 801, Exhibit A. RWC 54.16.180(2)(b) authorizes the disposition of properties, equipment and materials. Items include substation and miscellaneous electrical parts, a Variable Frequency Drive (VFD) used at Plant 2 prior to the 2012 remodel; and, due to its specific design, it is no longer of use to the District, a 1995 John Deere mower, and several IT items on the surplus list. The equipment listed is either obsolete, worn out, broken, or no longer works properly.

Deshmane suggested that staff contact TAG (Technology Alliance Group) as whether or not this agency could utilize any of the surplus IT items. The District does seek to recoup any expenses from the disposal/recycle or sale of these items.

ACTION: Commissioner Murphy motioned to APPROVE RESOLUTION NO. 801 – DECLARING CERTAIN DISTRICT PROPERTY SURPLUS THAT IS INADEQUATE, OBSOLETE OR NO LONGER FUNCTIONAL, AND HAS LITTLE OR NO VALUE TO THE OPERATIONS OF THE DISTRICT’S UTILITIES AND AUTHORIZE DISTRICT STAFF TO UTILIZE THE BEST METHOD(S) (AUCTION, RECYCLE, DISPOSAL, ETC.) TO DISPOSE OF THE DISTRICT PROPERTY. Commissioner Grant second the motion. Motion passed unanimously.

7. General Manager’s Report

Upcoming Grant Opportunities

The PUD continues to monitor and administer various grants. The next round of grants from the Stream Restoration Act (SB 6091) are coming up. The Watershed Management Board staff group indicated three proposed projects; one such project proposed by the PUD is to fund a feasibility study for a North County Regional Water Supply System area (following the Nooksack River from the border, Sumas, Blaine and down to Lummi) to provide a complete water system.

Update on Public In-Person Meetings

Murphy inquired when the PUD will return back to in-person meetings. Sitkin explained the Open Public Meetings Act stipulations related to the pandemic and the District’s logistical dilemma to hold meetings in-person and virtual. The PUD does not have an “overflow” area where the public can attend/participate, or enough space for social distancing requirements in the meeting room itself. Based on the Governor’s orders, situations may be different for government agencies, non-profits and private businesses. Sitkin is not aware of many public agencies that have returned to in-person meetings.

Center for Sustainable Infrastructure

Grant would like an update on the Center and conversations between the Port and County Executive for EDI funding.

California Creek Grant Proposal

Deshmane would like an executive summary of the proposal to better understand the comments/concerns made from various agencies that weighed in on the project.

8. Commissioner Reports

Grant:

- Attended the Whatcom County EDI Meeting regarding funding request for affordable housing;
- Attended two of the Port/PUD Broadband Steering Committee meetings, as noted earlier.

Murphy:

- Concerned about drought issues in Whatcom County – just because it has rained doesn’t mean that wells are being refilled. He has heard from private well owners who say it is expensive to have water trucked-in. Jilk asked for contact information on people who are reporting low water levels, as it may be more of a regional issue, or that it is simply taking a long time for wells to recharge with the extreme lack of rainfall and high temperatures this summer. Without consistent rainfall, drought could become a bigger issue.

Deshmane:

- Attended the City of Bellingham’s Broadband Advisory Committee meeting.

9. Public Comment No. 2

No comments made.

10. Executive Session

Executive Session requested pursuant to RCW 42.30.110(1) (i) to review prospective General Manager Candidates. The estimated time for Executive Session was 45 minutes. The Commission President indicated that no action would be taken after the adjournment of the Executive Session. The Commission adjourned to Executive Session at 9:15 a.m.

- The Commission held Executive Session on a separate Zoom webinar platform under Open Public Meeting Act requirements.
 - At 10:15 a.m. another 45 minutes was requested;
 - At 11:00 a.m. another 30 minutes was requested;
 - At 11:20 a.m. another 30 minutes was requested;
 - At 11:40 a.m. a 20 minute recess was requested.

Executive Session Adjourn

There being no further business for Executive Session, the Commission rejoined the Regular Commission Meeting webinar platform at 12:00 p.m.

11. Adjourn

There being no further business for the meeting, Commissioner Murphy adjourned the regular meeting at 12:01 p.m.

Atul Deshmane, President

Christine Grant, Secretary

Michael Murphy, Vice President

Commission Clerk Note: Video recordings of the Whatcom PUD Commission Meetings are available online at the following link on the PUD’s Website: <https://www.pudwhatcom.org/the-commission/2021-agendas-packets-meeting-minutes-recordings/>

APPROVED: OCTOBER 26, 2021