

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

September 13, 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 Mike Murphy; Legal Counsel Jon Sitkin. Staff: General Manager Chris Heimgartner; Ann Grimm, Executive Assistant; Andrew EntriKin, Broadband Program Manager; and Steve Jilk, In-House Consultant. Those present via Zoom included: Commissioner Atul Deshmane; Brian Walters, Assistant General Manager; Annette Smith, Director of Finance; Rebecca Schlotterback, Manager of Contracts and Regulatory Compliance; Paul Siegmund, Manager of Automation and Technology; Mike Macomber, IT/SCADA Technician; Aaron Peterson, IT/SCADA Technician; Traci Irvine, Accountant I; and Kurt Wank, Director of Utility Operations.

Public attending:

Satpal Sidhu, County Executive
Jack Wellman, Puget Sound Energy
Dave Olson, Citizen
Max and Carol Perry, Citizens

2. Approval of Agenda

ACTION: Commissioner Murphy made the motion to APPROVE THE AGENDA. Commissioner Deshmane second the motion. Motion passed unanimously.

3. Approval of Consent Agenda

- a. Approval of Meeting Minutes of the Regular Meeting, August 23, 2022; and
- b. Approval of the Claims of September 13, 2022:

VENDOR NAME	AMOUNT
ADVANCED POWDER COATING	397.34
BONNEVILLE POWER ADMINISTRATION	766,313.00
BRIDGEVIEW AUTO PARTS	8.69
CARL'S MOWER & SAW, INC	19.52
CESCO NEW CONCEPT CHEMICAL PRODUCTS	241.62
CHMELIK SITKIN & DAVIS	20,686.00
COMCAST	186.57
COMCAST - NWRC	304.50
CULLIGAN NORTHWEST	171.13
DESHMANE, ATUL	117.49
EAGLE-EYE AERIAL SOLUTIONS, LLC	47,300.00
FEDERAL EXPRESS	48.90
FERNDALE ACE HARDWARE	95.67
GENEVA CONSULTING	9,444.75
GUARDIAN SECURITY SYSTEMS, INC	228.06
INTERNAL REVENUE SERVICE	19,069.99
MASSMUTUAL RETIREMENT SVCS LLC	10,383.33
MILLS ELECTRIC	9,679.12
NOANET	1,640.00
PACIFIC SURVEY & ENGINEERING	775.00
PAYLOCITY	179.92
PAYROLL	208,431.03
PITNEY BOWES RESERVE ACCOUNT	642.89
PLATT ELECTRIC SUPPLY CO	289.31
REISNER DISTRIBUTION, INC	821.55
RH2 ENGINEERING, INC	17,655.25
STAR RENTALS	1,705.78
TUPPER MACK WELLS PLLC	11,152.00

ULINE, INC.	52.13
VALVOLINE	56.38
WA FEDERAL VISA CARD MEMBER SERVICES	2,810.78
WA PUBLIC UTILITY DISTRICTS ASSOCIATION	225.00
WA ST DEPT OF REVENUE	79,004.36
WASHINGTON ALARM, INC.	126.58
WESTERN CONFERENCE OF TEAMSTERS	9,184.00
WHATCOM FARMERS CO-OP	74.39
GRAND TOTAL	\$1,219,522.03

ACTION: Commissioner Deshmane made the motion to APPROVE THE CONSENT AGENDA OF SEPTEMBER 13, 2022. Commissioner Murphy second the motion. Motion passed unanimously.

4. Public Comment

Carole Perry commented the Commission meetings have a different feel now that they are a combination of the Zoom platform and in-person.

5. Old Business

a. Broadband Program Update

Feasibility Study

- Scheduled to be completed by November;
- Port/PUD steering committee will meet in October with consultants to review and finalize any outstanding details;
- The presentation to the Commission will be sometime in November or December.

WA State Broadband Office (WSBO)

- WSBO emailed a call for comments on “important issues” (open-access requirement, funding match requirement, challenge process, definition of last-mile service and other ‘various considerations’) that will inform them in crafting scoring requirements for the Fall Notice of Funding Opportunity.
- Petrichor will draft a response to these questions and will provide to Port/PUD prior to October 4 deadline.

Port Projects Update

- The East Nooksack project’s first customer connection is estimated to be in November/ December.

Point Roberts Broadband Assessment

- The PUD completed a Point Roberts Broadband Assessment which was sent to the County Executive’s Office.
- Whidbey Telecom was not successful in their recent ReConnect III funding round for the \$3.4 million project.

FCC Broadband Mapping & State Funding Timeline

- The first broadband maps will become available in November and revised maps published in December. We have requested access to the fabric to review the accuracy of the serviceable locations prior to the November release. Originally, only states had access and were charged an access fee.

6. New Business

a) Cherry Point Development Study – County Executive Satpal Sidhu

The County Executive is proposing a joint development study on the Cherry Point Industrial Area with current stakeholders to determine what is needed for infrastructure, capacity and growth for future development. The WA State Department of Commerce has funding available and Sidhu has asked the Port (Goldberg) to research and request funds in order to complete the study.

Following the Commission’s direction, Whatcom PUD staff will report back on the many different studies that have been completed for Cherry Point to date. Sidhu anticipates as early as next month for a general commitment from stakeholders and the PUD, and for funding for the study.

ACTION: No action taken or requested of. Information only.

b) Approve Resolution No. 818 – Amendment to Delegation of Authority

This item was tabled until the next Commission meeting.

ACTION: No action taken.

c) Purchasing Policy Update

This is in tandem with the above item and was tabled until the next Commission meeting.

ACTION: No action taken.

d) Approve Amendment 3 of Interlocal Agreement with Clallam PUD

The District has an Interlocal Agreement with Clallam PUD. Clallam PUD has exhausted its BPA Energy Efficiency Incentive (EEI) budget for BPA FY 2022, which ends September 30, and has requested that the District transfer \$125,000 of its remaining EEI budget for FY 2022-23 to Clallam PUD. If approved, the EEI budget transfer described will have no fiscal impact on the District's 2022 Annual Budget, and the District will have sufficient remaining BPA EEI Program Budget for FY 2022-23 to cover any District sponsored energy efficiency projects occurring before the end of the BPA rate period. The District will receive another EEI budget allocation for the next BPA rate period, which begins October 1, 2023.

ACTION: Commissioner Murphy made the motion to APPROVE AMENDMENT 3 TO EXHIBIT A TO THE INTERLOCAL AGREEMENT WITH PUBLIC UTILITY DISTRICT NO .1 OF CLALLAM COUNTY ("CLALLAM PUD"), WHICH TRANSFERS \$125,000 OF THE DISTRICT'S REMAINING BPA EEI PROGRAM BUDGET FOR BPA FY 2022-23 TO CLALLAM PUD AND AUTHORIZE THE DISTRICT'S GENERAL MANAGER TO SIGN THE AMENDMENT DOCUMENT. Commissioner Deshmane second the motion. Motion passed unanimously.

e) Work Session: Commissioner Input for 2023 Budget

Smith stated the draft 2023 budget document will be presented to the Commission at the October 25, 2022 meeting. Commission can provide input on their priorities today, or as the budget is developed, to Heimgartner and/or Smith. Core areas are operations and capital budget, and goals and initiatives approved by the Commission in the recent update to the Strategic Plan. Deshmane suggested looking at renewable energy options. Smith indicated that with the current plan of rebuilding Water Treatment Plant 1 and repairs slated for the Grandview Water System, rates will go up.

ACTION: No action taken or requested of, information only.

7. General Manager Report

- Jon Humphrey's public records request is now totaling over \$38,479. There are more installments to come.

8. Operations Report

- Assistant General Manager Walters complimented on the seamless transition between retiring Director of Utility Operations Holden and Kurt Wank, Project Manager, who was promoted to fill the Director position.
- Walters thanked the Water Crew for their work on an assessment regarding standards for the cross-connection policy for the Grandview Water System.
- Connection requests to the 24" water line from Plant 1 are increasing for irrigation needs or to build potable (drinking) water systems at the user end. Some requestors indicate their wells are running dry or are experiencing water quality issues. Installed in the mid-1960s, this line was originally intended as the mainline to Cherry Point without valves or diversion points– tapping the line for smaller connections can be difficult and very costly.

9. Commissioner Reports

Deshmane:

- Attended a recent City of Bellingham Broadband Advisory Group meeting.
- Attended the Climate Advisory Committee Meeting – the County is hiring a "Climate Action Manager" position. Hydrogen power was also discussed.

Murphy:

- Recently met with staff to discuss current and future projects, including Entrikin (broadband), outgoing Director of Utility Operations Holden and his replacement Kurt Wank.
- Met with Henry Bierlink of the Ag Water Board;
- Plans to attend the WPUDA committee meeting groups next week.

Grant:

- Has been busy catching up since being on leave;
- Will attend County Council meeting this afternoon regarding their broadband policy;
- Followed up with Jim Darling relating to the Strategic Plan and the General Manager's evaluation process;
- Will attend WPUDA committee meetings next week via Zoom.

10. Public Comment

Carole Perry commented that when all the agencies “come to the table” people work better together. She is pleased that the Port and PUD are working together (along with other entities) to help bring solutions.

11. Adjourn to Executive Session

Commission President Grant requested an Executive Session pursuant to RCW 42.30.110(i) – Potential Litigation, relating to water rights adjudication on a separate Zoom webinar. Estimated time for Executive Session was three (3) hours. The Commission President indicated no action is anticipated to be taken after the adjournment of Executives Session. After a short break, the Commission adjourned to Executive Session at 10:40 a.m.

At 12:00 p.m. a five-minute break was requested;

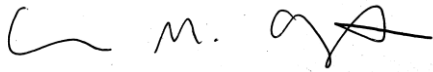
At 1:00 p.m. an additional 10 minutes was requested.

Executive Session Adjourn

There being no further business for Executive Session, the Commission rejoined the Regular Commission Meeting webinar platform at 1:14 p.m.

12. Adjourn

There being no further business for the regular meeting, Commissioner Grant adjourned the regular meeting at 1:15 p.m.



Christine Grant, President/Commissioner



Atul Deshmane, Vice President/Commissioner



Mike Murphy, Secretary/Commissioner

Commission Clerk Notes:

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/>