

DRAFT

PUBLIC UTILITY DISTRICT No. 1  
*of Whatcom County*

Agenda for the  
Regular Meeting of May 24, 2022  
8:00 a.m. at the PUD Office  
(In-person, Zoom, & Teleconference)

1. Call to Order | Pledge of Allegiance (3 minutes)
2. Approval of Agenda (3 minutes)
3. Consent Agenda (5 minutes)
  - a) Approval of the Meeting Minutes of the Regular Meeting of May 10, 2022
  - b) Approval of Claims for May 24, 2022
4. Public Comment (10 minutes) Individual speakers: 3 min.
5. Old Business
  - a) Broadband Program Update (45 minutes)
  - b) WPUDA Policy Position Discussion (15 minutes)
  - c) WA State Public Works Board Request for Information Discussion (10 minutes)
6. New Business
  - a) Approve 2023 Budget Development Schedule (5 minutes)
7. General Manager Report (10 minutes)
8. Commissioner Report (15 minutes)
9. Public Comment (10 minutes) Individual speakers: 3 min.
10. Executive Session Per RCW 42.30.110(1)(g) Review Performance of a Public Employee (60 minutes)
11. Adjourn (10:00 AM estimated)

Notice:

In-person attendance is now allowed at PUD Commission Meetings.

All Commissioners will participate either in-person, via Zoom or teleconference.

The public meeting can be accessed by internet: <https://us02web.zoom.us/j/85152659654>

Or by telephone: Dial 1 (253) 215 8780 or 1 (346) 248 7799

Webinar ID 851 5265 9654

Next Commission Meeting

June 7, 2022 | Special Meeting Broadband Project Open House 5:30 PM

at Ferndale Chamber of Commerce, 2007 Cherry St., Ferndale

June 14 & 28, 2022 | 8:00 a.m. | Regular Meetings at District Office

Access information will be announced the public may join the meeting in-person, by phone or internet.

Contact: Ann Grimm, Commission Clerk (360) 384-288x 27 • [www.pudwhatcom.org](http://www.pudwhatcom.org)

**DRAFT**

**MINUTES OF THE REGULAR**

**MEETING OF THE COMMISSION**

**May 10, 2022**

**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 Christine Grant. Said meeting was open to the public and notice thereof had been given as required by law. Those present in person included Commissioner Christine Grant and Commissioner Mike Murphy; Staff: Brian Walters, Assistant General Manager; and Ann Grimm, Executive Assistant. Attending via Zoom: Commissioner Atul Deshmane and Legal Counsel Peter Ruffatto. Staff attending via Zoom: Steve Jilk, In-House Consultant; Rebecca Schlotterback, Manager of Contracts and Regulatory Compliance; Annette Smith, Director of Finance; Kurt Wank, Project Manager; Paul Siegmund, Manager of Automation and Technology; Aaron Peterson, IT/SCADA Technician; Mike Macomber, IT/SCADA Technician; Andrew EntriKin, Broadband Program Manager; Traci Irvine, Accountant I; and Jon Littlefield, Electric System Supervisor.

Public attending via Zoom platform:

Jack Wellman, PSE

Dave Olson, Citizen

Lauren Turner, Phillips 66

**2. Approval of Agenda**

*(Recording Time on Video: 00:00:50)*

**ACTION:** Commissioner Deshmane motioned to APPROVE THE AGENDA OF MAY 10, 2022. Commissioner Murphy second the motion. Motion passed unanimously.

**3. Consent Agenda**

*(Recording Time on Video: 00:1:12 )*

- a. Approval of Meeting Minutes of the Regular Meeting, April 26, 2022; and
- b. Approval of the Claims of May 10, 2022:

<b>VENDOR NAME</b>	<b>AMOUNT</b>
APPLIED DIGITAL IMAGING	1,341.01
CENTRAL WELDING SUPPLY	217.05
CESCO NEW CONCEPT CHEMICAL	123.81
CLEAN EARTH INC.	41.25
CORNERSTONE MANAGEMENT, INC.	5,106.77
EXACT SCIENTIFIC SERVICES INC.	25.00
FASTENAL	33.47
FERGUSON ENTERPRISES, INC	2,136.60
FERNDALE ACE HARDWARE	9.12
FERNDALE CITY OF	324.14
GUARDIAN SECURITY SYSTEMS, INC	84.71
HD FOWLER CO, INC	329.67
HEALTH PROMOTIONS NORTHWEST	150.00
HOLLAND & HART LLP	38,000.00
INDUSTRIAL SUPPLY, INC	198.20
JOHN DEERE FINANCIAL	101.93
LEEWARD STRATEGIES LLC	3,850.00
NORTHWEST CASCADE, INC.	118.50
NORTHWEST FIBER DBA ZIPLY FIBER	1,369.51
NORTHWEST MOWING & GARDENING	540.76

# DRAFT

NP INFORMATION SYSTEMS (3-D CORP)	269.82
PUD #1 OF WHATCOM COUNTY	20.04
PUGET SOUND ENERGY, INC	931.64
REGENCE BLUE SHIELD	47,398.24
REISNER DISTRIBUTION, INC	1,519.20
RICOH USA	224.93
SMITH MECHANICAL	1,136.42
SPECIAL-T STRIPING & SIGN COMPANY	281.38
SSC - SANITARY SERVICE COMPANY	555.32
TEAMSTER LOCAL #231	567.00
UNITED WAY OF WHATCOM COUNTY	601.00
UTILITIES UNDERGROUND LOCATION	21.93
VERIZON WIRELESS	2,028.23
WA ST DEPT TRANSP-NW REGION	406.51
WASHINGTON DENTAL SERVICE	2,953.80
WASHINGTON TEAMSTERS WELFARE	12,775.00
WHATCOM FARMERS CO-OP	76.08
WHATCOM JANITORIAL	1,325.00
WHISTLE WORKWEAR	78.33
<b>GRAND TOTAL</b>	<b>\$127,271.37</b>

**ACTION:** Commissioner Murphy motioned to APPROVE THE CONSENT AGENDA OF MAY 10, 2022. Commissioner Deshmane second the motion. Motion passed unanimously.

#### 4. Public Comment

*(Recording Time on Video: 00:01:45)*

None made.

#### 5. Old Business

##### a. Broadband Program Update

*(Recording Time on Video: 00:02:12)*

i. EntriKin reported that the Port/PUD broadband projects open house is scheduled for Tuesday, June 7, 2022 at the Ferndale Chamber of Commerce, located at 2007 Cherry Street, from 5:30 p.m. to 7:00 p.m. Because two or more Commissioners may attend, a special meeting will be called; however, there will be no action taken at the meeting.

There will be a meeting for Internet Services Providers (ISP) on May 13 to discuss current and future fiber projects. At the June 14, 2022, Commission Meeting, staff from Kitsap PUD will present information on its Local Utility District (LUD) model.

The kick-off meeting with NoaNet occurred last week. NoaNet and Petrichor will study two public broadband alternatives. One will be a public retail service provider option, the other a public wholesale dark fiber option. A study report of the two options will be the deliverable. The Port and PUD staff are in the process of completing work on identifying un- or under-served areas in the county that would qualify for State and Federal grant funding.

Deshmane commented on the City of Bellingham's Broadband Advisory Group meetings, in which he attended the past two meetings. The City's survey results have not been distributed to group members – however, there were over 1,500 responses. A report was produced and EntriKin has forwarded it on to all Commissioners.

**ACTION:** Commissioner Deshmane motioned TO CALL A SPECIAL MEETING FOR THE PUD/PORT OF BELLINGHAM'S BROADBAND PROJECTS OPEN HOUSE ON JUNE 7, 2022, FROM 5:30 TO 7:00 P.M., LOCATED AT THE FERNDALE CHAMBER OF COMMERCE, 2007

# DRAFT

CHERRY STREET, FERNDALE, WA. Commissioner Murphy second the motion. Motion passed unanimously.

**b. WPUDA Policy Positions Discussion** *(Recording Time on Video: 00:37:00)*

At the April 26 meeting, Commissioners discussed electrification and reliability/adequacies issues pertaining to a questionnaire received from WPUDA. Grant and Walters worked on Whatcom PUD's response to the questions posed by WPUDA. Deshmane, unable to review the draft, agreed to the response proposed for the first question only. The response will be edited and presented for signatures, noting responses to the other questions will be replied to after the May 24 Commission Meeting.

**ACTION:** Commissioner Deshmane motioned to APPROVE COMMISSION LETTER AS AMENDED TO BE SUBMITTED TO THE WASHINGTON PUBLIC UTILITY DISTRICTS ASSOCIATION (WPUDA). Commissioner Murphy second the motion. Motion passed unanimously.

**c. WA State Public Works Board - Request for Information**

*(Recording Time on Video: 00:57:25)*

The PWB is looking to design a program and funding to target innovative projects and is requesting feedback on what barriers agencies are experiencing in moving multi-system, integrated and green projects forward. A response document with answers to a PWB questionnaire was drafted with input from Commissioner Deshmane, Walters and Heimgartner, but has not been sent to the Commission for review. There will be more discussion on this item after Heimgartner returns to the office.

**ACTION:** No action taken or requested of.

**6. General Manager Report**

*(Recording Time on Video: 01:04:15)*

Walters is acting General Manager while Heimgartner is absent.  
No report.

**7. Commissioner Reports**

*(Recording Time on Video: 01:05:00)*

Deshmane:

- Attended two City of Bellingham Broadband Advisory Group meetings (as reported above);
- Contacted the WA Public Works Board regarding request for information;
- Will attend special EDI meeting on Wednesday.

Murphy:

- Happy to know about the broadband open house to provide information to the public. He asked if there will be presenters and an opportunity for questions and answers at the Broadband Projects Open House on June 7. Entrikin noted the event is planned to be informal with project stations (project poster boards will be displayed, attended by staff), but there is plenty of time to make revisions and thanked Murphy for his input.

Grant:

- Working on a draft letter for the *Commission Introduction* of the Strategic Plan update, to be revisited at the May 24 meeting during the strategic planning section.

**8. Public Comment**

*(Recording Time on Video: 01:10:02)*

None made.

# DRAFT

## 9. Executive Session

*(Recording Time on Video: 01:12:00)*

Commission President Grant requested an Executive Session pursuant to RCW 42.30.110(1)(g) – Review/performance of a Public Employee: The estimated time for Executive Session was 30 minutes. The Commission President indicated no action is anticipated to be taken after the adjournment of Executive Session. Followed by a short recess, the Commission adjourned to Executive Session at 9:15 a.m.

### Executive Session Adjourn

There being no further business for Executive Session, the Commission rejoined the Regular Commission Meeting webinar platform at 9:47 a.m.

## 10. Adjourn

There being no further business for the meeting, Commissioner Grant adjourned the regular meeting at 9:48 a.m.

---

Christine Grant, President

---

Atul Deshmane, Vice President

---

Mike Murphy, Secretary

**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/2022-agendas-packets-meeting-minutes-recordings/>

PUBLIC UTILITY DISTRICT No. 1  
*of Whatcom County*

1705 Trigg Road ● Ferndale, WA 98248  
P: (360) 384-4288 ● F: (360) 384-4849

# Memo

**To:** Commissioners Deshmane, Grant, and Murphy  
**From:** Annette Smith, Director of Finance  
**Date:** May 24, 2022  
**Re:** Approval of 2023 Budget Development Schedule

---

**Requested Action:** APPROVE THE SCHEDULE FOR THE DEVELOPMENT OF THE 2023 DISTRICT OPERATING AND CAPITAL BUDGET AND APPROVAL OF THE RATES AND CHARGES FOR WATER AND ELECTRIC SERVICE FOR 2023.

**Background:** Below is the proposed schedule for the 2023 budget:

<b>2023 BUDGET SCHEDULE</b>	
Commission receives 2022 First Half Financial Report	August 9, 2022
Commission Work Session to discuss budget parameters for 2023	September 13, 2022
Draft 2023 Budget presented to Commission	October 25, 2022
Customer Meetings on Draft 2023 budget	November 1-3, 2022
Revised budget presentation, Public Hearing on 2023 budget	November 22, 2022
2023 Budget/Rates approved	December 13, 2022

The proposed schedule allows time for:

- Work Session by the Commission before adopting the final budget and rates;
- Meetings with the different customer groups;
- A Public Hearing and a Commission Meeting/Work Session that allows for public/customer input to the Commission for the 2023 Budget and rate setting process.

**Fiscal Impact:** This will determine the approach and schedule for next year's budget.

**Requested Action:** APPROVE THE SCHEDULE FOR THE DEVELOPMENT OF THE 2023 DISTRICT OPERATING AND CAPITAL BUDGET AND APPROVAL OF THE RATES AND CHARGES FOR WATER AND ELECTRIC SERVICE FOR 2023.