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PUBLIC UTILITY DISTRICT No. 1 of Whatcom County

Agenda for the Regular Meeting of March 12, 2024
8:15 a.m. at the PUD Office
(In-person, Zoom, & Teleconference)

1. Call to Order | Pledge of Allegiance
2. Approval of Agenda (2 minutes)
3. Consent Agenda (5 min.)
 - a) Approval of the Minutes of the Regular Meeting of February 27, 2024
 - b) Approval of Claims for March 12, 2024
4. Public Comment (10 minutes – Individual speakers: 3 min.)
5. General Manager Report (10 min.)
6. Old Business (30 min.)
 - a) Broadband Update
 - Work Session Date
 - b) Adjudication Update
 - c) Legislative Update
 - Climate Commitment Act Discussion
 - d) Geothermal Update
7. New Business (20 min.)
 - a) Award of Bid: Waeco Construction for the BPA-Intalco Fiber Extension Project
 - b) Approve Draft Memorandum of Understanding with NoaNet
8. Operations Report (10 minutes)
 - Water Operator Training Update
9. Commissioner Reports (10 minutes)
 - a) Upcoming Per Diem Requests
10. Public Comment (10 minutes– Individual speakers: 3 min.)
11. Executive Session: RCW 42.30.110(1)(g) To review the qualifications and/or performance of a public employee; (estimated 30 minutes)
12. Adjourn (Estimated 10:00 a.m.)

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/89014824711>

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

Webinar ID: 890 1482 4711

Next Commission Meetings

March 26 & April 9, 2024 | 8:15 a.m. | Regular Meetings – District Office
1705 Trigg Road, Ferndale, WA 98248
or other location announced

Contact: Ann Grimm, Commission Clerk (360) 384-4288 x 27

www.pudwhatcom.org

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AGENDA ITEM #3a
March 12, 2024

MINUTES OF THE REGULAR MEETING OF THE COMMISSION

February 27, 2024

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 Jaime Arnett. Said meeting was open to the public and notice thereof had been given as required by law. Those present included: Commissioner Atul Deshmane, Commissioner Christine Grant, Commissioner Jaime Arnett and Legal Counsel Jon Sitkin. Staff: Chris Heimgartner, General Manager; Assistant General Manager Brian Walters; Andrew Entrikin, Broadband Program Manager; Ann Grimm, Executive Assistant; Rebecca Schlotterback, Manager of Contracts and Regulatory Compliance; Mike Macomber, IT/SCADA Technician; Aaron Peterson, IT/SCADA Technician; Garrett Love-Smith, Project Manager; Kurt Wank, Director of Utility Operations; and Stephanie Hooper, Accountant I.

Public attending:
Rick Maricle, Citizen
Jack Wellman, PSE

2. Approval of Agenda

No changes.

ACTION: Commissioner Grant made the motion to APPROVE THE AGENDA FEBRUARY 27, 2024. Commissioner Deshmane second the motion. Motion passed unanimously.

3. Approval of Consent Agenda

- a) Approval of Meeting Minutes of the Regular Meeting of February 13, 2024;
- b) Approval of Meeting Minutes of the Special Meeting of February 21, 2024;
- c) Approval of the Claims of February 27, 2024:

VENDOR NAME	AMOUNT
ALUMICHEM CANADA INC	92,105.40
APPLIED DIGITAL IMAGING	73.77
ARNETT, JAIME	229.14
BAKER SEPTIC TANK PUMPING	608.16
BONNEVILLE POWER ADMINISTRATION	587,342.00
CENTRAL WELDING SUPPLY	101.30
CHMELIK SITKIN & DAVIS	10,192.87
CIVIC GROUP	5,000.00
CLEARING UP: NEWSDATA SERVICE	1,751.68
COMCAST	194.86
COMCAST - NWRC	304.50
CONSOR NORTH AMERICA, INC.	377.25
DESHMANE, ATUL	242.79
FERNDALE ACE HARDWARE	60.42
FERNDALE CITY OF	11,129.60
GATEWAY CONTROLS	1,247.05
GRANT, CHRISTINE	52.27
GUARDIAN SECURITY SYSTEMS, INC	232.62
HARDWARE SALES, INC	176.22

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INSIGHT PUBLIC SECTOR, INC.	6,424.09
INTERNAL REVENUE SERVICE	22,638.23
MASSMUTUAL RETIREMENT SVCS LLC	12,640.00
P&P EXCAVATING, LLC	15,859.23
PAYLOCITY	183.16
PAYROLL	243,214.07
PLATT ELECTRIC SUPPLY CO	1,735.39
SCHWEITZER ENGINEERING LABS	13,009.97
STAR RENTALS	1,705.78
TUPPER MACK WELLS PLLC	20,267.00
ULINE, INC.	4,311.74
VALVOLINE	83.20
WA FEDERAL VISA CARD MEMBER SERVICES	2,382.70
WA ST DEPT OF REVENUE - EXCISE TAX	82,080.94
WASHINGTON ALARM, INC.	155.93
<u>WESTERN CONFERENCE OF TEAMSTERS</u>	<u>9,366.00</u>
GRAND TOTAL	\$1,147,479.33

ACTION: Commissioner Grant made the motion to APPROVE THE CONSENT AGENDA OF FEBRUARY 27, 2023. Commissioner Deshmane second the motion. Motion passed unanimously.

Clerk Note to the Minutes of the Special Meeting of February 21, 2024:

At the Call to Order of the Special Meeting, in attendance: Commissioner Arnett, Commissioner Grant, Legal Counsel Sitkin, and Commission Clerk Grimm. Commissioner Deshmane and General Manager Heimgartner were in attendance; however, they had already joined the Executive Session online.

4. **Public Comment** – None made.

5. **General Manager’s Report**

GM covered many topics including snowpack, Board Retreat, 230kv substation purchase and other topics.

6. **Old Business**

a) **Broadband Program Update**

- Entrikin provided an update on the District’s broadband program including BEAD changes to Whatcom County eligible locations, fiber-to-the-premise, wireless technologies, and more. Commissioners requested a study session to learn more. Information forthcoming.

b) **Adjudication Update**

- Sitkin commented on two bills concerning adjudication appear to be passing in the Legislature;
- A local bar committee has been meeting every 3 – 6 weeks to work on ‘rules’ for adjudication but are now running out of time to get into the depths of the rules.
- A letter received from a group of non-local lawyers representing agriculture communities and others had extensive comments on Ecology’s draft claim formats. Sitkin said the PUD has decided not to join this statement letter.

c) **Legislative Update**

- WPUDA is supporting a budget item for ground water modeling based on sections of the Foster fix legislation (SB 5517).

d) **Geothermal Update**

- Legislative:
 - Budget Proviso (funding for feasibility studies) is moving forward through the Legislature.

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- Geothermal Grant bill is contingent upon the initiative in the November election – whether it passes or fails.
- Governor Inslee and entourage is planning a visit to Whatcom County, including a discussion on geothermal activities along with the Nooksack Tribe, Commissioner Grant, Heimgartner and Entriakin will attend.

e) Per Diem Compensation Update/Discussion

Sitkin provided history on the current policy. Commissioners discussed the current policy and decided they would like to each review the others’ expense reports. No action was requested or taken.

7. New Business

a) Approval of Change Order No. 01 – P & P Excavating D Station Line Stop Project

Change Order No. 01 concerns the D-Station Line Stop Project (CIP RW-44) and the associated Construction Contract with the prime contractor P & P Excavating LLC. The proposed change order covers the additional labor hours, materials, and leased equipment needed to complete the Project. The expansion of the project scope is due to the current water line alignment not being able to accommodate a line stop because the actual pipe materials were different than specified in the original design drawings. It also covers the additional materials and labor associated with a new bypass line that will be used to feed BP during the construction process of this project and the future expansion of D-Station.

The additional cost not to exceed amount for P & P Excavating completing work under Change Order No. 01 is \$154,510.43. The revised total amount for the Construction Contract is as follows:

Original Contract Amount.....	\$129,610.00
<u>Change Order No. 01.....</u>	<u>\$260,265.00</u>
Subtotal	\$389,875.00
<u>Sales tax (8.6%)</u>	<u>\$33,529.25</u>
Total Amended Contract Amount	\$423,404.25 (Including Sales Tax)

There is no fiscal impact to the District – the capital project has been included in the approved 2023 Budget as CIP RW-44.

ACTION: Commissioner Grant made the motion to APPROVE CHANGE ORDER NO.01 FOR THE D-STATION LINE STOP PROJECT AND AUTHORIZE THE DISTRICT’S GENERAL MANAGER TO EXECUTE THE CHANGE ORDER. Commissioner Deshmane second the motion. Motion passed unanimously.

b) Award of Contract: FlowServe for Plant 1 Intake Pump Replacement

District staff identified repairs that were critical to the performance of Intake Pump 1 and Intake Pump 5 at Water Treatment Plant 1 (WTP1) in 2023. Upon the pumps being pulled and inspected by FlowServe, it was determined that they were beyond repair. Upon receiving the quote, it was decided to replace Intake Pump 5 in 2023 and replace Intake Pump 1 in 2024 due to budget constraints.

FlowServe provided the District with a quote (cost and timeline) to replace Intake Pump 1, which met the PUD’s requirements. The cost of the Intake Pump 1 Installation is \$121,522.00 (without sales tax) and includes the purchase and installation of Intake Pump 1. There is no fiscal impact as this project is budgeted for in the 2024 Capital Improvements Projects Budget line item RW-48.

ACTION: Commissioner Grant made the motion to AWARD THE CONTRACT TO FLOWSERVE FOR WATER TREATMENT PLANT 1 INTAKE PUMP NO.1 REPLACEMENT AND

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AUTHORIZE THE GENERAL MANAGER TO EXECUTE THE CONTRACT. Commissioner Deshmane second the motion. Motion passed unanimously.

c) **Approve Master Fiber Lease Agreement and Service Order Summary**

In 2024, the PUD intends to enter into a Master Optical Fiber and Related Telecommunications Facilities Lease Agreement with the local incumbent license exchange carrier (ILEC), Whidbey Telecom and other Internet Service Providers (ISP's). The PUD will design, build and maintain the fiber-to-the-premise system and in exchange, the ILEC/ISP will pay the PUD a monthly recurring charge (MRC) per connection. This model allows for a level playing field for all internet service providers to compete and offer services to Point Roberts constituents.

There is no fiscal impact. Funds are designated in the 2024 Budget.

ACTION: Commissioner Grant made the motion to APPROVE THE MASTER OPTICAL FIBER AND RELATED TELECOMMUNICATIONS FACILITIES LEASE AGREEMENT AND SERVICE ORDER SUMMARY WITH INTERNET SERVICE PROVIDERS, FOR AND ON BEHALF OF THE PUBLIC UTILITY DISTRICT NO. 1 OF WHATCOM COUNTY AND AUTHORIZE THE GENERAL MANAGER OR HIS/HER DESIGNEE, TO EXECUTE THE AGREEMENT. Commissioner Deshmane second the motion. Motion passed unanimously.

8. Operations Report

Walters reported on river conditions and weather, an underwater drone, the Bender Tower, and the Plant 1 rebuild.

9. Commissioner Reports

Grant:

- Has been working with Heimgartner for the geothermal/Nooksack event on Friday; one per diem request for the upcoming event.
- She also requested an upcoming per diem to meet with a representative from BPA to learn more about BPA transmission variables for generation projects.

Deshmane:

- Plans to attend and will take a per diem for the City Club discussion on the Boldt Decision;
- Has additional meetings planned next week;
- Public Power Council is coming up in March;
- Attended a steering committee requested by the County Executive.

Arnett:

- No per diems for this week;
- The next Watershed Management Board Meeting was cancelled.
- Met with several Legislators in Olympia at the WPUDA Day on the Hill and attended WPUDA committee meetings;
- Representative Ramel discussed a support letter for the Climate Commitment Act – up for a repeal on the November ballot after a successful signature campaign to put it there. It is a finding mechanism for new clean energy projects– Arnett is in favor of this and the Commission requested the topic to be included at the next agenda.
- Inquired about an apprentice program and various training events through Evergreen Rural Water of Washington and asked if the PUD has taken advantage of it. Operator training/certifications will be addressed at the next meeting.

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10. Public Comment

Rick Maricle commented on Commissioner Deshmane’s remarks regarding the recent voltage sag. Regarding Heimgartner’s comments on definitions of “unserved” and “underserved areas” of broadband, Maricle said those who have fiber on their road and refuse cable service shouldn’t be counted as underserved/unserved – Starlink is now available throughout the county.

11. Executive Session

Commissioner Arnett requested an Executive Session pursuant to RCW 42.30.110(1)(g) To review the qualifications and/or performance of a public employee. Estimated time was 45 minutes; adjournment time for Executive Session at 10:30 a.m. After a short recess, the Commission adjourned to Executive Session at 9:45 a.m.

Executive Session Adjourn

There being no further business for Executive Session, the Commission rejoined the Regular Commission Meeting at 10:29 a.m.

12. Adjourn

There being no further business for the regular meeting, Commissioner Arnett adjourned the regular meeting at 10:30 a.m.

Jaime Arnett, President/Commissioner

Atul Deshmane, Vice President/Commissioner

Christine Grant, 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/2024-agenda-packets-meeting-minutes-recordings/>

AGENDA ITEM #7a
March 12, 2024

Action Memo

To: Commissioners Arnett, Deshmane, and Grant
From: Garrett Love-Smith – Project Manager
Date: March 12, 2024
Re: Award of Bid: Waeco Construction for BPA-Intalco Fiber Extension Project

Requested Action: AWARD BID FOR THE BPA-INTALCO FIBER EXTENSION PROJECT TO WAECO CONSTRUCTION AND AUTHORIZE THE GENERAL MANAGER TO EXECUTE THE AGREEMENT

Background: During 2017, the District successfully completed a major expansion of the fiber optic cable backbone communications system by installing aerial and underground optic cable to link both Plant 1 and Grandview potable plant to high-speed communications system. In 2019, engineering design work was completed to connect Douglas Road vault to the vicinity of the Intalco Aluminum plant. Upon the completion of the design in 2020, the District was held up with permitting delays, due to wetland inside the proposed area of work. In 2023, the county along with the Army Corps of Engineers approved the permitting to proceed with the work. The improvements will facilitate higher speed communication and deployment of SCADA, benefitting both the electric and water system operations.

The bid opening for the BPA-Intalco Fiber Extension Project Contract was held on Friday, February 23rd, 2024 at 10:00 a.m. The Request for Bid Proposals were sent to six companies, whose qualifications were deemed to meet the requirements for work being performed. Three bid packages were received and were deemed responsive.

On February 23rd, 2024 the District received and publicly read aloud three (3) bids submitted for this project. Totals do not include tax. Staff’s review of the Waeco Construction bid package determined that the Bid was responsive.

The results of the bids are as follows:

Low Bidder:	
Waeco Construction	\$297,934.00 (tax not included)
BPA-Intalco Fiber Extension Project	
P&P Excavating	\$316,300.00 (tax not included)
BPA-Intalco Fiber Extension Project	
Cannon Construction	\$349,583.91 (tax not included)
BPA-Intalco Fiber Extension Project	

Staff recommends awarding the Contract for BPA-Intalco Fiber Extension Project to Waeco Construction.

Fiscal Impact: Project has been budgeted for 2024 for \$300,00.00 under CIP IS-15.

Recommended Action: AWARD BID FOR THE BPA-INTALCO FIBER EXTENSION PROJECT TO WAECO CONSTRUCTION AND AUTHORIZE THE GENERAL MANAGER TO EXECUTE THE AGREEMENT.

Action Memo

To: Commissioners Arnett, Deshmane and Grant
From: Andrew Entrikin, Director of Broadband & Power Supply
Date: March 12, 2024
Re: NoaNet Memorandum of Understanding (MOU) for Public Consortium

Requested Action: APPROVE DRAFT BROADBAND EQUITY, ACCESS, AND DEPLOYMENT (B.E.A.D.) PUBLIC CONSORTIUM TEAMING MEMORANDUM OF UNDERSTANDING AND AUTHORIZE THE GENERAL MANAGER OR HIS/HER DESIGNEE, TO EXECUTE THE FINAL AGREEMENT.

Background: The Broadband Equity, Access, and Deployment (B.E.A.D.) initiative, led by the U.S. Department of Commerce's National Telecommunications and Information Administration, seeks to expand broadband access and digital equity. The Northwest Open Access Network (NoaNet) and other organizations seek to form a public consortium under a Memorandum of Understanding to pursue these opportunities collaboratively.

This memo seeks approval for Whatcom PUD to sign on to the BEAD Teaming MOU, enabling participation in a collaborative effort to improve broadband services.

The MOU outlines a collaborative framework where parties commit to jointly developing work plans, participating in workshops, and forming teams focused on financial planning, open access, affordability, digital equity, fair labor practices, and operational capabilities.

The term of the MOU is effective March 15, 2024, until the completion of the tasks outlined or December 31, 2024, whichever occurs first. The MOU is attached to this memo.

Fiscal Impact: Joining the consortium does not require an upfront financial contribution. Future financial commitments, if any, will be agreed upon by the parties as needed to support the collaborative work.

Recommended Action: APPROVE DRAFT BROADBAND EQUITY, ACCESS, AND DEPLOYMENT (B.E.A.D.) PUBLIC CONSORTIUM TEAMING MEMORANDUM OF UNDERSTANDING AND AUTHORIZE THE GENERAL MANAGER OR HIS/HER DESIGNEE, TO EXECUTE THE FINAL AGREEMENT.

Memorandum of Understanding
B.E.A.D. Public Consortium Teaming Agreement

Date: 3/15/2024

This Memorandum of Understanding (MOU) is entered into by and between the undersigned parties:

Northwest Open Access Network (NoaNet), hereinafter referred to as "Party 1," represented by Chris Walker, Senior Executive Director of Infrastructure Strategy.

[Organization 2], hereinafter referred to as "Party 2," represented by [Name and Title of Representative].

[Organization 3], hereinafter referred to as "Party 3," represented by [Name and Title of Representative].

[Organization 4], hereinafter referred to as "Party 4," represented by [Name and Title of Representative].

[Organization 5], hereinafter referred to as "Party 5," represented by [Name and Title of Representative].

[Organization 6], hereinafter referred to as "Party 6," represented by [Name and Title of Representative].

[Organization 7], hereinafter referred to as "Party 7," represented by [Name and Title of Representative].

[Organization 8], hereinafter referred to as "Party 8," represented by [Name and Title of Representative].

[Organization 9], hereinafter referred to as "Party 9," represented by [Name and Title of Representative].

[Organization 10], hereinafter referred to as "Party 10," represented by [Name and Title of Representative].

RECITALS

WHEREAS, The U.S. Department of Commerce, National Telecommunications and Information Administration has provided federal funding to make grants to Eligible Entities for broadband planning, deployment, mapping, equity, and adoption projects and activities under the Broadband, Equity, Access & Deployment (BEAD) Program.

WHEREAS, all parties desire to extend and improve broadband services within their respective jurisdictions and the grant opportunity presented will enable the improvements and accessible broadband infrastructure to qualified households; and

WHEREAS, it is believed to be in all parties best interests to enter into a memorandum of understanding with all parties to work together as a public consortium for the opportunity presented by the grant; and

WHEREAS, his teaming agreement is to establish a collaborative partnership between all parties aforementioned to effectively complete the outlined tasks within the Public Stakeholder Strategic Partnership Framework of Engagement for the Broadband Equity and Deployment (BEAD) program.

WHEREAS, all parties have executed agreement on March 15, 2024

Scope of Work:

Collectively, the parties agree to work together to fulfill these tasks including but not limited to:

1. Create public stakeholder workplan to develop materials required for BEAD applications.
2. Organize and participate in interactive workshops and forums to gather input from stakeholders and involve team members in decision-making processes and solutions development.
3. Join at minimum one (1) team member to provide resources and information to help decision makers understand how to address the BEAD program:
 - a. Financial Team:
 - i. Develop Pro Forma template that meets requirements.
 - ii. Identify Letter of Credit Solutions and/or Performance Bond Securities.
 - b. Open Access and Affordability Team:
 - i. Deliver ACP 'like' affordable programs that would be used in applications to obtain scoring rubric points.
 - ii. Establish Rate Schedule models consistent with broadband delivery in rural communities.
 - iii. Establish Service Provider Agreements across public jurisdictions for committed ISP requirements.
 - c. Adoption and Digital Equity Team:
 - i. Collaboratively develop end-user digital device programs and other digital navigation services concepts.
 - ii. Explore and establish partnerships to facilitate the above.
 - d. Fair Labor Practices Team:
 - i. Develop certification template.
 - ii. Develop narrative templates to support program requirements.
 - e. Business Plan Team
 - i. Develop Open Access marketing plan template(s).

- ii. Outline a customer service plan and complaint process that meets requirements.
 - iii. Develop staffing models and organization chart requirement templates.
 - f. Operational Capability Team
 - i. Develop a template to Certify either through own or partner qualifications that the applicant has maintained the minimum qualifications required by program.
 - ii. Collaboratively develop workforce readiness plan template:
 - 1. Include how the applicant will use skilled workforce, ensure appropriate credentials, sub-contractor plans, workforce training plan outline.

Duration:

This MOU shall commence on 3/15/2024 and shall remain in effect until the completion of the outlined tasks or until terminated by mutual agreement of both parties, or December 31 2024, whichever occurs first.

Financial Obligation:

The scope of work for this teaming agreement stipulates that joining the collaboration does not necessitate a financial contribution upfront. However, it is acknowledged that there may be instances where funding for specific tasks or efforts could be beneficial. Parties can agree on financial responsibilities or contributions to be met later to support the scope of work. Any such financial commitments will be subject to agreement by the Parties at a future date, with the terms and conditions outlined in an amendment to the MOU.

Confidentiality:

Each Party shall treat all information made available to or disclosed to any other Party as a result of or related to this Agreement as confidential and shall not disclose or use such confidential information for the benefit of any person other than the Parties. Without limiting the foregoing, the parties agree that any engineering data or formulas exchanged between or among the parties will be deemed confidential information. Except as required by law, each Party agrees not to disclose any such confidential information to persons other than the Parties, or to employees, officers, directors, attorneys or consultants who have a need to know this information and who will use the information only for assisting that Party for the uses set forth herein. If a Party that has received confidential information (the "Receiving Party") is requested or required to disclose any of the confidential information pursuant to law or legal process, the Receiving Party will notify the Party from whom it received that confidential information (the "Disclosing Party") of such request or requirement as soon as reasonably possible so that the Disclosing Party may, at its own expense, pursue all available remedies to prevent such disclosure, including but not limited to, a protective

order. The Receiving Party shall cooperate with the Disclosing Party in any attempt by the Disclosing Party to prevent such a disclosure and, if required to disclose any of the confidential information despite attempts by the Disclosing Party to prevent the same, will disclose only that part of the confidential information that it is required to disclose. Regardless of the foregoing, however, if the confidential information is subject to the public records law, Chapter 42.56 RCW, then the Disclosing Party agrees to hold the Receiving Party harmless from any penalties, attorneys' fees or costs that might be awarded to the applicable requesting party.

Amendments:

Any amendments to this MOU must be made in writing and signed by authorized representatives of all parties.

Termination:

Any party may terminate their participation in the teaming effort described in this MOU upon 30 days written notice to the other party.

NOW, THEREFORE BE IT RESOLVED, the proposed memorandum of understanding is hereby approved for the purposes of collaboratively developing applications materials for the purpose of seeking an award of the Washington State B.E.A.D. program.

Signatures:

PARTY 1:

[Signature] [Date]

[Print Name]

PARTY 3:

[Signature] [Date]

[Print Name]

PARTY 2:

[Signature] [Date]

[Print Name]

PARTY 4:

[Signature] [Date]

[Print Name]

PARTY 5:

[Signature]

[Date]

[Print Name]

PARTY 6:

[Signature]

[Date]

[Print Name]

PARTY 7:

[Signature]

[Date]

[Print Name]

PARTY 8:

[Signature]

[Date]

[Print Name]

PARTY 9:

[Signature]

[Date]

[Print Name]

PARTY 10:

[Signature]

[Date]

[Print Name]

