

# DRAFT Revised

## PUBLIC UTILITY DISTRICT No. 1 of Whatcom County

Agenda for the Regular Meeting of April 11, 2023  
8:15 a.m. at the PUD Office  
(In-person, Zoom, & Teleconference)

1. Call to Order | Pledge of Allegiance (2 minutes)
2. Approval of Agenda (3 minutes)
3. Consent Agenda (5 minutes)
  - a) Approval of the Minutes of the Regular Meeting of March 28, 2023
  - b) Approval of Claims for April 11, 2023
4. Public Comment (10 minutes – Individual speakers: 3 min.)
5. Old Business (10 minutes)
  - a) Broadband Program Update
  - b) Adjudication Update
6. New Business (40 minutes)
  - a) Approve Resolution No. 830 – Cancellation of Warrant
  - b) WRIA1 Survey Questions/Commissioner Deshmane's Priorities
  - c) Per Diem Policy Review/Discussion
7. General Manager Report (10 minutes)
8. Operations Report (10 minutes)
9. Commissioner Reports (15 minutes)
10. Public Comment (10 minutes– Individual speakers: 3 min.)
11. Adjourn (10:30 AM estimated)

**NEW**

**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/82667482001>

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

**Webinar ID:** 826 6748 2001

### Next Commission Meetings

April 13, 2023 | 4 p.m. | Special Meeting – Pioneer Park Pavilion, 2007 Cherry Street, Ferndale

April 25, 2023 | 8:15 a.m. | Regular Meeting – District Office

1705 Trigg Road, Ferndale, WA 98248

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

# DRAFT

## MINUTES OF THE REGULAR MEETING OF THE COMMISSION

March 28, 2023

### 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 8:15 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 included: Commissioner Christine Grant, Commissioner Jaime Arnett; Commissioner Atul Deshmane; and Legal Counsel Jon Sitkin. Staff: Chris Heimgartner, General Manager; Assistant General Manager Brian Walters; Ann Grimm, Executive Assistant; Andrew Entrikin, Broadband Program Manager; Steve Jilk, In-House Consultant; 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; Traci Irvine, Accountant I; Garrett Love-Smith, Project Manager; and Kurt Wank, Director of Utility Operations.

Public attending:

Todd Lagestee

Heather Nicholson

Lauren Turner, Phillips66

Carryn Vande Griend, PSE

### 2. Approval of Agenda

No changes made.

**ACTION:** Commissioner Grant made the motion to APPROVE THE AGENDA OF MARCH 28, 2023. Commissioner Arnett second the motion. Motion passed unanimously.

### 3. Approval of Consent Agenda

- a) Approval of Meeting Minutes of the Special Meeting, March 8, 2023;
- b) Approval of Meeting Minutes of the Regular Meeting, March 14, 2023;
- c) Approval of the Claims of March 28, 2023:

Vendor	Amount
BONNEVILLE POWER ADMINISTRATION	679,087.00
CENTRAL WELDING SUPPLY	96.48
CHMELIK SITKIN & DAVIS	11,840.00
CNA SURETY	500.00
COLUMBIA WEATHER SYSTEMS, INC.	5,826.00
COMCAST	191.57
COMCAST - NWRC	304.57
CONSOR NORTH AMERICA, INC.	74,267.98
EDGE ANALYTICAL LABORATORIES	24.00
FCS GROUP	6,588.75
FERGUSON ENTERPRISES, INC	622.88
FERNDALE ACE HARDWARE	83.72
GLEASON, GUY G	29.74
GRAY MATTER SYSTEMS, LLC	1,200.00
GRAYBAR ELECTRIC COMPANY, INC	348.05
GUARDIAN SECURITY SYSTEMS, INC	2,556.66
HD FOWLER CO, INC	2,389.90
HDR ENGINEERING, INC.	10,450.07
INTERNAL REVENUE SERVICE	20,986.60
MASSMUTUAL RETIREMENT SVCS LLC	12,800.00
NATIONAL SAFETY, INC.	348.61

# DRAFT

NOOKSACK SALMON ENHANCEMENT ASSOCIATION	20,000.00
P&P EXCAVATING, LLC	5,871.00
PACIFIC SURVEY & ENGINEERING	7,202.92
PAYLOCITY	203.16
PAYROLL	221,896.53
PLATT ELECTRIC SUPPLY CO	483.78
PUD #1 OF WHATCOM COUNTY	724.97
RH2 ENGINEERING, INC	7,963.81
STAR RENTALS	1,705.78
TOP TO BOTTOM, INC	26,112.00
TUPPER MACK WELLS PLLC	23,515.00
VALVOLINE	79.49
WA FEDERAL VISA CARD MEMBER SERVICES	5,602.88
WA PUBLIC UTILITY DISTRICTS ASSOCIATION	100.00
WA ST DEPT OF REVENUE - EXCISE TAX	77,493.46
WESTERN CONFERENCE OF TEAMSTERS	8,172.50
WHATCOM FARMERS CO-OP	99.76
<b>GRAND TOTAL</b>	<b>\$1,237,769.62</b>

**ACTION:** Commissioner Grant made the motion to APPROVE THE CONSENT AGENDA OF MARCH 28, 2023. Commissioner Arnett second the motion. Motion passed unanimously.

#### 4. Public Comment

Todd Lagastee commented on the Electric Expansion Feasibility Study.

#### 5. Old Business

##### a) Broadband Program Update

- i) Approve amended Interlocal Agreement between the Port of Bellingham, Whatcom PUD, and Whatcom County for Fiber/Broadband Coordination. This will add a County staff member to the steering committee.

**ACTION:** Commissioner Grant made the motion to APPROVE THE AMENDED INTERLOCAL AGREEMENT BETWEEN THE PORT OF BELLINGHAM, WHATCOM PUD AND WHATCOM COUNTY FOR FIBER/BROADBAND COORDINATION. Commissioner Arnett second the motion. Motion passed unanimously.

Deshmane commented on the Port's fiber leases and Indefeasible Rights of Use (IRU). Providing retail broadband authority was also discussed.

Entrikin commented on the PUD's fiber infrastructure project at Point Roberts. Consultants discovered an unused cable-TV fiber may be utilized at a much lower cost than the PUD's original Washington State Broadband infrastructure grant proposal.

##### b) Adjudication Update

Sitkin said House Bill 1792 is now in Senate Rules for second reading. He expects action later this week. The budget proviso did not include last minute edits from Ecology. There will be more information next week on the HB1792 and the proviso. Several documents were provided to the Commission regarding confidential and privileged legal information regarding adjudication legal work, costs, strategies, etc. completed to date.

Commissioner Deshmane commented on water use efficiency and would like an update. Heimgartner replied Jilk and Schlotterback are compiling information at the staff level, to be presented to WRIA1 for the Phase 3 Water Supply Plan. Water conservation/use efficiency ultimately should be overseen

# DRAFT

by the WRIA 1 Watershed Management Board, not the PUD. Grant commented she met with Rader Farms to understand their water use and irrigation methods to conserve water.

## 6. New Business

### a) Lower Snake River Dams/Northwest River Partners

Grant questioned Whatcom PUD's membership with Northwest River Partners.

**ACTION:** Commissioner Arnett motioned to TABLE THE NORTHWEST RIVER PARTNERS MEMBERSHIP DISCUSSION UNTIL THE MAY 23, 2023 MEETING. Commissioner Grant second the motion. Motion passed unanimously.

## 7. General Manager Report

- Grandview Water System – Heimgartner reported that the Grandview potable and fire water system supports approximately 400 jobs in the area.
- Intalco announced they will permanently shutter the Ferndale plant. Heimgartner indicated we are interested in purchase the existing Bonneville Power Administration's substation on the property. There are other industries interested in the Intalco site.

## 8. Operations Report

- Wank reported on the solar/renewables project Grant has requested. A local solar company provided information and a number of possibilities. A smaller system (\$75,000) with a cost of return in less than 10 years; assumptions based on federal credits and changes in electrical costs would afford a 30kw system (5 or 10 year pay off, including federal money). A formal Request for Proposals was issued for response by mid-April.

## 9. Commissioner Reports

Arnett:

- Attended WPUDA Committee Meetings and Commissioner Orientation Sessions, including training on "Roberts Rules". Business transactions should happen during business meetings and more robust conversations should occur during work sessions. There is also conversation around nuclear energy.
- Also spoke with Eric Hirst about water use efficiency (WUE); she questioned if is this an appropriate time to discuss WUE during the adjudication process.

Grant:

- Met with Brad Rader (Rader Farms) to discuss water use efficiency.
- Has been meeting with different PUD commissioners on Energy Northwest's executive board to discuss a clean energy focus.
- Will meet with City of Bellingham's Climate/Clean Energy Managers to discuss results from the PUD Electric Expansion Feasibility Study.

Deshmane:

- Is concerned about nuclear energy and base load issues.
- Attended WPUDA telecom and energy committee meetings.
- Jefferson PUD is celebrating 10 years of their municipalization of public power. Deshmane would like to attend.
- The recent Washington State carbon auction raised \$300 million, much higher than anticipated.
- House Bill 1619 regarding rooftop and other solar incentives did not survive.
- House Bill 1746 regarding broadband mapping has been passed to Rules Committee for second reading.
- Broadband Equity, Access and Deployment Program (BEAD) funds partnerships between states or communities, and stakeholders to build infrastructure where we need it and to increase adoption of

# DRAFT

high-speed internet. It requires a 25% match of non-federal funds.

## 10. Public Comment

Todd Lagastee commented on solar, small wind projects, and nuclear power; PSE's built-in profits related to costs in the PUD's Electric Expansion Feasibility Study; proposed net revenue increases for PSE; House Bill 1589; and depreciation.

Carryn Vander Griend, Puget Sound Energy, clarified their percentages for rate increases; WA Utilities and Trade Commission's approved rates; a rumor that City of Bellingham to transfer public dollars to PSE for the state-mandated clean energy targets was never discussed. The decarbonization bill is still in negotiation – she will provide more information.

## 11. Adjourn

There being no further business for the regular meeting, Commissioner Deshmane adjourned the regular meeting at 9:55 a.m.

---

Atul Deshmane, President/Commissioner

---

Christine Grant, Vice President/Commissioner

---

Jaime Arnett, 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/2023-agendas-packets-meeting-minutes-recordings/>

AGENDA ITEM #6a  
April 11, 2023

## Action Memo

**To:** Commissioners Arnett, Deshmane, and Grant  
**From:** Traci Irvine, Accountant 1  
**Date:** April 11, 2023  
**Re:** Approve Resolution No. 830 – Cancellation of Warrant

---

**Requested Action:**

APPROVE RESOLUTION NO. 830 AUTHORIZING CANCELLATION OF WARRANT.

**Background:**

Warrant No.1164109 issued on February 28, 2023 in the amount of \$350.00 to Whatcom Land Title; however, the Invoice had already been paid by Pacific Surveying and Engineering. The District notified the County that the Warrant was issued in error and has asked the County to cancel and disregard the Warrant.

**Fiscal Impact:**

No fiscal impact.

**Recommended Action:**

APPROVE RESOLUTION NO. 830 AUTHORIZING CANCELLATION OF WARRANT.

**RESOLUTION NO. 830**

**RESOLUTION BY THE BOARD OF COMMISSIONERS  
OF PUBLIC UTILITY DISTRICT NO.1 OF WHATCOM COUNTY (DISTRICT)  
AUTHORIZING THE CANCELLATION  
OF WARRANT NO. 1164109**

**WHEREAS**, the warrant referenced in Exhibit A (the “Warrant”) was issued on the basis of an invoice (the “Invoice”) received from Whatcom Land Title;

**WHEREAS**, following the Commission’s authorization of the issuance of the Warrant, the County’s Administrative Services Department (“County”) printed the original Warrant on February 28, 2023; however, the Invoice had already been paid by Pacific Surveying and Engineering. The District notified the County that the Warrant was issued in error and has asked the County to cancel and disregard the Warrant;

**WHEREAS**, the County has provided the Warrant that was issued on February 28, 2023, was issued in error, the but the Warrant having not been tendered to Whatcom Land Title, the District does now wish to cancel the Warrant, as provided by law; and

**NOW THEREFORE BE IT RESOLVED** that the District hereby cancels the warrant listed in Exhibit A.

**ADOPTED** by the Commission of Public Utility District No.1 of Whatcom County at its regular meeting held on the 11 day of April, 2023.

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

\_\_\_\_\_  
Atul Deshmane, President/Commissioner

\_\_\_\_\_  
Christine Grant, Vice President/Commissioner

\_\_\_\_\_  
Jaime Arnett, Secretary/Commissioner

**RESOLUTION NO. 830**

Exhibit A  
Cancellation of Warrant

<b>Warrant No.</b>	<b>Warrant Date</b>	<b>Vendor</b>	<b>Amount</b>
1164109	2/28/2023	Whatcom Land Title	(\$350.00)