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PUBLIC UTILITY DISTRICT No. 1 of Whatcom County

Agenda for the Regular Meeting of April 23, 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 April 9, 2024
 - b) Approval of Claims for April 23, 2024
4. Public Comment (10 minutes – Individual speakers: 3 min.)
5. General Manager Report (10 min.)
6. Old Business (30 min.)
 - a) Broadband Update
 - b) Adjudication Update
 - c) Geothermal Update
7. New Business (30 min.)
 - a) Discussion and possible action: Nomination of Interim Commissioner
 - b) Reassign District Representatives to Agencies
8. Operations Report (10 minutes)
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)(i) Potential Litigation – Water Rights Adjudication (estimated 20 minutes)
12. Adjourn (Estimated 9:30 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/89638527781>

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

Webinar ID: 896 3852 7781

Next Commission Meetings

May 14 & 28, 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

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www.pudwhatcom.org

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AGENDA ITEM #3a
April 23, 2024

MINUTES OF THE REGULAR MEETING OF THE COMMISSION

April 9, 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: General Manager Chris Heimgartner; Andrew Entrikin, Broadband Program Manager; Ann Grimm, Executive Assistant; Rebecca Schlotterback, Manager of Contracts and Regulatory Compliance; Aaron Peterson, IT/SCADA Technician; Mike Macomber, IT/SCADA Technician; Paul Siegmund, Manager of Automation and Technology; Garrett Love-Smith, Project Manager; Kurt Wank, Director of Utility Operations; and Annette Smith, Director of Finance; Stephanie Hooper, Accountant I; Devin Crabtree, Chief Water Operator; and Jon Littlefield, Electric System Supervisor.

Public attending:

Rick Maricle Dave Olson
Jack Wellman, PSE Crina Hoyer

2. Approval of Agenda

No changes.

ACTION: Commissioner Grant made the motion to APPROVE THE AGENDA OF APRIL 9, 2024. Commissioner Deshmane second the motion. Motion passed unanimously.

3. Approval of Consent Agenda

- a) Approval of Meeting Minutes of the Regular Meeting of March 26, 2024;
- b) Approval of the Claims of April 9, 2024:

VENDOR NAME	AMOUNT
ALUMICHEM CANADA INC	31,325.20
AT&T MOBILITY	1,801.51
BRIM TRACTOR COMPANY	404.32
CARL'S MOWER & SAW, INC	74.10
CENTRAL WELDING SUPPLY	101.30
CHEMTRAC, INC.	2,000.00
CIVIC GROUP	10,000.00
COBB, FENDLEY & ASSOCIATES, INC	13,185.92
CONSOR NORTH AMERICA, INC.	127,682.41
CORNERSTONE MANAGEMENT, INC.	422.75
CRINA HOYER CONSULTING	3,803.17
EDGE ANALYTICAL LABORATORIES	25.00
ELECTRICAL RELIABILITY SERVICES	2,562.36
ENVIRO-TECH DIVING, INC.	2,606.04
FERNDALE ACE HARDWARE	83.42
FERNDALE AUTO PARTS	259.94
HACKER, RONALD G	80.64
HARDWARE SALES, INC	46.97
HDR ENGINEERING, INC.	16,626.22
MANAGEMENT RECRUITERS OF BONITA SPRINGS	43,500.00

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NEL/SON DISTRIBUTING DBA NELSON-REISNER	1,529.14
NESS CRANE SERVICE, INC	4,283.28
NORTH COAST ELECTRIC COMPANY	1,155.89
NORTHWEST FIBER DBA ZIPLY FIBER	1,493.30
NP INFORMATION SYSTEMS (3-D CORP)	269.82
P&P EXCAVATING, LLC	13,752.14
PLATT ELECTRIC SUPPLY CO	465.20
PROSCAPES	565.76
PUD #1 OF WHATCOM COUNTY	1,561.79
PUGET SOUND ENERGY, INC	962.78
REGENCE BLUE SHIELD	43,005.82
SSC - SANITARY SERVICE COMPANY	629.91
STERICYCLE ENVIRONMENTAL SOLUTIONS	60.42
TEAMSTER LOCAL #231	648.00
TIGER CONSTRUCTION	25,900.00
ULINE, INC.	794.70
UNITED WAY OF WHATCOM COUNTY	707.00
UTILITIES UNDERGROUND LOCATION	17.16
VALVOLINE	92.47
WANK, KURT	436.70
WA ST DEPT OF TRANSPORTATION	140.96
WASHINGTON DENTAL SERVICE	2,828.05
WASHINGTON TEAMSTERS WELFARE	13,567.40
WHATCOM JANITORIAL	1,430.00
GRAND TOTAL	\$372,888.96

ACTION: Commissioner Grant made the motion to APPROVE THE CONSENT AGENDA OF APRIL 9, 2024. Commissioner Deshmane second the motion. Motion passed unanimously.

4. Public Comment – None made.

5. General Manager’s Report

Heimgartner discussed the change order for the fiber connection project, the County Council’s Resolution in support of expanding access to affordable and reliable internet for all residents of Whatcom County, and more.

6. Old Business

a) Broadband Program Update

Entrikin provided an update on Point Roberts, the pole attachment agreement and the Commission workshop on the broadband program will be on May 17 (notice is forthcoming) and more.

b) Adjudication Update

Sitkin provided an update.

c) Geothermal Update

A meeting with the Nooksack Tribe and the PUD. BPA transmission issues with geothermal was also discussed.

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7. New Business

a) **Reject All Bids for the D-Station Flow and Control Project**

On March 29, 2024, the District received and publicly read aloud two (2) bids submitted for this project. The Engineer’s Estimate for the project is \$485,400.00 (tax not included). The two bids are listed below:

Construction Bids	Bid (no tax)
Award Construction	\$1,098,500.00
Neptune Construction.....	\$1,210,550.00

Both Award Construction and Neptune’s Bid price exceeds the Engineer’s estimate by more than 15%. Therefore, District staff has determined that the bids from Award and Neptune are non-responsive.

ACTION: Commissioner Grant made the motion to REJECT ALL BIDS FOR RW-M-7 D STATION FLOW AND CONTROL PROJECT. Commissioner Deshmane second the motion. Motion passed unanimously.

b) **Approve Resolution No. 847 – Cancellation of Warrant**

The invoice from Gary’s Plumbing and Heating was paid by company credit card and the warrant needs to be cancelled.

ACTION: Commissioner Grant made the motion to APPROVE RESOLUTION NO. 847 AUTHORIZING CANCELLATION OF WARRANT FOR GARY’S PLUMBING AND HEATING. Commissioner Deshmane second the motion. Motion passed unanimously.

c) **Approve Resolution No. 848 – Cancellation of Warrant**

The invoice from Whistle Workwear and submitted by Aaron Peterson was paid by company credit card, not a personal credit card. The warrant now needs to be cancelled.

ACTION: Commissioner Grant made the motion to APPROVE RESOLUTION NO. 848 AUTHORIZING CANCELLATION OF WARRANT FOR AARON PETERSON. Commissioner Deshmane second the motion. Motion passed unanimously.

d) **Call for Special Meeting**

Crina Hoyer Consulting will conduct a Commission and Staff retreat at a Special Meeting on Tuesday, April 16, 2024, at the Four Points Sheraton Hotel/Conference Center, 714 Lakeway Drive from 1:30 p.m. to 5:30 p.m. The meeting is expected to last four (4) hours. Official notice with agenda is forthcoming.

ACTION: Commissioner Deshmane made the motion to CALL FOR A SPECIAL COMMISSION MEETING ON APRIL 16, 2024, FROM 1:30 PM TO 5:30 PM, LOCATED AT THE FOUR POINTS SHERATON HOTEL AND CONFERENCE CENTER. Motion passed unanimously.

8. Operations Report

Wank reported on the new substation, the new variable frequency drive motor arrived and will be installed, and wood baffles used to slow the water clarification process will need to be replaced.

9. Commissioner Reports

Grant:

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- Announced her resignation as PUD Commissioner (for District 1), effective May 1, 2024. A discussion ensued about next steps the PUD will take regarding the upcoming vacancy.

Deshmane:

- Discussed Earth Day activities;
- Inquired about the North Cascades current snowpack;
- *Markets+* versus California markets;
- Commented on the State Broadband Office’s “Challenge Process”.

Arnett:

- Wants to look again at the PUD’s municipalization study regarding electricity;
- Discussed the “Dig Once” provisions.

10. Public Comment

Rick Maricle thanked Commissioner Grant for her years of service and wished her the best in future endeavors.

11. Executive Session

Commissioner Arnett requested an Executive Session to discuss potential litigation regarding water rights adjudication. Estimated time was 15 minutes; adjournment time for Executive Session at 10:00 a.m. No action is anticipated after Executive Session. After a short recess, the Commission adjourned to Executive Session at 9:43 a.m.

Executive Session Adjourn

There being no further business for Executive Session, the Commission rejoined the Regular Commission Meeting at 10:03 a.m.

12. Retreat Discussion

Crina Hoyer joined the meeting for a short discussion regarding the upcoming Commission and Staff Retreat.

13. Adjourn

There being no further business for the regular meeting, Commissioner Arnett adjourned the regular meeting at 10:07 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/>

ACTION MEMORANDUM

TO: PUD COMMISSIONERS

DATE: APRIL 18, 2024

FROM: JON SITKIN



**RE: NOMINATION TO FILL COMMISSIONER VACANCY PENDING NOVEMBER 2024
GENERAL ELECTION**

REQUESTED ACTION:

Consider schedule for submission of nominations to fill pending vacant Commission position.

BACKGROUND:

Commissioner Grant has announced her resignation as a PUD Commissioner effective May 1, 2024. Per statute, her resignation is deemed to occur on the effective date of the resignation, May 1, 2024.

RCW 42.12.080 provides for filling a vacancy on the PUD Commission pending an election of a new Commissioner at the November General Election. After a vacancy occurs, the remaining members of the Commission must nominate at least one candidate. After the nomination of a candidate or candidates is made by the remaining Commissioners, the Commission must then cause notice of the vacancy and the names of any nominated candidates to be published for a minimum of 15 days. The Commission has already delegated to the General Manager the authority to cause this notice to be published. During the notice period, registered voters who reside within the District can submit nominations. After the end of the notice period, the remaining members of the Commission shall appoint a qualified person to fill the position from the nominated candidates. That appointed person shall serve until the next General Election at which a member of the governing body would normally be elected, which will be the General Election in November 2024.

Separately, because Commissioner Grant's resignation has occurred prior to the first day of the regular filing period (May 6 -10) for the November 2024 General Election, interested qualified citizens may file their candidacy to fill the unexpired term of Commissioner Grant. The elected candidate shall take office immediately and serve the remainder of the unexpired term.

Based on RCW 42.12.080, it is recommended that the Commission follow the schedule below, although this schedule may be modified if a special meeting(s) is called to accelerate the schedule as noted below.

- April 23, 2024 – Discussion of potential nominations to fill vacancy pending the General Election.
- May 14, 2024 – Regular meeting. Remaining Commissioners nominate or cause to be nominated at least one candidate. This could occur at a special meeting called for this purpose after May 1.
- May 15, 2024 – Issue notice of candidates and run for a minimum of 15 days. This could occur immediately following a special meeting.
- June 11, 2024 – Regular meeting. Review all nominations and select an interim Commissioner to fill the vacancy pending the November General Election.

The following is an accelerated schedule utilizing special meetings, while allowing a few extra days for notice.

- April 23, 2024 – Discussion of potential nominations to fill vacancy pending the November General Election.
- May 2, 2024 – Hold special meeting. Remaining Commissioners nominate or cause to be nominated at least one candidate.
- May 3, 2024 – Publish notice of opportunity to submit nominations. Must run for a minimum of 15 days.
- May 21, 2024 – Special meeting. Review all nominations and select an interim commissioner to fill the vacancy pending the November General Election.

FISCAL IMPACT:

Nominal. Added candidate(s) in November will not cause additional cost as there is an existing regular election of a PUD Commissioner position. Costs would be largely administrative and legal.

RECOMMENDED ACTION:

Approve one of the schedules outlined above.