

## **PUBLIC UTILITY DISTRICT No. 1 of Whatcom County**

Agenda for the Regular Meeting of October 8, 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 minutes.)
  - a) Approval of the Minutes of the Regular Meeting of September 24, 2024
  - b) Approval of Claims for October 8, 2024
4. Public Comment (10 minutes – Individual speakers: 3 minutes.)
5. Public Hearing (30 minutes) Re: Washington State Ballot Initiative No. 2117 Concerning Carbon Tax Credit Trading
6. Resolution 1: Resolution No. 859 A Resolution Of The Board Of Commissioners Of Public Utility District No. 1 Of Whatcom County (“District”), Opposing The Passage Of Washington State Ballot Initiative No. 2117 Concerning Carbon Tax Credit Trading
7. General Manager Report (10 minutes.)
8. Operations Report (10 minutes)
9. Old Business (30 minutes.)
  - a) Broadband Update
  - b) Adjudication Update
  - c) Geothermal Update
  - d) Strategic Plan Update
10. New Business (30 minutes.)
  - a) Action 1: Proposed Letter of Support for Whatcom County Council Ordinance Amending Whatcom County Code 20.82, Public Utilities, To Increase Allowable Power Line Voltage To 230 Kilovolts In Zones Currently Limited To 115 Kilovolts (Documentation to Follow)
  - b) Action 2: Request Commission Approval of Broadband Equity, Access, and Deployment (BEAD) Technical Assistance Grant
  - c) Resolution 2: Resolution No. 860 Resolution By The Board Of Commissioners Of Public Utility District No.1 Of Whatcom County (District) Authorizing The Cancellation Of Warrant No. 01199667
11. Commissioner Reports (10 minutes)
  - a) Upcoming Per Diem Requests  
Commissioner Arnett: None as of publication  
Commissioner Lagestee: None as of publication  
Commissioner Deshmane: None as of publication
12. Public Comment (10 minutes– Individual speakers: 3 min.)
13. Executive Session: As Needed (20 Minutes)
14. Adjourn (Estimated 10:20 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/87450253230>

NOTE: IF ATTENDING VIA ZOOM WE WOULD APPRECIATE YOUR FULL NAME FOR THE COMMISSION RECORD THOUGH IT IS NOT REQUIRED

**Or telephone:** Dial 1 (253) 215 8782 or 1 (253) 205 0468

**Webinar ID:** 874 5025 3230

**Next Commission Meetings**

October 22 & November 5, 2024 | 8:15 a.m. | Regular Meetings – District Office

1705 Trigg Road, Ferndale, WA 98248

*or other location announced*

Contact: Chris Heimgartner, General Manager (360) 384-4288 x 19

[info@pudwhatcom.org](mailto:info@pudwhatcom.org)

[www.pudwhatcom.org](http://www.pudwhatcom.org)

**MINUTES OF THE REGULAR  
MEETING OF THE COMMISSION  
September 24, 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 Atul Deshmane. Said meeting was open to the public and notice thereof had been given as required by law.

Those present at the meeting included:

**COMMISSION AND STAFF**

Atul Deshmane	Commissioner
Todd Lagestee	Commissioner
Jon Sitkin	Legal Counsel
Chris Heimgartner	General Manager
Andrew Entriakin	Director – Broadband and New Power Supply
Annette Smith	Director of Finance
Brian Walters	Assistant General Manager
Garrett Love Smith	Engineering Manager
Joseph Shay	Clerk of the Board / Records
Kurt Wank	Assistant General Manager
Rebecca Schlotterback	Contracts and Regulatory Compliance Manager
Stephanie Hooper	Accountant I
Paul Siegmund	Manager – Automation & Technology Services
Devin Crabtree	Chief Water Operator
Lisa Moeller	Director – HR & Communications
Mike Macomber	IT/SCADA Technician

**VISITORS**

Robin Dexter	Citizen
Dan Johnson	Citizen
Matthew Goggins	Citizen
Hannah Ordos	Citizen
iPad (2)	Citizen
iPhone (9)	Citizen

## 2. Approval of Agenda

### **ACTION:**

Commissioner Lagestee made a suggestion to amend the agenda for this meeting (September 24, 2024) by having agenda item no. 8 (public hearing) moved up in the agenda to just after agenda item no. 5 (public comment) with the rest of the meeting order staying the same. Commissioner Deshmane made a motion to approve Commissioner Lagestee's suggested amendment, Commissioner Lagestee seconded the motion. The motion was approved unanimously. Commissioner Deshmane made a motion to approve the amended agenda, Commissioner Lagestee seconded the motion, the motion passed unanimously.

## 3. Approval of Consent Agenda

- a) **Approval of the Minutes of September 10, 2024:** Commissioner Lagestee made a motion to approve the minutes of September 10, 2024 with a correction to the minute expanding the summary of the public comment of Robin Dexter to reflect Mr. Dexter's request that PUD include information regarding its reserves in the 2025 budget. Commissioner Deshmane seconded the motion. The motion passed unanimously.
- b) **Approval of the Claims of September 24, 2024:** Commissioner Lagestee had questions for clarification regarding the claims. Staff provided answers and clarification to Commissioner Lagestee. Commissioner Lagestee made motion to approve the claims, Commissioner Deshmane seconded the motion, the motion passed unanimously.

2341378	ALUMICHEM CANADA INC (formerly WATERHOUSE ENV.)	58,234.20
8491	BELLINGHAM HERALD	438.38
225251	BONNEVILLE POWER ADMINISTRATION	858,268.00
71087	CHMELIK SITKIN & DAVIS	10,614.00
2564635	CIVIC GROUP	5,000.00
107772	COMCAST	194.91
2356799	COMCAST - NWRC	300.00
217904	EDGE ANALYTICAL LABORATORIES	25.00
1698105	ELECTRICAL RELIABILITY SERVICES	16,089.70
2561098	EXPOTENTIAL POWER INC	9,075.97
18577	FEDERAL EXPRESS	24.16
2117069	FERNDALE ACE HARDWARE	103.88
2540107	FERNDALE AUTO PARTS	10.22
19377	HD FOWLER CO, INC	41.53
1156681	HDR ENGINEERING, INC.	53,549.93
678902	INTERNAL REVENUE SERVICE	21,946.06
2355083	IVOXY CONSULTING LLC	2,613.68
136602	MASSMUTUAL RETIREMENT SVCS LLC	12,635.00
2510881	MOTION AND FLOW CONTROL PRODUCTS INC	24.08
2560976	NEL/SON DISTRIBUTING DBA NELSON-REISNER	436.64
377271	NORTHWEST CASCADE, INC.	165.50
2175699	PACIFIC POWER BATTERIES	81.75
202	PAYLOCITY	189.64
678901	PAYROLL	247,669.92

21291	PLATT ELECTRIC SUPPLY CO	2,511.38
701827	POSTER COMPLIANCE CENTER	244.64
2560909	PROSCAPES	6,049.50
1060531	PUBLIC UTILITY RISK MANAGEMENT SERVICES	8,001.87
1580650	PUD #1 OF WHATCOM COUNTY	12,264.85
22664	PUGET SOUND ENERGY, INC	115.96
263311	STAR RENTALS	428.72
2478104	TENABLE, INC.	15,166.44
2173028	WA ASSN OF PUBLIC RECORDS OFFICERS	425.00
2248042	WA FEDERAL VISA CARD MEMBER SERVICES	9,156.25
31448	WA PUBLIC UTILITY DISTRICTS ASSOCIATION	100.00
67184	WA ST DEPT OF ECOLOGY-CASHIERING	7,400.00
32109	WA ST DEPT OF REVENUE - EXCISE TAX	91,118.06
85294	WESTERN CONFERENCE OF TEAMSTERS	6,314.00
2516983	WHISTLE WORKWEAR	323.64
2315065	WIN-911	2,502.40
	<b>GRAND TOTAL</b>	<b>\$1,459,854.86</b>

4. **Public Comment** – Matthew Goggins thanked Commissioner Lagestee for his comments on the consent agenda and supported the Commissioner’s idea to expand the details of the minutes. iPhone user asked the commissioners to support the initiative effecting energy choices for Washington voters.
5. **Public Hearing Re: Initiative 2117 Concerning Carbon Tax Credit Trading** – The public hearing was opened. Positions of the public regarding Initiative No. 2117 were heard and taken into consideration. Each person was allowed 3 minutes no matter their position and individuals were allowed to speak only once. Commissioner Lagestee moved to table Item 9C: Resolution No. 859 A Resolution Of The Board Of Commissioners Of Public Utility District No. 1 Of Whatcom County (“District”), Opposing The Passage Of Washington State Ballot Initiative No. 2117 Concerning Carbon Tax Credit Trading until the October 8, 2024 commission meeting. Commissioner Dushman seconded the motion. The motion passed unanimously.
6. **General Manager’s Report** – General Manager Heimgartner briefed the commission on upcoming events and introduced Rebecca Schlotterback, Contracts and Regulator Compliance Manager to brief the commission on an adjudication hearing held at Water Week. A lengthy discussion regarding the upcoming adjudication proceedings was had.
7. **Operations Report** – Kurt Wank, Assistant General Manager reported that work at D Station on flow and control had begun. A redundant communication control line has been completed for BPA. Plant 2 turbidity meter will be installed as a cost saving measure.
8. **Old Business**
  - a) **Broadband Update** – General Manager Heimgartner and Broadband Director Entriokin presented on the staff’s work on the county broadband expansion and feasibility study. The General Manager explained changes to the broadband expansion plan going forward and asked the commission to approve Action Item 1: Approval of The Shift In Focus Towards Securing

The 25% State-Funded Match in Preparation for the Broadband Equity, Access, and Deployment (BEAD) Program. The commission took no action on Action Item No. 1 as presented during the broadband update.

**b) Adjudication Update** – Legal Counsel reported on upcoming meeting and hearing dates and next steps regarding the upcoming adjudication. Legal Counsel explained what a case committee is and its role in upcoming adjudication. Legal Counsel informed the commission that he will be serving on the case committee. Commissioners asked questions and received clarification on other issues related to the upcoming adjudication. It was reported that both Counsel and the General Manager will be at WPUA discussing the upcoming adjudication.

**c) Geothermal Update** – General Manager Heimgartner reported that the PUD has nominated 70,000 acres of land for cultural and impact analysis for the geothermal studies and processes.

**d) Strategic Plan Update** – The General Manager reported that dates for special commission meetings to work on the strategic plan update are being determined and will be presented to the commission for scheduling in the near future.

## 9. New Business

**a) Approval of Action Item 2: Approval of Professional Services Agreement with Critical Insight** – Kurt Wank, Assistant General Manager presented a request for approval of a professional services agreement with Critical Insight. Mr. Wank explained to the commission that Critical Insight is a company that provides cyber security systems and testing. Commissioner Lagestee made a motion to approve the professional services agreement with Critical Insight. Commissioner Deshmane seconded the motion. The motion passed unanimously.

## 10. Commission Reports

**a) Upcoming Per Diem Requests** – Commissioner Lagestee reported on his trip to the WAPUDA meeting. Commissioner Lagestee received permission to attend the Energy Northwest Power Forum on October 24<sup>th</sup>. Commissioner Deshmane reported on his trip to WAPUDA.

**11. Public Comment** – Matthew Goggins stated his appreciation for the broadband discussion and commented on the initiative resolution and process of public hearings.

Hannah Ordos stated her appreciation for the conversations of fiscal responsibility and more data acquisition. Ms. Ordos noted that the public notice for the public hearing was missing the start time for the PUD Meeting.

Commissioner Lagestee made a motion to have an additional public hearing to discuss Initiative 2117 at the next regular commission meeting in October (October 8, 2024). Commissioner Deshmane seconded the motion. The motion passed unanimously.

## 12. Executive Session

An executive session was called regarding collective bargaining with no action to be taken.

## 13. Adjourn

There being no further business Commissioner Deshmane adjourned the meeting at 11:10 a.m.

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Jaime Arnett, President/Commissioner

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Atul Deshmane, Vice President/Commissioner

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Todd Lagestee, 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/>



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

NOTICE IS HEREBY GIVEN that a public hearing will be held on Tuesday, October 8, 2024, at 8:15 am, at the offices of Public Utility District No. 1 of Whatcom County, Commissioner Meeting Room, 1705 Trigg Road, Ferndale, Washington, for the purpose of considering passage of a resolution opposing Initiative 2117, the ballot title of which is as follows:

Initiative Measure No. 2117 Concerning Carbon Tax Credit Trading.

This measure would prohibit state agencies from imposing any type of carbon tax credit trading, and repeal legislation establishing a cap and invest program to reduce greenhouse gas emissions.

Should this measure be enacted into law? Yes [ ] No [ ]

The Board of Commissioners will hear from proponents and opponents of the proposed resolution prior to considering its passage affording an equal opportunity for expressing supporting or opposing views on Initiative 2117. Questions may be directed to Chris Heimgartner, the General Manager of Public Utility District No. 1 of Whatcom County, at [chrish@pudwhatcom.org](mailto:chrish@pudwhatcom.org).



**RESOLUTION NO. 859**

**A RESOLUTION OF THE BOARD OF COMMISSIONERS OF PUBLIC UTILITY DISTRICT NO. 1 OF WHATCOM COUNTY (“DISTRICT”), OPPOSING THE PASSAGE OF WASHINGTON STATE BALLOT INITIATIVE NO. 2117 CONCERNING CARBON TAX CREDIT TRADING**

**WHEREAS**, in 2021, the Washington State Legislature adopted Senate Bill 5216, a law known as the Washington Climate Commitment Act, which sets annual emission limits for major emitters, such as oil refiners and utilities, and establishes a market-based program (a cap and invest program) to reduce carbon pollution and achieve greenhouse gas limits set in Washington State Law; and

**WHEREAS**, Washington State has placed a ballot measure before the voters, and the official ballot measure title is “Initiative Measure No. 2117 concerns carbon tax credit trading” (“Initiative 2117”); and

**WHEREAS**, Initiative No. 2117 concerning carbon tax credit trading is scheduled to go before Washington State voters at the General Election on November 5, 2024; and

**WHEREAS**, Initiative 2117 would prohibit state agencies, counties and cities from implementing any type of carbon tax credit trading, also known as “cap and trade” or “cap and tax”, including the climate commitment act previously codified as chapter 70A.65 RCW. The Initiative 2117 prohibition would apply whether the resulting increased costs are imposed on fuel recipients or fuel suppliers; and

**WHEREAS**, Initiative 2117 would repeal sections of the 2021 Washington Climate Commitment Act as amended, including repealing the creation and modification of a “cap and invest” program to reduce greenhouse gas emissions by specific entities; and

**WHEREAS**, passage of Initiative No. 2117 by Washington voters could limit the District’s access to grants funded by the Climate Commitment Act, which assist with new infrastructure consistent with the District’s goals to reduce greenhouse gas emissions and address impacts from climate change set forth in the Climate Act Plan would be adversely impacted; and

**WHEREAS**, Initiative No. 2117 would limit the available grant funds for the District’s geothermal exploration project being conducted with the Nooksack Tribe; and

**WHEREAS**, RCW 42.17A.555(1) authorizes the Board of Commissioners of Public Utility District No. 1 of Whatcom County (“Commission”) to take action to express a collective decision, or to actually vote upon a motion, proposal, or ordinance, or to support or oppose a ballot measure so long as (a) the agenda includes the title and number of the ballot proposition; and (b) members of the public and Commission members are afforded an approximately equal opportunity to express an opposing view; and

**WHEREAS**, consistent with RCW 42.17A.555, the Commission considered Initiative No. 2117 at its Public Hearing on September 24, 2024, and during said Public Hearing, the Commission afforded members of the public and the Commission members an approximately equal opportunity for expression of a supporting or opposing view on Initiative No. 2117;

**NOW, THEREFORE, THE BOARD OF COMMISSIONERS OF THE PUBLIC UTILITY DISTRICT NO. 1 OF WHATCOM COUNTY HEREBY RESOLVES:**

**Section 1. Statement in Opposition to Initiative No. 2117.** The Commission hereby expresses its opposition to Initiative No. 2117 and encourages the citizens of Whatcom County, Washington, to reject Initiative No. 2117, a measure seeking to repeal sections of the 2021 Washington Climate Commitment Act and to bar state agencies from imposing any type of program involving the trading of carbon tax credits, at the November 5, 2024 General Election.

**Section 2.** This Resolution shall take effect and be in full force immediately upon passage by the Commission.

**ADOPTED** by the PUD Board of Commissioners this 8<sup>th</sup> day of October, 2024, and duly authenticated in open session by signatures of the Commissioners being present and voting in favor thereof.

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Jaime Arnett, Commissioner

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Atul Deshmane, Commissioner

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G. Todd Lagestee, Commissioner

# Action Memo

**To:** Commissioners Arnett, Deshmane and Lagestee  
**From:** Andrew Entrikin, Director of Broadband & Power Supply  
**Date:** October 8, 2024  
**Re:** Approve Broadband Equity, Access, and Deployment (BEAD) Technical Assistance Grant

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**Requested Action: APPROVE WASHINGTON STATE ASSOCIATION OF COUNTIES (WSAC) TECHNICAL ASSISTANCE GRANT FOR BROADBAND EQUITY, ACCESS, AND DEPLOYMENT (BEAD) PREPARATION AND AUTHORIZE THE DISTRICT'S GENERAL MANAGER OR HIS DESIGNEE TO EXECUTE THE AGREEMENT.**

The Washington State Association of Counties (WSAC) released a request on July 26th for counties to apply for funding to support technical assistance for BEAD applications. The Department of Commerce provided approximately \$925,000 to WSAC to support approved activities.

Whatcom PUD submitted an application on behalf of Whatcom County for the maximum amount available. While WSAC had more funding requests than the amount available, they were still able to reimburse Whatcom PUD for up to \$37,500 for eligible activities. With the expanded language in their grant award from the Department of Commerce, they can contract directly with Whatcom PUD.

The approved activities are as follows:

- Aiding public entities and community members in designing local broadband networks that maximize grant awards for the broadest connectivity of residents and anchor institutions.
- Creating alignment between community plans and grant applications.
- The evaluation of project applications, prior to public entities submitting them to WSBO.
- Preparing BEAD grant applications, including, but not limited to, engineering design, letter of credit applications, and compilation of project leadership resumes.
- Helping to establish and coordinate necessary broadband workforce development initiatives that align with the WSBO's goals.
- Assisting public entities in negotiating public-private partnerships.
- Providing technical network expertise and understanding of industry practices to public entities not familiar with the telecommunications sector.
- Providing a neutral voice when educating policymakers and community leaders, for the application.
- Providing coordination of community efforts to maximize the outcomes of other broadband grants in conjunction with BEAD applications.

Staff is seeking Commission approval to execute the attached contract **pending legal review**.

**Fiscal Impact:** Grant funded.

**Recommended Action: APPROVE WASHINGTON STATE ASSOCIATION OF COUNTIES (WSAC) TECHNICAL ASSISTANCE GRANT FOR BROADBAND EQUITY, ACCESS, AND DEPLOYMENT (BEAD) PREPARATION AND AUTHORIZE THE DISTRICT'S GENERAL MANAGER OR HIS DESIGNEE TO EXECUTE THE AGREEMENT.**



**September 27, 2024**

**TO:** PUD Whatcom County and Whatcom County

**FROM:** Derek Young, Interim Executive Director

**PREPARED BY:** Axel Swanson, WSACE Managing Director; Bridget Lockling, Director of Operation

**SUBJECT:** BEAD Grant Award Notice

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The Washington State Association of Counties (WSAC) released a request on July 26th for counties to apply for funding to support technical assistance for BEAD applications. The Department of Commerce provided approximately \$925,000 to WSAC to support approved activities, as noted below.

PUD Whatcom County submitted an application on behalf of Whatcom County for the maximum amount available, \$50,000. While we had more funding requests than the amount available, we are still able to reimburse PUD Whatcom County for up to \$37,500 for the activities noted in the application.

With the expanded language in our grant award from the Department of Commerce, we can contract directly with PUD Whatcom County. To process the reimbursement requests, we will need the following from PUD Whatcom County:

- A completed contract between WSAC and PUD Whatcom County (draft attached)
- A copy of the resolution, MOU, or letter of support between Whatcom County and PUD Whatcom County that recognizes the broadband entity lead. (already submitted)
- Invoice(s) from PUD Whatcom County with supporting documentation that substantiates the cost, including staff time, subcontractor and vendor invoices, and/or accounting reports.
- Invoices shall include a progress report. Invoices can be submitted once at the project end or once per quarter.

The approved activities are as follows:

- Aiding public entities and community members in designing local broadband networks that maximize grant awards for the broadest connectivity of residents and anchor institutions.
- Creating alignment between community plans and grant applications.
- The evaluation of project applications, prior to public entities submitting them to WSBO.
- Preparing BEAD grant applications, including, but not limited to, engineering design, letter of credit applications, and compilation of project leadership resumes.
- Helping to establish and coordinate necessary broadband workforce development initiatives that align with the WSBO's goals.
- Assisting public entities in negotiating public-private partnerships.
- Providing technical network expertise and understanding of industry practices to public entities not familiar with the telecommunications sector.
- Providing a neutral voice when educating policymakers and community leaders, for the application.
- Providing coordination of community efforts to maximize the outcomes of other broadband grants in conjunction with BEAD applications.

We look forward to supporting your activities to expand broadband deployment and access in your communities. If you have any questions please contact me, Axel or Bridget. We appreciate your assistance in finalizing the contract and involving the necessary staff to complete it.

## CONTRACT for SERVICES

between

### WASHINGTON STATE ASSOCIATION OF COUNTIES and Public Utility District No. 1 of Whatcom County

This Contract is made and entered into by and between the Washington State Association of Counties (WSAC), hereinafter referred to as the "ASSOCIATION," and Public Utility District No. 1 of Whatcom County hereinafter referred to as the "CONTRACTOR," the express purpose set forth in the following provisions of this Contract.

#### PURPOSE

This contract supports the work of Broadband activities in Whatcom County by reimbursing for costs incurred through their broadband lead, Public Utility District No. 1 of Whatcom County, as described in the scope of work.

The parties mutually agree to the terms, conditions and covenants described below, attached, or incorporated by reference as follows:

#### TERMS

1. **Description of Work.** The CONTRACTOR shall perform work as described in Exhibit B, "Scope of Work," which is attached hereto and incorporated herein by this reference, according to the existing standard of care for such services. CONTRACTOR shall not perform any additional services without the expressed permission of the ASSOCIATION.

2. **Payment.**

A. The ASSOCIATION shall pay CONTRACTOR up to **thirty-seven thousand five-hundred dollars (\$37,500) through June 30, 2025** for the services described in this Contract and Exhibits contained herein.

This is the maximum amount to be paid under this Agreement, and shall not be exceeded without prior written authorization from the ASSOCIATION in the form of a negotiated and executed supplemental agreement.

a. The CONTRACTOR shall receive \$37,500 for services as described in the Scope of Work. Reimbursement shall be made upon successful progress and completion of work to meet the deliverables and tasks detailed.

B. The ASSOCIATION shall pay CONTRACTOR upon receipt of properly completed invoices, which shall be submitted to the ASSOCIATION not more often than monthly. If expenses are invoiced, the CONTRACTOR must provide a detailed breakdown of authorized expenses identifying this project, according to the instructions set forth in Exhibit C, "Invoicing Instructions."

The ASSOCIATION may, in its sole discretion, terminate the Contract or withhold payments claimed by the CONTRACTOR for services rendered or expenses claimed if the CONTRACTOR fails to satisfactorily comply with any term or condition of the contract.

The ASSOCIATION shall make no payments in advance or in anticipation of services or supplies to be provided under this contract.

3. **Duration of Work.** The period of performance under this contract will be from **July 1, 2024 through June 30, 2025** The contract may be extended by the mutual agreement of the parties.

4. **Relationship of Parties.** The parties intend that an independent contractor-client relationship will be created by this Contract. As CONTRACTOR is customarily engaged in an independently established profession which encompasses the specific service provided to the ASSOCIATION hereunder, no agent, employee, representative or subcontractor of CONTRACTOR shall be or shall be deemed to be the employee, agent, representative or subcontractor of the ASSOCIATION. None of the benefits provided by the ASSOCIATION to its employees, including, but not limited to, compensation, insurance and unemployment insurance, are available from the ASSOCIATION to the CONTRACTOR or their employees, agents, representatives or subcontractors. CONTRACTOR will be solely and entirely responsible for their acts, conduct and control of the work and for the acts, conduct and control of the work of CONTRACTOR's agents, employees, representatives and subcontractors during the performance of this Contract. The ASSOCIATION may, during the term of this Contract, engage other independent contractors to perform the same or similar work that CONTRACTOR performs hereunder.

**CONTRACT for SERVICES**

**between**

**WASHINGTON STATE ASSOCIATION OF COUNTIES and Public Utility District No. 1 of Whatcom County**

- 5. **Assignment.** Any assignment of this Contract by CONTRACTOR without the written consent of the ASSOCIATION shall be void.
- 6. **Non-Waiver of Breach.** The failure of the ASSOCIATION to insist upon strict performance of any of the covenants and agreements contained herein, or to exercise any option herein conferred in one or more instances shall not be construed to be a waiver or relinquishment of said covenants, agreements or options, and the same shall be and remain in full force and effect.
- 7. **All Writings Contained Herein.** This Contract, Exhibit A, Exhibit B, and Exhibit C contain all the terms and conditions agreed upon by the parties. No other understandings, oral or otherwise, regarding the subject matter of this Contract shall be deemed to exist or to bind any of the parties hereto.

IN WITNESS WHEREOF, the parties execute this Contract.

**Washington State  
Association of Counties (WSAC)**

Public Utility District No. 1 of Whatcom County

By \_\_\_\_\_  
Derek Young  
  
\_\_\_\_\_  
Interim Executive Director  
*Title*

By \_\_\_\_\_  
<Name>  
  
\_\_\_\_\_  
Contractor  
*Title*

Date \_\_\_\_\_

Date \_\_\_\_\_

**ASSOCIATION CONTACT:**

**CONTRACTOR CONTACT:**

**Derek Young**  
206 Tenth Av SE, Olympia, WA 98501-1333  
Phone: (360) 753-1886 / Fax: (360) 753-2842  
Email: [dyoung@wsac.org](mailto:dyoung@wsac.org)

**Andrew Entrikin**  
1705 Trigg Rd, Ferndale, WA 98248  
Phone: (360) 305-7652  
Email: [andrewentrikin@pudwhatcom.org](mailto:andrewentrikin@pudwhatcom.org)  
UBI:

**A. Assurances**

The ASSOCIATION and CONTRACTOR agree that all activity pursuant to this Contract shall be in accordance with all applicable federal, state and local laws, rules and regulations.

**B. CONTRACTOR Performance.**

Even though CONTRACTOR works as an independent contractor in the performance of their duties under this Agreement, the work must meet the approval of the ASSOCIATION and be subject to the ASSOCIATION's intervention and recommendation to secure the satisfactory completion thereof. In the performance of work under this Agreement, CONTRACTOR shall comply with all federal, state and municipal laws, ordinances, rules and regulations that are applicable to CONTRACTOR's business, equipment, and personnel engaged in operations covered by this Agreement or accruing out of the performance of such operations. In the event of the CONTRACTOR's noncompliance or refusal to comply with any law or policy, the ASSOCIATION may rescind, cancel, or terminate the Agreement in whole or in part. The CONTRACTOR is responsible for any and all costs or liability arising from the CONTRACTOR's failure to so comply with applicable law.

**C. Audit and Monitoring**

The CONTRACTOR shall cooperate with and freely participate in any auditing, monitoring or evaluation activities conducted by the ASSOCIATION that are pertinent to the intent of this contract.

The ASSOCIATION or the State Auditor or Agency or any of their representatives shall have full access to and the right to examine during normal business hours and as often as the ASSOCIATION or the State Auditor may deem necessary, all of the CONTRACTOR's records with respect to all matters covered in this contract. Such representatives shall be permitted to audit, examine, and make excerpts or transcripts from such records and to make audits of all contracts, invoices, materials, payrolls, and records of matters covered by this contract. Such rights last for six (6) years from the date final payment is made hereunder.

**D. Recapture Provisions**

In the event that the CONTRACTOR fails to expend funds under this Agreement in accordance with state laws and/or the provisions of this contract, the ASSOCIATION reserves the right to recapture state funds in an amount equivalent to the extent of the noncompliance.

Such right of recapture shall exist for a period not to exceed six years following contract termination or audit resolution, whichever is later. Repayment by the CONTRACTOR of funds under this recapture provision shall occur within 30 days of demand. In the event that the ASSOCIATION is required to institute legal proceedings to enforce the recapture provision, the ASSOCIATION shall be entitled to its costs thereof, including reasonable attorney's fees.

**E. Disputes**

Should any dispute, misunderstanding or conflict arise as to the terms and conditions contained in this Contract, the matter may be referred by either party to a mutually acceptable mediator.

Both parties agree that this disputes process shall precede any action in a judicial or quasi-judicial tribunal. Cost of mediation shall be shared equally by the parties of the dispute. In the event of any litigation arising out of this Agreement, the prevailing party shall be reimbursed for its reasonable attorney fees from the other party.

**F. Indemnification**

The CONTRACTOR agrees to hold harmless, indemnify and defend the ASSOCIATION, its officers, officials, agents, employees and representatives from and against any and all claims, costs, judgments, losses, liability or suits including attorney's fees or awards for damage to property and/or for injuries, sickness or death of persons, including claims by CONTRACTOR's own employees to which CONTRACTOR might otherwise be immune under Title 51 RCW, arising out of or in connection with any willful misconduct of the CONTRACTORS, their officers, agents, subcontractors or employees, in connection with the services required by this Contract, provided, however that the CONTRACTOR's obligations to indemnify, defend and hold harmless shall not extend to injuries, sickness, death or damage caused by or

## **EXHIBIT A: General Terms and Conditions**

resulting from the sole willful misconduct or negligence of the ASSOCIATION, its officers, agents or employees.

It is specifically and expressly understood that the indemnification provided herein constitutes CONTRACTOR's waiver of immunity under Title 51 RCW, solely for purposes of this indemnification. This waiver has been mutually negotiated by the parties.

The ASSOCIATION's inspection or acceptance of any of the CONTRACTOR's work, when completed, shall not be grounds to avoid any of these covenants of indemnification.

This clause shall survive the termination or expiration of the Contract and shall continue to be in effect for any claims or causes of action arising hereunder.

### **G. Ownership of Products and Premises Security**

All supporting documentation, raw data and collection tools collected or developed by the CONTRACTOR in the performance of services under this Contract, shall be released to the ASSOCIATION upon completion of the project.

While working on the ASSOCIATION's premises, the CONTRACTOR agrees to observe and support the ASSOCIATION's rules and policies relating to maintaining physical security of the ASSOCIATION's premises.

### **H. Modifications**

The ASSOCIATION and the CONTRACTOR may, from time to time, request changes in services to be performed with the funds. Any such changes that are mutually agreed upon by the ASSOCIATION and the CONTRACTOR shall be incorporated herein by written amendment to this contract. It is mutually agreed and understood that no alteration or variation of the terms of this Contract shall be valid unless made in writing and signed by the parties hereto, and that any oral understanding or agreements not incorporated herein, unless made in writing and signed by the parties hereto, shall not be binding.

### **I. Subcontracting**

The CONTRACTOR shall not enter into subcontracts for any of the work contemplated under this Contract without obtaining prior written approval of the ASSOCIATION. In no event shall the existence of a subcontract operate to release or reduce the liability of the CONTRACTOR to the ASSOCIATION for any breach in the performance of the CONTRACTOR's duties. This clause does not include contracts of employment between the CONTRACTOR and personnel assigned to work under this Contract.

### **J. Termination.**

- A. **Termination Upon the ASSOCIATION'S Option.** The ASSOCIATION shall have the option to terminate this Agreement at any time. Termination shall be effective upon thirty (30) days written notice to the CONTRACTOR.

In the event funding from state, federal, or other sources is withdrawn, reduced, or limited in any way after the effective date of this Agreement and prior to normal completion, the ASSOCIATION may terminate the Agreement, without the 30 day notice requirement, subject to renegotiation on the ASSOCIATION'S discretion under those new funding limitations or conditions.

- B. **Termination Upon Request of Contractor.** The CONTRACTOR shall have the option to terminate this Agreement upon thirty (30) days written notice to the ASSOCIATION. CONTRACTOR is responsible for completion of services up to the termination date.
- C. **Termination Upon Mutual Agreement.** This contract may be terminated at any time if mutually agreed upon by both parties and authorized by signature.
- D. **Rights Upon Termination.** In the event of termination, the ASSOCIATION shall only be responsible to pay for all services satisfactorily performed by CONTRACTOR to the effective date of termination, as described in the final invoice to the ASSOCIATION.



**Work Performed at Contractor's Risk**

CONTRACTOR shall be responsible for the safety of its employees, agents and subcontractors in the performance of the work hereunder and shall take all protections reasonably necessary for that purpose. All work shall be done at CONTRACTOR's own risk, and CONTRACTOR shall be responsible for any loss of or damage to materials, tools, or other articles used or held for use in connection with the work.

**K. Ownership of Products and Premises Security**

All supporting documentation, raw data and collection tools collected or developed by the CONTRACTOR in the performance of services under this Agreement, shall be released to the ASSOCIATION upon completion of the project.

While working on the ASSOCIATION's premises, the CONTRACTOR agrees to observe and support the ASSOCIATION's rules and policies relating to maintaining physical security of the ASSOCIATION's premises.

**L. Severability**

If any provision of this Agreement or any provision of any document incorporated by reference shall be held invalid, such invalidity shall not affect the other provisions of the Contract which can be given effect without the invalid provision, if such remainder conforms to the requirements of applicable law and the fundamental purpose of this Contract, and to this end the provisions of this Contract are declared to be severable.

**M. Insurance**

The CONTRACTOR shall provide insurance coverage as set out in this Contract. The intent of the required insurance is to protect the ASSOCIATION should there be any claims, suits, actions, costs, damages or expenses arising from any negligent or intentional act or omission of the CONTRACTOR or subcontractor, or agents of either, while performing under the terms of this Contract.

The CONTRACTOR shall provide insurance coverage which shall be maintained in full force and effect during the term of this Contract, as follows:

1. Automobile Liability. In the event that services delivered pursuant to this Agreement involve the use of vehicles, either owned or unowned by the CONTRACTOR, automobile liability insurance shall be required. The minimum limit for automobile liability is \$1,000,000 per occurrence, using a Combined Single Limit for bodily injury and property damage.
2. The insurance required shall be issued by an insurance company authorized to do business within the State of Washington. All policies shall be primary to any other valid and collectable insurance. CONTRACTOR shall instruct the insurers to give the ASSOCIATION 15 days advance notice of any insurance cancellation.

CONTRACTOR shall submit to the ASSOCIATION within 15 days of the Agreement effective date, a certificate of insurance which outlines the coverage and limits defined in the insurance section. CONTRACTOR shall submit renewal certificates as appropriate during the term of the Agreement.

**N. Compliance with Applicable Law**

The CONTRACTOR and all subcontractors shall comply with, and the ASSOCIATION is not responsible for determining compliance with, any and all applicable federal, state, and local laws, regulations, and/or policies. This obligation includes, but is not limited to, nondiscrimination laws and/or policies; the Americans with Disabilities Act (ADA); Title VI of the Civil Rights Act of 1964; Age Discrimination Act of 1975; and the Civil rights Restoration Act of 1987.

In the event of the CONTRACTOR'S or subcontractor's noncompliance or refusal to comply with any law or policy, the ASSOCIATION may rescind, cancel, or terminate the Contract in whole or in part. The CONTRACTOR is responsible for any and all costs or liability arising from the CONTRACTOR'S failure to so comply with applicable law.

**O. Lobbying activity is prohibited under this contract.**

**BUDGET AND SCOPE OF WORK**

**BEAD Technical Assistance**

July 1, 2024 – June 30, 2025

**SCOPE:**

Our goal for this grant application is to secure funding specifically for assistance in the high level design (HLD) phase of the PUD and Port's broadband expansion project(s). The scope of this funding request is to cover portions of the technical design and planning assessments necessary to build a robust and future-proof broadband infrastructure. As we prepare for the BEAD application period, our design/engineering efforts will ensure that the projects are both technically sound and capable of meeting future demands of our community. See the Broadband Planning document attached for reference to current efforts.

- Network Design-develop detailed engineering designs
- Application preparation-prepare pro formas and BOMs
- Project Management and Coordination between partners

Approved activities within the framework of the grant through the Department of Commerce:

- Aiding public entities and community members in designing local broadband networks that maximize grant awards for the broadest connectivity of residents and anchor institutions.
- Creating alignment between community plans and grant applications.
- The evaluation of project applications, prior to public entities submitting them to WSBO.
- Preparing BEAD grant applications, including, but not limited to, engineering design, letter of credit applications, and compilation of project leadership resumes.
- Helping to establish and coordinate necessary broadband workforce development initiatives that align with the WSBO's goals.
- Assisting public entities in negotiating public-private partnerships.
- Providing technical network expertise and understanding of industry practices to public entities not familiar with the telecommunications sector.
- Providing a neutral voice when educating policymakers and community leaders, for the application.
- Providing coordination of community efforts to maximize the outcomes of other broadband grants in conjunction with BEAD applications.

Only expenses that match the approved scope of work within the allowable activities will be eligible for reimbursement, which shall not exceed \$37,500.

Project Reporting—Upon final invoice, the contractor will prepare a report detailing the accomplishments and goals met during the project. Information on remaining deliverables and financial needs of the project can be included. These reports will be shared with each county and with the Department of Commerce.

## **EXHIBIT C: Invoicing Instructions**

Following the instructions below will help to ensure timely payments of your invoices. Invoices may be sent quarterly or one invoice at the end of the project. Washington State Association of Counties (WSAC) reserves the right to reject any invoice that does not include the following information or meet the following criteria.

1. Organization's name and remittance address.
2. Contact name and phone number to direct questions regarding the invoice.
3. Organization's Federal Tax ID Number or Social Security Number (whichever is applicable).
4. Invoice number.
5. Period of performance.
6. Billable Reimbursement

Billable Reimbursement must be invoiced within the contracted amount. Provide supporting documentation, such as detailed subcontractor invoices, to substantiate the allowable activities as described in Exhibit B of the contract. Also, provide back-up documentation like engineering invoices, grant writer invoices, invoices for the line of credit, and labor cost reports in relation to the deliverables/tasks. Provide a progress report to align with the period of performance of the invoice.

7. Total amount of invoice.

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Payment terms are net 30 from date of invoice, unless otherwise agreed in writing.

Invoices should be sent via email to [finance@wsac.org](mailto:finance@wsac.org) or at the following address: Final invoice must be received no later than July 15<sup>th</sup>.

Washington State Association of Counties  
Attention: A/P Dept  
206 Tenth Avenue SE  
Olympia, WA 98501-1333

Questions regarding these instructions should be directed to Bridget Lockling at [blockling@wsac.org](mailto:blockling@wsac.org) or at (360) 489-3017.

As a private non-profit, Washington States Association of Counties is tax exempt. Please contact us if you require further information on our status.

## Action Memo

**To:** Commissioners Arnett, Deshmane, and Lagestee  
**From:** Stephanie Hooper, Accountant I  
**Date:** October 08, 2024  
**Re:** Approve Resolution No. 860 – Cancellation of Warrant

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**Requested Action:** APPROVE RESOLUTION NO. 860 AUTHORIZING CANCELLATION OF WARRANT NO. 01199667 FOR DEVIN B CRABTREE.

**Background:** Warrant No. 01199667 was issued on September 17, 2024 in the amount of \$439.46 to Devin B. Crabtree. The warrant was issued to cover a purchase made by Mr. Crabtree of an item for PUD use from Amazon.com. The Amazon.com invoice Mr. Crabtree submitted for the purchase gave no information as to whether a personal card was used or his PUD issued credit card was used for the purchase. Due to the lack of payment distinction on the Amazon.com invoice staff assumed the purchase was made on Mr. Crabtree's personal credit card and thus issued the warrant to reimburse Mr. Crabtree by mistake because he had in fact used his PUD card and no reimbursement was necessary. PUD staff upon realizing the error did not tender the warrant and have requested the commission's cancellation of said warrant. The District has notified the County that the Warrant has not been tendered and has asked the County to cancel and disregard the Warrant. A new Warrant will not be issued.

**Fiscal Impact:** No fiscal impact.

**Recommended Action:** Approve Resolution No. 860 Authorizing Cancellation Of Warrant No. 01199667 For Devin B. Crabtree.

**RESOLUTION NO. 860**

**RESOLUTION BY THE BOARD OF COMMISSIONERS  
OF PUBLIC UTILITY DISTRICT NO.1 OF WHATCOM COUNTY (DISTRICT)  
AUTHORIZING THE CANCELLATION  
OF WARRANT NO. 01199667**

**WHEREAS**, the warrant referenced in Exhibit A (the “Warrant”) was issued on the basis of reimbursement of an item purchased from Amazon (the “Invoice”) received for Devin Crabtree;

**WHEREAS**, following the Commission’s authorization of the issuance of the Warrant, the County’s Administrative Services Department (“County”) printed the original Warrant on September 17, 2024; however, this was a PUD credit card purchase not a personal credit card purchase. 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 September 17, 2024, was issued in error, the Warrant having not been tendered to Devin Crabtree, 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 8<sup>th</sup> day of October, 2024.

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

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Jaime Arnett, President/Commissioner

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Atul Deshmane, Vice President/Commissioner

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Todd Lagestee/Commissioner

**RESOLUTION NO. 860**

Exhibit A  
Cancellation of Warrant

<b>Warrant No.</b>	<b>Warrant Date</b>	<b>Vendor</b>	<b>Amount</b>
01199667	9/17/2024	Devin Crabtree	(\$439.46)