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2023 BOARD OF COMMISSIONERS

Christine Grant

Atul Deshmane

Jaime Arnett

PUBLIC UTILITY DISTRICT No. 1 *of Whatcom County*

Agenda for the Regular Meeting of January 10, 2023 8:00 a.m. at the PUD Office (In-person, Zoom, & Teleconference)

1. Oath of Office – Jaime Arnett
2. Call to Order | Pledge of Allegiance (2 minutes)
3. Approval of Agenda (3 minutes)
4. Consent Agenda (5 minutes)
 - a) Approval of Minutes of the Regular Meeting of December 13, 2022
 - b) Approval of Minutes of the Regular Meeting of December 20, 2022
 - c) Approval of Claims for January 10, 2023
5. Public Comment (10 minutes – Individual speakers: 3 min.)
6. Old Business (15 minutes)
 - a) Broadband Program Update
7. New Business (20 minutes)
 - a) Approve Work Order No. 1 – Pacific Surveying and Engineering, Inc. for Grandview LUD Service Vault, Engineering and Watermain Extension
 - b) Approve Amendment No. 1 to Work Order No. 2 – Murraysmith
 - c) Elect Commission Officers for 2023
 - d) Select Committee Commission Representatives/Staff Alternates for 2023
8. General Manager Report (10 minutes)
9. Commissioner Reports (15 minutes)
10. Public Comment (10 minutes– Individual speakers: 3 min.)
11. Executive Session: RCW 42.30.110(1)(i) Potential Litigation - Water Rights Adjudication (30 minutes)
12. Adjourn (10:00 AM estimated)

Notice:

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

The public meeting can be accessed: In-person at location announced;

By internet: <https://us02web.zoom.us/j/82786212796>

Or telephone: Dial 1 (253) 215 8782 or 1 (346) 248 7799

Webinar ID: 827 8621 2796

Next Commission Meetings

Jan. 24 & Feb. 14, 2023 | 8:00 a.m. | Regular Meetings – District Office

Contact: Ann Grimm, Commission Clerk at (360) 384-4288 x 27 • www.pudwhatcom.org

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MINUTES OF THE REGULAR MEETING OF THE COMMISSION

December 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 8:01 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 included: Commissioner Christine Grant, Commissioner Mike Murphy; Commissioner Atul Deshmane; and Legal Counsel Jon Sitkin. Staff: General Manager Chris Heimgartner; Ann Grimm, Executive Assistant; Andrew Entrikin, Broadband Program Manager; Steve Jilk, In-House Consultant; 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; Aaron Peterson, IT/SCADA Technician; Mike Macomber, IT/SCADA Technician; Traci Irvine, Accountant I; Jon Littlefield, Electric System Supervisor; and Kurt Wank, Director of Utility Operations;

Public attending:

Rick Maricle, Citizen	Jack Wellman, Puget Sound Energy
Dave Olson, Citizen	Jamie Douglass, Citizen
Kathy Murphy, Citizen	Max and Carole Perry, Citizens
Jared Murphy, Citizen	Lauren Turner, Phillips66
Nash Elbadawi, BP Cherry Pt.	Andrew Reding, Current Chair Whatcom Democrats
Kaylee Galloway, County Council	Jaime Arnett, Citizen

2. Approval of Agenda

No changes.

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

3. Approval of Consent Agenda

- Approval of Meeting Minutes of the Regular Meeting, November 22, 2022; and
- Approval of Meeting Minutes of the Special Meeting, November 28, 2022;
- Approval of the Claims of December 13, 2022:

<u>VENDOR NAME</u>	<u>AMOUNT</u>
ALUMICHEM CANADA INC	87,669.00
APPLIED INDUSTRIAL TECHNOLOGIES, INC	1,181.84
BAY CITY SUPPLY	409.98
BELLINGHAM HERALD	514.76
BIRCH EQUIPMENT COMPANY	4,757.49
BROWN & BROWN OF WA, INC.	115.58
CARPENTER CABLE SERVICES INC	2,472.93
CDW/COMPUTER DISCOUNT WAREHOUSE	4,082.20
CENTRAL WELDING SUPPLY	489.18
CESCO NEW CONCEPT CHEMICAL PRODUCTS	787.38
CHMELIK SITKIN & DAVIS	8,191.80
CORNERSTONE MANAGEMENT, INC.	738.00
CRABTREE, DEVIN	155.60
ELECTRICAL RELIABILITY SERVICES	81,210.00
FASTENAL	25.23
FCS GROUP	6,031.25

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FERNDALE ACE HARDWARE	53.30
HARDWARE SALES, INC	407.39
HDR ENGINEERING, INC.	17,212.04
HEALTH PROMOTIONS NORTHWEST	150.00
IVOXY CONSULTING LLC	3,000.00
MURRAYSMITH	70,804.79
NOANET	2,472.00
NORTHWEST FIBER DBA ZIPLY FIBER	1,415.32
NORTHWEST MOWING & GARDENING	540.76
NORTHWEST PROFESSIONAL SERVICES	37.49
NP INFORMATION SYSTEMS (3-D CORP)	269.82
P&P EXCAVATING, LLC	1,339.13
PACIFIC SURVEY & ENGINEERING	2,262.50
PETRICHOR BROADBAND LLC	43,899.29
PITNEY BOWES GLOBAL FINANCIAL SERVICES LLC	151.04
PLATT ELECTRIC SUPPLY CO	1,931.77
POTELCO, INC	281,340.97
PUBLIC UTILITY RISK MANAGEMENT SERVICES	7,829.19
PUD #1 OF WHATCOM COUNTY	362.06
PUGET SOUND ENERGY, INC	7,805.88
REGENCE BLUE SHIELD	43,964.09
REISNER DISTRIBUTION, INC	1,421.53
RH2 ENGINEERING, INC	16,008.41
RICOH USA	225.07
SMITH MECHANICAL	4,933.43
SSC - SANITARY SERVICE COMPANY	613.87
STAR RENTALS	1,705.78
TEAMSTER LOCAL #231	569.00
UNITED WAY OF WHATCOM COUNTY	601.00
UTILITIES UNDERGROUND LOCATION	19.35
VERIZON WIRELESS	1,960.98
WA ST DEPT TRANSP-NW REGION	140.12
WASHINGTON DENTAL SERVICE	2,633.65
WASHINGTON TEAMSTERS WELFARE	13,273.40
WHATCOM FARMERS CO-OP	408.48
WHATCOM JANITORIAL	1,325.00
WHISTLE WORKWEAR	244.21
YEAGER'S SPORTING GOODS	35.90
GRAND TOTAL	\$732,200.23

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

4. Public Comment

No comments.

5. Old Business

- **Broadband Program Update**

Heimgartner and Entrikin provided an update on the Washington State Broadband Office's Notice of Funding Availability – grant proposals are due by January 17; and an update on the grant proposal area to focus on areas *outside* of the existing Port-funded or planned projects, adjacent to *Rural Digital Opportunity Fund* (RDOF) funded areas.

- **Public Comment on PUD Broadband Feasibility Study and Questions for Public Comment Session**

Comments regarding the Feasibility Study were received from:

DRAFT

- Rick Maricle, Citizen
- Andrew Reding, Current Chair of Whatcom County Democrats
- Jamie Douglass, Former Chair of Whatcom County Democrats
- Kris Keillor, Citizen
- Kaylee Galloway, Whatcom County Councilmember

6. New Business

a) **Approval of 2023 Budget Resolutions:**

- Approve Resolution No. 821 – Adopt District Budget for 2023, including an Emergency Reserve Level set at \$355,000
- Approve Resolution No. 822 – Adopt Industrial Raw Water Utility Rates and Grandview Water Rates for 2023
- Approve Resolution No. 823 – Adopt Electric Utility Rates for 2023

ACTION: Commissioner Murphy made the motion to APPROVE 2023 BUDGET RESOLUTION NUMBERS 821, 822, AND 823. Commissioner Deshmane second the motion. Motion passed unanimously.

b) **Approve Resolution No. 824 – Cancellation of Warrant**

Due to an invoicing error, a duplicate warrant was issued in the amount of \$236.00 to Pacific Underwriters. The warrant has not been tendered, and a new warrant will not be re-issued.

ACTION: Commissioner Murphy made the motion to APPROVE RESOLUTION NUMBER 824, CANCELLATION OF WARRANT. Commissioner Deshmane second the motion. Motion passed unanimously.

c) **Approve Resolution No. 825 – Providing for the Use of Electronic Records and Electronic Signatures**

The Board of Commissioners has approved the use and acceptance of electronic records and signatures since April, 2020, under three resolutions. This Resolution extends the term from January 1, 2023 to December 31, 2024.

ACTION: Commissioner Murphy made the motion to APPROVE RESOLUTION NUMBER 825, PROVIDING FOR THE USE OF ELECTRONIC RECORDS AND ELECTRONIC SIGNATURES. Commissioner Deshmane second the motion. Motion passed unanimously.

d) **Approve Resolution No. 826 – Amend Policy for Employee Compensation for Administrative Employees**

This Resolution amends salary ranges and an increase to the District's Retirement Contribution (in lieu of PERS membership) at 9.2%, effective January 1, 2023.

ACTION: Commissioner Murphy made the motion to APPROVE RESOLUTION NUMBER 826, AMENDING THE POLICY FOR EMPLOYEE COMPENSATION FOR ADMINISTRATIVE EMPLOYEES FOR THE PURPOSES OF AMENDING THE SALARY RANGES AND DISTRICT'S RETIREMENT CONTRIBUTION AMOUNT. Commissioner Deshmane second the motion. Motion passed unanimously.

e) **Approve Amendment No. 1 – WA Department of Fish and Wildlife Grant (WDFW) – WRIA 1 Coordinated and Integrated Outreach and Engagements Program**

Amendment No. 1 to the WDFW grant extends the term to February 1, 2023.

DRAFT

ACTION: Commissioner Deshmane made the motion to APPROVE AMENDMENT NO. 1 TO GRANT WITH WASHINGTON DEPARTMENT OF FISH AND WILDLIFE TO SUPPORT DEVELOPMENT OF THE WRIA 1 COORDINATED AND INTEGRATED OUTREACH ENGAGEMENTS PROGRAM TO ALLOW A TERM EXTENTION TO FEBRUARY 1, 2023, AND AUTHORIZE GENERAL MANAGER TO SIGN THE CONTRACT. Commissioner Murphy second the motion. Motion passed unanimously.

f) Approve Amendment No. 3 – WA Department of Fish and Wildlife Grant (WDFW) – WRIA 1 Regional Water Supply Plan

Amendment No. 3 to the WDFW grant extends the term to February 1, 2023.

ACTION: Commissioner Murphy made the motion to APPROVE AMENDMENT NO. 3 TO GRANT WITH WASHINGTON DEPARTMENT OF FISH AND WILDLIFE TO SUPPORT DEVELOPMENT OF THE WRIA 1 COORDINATED WATER SUPPLY AND MANAGEMENT PLAN AND TO ALLOW A TERM EXTENTION TO FEBRUARY 1, 2023, AND AUTHORIZE GENERAL MANAGER TO SIGN THE CONTRACT. Commissioner Deshmane second the motion. Motion passed unanimously.

g) Approve Amendment 1 to Work Order No. 16 – RH2 Engineering, Inc.

Amendment No. 1 to Work Order No. 16 for RH2 Engineering revises the Scope of Services for D Station Flow and Control Improvements, Phase 2 for engineering design and services during bidding. The expanded scope requires an increase in the budget from \$85,064 to \$112,741.

ACTION: Commissioner Murphy made the motion to APPROVE AMENDMENT NO.1 TO WORK ORDER NO. 16 FOR RH2 ENGINEERING INC. (RH2) FOR A TOTAL COST NOT TO EXCEED AMOUNT OF \$112,741 AND AUTHORIZE THE DISTRICT'S GENERAL MANAGER TO SIGN AND EXECUTE THE WORK ORDER AMENDMENT. Commissioner Deshmane second the motion. Motion passed unanimously.

h) Select Commission Officers for 2023

This item was tabled until the first meeting in January.

ACTION: Commissioner Deshmane made the motion to TABLE AGENDA ITEM 6H UNTIL JANUARY 10, 2023. Commissioner Murphy second the motion. Motion passed unanimously.

i) Approve Regular Commission Meeting Schedule for 2023

The general meeting schedule follows the regular meeting schedule of the second and fourth Tuesdays and allows for consideration of any federal holidays. During the year, meeting schedules may be revised to respond to individual needs, other industry training and meeting schedules, as well as national holidays.

ACTION: Commissioner Murphy made the motion to APPROVE THE REGULAR COMMISSION MEETING SCHEDULE FOR 2023. Commissioner Deshmane second the motion. Motion passed unanimously.

7. General Manager Report

- Attended WPUDA Annual Meeting in Spokane last week; and discussed fusion energy with one of the presenting speakers;
- The Fusion Industry Association (FIA) announced a statement applauding the recent breakthrough at the National Ignition Facility (NIF). For the first time on Earth, scientists have confirmed a fusion energy experiment released more power than it takes to initiate, proving the physical basis for fusion

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energy. This will lead fusion to be a safe and sustainable energy source in the near future.

- Interlocal Agreements (ILA) with Whatcom County Government – three have been proposed: (1) Regarding County GIS information for broadband; (2) Regarding Small Water Systems; and (3) Adding a County representative to the Port/PUD Broadband Steering Committee: Heimgartner has discussed with Deputy Director Schroeder, who is onboard for the agreements.

8. Operations Report

Walters reported on:

- Project Manager Position – Interviews continue and we hope to hire a new Project Manager, starting in January.
- Water Operations – Last week, the cold weather and NE winds *almost* made for frazil ice conditions. River temperatures hovered around 33 degrees. Luckily, winds were not strong enough to create the hazardous river conditions.
- Power Markets – are becoming more volatile as power prices are higher this year than last: \$92 per megawatt hour on the market; and Tier Two power is at \$61 per megawatt hour, for the same period. There are a number of factors that contribute to this. Demand is increasing but the supply-side is stagnate.

9. Commissioner Reports

Murphy:

- Attended the WPUA Annual Meeting in Spokane last week; and he introduced his wife, Kathy and son Jared, who are attending Murphy's last meeting in-person.

Deshmane:

- Also attended the WPUA Annual Meeting in Spokane; discussed retail broadband authority, and congratulated Commissioner Murphy upon his retirement.

Grant:

- Grant will ask for a meeting with Councilmember Galloway, Port Commissioner Michael Shepard to brainstorm solutions with Congressional staff sometime in January, regarding concerns about rural development opportunity funding *Rural Digital Opportunity Fund (RDOF)*.
- Working on the PUD staff recognition event;
- Was contacted by Lummi Islanders to understand more about the PUD and possible support from a PUD Commissioner and General Manager to attend one of their monthly meetings.

10. Public Comment

Rick Maricle congratulated Commissioner Murphy on his years of service and contribution to the Whatcom community as Commissioner District 3 for 24 years.

11. Approve Resolution No. 827 – Honoring Commissioner Murphy on his Retirement

Grant recited the resolution and Heimgartner presented Murphy with a framed version honoring his 24 years of service. Staff and Commissioners expressed their gratitude on his tenure and dedication as PUD Commissioner for District 3.

ACTION: Commissioner Deshmane made the motion to APPROVE RESOLUION NUMBER 827 HONORING COMMISSIONER MURPHY UPON HIS RETIREMENT. Commissioner Grant second the motion. Motion passed unanimously.

12. Executive Session

Commission President Grant requested an Executive Session pursuant to RCW 42.30.110(i) – Potential Litigation, relating to water rights adjudication and RCW 42.30.110(1)(g): To review the qualifications

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and/or performance of a public employee. Estimated time for Executive Session was forty-five (45) minutes. 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 10:17 a.m.

- At 10:50 a.m. an additional twenty minutes was requested.
- At 11:05 a.m. an additional ten minutes was requested.

Executive Session Adjourn

There being no further business for Executive Session, the Commission rejoined the Regular Commission Meeting at 11:21 a.m.

13. Adjourn

There being no further business for the regular meeting, Commissioner Grant adjourned the regular meeting at 11:23 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/>

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MINUTES OF THE REGULAR MEETING OF THE COMMISSION

December 20, 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 8:01 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 included: Commissioner Christine Grant, Commissioner Mike Murphy; and Legal Counsel Jon Sitkin. Staff: General Manager Chris Heimgartner; Steve Jilk, In-House Consultant; Brian Walters, Assistant General Manager; Annette Smith, Director of Finance; Rebecca Schlotterback, Manager of Contracts and Regulatory Compliance; Mike Macomber, IT/SCADA Technician; Traci Irvine, Accountant I.

Public attending: Rick Maricle, Citizen

2. Approval of Claims of December 20, 2022

VENDOR NAME	AMOUNT
AMERICAN WATER WORKS	125.00
ASSOCIATION OF WASHINGTON CITIES	500.00
BONNEVILLE POWER ADMINISTRATION	697,444.00
CENTRAL WELDING SUPPLY	89.35
CESCO NEW CONCEPT CHEMICAL	87.79
COMCAST	186.57
COMCAST - NWRC	300.00
CULLIGAN NORTHWEST	238.58
DESHMANE, ATUL	1,036.94
EDGE ANALYTICAL LABORATORIES	22.66
EXACT SCIENTIFIC SERVICES INC.	25.00
FERGUSON ENTERPRISES, INC	500.75
FERNDALE ACE HARDWARE	91.52
FIREPENNY	936.00
GOODWIN, CHRISTOPHER	51.09
HD FOWLER CO, INC	209.08
INTERNAL REVENUE SERVICE	18,520.13
KCDA PURCHASING COOPERATIVE	265.75
MASSMUTUAL RETIREMENT SVCS LLC	10,433.00
MURPHY, MICHAEL J	497.25
NW REQUIREMENTS UTILITIES, INC.	10,604.00
ON-SITE TESTING	280.00
P&P EXCAVATING, LLC	55,019.82
PACIFIC SURVEY & ENGINEERING	350.00

DRAFT

PAYLOCITY	227.42
PAYROLL	242,546.35
PITNEY BOWES RESERVE ACCOUNT	500.00
PLATT ELECTRIC SUPPLY CO	9.89
PUBLIC UTILITY RISK MANAGEMENT SERV	561.85
TUPPER MACK WELLS PLLC	5,160.00
VALVOLINE	117.43
WA FEDERAL VISA CARD MEMBER SERVICES	3,406.22
WA ST DEPT OF REVENUE	74,799.98
WESTERN CONFERENCE OF TEAMSTERS	9,093.00
WHATCOM CO PLANNING-REMITTANCE	4,231.50
WHISTLE WORKWEAR	249.11
GRAND TOTAL	\$1,138,717.03

ACTION: Commissioner Murphy made the motion to APPROVE THE CLAIMS OF DECEMBER 20, 2022. Commissioner Grant second the motion. Motion passed unanimously.

3. Adjourn

There being no further business for the regular meeting, Commissioner Grant adjourned the regular meeting and wished everyone Happy Holidays at 8:04 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/>

AGENDA ITEM #7a
January 10, 2023

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 Arnett, Deshmane and Grant
From: Brian Walters – Assistant General Manager
Date: January 10, 2023
Re: Approve Work Order No.1 with Pacific Surveying and Engineering Inc.

Requested Action: APPROVE WORK ORDER NO. 1 WITH PACIFIC SURVEY AND ENGINEERING INC. FOR A COST NOT TO EXCEED AMOUNT OF \$30,815 AND AUTHORIZE THE DISTRICT’S GENERAL MANAGER TO EXECUTE THE WORK ORDER.

Background: Public Utility District No. 1 of Whatcom County (“Whatcom PUD”) has an Agreement for Professional Surveying & Engineering Services (“Agreement”) dated July 15, 2020 with Pacific Surveying & Engineering, Inc. (“Engineer”, also referred to as “PSE”). Whatcom PUD and PSE agree that this Work Order No.1 and the tasks authorized to be completed hereunder are to be performed consistent with the terms and conditions of the Agreement.

The services requested by Whatcom PUD are required to respond to recent requests for water service within the Grandview Water System established LUD area. Placement of new water facilities are necessary to accommodate the service connection requests.

Scope of Services: Engineer and/or its sub-consultants will perform services related to Whatcom PUD’s planned extension of its potable and fire water supply lines within the established LUD boundaries along south of Grandview Road and east of I-5. The scope of services to be provided by the Engineer are as described in the Work Order No.1 document included with this memo.

In general, such services include providing topographic surveying and mapping, utilizing a combination of conventional and GPS network data collection. Office work will include AutoCAD base mapping, project management, and coordination with Whatcom PUD’s project manager.

Fiscal Impact: Approval of Work Order No. 1 with PSE will have no impact on the District’s approved 2023 Annual Budget. The surveying and engineering services have been included in the Budget.

Recommended Action: APPROVE WORK ORDER NO. 1 WITH PACIFIC SURVEY AND ENGINEERING INC. FOR A COST NOT TO EXCEED AMOUNT OF \$30,815 AND AUTHORIZE THE DISTRICT’S GENERAL MANAGER TO EXECUTE THE WORK ORDER.

**WORK ORDER NO. 1
(2023)
PER ENGINEERING SERVICES AGREEMENT BETWEEN
PUBLIC UTILITY DISTRICT NO. 1 OF WHATCOM COUNTY
AND
PACIFIC SURVEYING & ENGINEERING, INC.
FOR**

**Land Surveying & Engineering Services: Whatcom PUD – Grandview LUD Service Vault
Engineering and Watermain Extension**

BACKGROUND:

Public Utility District No. 1 of Whatcom County (“Whatcom PUD”) has an Agreement for Professional Surveying and Engineering Services (“Agreement”) with Pacific Surveying & Engineering, Inc. (“Consultant”). Whatcom PUD and Consultant agree that this Work Order No. 1 and the tasks authorized to be completed hereunder are to be performed consistent with the terms and conditions of the Agreement.

Whatcom PUD in consultation with Consultant has developed the following scope of work tasks to be provided as requested and authorized by Whatcom PUD.

SCOPE OF SERVICES:

Pacific Surveying & Engineering, Inc. will establish new PUD survey control to perform a full topographic survey of the proposed water service connection area. The PUD intends to provide new connections to 2069 Grandview Road and the adjoining parcel to the west of 2069 Grandview Road. The service connections will include below ground meter vaults and possibly a fire hydrant.

Scope of Services includes providing topographic surveying and mapping, utilizing a combination of conventional and GPS network data collection. Office work will include AutoCAD base mapping, project management, and coordination with PUD project manager.

The Scope of Services described herein for this Work Order No.1 is to be considered consistent with and the same as the Consultant’s proposed scope of services identified in Consultant’s letter dated December 12, 2022.

TASKS:

Pre-Construction Survey

- 1) Topographic Surveying of existing improvements within the right of way (Driveways, utilities, culverts, road improvements, etc.)
- 2) Underground utility locating
- 3) Resolution of road right of ways and section subdivision monumentation to determine ownership interests

DELIVERABLES:

Consultant shall provide Whatcom PUD the following work products:

1. Electronic AutoCAD files and hard copies of the Project Data.
2. Civil Engineering Design and Permitting.
3. Design drawings and construction cost estimates at the 60%, 90% and 100% design levels.

FEE FOR SERVICES:

Total compensation for services and related expenses provided under Work Order No. 1 shall not exceed **thirty thousand eight hundred and fifteen dollars (\$30,815.00)**, without prior written authorization of Whatcom PUD and approval by Whatcom PUD General Manager or Commission.

Labor hours will be billed according to Engineer's current Schedule of Charges (2023 Fee Schedule).

SCHEDULE:

The services to be provided shall commence upon approval of Work Order No.1 and Whatcom PUD's authorization to proceed, via mail or e-mail. The Scope of Services shall be completed and the Deliverables provided no later than March 1, 2023.

SIGNATORIES TO WORK ORDER NO. 1

**PUBLIC UTILITY DISTRICT NO. 1
OF WHATCOM COUNTY**

**PACIFIC SURVEYING &
ENGINEERING, INC**

By: _____
Name: Chris Heimgartner
Title: General Manager

By: _____
Name: Jeff Vander Yacht
Title: Engineering Manager/Principal

Date: _____

Date: _____

Memo

To: Commissioners Arnett, Deshmane, and Grant
From: Brian Walters – Assistant General Manager
Date: January 10, 2023
Re: Approve Amendment No. 1 to Work Order No. 2 with Murraysmith

Requested Action: APPROVE AMENDMENT NO. 1 TO WORK ORDER NO. 2 WITH MURRAYSMITH FOR ADDITIONAL ENGINEERING SERVICES FOR AN ADDITIONAL COST NOT TO EXCEED AMOUNT OF \$285,000 AND AUTHORIZE THE DISTRICT’S GENERAL MANAGER TO EXECUTE THE AMENDMENT.

Background: Work Order No. 2, which was approved by the Commission on August 24, 2021 covers Murraysmith’s Scope of Services related to design, permitting, bidding, and construction services associated with the re-build of Water Treatment Plant No.1. The bidding and construction services portion of the work only applies to Phase I of the Plant No.1 rebuild. Phase I includes developing the overall facilities campus plan and upgrades to the piping system between the Nooksack River intake facility and the treatment plant on the west side of Ferndale Road. This phase includes work that must be completed prior to the City of Ferndale’s and Corps of Engineers’ planned project to improve the levee in the vicinity of the intake.

The budget approved for Work Order No.2 was \$1,844,773. Subsequent to approval of the work order and budget, District staff learned that the City of Ferndale had selected a design alternative for re-routing Ferndale Road as part of the Nooksack River levee improvements to be implemented in the vicinity of Water Treatment Plant No.1 (WTP1) and the intake on the riverbank. The City’s plan for the re-routing of the road would mean that the 24” pipeline carrying clarified industrial water from WTP1 to Cherry Point would cross under the new road twice. This would mean that at such time as the District would construct a new pipeline, the road would have to be trenched or bored to accommodate the new pipe.

Because of the above, District project staff and Murraysmith initiated discussions regarding the re-routing of the supply line to avoid crossing under the new Ferndale Road. If a feasible route could be identified, construction of the new pipeline could coincide with the work already planned for the utilidor and new piping to be placed under the existing Ferndale Road between the WTP1 intake and control building to the west. This work would be completed in advance of the project to re-build the levee and re-route Ferndale Road.

Amendment No. 1 is an outcome of these discussions, which occurred after approval of Work Order No. 2. The amendment covers an expansion of the scope of services to be provided and the corresponding budget. In essence, the expansion of scope is an acceleration of the timing of when a portion of new supply line coming out of WTP1 is constructed.

Scope of Services: In general, Murraysmith as the Engineer will identify design alternatives, then follow through to final design of the alternative selected. Site investigation and permitting will also be part of the services provided. There are six specific major tasks to be performed:

- Task 1: Project Management
- Task 2: Preliminary Design
- Task 3: Permitting and Cultural Resources
- Task 4: Final Design
- Task 5: Bid Period Services
- Task 6: Retain and Manage Sub-Consultants
- Task 7: Unanticipated Services

Fiscal Impact: Approval of Amendment No. 1 to Work Order No. 2 with Murraysmith will have no fiscal impact on the District's approved 2023 Annual Budget. The expansion of services and budget was anticipated as a possible outcome going into 2023.

Recommended Action: APPROVE AMENDMENT NO. 1 TO WORK ORDER NO. 2 WITH MURRAYSMITH FOR ADDITIONAL ENGINEERING SERVICES FOR AN ADDITIONAL COST NOT TO EXCEED AMOUNT OF **\$285,000** AND AUTHORIZE THE DISTRICT'S GENERAL MANAGER TO EXECUTE THE AMENDMENT.

EXHIBIT A

**AMENDMENT NO. 1
(2023)
to
WORK ORDER NO. 2
(2021)**

**Services for:
PUBLIC UTILITY DISTRICT NO. 1 OF WHATCOM COUNTY**

**Performed by:
MURRAYSMITH, INC.**

This Amendment No. 1 to Work Order No.2 is issued pursuant to the Standard Agreement for Professional Engineering Services (“Agreement”) dated June 23, 2020, between Public Utility District No.1 of Whatcom County (referred to as “District”, “Whatcom PUD”, or “PUD”) and Murraysmith, Inc. (also referred to as “Engineer”) and which is hereby incorporated into the Agreement by this reference.

BACKGROUND

The District’s Commission approved Work Order No.2 with Murraysmith on August 24, 2021. The bundle of services now being provided by Murraysmith is associated with the design, permitting, and construction of a re-build of Water Treatment Plant No.1 (WTP1). The work order covers final design of the entire project and bidding and construction services through Phase I of the project, which originally included construction of a utilidor and new piping under Ferndale Road between the intake and treatment facilities at WTP1.

If approved, Amendment No.1 expands Murraysmith’s services to include identification, permitting, and design of a newly routed supply pipeline, which would avoid the City of Ferndale’s new route for Ferndale Road, which will pass through City property to the north of WTP1’s location and over the existing WTP1 supply pipeline.

SCOPE OF SERVICES

District staff in collaboration with Murraysmith developed the Scope of Services (also known as “Work Scope”) encompassed in this Amendment No.1. In general, Murraysmith as the Engineer will identify design alternatives, then follow through to final design of the alternative selected. Site investigation and permitting will also be part of the services provided. There are six specific major tasks to be performed:

- Task 1: Project Management
- Task 2: Preliminary Design
- Task 3: Permitting and Cultural Resources
- Task 4: Final Design
- Task 5: Bid Period Services
- Task 6: Retain and Manage Sub-Consultants
- Task 7: Unanticipated Services

The services to be performed are detailed in a final Amendment 1 document submitted by Murraysmith to the District on December 20, 2022 and which is available for review. The summary of services described above are to be considered consistent with and the same as

COST FOR SERVICES

The additional cost not to exceed amount for the Scope of Services described above and to be provided by Murraysmith under this Amendment No.1 to Work Order No.2 is **TWO HUNDRED EIGHT-FIVE THOUSAND DOLLARS (\$285,000)**. This amount increases the overall budget total for Work Order No.2 to **\$2,129,773** (= \$1,844,773 + \$285,000). The amount listed includes labor, materials, expenses, and applicable taxes. Murraysmith shall not exceed the total amount listed above, without prior approval of the District's Project Manager. The District will be invoiced by Murraysmith for actual hours worked and expenses incurred up to the work order budget maximum.

SCHEDULE

The Scope of Services performed under this Amendment No. 1 will be initiated only with approval by the District's Project Manager. Such approval may be in the form of an email, fax, or letter.

AUTHORIZING SIGNATURES

This Amendment No.1 to Work Order No.2 is effective as of the date signed by Whatcom PUD's General Manager.

**PUBLIC UTILITY DISTRICT NO. 1
OF WHATCOM COUNTY**

MURRAYSMITH, INC.

By: _____

By: _____

Name: Chris Heimgartner

Name: _____

Title: General Manager

Title: _____

Date: _____

Date: _____

PUBLIC UTILITY DISTRICT No. 1

of Whatcom County

1705 Trigg Road • Ferndale, WA 98248

P: (360) 384-4288 • F: (360) 384-4849

AGENDA ITEM #7c
January 10, 2023

Memo

To: Commissioners Arnett, Deshmane, and Grant
From: Chris Heimgartner, General Manager
Date: January 10, 2023
Re: Elect Commission Officers for 2023

Requested Actions: ELECT COMMISSION OFFICERS FOR 2023:
(1) PRESIDENT, (2) VICE PRESIDENT AND (3) SECRETARY.

Background: Each year, the Commission elects officers for the Board of Commissioners for the upcoming calendar year. The Commission takes action on the election of officers without recommendation from staff.

Fiscal Impact: None.

Recommended Actions: ELECT COMMISSION OFFICERS FOR 2023:
(1) PRESIDENT, (2) VICE PRESIDENT AND (3) SECRETARY.

PUBLIC UTILITY DISTRICT No. 1

of Whatcom County

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AGENDA ITEM # 7d
January 10, 2023

Memo

To: Commissioners Arnett, Deshmane, and Grant
From: Chris Heimgartner, General Manager
Date: January 10, 2023
Re: Select District Representatives to Agencies for 2023

Requested Action: SELECT DISTRICT REPRESENTATIVES TO THE FOLLOWING AGENCIES:

- Washington Public Utility Districts Association (WPUDA) – Delegates for Board of Directors and Association Committees
- Whatcom County Economic Development Investment Board (EDI)
- Whatcom Council of Governments (WCOG)
- Public Utility Risk Management Services (PURMS - District insurance cooperative)
- WRIA 1 Watershed Management Board and WRIA 1 Planning Unit (Primary and Alternate)
- Energy Northwest (Primary and Alternate)

Background: Each year the Commissioner acts to approve Commission and staff representatives to agencies that the District is a member. The following agencies should have representatives designated by the Commission to speak on behalf of the District as appropriate:

- **Washington Public Utility Districts Association:** The current WPUDA Committees and District designees are:

Committee	Primary Representative	Alternate
Board of Directors	Mike Murphy	Atul Deshmane
Managers Committee	Chris Heimgartner	Brian Walters
Government Relations Committee	Mike Murphy	Christine Grant
Communications Committee	Atul Deshmane	Chris Heimgartner
Energy Committee	Atul Deshmane	Brian Walters
Water Committee	Atul Deshmane	Chris Heimgartner
Telecom Committee	Christine Grant	Brian Walters

- **Whatcom County Economic Development Investment Board:** Commissioner Deshmane represented the District on this Board in 2022;
- **Whatcom County Council of Governments (WCCOG):** Commissioner Grant represented the District and the General Manager was the alternate (Associate Membership) in 2022.
- **Public Utility Risk Management Services (PURMS):** This is the District’s insurance pool coalition. We are required to have a District designated “voting” representative. Commissioner Deshmane is the current designated representative; alternates are the General Manager and Director of Finance Annette Smith.

- **Watershed Resource Inventory Area No. 1 (WRIA1)** – Appoint WRIA 1 Watershed Management Board Representative and alternate; and appoint WRIA 1 Planning Unit representative and alternate. Current representatives:

WRIA 1	<i>Primary Representative</i>	<i>Alternate</i>
Watershed Mgmt. Board	Atul Deshmane	Stephan Jilk
Planning Unit	Stephan Jilk	Rebecca Schlotterback

- **Energy Northwest** - Appoint Energy Northwest Representative and alternate. In 2022, Commissioner Murphy was the designated representative and Commissioner Grant the alternate.
- **City of Bellingham Broadband Advisory Group** – Currently, Commissioner Deshmane is the non-voting representative and Brian Walters is the alternate.
- **Port of Bellingham/PUD Broadband Steering Committee** – Currently, General Manager Chris Heimgartner is the PUD Representative and Andrew Entrikin is the staff representative.

Fiscal Impact: None.

Recommended Action: SELECT DISTRICT REPRESENTATIVES TO THE FOLLOWING AGENCIES:

- WASHINGTON PUBLIC UTILITY DISTRICTS ASSOCIATION BOARD OF DIRECTORS AND ASSOCIATION COMMITTEES;
- WHATCOM COUNTY EDI BOARD;
- WHATCOM COUNTY COUNCIL OF GOVERNMENTS;
- PUBLIC UTILITY RISK MANAGEMENT SERVICES;
- WRIA1 WATERSHED MANAGEMENT BOARD AND PLANNING UNIT;
- ENERGY NORTHWEST;
- CITY OF BELLINGHAM BROADBAND ADVISORY GROUP; AND
- PORT OF BELLINGHAM/PUD BROADBAND COMMITTEE