

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

**June 14, 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 Atul Deshmane. Commissioner Mike Murphy had an excused absence; Legal Counsel Peter Ruffatto; Staff: Chris Heimgartner, General Manager; and Ann Grimm, Executive Assistant. Staff attending via Zoom: Steve Jilk, In-House Consultant; Rebecca Schlotterback, Manager of Contracts and Regulatory Compliance; Annette Smith, Director of Finance; 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; Devin Crabtree, Chief Water Operator; Kurt Wank, Project Manager; and Jon Littlefield, Electric System Supervisor.

Public attending via Zoom platform:

Angela Bennink, Kitsap PUD	Jim Darling, Leeward Strategies
Jamie Douglass, Citizen	Deanna Campbell, Citizen
Dave Olson, Citizen	Max Perry, Citizen
“Whatcom Democrats”	Jack Wellman, Puget Sound Energy
Kaylee Galloway, Whatcom Cty Council	Michael Gan, Citizen
Lauren Turner, Phillips 66	Scott Wallace, Citizen
Debbie Ahl, Citizen	Rick Maricle, Citizen

**2. Broadband Program Update: Local Utility District (LUD) Presentation**

*(Recording Time on Video: 00:02:23)*

Kitsap PUD General Manager Angela Bennink presented information on KPUD’s Local Utility District program. A Local Utility District is a formal process in which a community organizes to affect utility infrastructure improvements, such as fiber optic networks. For some individuals, the costs for connection are higher than feasible and Kitsap PUD has taken steps to provide some mechanisms for their residents to spread the cost of construction out over many years.

**ACTION:** No action taken; information only.

**NOTE:** At 8:56 AM, following the presentation, Commissioners recessed for a five-minute break.

**3. Approval of Agenda**

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

Due to Commissioner Murphy’s excused absence, it was discussed to shorten the Strategic Plan Update and call for a Special Meeting to review the Strategic Plan Update, time/date TBD. The Broadband Program Update regarding Whatcom PUD and the Port of Bellingham’s projects was added under Old Business, Section 6b.

**ACTION:** Commissioner Deshmane motioned to AMEND AND APPROVE THE AGENDA OF JUNE 14, 2022. Commissioner Grant second the motion. Motion passed unanimously.

**4. Consent Agenda**

*(Recording Time on Video: 01:03:07)*

- a. Approval of Meeting Minutes of the Regular Meeting, May 24, 2022; and
- b. Approval of the Claims of June 14, 2022:

<b>VENDOR NAME</b>	<b>AMOUNT</b>
ALL SEASON SPRAYING	3,032.99
APPLIED DIGITAL IMAGING	164.02
BAY CITY SUPPLY	279.99
CENTRAL WELDING SUPPLY	14.06
CINTAS CORPORATION	595.43
CORNERSTONE MANAGEMENT, INC.	3,881.16
DLT SOLUTIONS, LLC	1,338.55
FERGUSON ENTERPRISES, INC	423.47
FERNDALDE ACE HARDWARE	10.87
GRAINGER	357.96
GRIMM, ANN	54.50
HACKER, RONALD G	234.71
HARDWARE SALES, INC	268.66

HD FOWLER CO, INC	153.25
HEALTH PROMOTIONS NORTHWEST	150.00
IVOXY CONSULTING LLC	582.91
JOHN DEERE FINANCIAL	50.68
K ENGINEERS, INC.	4,329.50
KNOWBE4, INC.	828.08
LITHTEX NW LLC	1,141.39
MURRAYSMITH	41,774.63
NOANET	434.35
NORTH COAST ELECTRIC COMPANY	11,184.43
NORTHWEST CASCADE, INC.	118.50
NORTHWEST FIBER DBA ZIPLY FIBER	1,369.82
NORTHWEST MOWING & GARDENING	3,171.05
NORTHWEST PROFESSIONAL SERVICES	42.99
NP INFORMATION SYSTEMS (3-D CORP)	269.82
PETE'S AUTO REPAIR LLC	198.61
PITNEY BOWES	151.04
PLATT ELECTRIC SUPPLY CO	1,325.07
PUD #1 OF WHATCOM COUNTY	19.92
PUGET SOUND ENERGY, INC	8,864.64
REGENCE BLUE SHIELD	44,398.74
REISNER DISTRIBUTION, INC	1,492.10
RH2 ENGINEERING, INC	6,355.37
RICOH USA	289.41
SSC - SANITARY SERVICE COMPANY 5	55.32
STAR RENTALS	1,705.78
TEAMSTER LOCAL #231	569.00
TYLER TECHNOLOGIES-INCODE	914.65
UNITED WAY OF WHATCOM COUNTY	601.00
UTILITIES UNDERGROUND LOCATION	19.35
VALVOLINE	180.29
VERIZON WIRELESS	1,934.01
WA ST DEPT TRANSP-NW REGION	488.66
WASHINGTON DENTAL SERVICE	2,831.80
WASHINGTON TEAMSTERS	12,775.00
WATERHOUSE ENVIR SERV CORP	29,781.00
WHATCOM JANITORIAL	1,020.00
<b>GRAND TOTAL</b>	<b>\$192,728.53</b>

**ACTION:** Commissioner Deshmane motioned to APPROVE THE CONSENT AGENDA OF JUNE 14, 2022. Commissioner Grant second the motion. Motion passed unanimously.

**5. Public Comment**

*Recording Time on Video: 01:06:00)*

Jamie Douglass commented he is excited about the possibilities of Local Utility District(s) (LUD) opportunity for broadband.

**6. Old Business**

*(Recording Time on Video: 01:10:00)*

**a. Broadband Program Update**

- Entrikin thanked Ms. Bennink for her presentation on LUDs.
- Tonight is the Port/PUD broadband projects open house, at the Ferndale Chamber of Commerce, located at 2007 Cherry Street, from 5:30 p.m. to 7:00 p.m.
- Received notice for funding opportunities from the Washington State Broadband Office.

Deshmane contacted Astound Broadband (formerly Wave) regarding service in Thurston County. Deshmane said Thurston PUD is not planning to provide broadband; however, Astound is planning to work with the local tribe to foster broadband opportunities.

**b. Strategic Plan Update Work Session**

*(Recording Time on Video: 01:33:00)*

Jim Darling, Leeward Strategies, provided an update to the work-in-progress on the District's Strategic Plan. Any comments or suggestions from Commissioners should be directed to him or General Manager Heimgartner by June 24. As Commissioner Murphy was absent, holding a special meeting in July was suggested so staff and the Commission would have additional time to review and/or finalize the update.

**ACTION:** Commissioner Deshmane motioned TO HOLD A SPECIAL MEETING IN JULY (DATE, TIME AND LOCATION TO BE IDENTIFIED AT A LATER DATE). Commissioner Grant second the motion. Motion passed unanimously.

## 7. New Business

### a. Approve Professional Services Agreement with FCS for Utility Rate Study

*(Recording Time on Video: 02:95:52)*

The District published a public Request for Proposal (RFP) from qualified firms to perform a utility rate study and analysis related to the District's water services. The District received RFPs from both Raftelis and FCS Group and both firms were invited to participate in interviews. After reviewing the RFPs, reviewing references, and participating in the interview, District staff recommends FCS Group as the consultant of choice. Once the agreement is approved, staff will work with FCS Group to develop a scope of work and budget

**ACTION:** Commissioner Deshmane motioned to APPROVE AGREEMENT FOR THE UTILITY RATE STUDY WITH FCS GROUP AND AUTHORIZE THE DISTRICT'S GENERAL MANAGER TO EXECUTE THE AGREEMENT. Commissioner Grant second the motion. Motion passed unanimously.

### b. Approve Professional Services Agreement with Electrical Reliability Services

*(Recording Time on Video: 02:09:54)*

The District is required to comply with applicable electric system reliability standards developed by NERC under the direction of the FERC and as enforced by WECC to perform and document maintenance and testing of substation equipment, back-up power devices, protective relays, etc. District electrical staff must develop and adhere to a routine maintenance schedule. Some work can be conducted while the substations are still energized and serving load. For certain equipment and protective devices, testing must be done during periods when some or all electric load is off line. The Refinery has scheduled an upcoming off-line day where District staff and others as required can do the necessary work. Given the background context and need for a firm with expertise in testing and calibration of substation equipment and protection devices, staff recommends the District enter into a Standard Agreement for Professional Consulting Services with Electrical Reliability Services ("ERS") for the provision of such services.

**ACTION:** Commissioner Deshmane motioned to APPROVE THE PROFESSIONAL CONSULTING SERVICES AGREEMENT ("AGREEMENT") WITH ELECTRICAL RELIABILITY SERVICES AND AUTHORIZE THE GENERAL MANAGER TO EXECUTE THE PSA. Commissioner Grant second the motion. Motion passed unanimously.

### c. Approve Work Order No. 1-06-22 with Electrical Reliability Services (ERS)

*(Recording Time on Video: 02:14:10)*

This is in tandem with the approval of the Professional Consulting Services Agreement. Under WO 1-06-22, ERS will perform maintenance testing and calibration services related to equipment and protective relays within the PUD's Refinery substation for a cost not to exceed amount of \$91,120 plus tax.

**ACTION:** Commissioner Deshmane motioned to APPROVE WORK ORDER WO1-06-22 WITH ELECTRICAL RELIABILITY SERVICES FOR A COST NOT TO EXCEED AMOUNT OF \$91,120 PLUS TAX AND AUTHORIZE THE DISTRICT'S GENERAL MANAGER TO EXECUTE THE DOCUMENT. Commissioner Grant second the motion. Motion passed unanimously.

### d. Approve Resolution No. 808-A – Amendment to Delegation of Authority

*(Recording Time on Video: 02:16:15)*

Legal Counsel Peter Ruffatto explained that the amendment to the Resolution regarded the language on non-disclosure or confidentiality agreements with customers and potential customers. Commissioner Deshmane had questions on the amendment and asked that the item be tabled until the June 28 meeting.

**ACTION:** No action taken. Item tabled until June 28.

### e. Approve Resolution No. 817 – Amendment to Policy for Employee Compensation for Administrative Employees (Automation Technician Position)

*(Recording Time on Video: 02:24:34)*

An amendment to the Policy to add the new position of *Automation Technician* for the IT Department, and has been funded in the 2022 Budget. The Commission approves the job description and salary range for all District positions and the General Manager sets the salaries.

**ACTION:** Commissioner Deshmane motioned to ADOPT RESOLUTION NO. 817 – A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE PUBLIC UTILITY DISTRICT NO. 1 OF WHATCOM COUNTY (“DISTRICT”) AMENDING THE *POLICY FOR EMPLOYEE COMPENSATION FOR ADMINISTRATIVE EMPLOYEES* FOR THE PURPOSE OF ADDING A NEW POSITION AND SALARY RANGE FOR THAT POSITION. Commissioner Grant second the motion. Motion passed unanimously

**f. Approve Employee Contract with Steve Jilk**

*(Recording Time on Video: 02:27:25)*

Jilk’s current contract ends on June 30, 2022. Heimgartner distributed copies indicating the new agreement affords for Jilk to be retained as a part-time employee and other provisions. Commissioner Deshmane asked that this item be tabled until the June 28 meeting to allow time to review the document.

**ACTION:** No action taken. Item tabled until June 24, 2022.

**8. General Manager Report**

*(Recording Time on Video: 02:31:00)*

- Heimgartner will be out of the office and unable to attend the June 28, 2022 Commission Meeting.
- Update on Public Records Disclosure Request: Costs to date are more than \$13,000.

**9. Commissioner Reports**

*(Recording Time on Video: 02:31:45)*

Deshmane:

- Also reported under Broadband Program Update;
- Attended a two-day presentation from Department of Energy on hydrogen;
- Inquired about his edits to the second WPUDA Energy Policy letter; and,
- Asked that fellow Commissioners consider his request to be Whatcom PUD’s Primary Representative to WPUDA’s Energy Committee (Grant is currently Primary); and that Grant become Alternate Representative; as he would like to run for co-chair of this WPUDA committee.
- Regarding the energy policy letter, Commissioner Grant responded that she saw the edits from Deshmane and made a few changes; then sent it to George Caan at WPUDA as a letter from herself and not the Commission as a whole.

**ACTION:** Commissioner Deshmane motioned to NOMINATE HIMSELF AS THE DISTRICT’S PRIMARY REPRESENTATIVE TO THE WPUDA ENERGY COMMITTEE AND COMMISSIONER GRANT AS THE DISTRICT’S ALTERNATE REPRESENTATIVE. Commissioner Grant second the motion. Motion passed unanimously.

Grant:

- WPUDA President Garry Arseneault (Chelan PUD) plans to visit Whatcom PUD at the October 11, 2022, Regular Commission Meeting and will meet with staff afterwards;
- Has discussed the Alcoa/Intalco Re-Start, BPA, Lower Snake River Dams issues and others with Nancy Hirsch, Executive Director of the Northwest Energy Coalition;
- Attended the recent Whatcom Council of Governments meeting, discussed the Dig-Once Policy proposal;
- Working on the Letter from the Commission for the Strategic Plan Update.

**10. Public Comment**

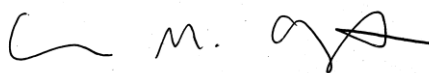
*(Recording Time on Video: 02:50:00)*

None made.

**Adjourn**

*(Recording Time on Video: 02:50:42)*

There being no further business for the meeting, Commissioner Grant adjourned the regular meeting at 10:52 a.m.



Christine Grant, President/Commissioner



Atul Deshmane, Vice President/Commissioner



Mike Murphy, Secretary/Commissioner

**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/>