

MINUTES OF THE MEETING OF THE COMMISSION

July 22, 2014

The regular meeting of the Board of Commissioners of Public Utility District No. 1 of Whatcom County was called to order at 8:00 a.m. by Commissioner Jeff McClure. Said meeting was open to the public and notice thereof had been given as required by law. Those present included Commissioner Paul Kenner and Legal Counsel Jon Sitkin. Staff: Steve Jilk, General Manager; Ann Grimm, Administrative Assistant; Brian Walters, Director of Utility Operations; Annette Smith, Director of Finance; Duane Holden, Manager of Construction and Facilities; Rebecca Schlotterback, Manager – Contracts and Regulatory Compliance; Fred Disch, Water Systems Supervisor; Lew Gaskill, Accountant I; and, Alec Strand, Project Manager.

Public attending: Rick Maricle, Phillips66; Max and Carol Perry, citizens, Greg Brown, citizen, and Matthew Goggins, PUD Commissioner Candidate.

◆ Public Comment

Max Perry (Grandview business owner) said that he would prefer to continue to receive potable water from the PUD rather than hooking up to the City of Ferndale. He also said they have had good success with the storm water retention/fire pond water and suggested that cleaning it out and keeping it for fire suppression is the best use. He finds it hard to believe that the Department of Fish and Wildlife has designated it as a fish passage and fish habitat work in the pond is subject to the County's Critical Areas Ordinance. Carol Perry added that she attends several meetings and at one County Council committee meeting about a year ago, included a report given by a Department of Fish and Wildlife representative which declared some farm ditches as being under a critical area. A farmer in attendance voiced his opinion that the DFW was not being honest. Perry's thought is over-regulation of some areas where common sense should be used and citizens and elected representatives should stand up when it is needed and for what they believe in. She said the same holds true to the Nooksack River water issues. Commissioner McClure said he appreciated both of the Perry's comments. The storm water detention pond at Grandview is not under the PUD's control at this time and it is problematic at Grandview to operate as a utility.

◆ Approval of the Meeting Minutes and Claims

The Commissioners were presented with the Minutes of the regular meeting held July 8, 2014 and the following Claims of July 22, 2014:

VENDOR NAME	AMOUNT
ALL SEASON SPRAYING	262.57
BAY CITY SUPPLY	1,564.52
BONNEVILLE POWER ADMINISTRATION	634,002.00
CENTRAL WELDING SUPPLY	61.29
COMCAST	86.00
CORNERSTONE MANAGEMENT, INC.	11,238.72
DLT SOLUTIONS, LLC	4,306.31
FERNDALE ACE HARDWARE	32.59
HARDWARE SALES, INC.	35.22
HEWLETT PACKARD CO	1,987.47
INTERNAL REVENUE SERVICE	11,550.40
NESS CRANE SERVICE, INC	826.12
PAYROLL	150,985.56
PORTAL WAY FARM & GARDEN	34.73
PROBUILD - OSO LUMBER	32.47
PUD #1 OF WHATCOM COUNTY	14.64
PUGET SAFETY EQUIPMENT COMPANY	658.44
PUGET SOUND ENERGY, INC	613.60
RAGAN COMMUNICATIONS	52.63
RICOH USA FINANCIAL SVC	152.18
SMITH MECHANICAL	2,619.79
SSC - SANITARY SERVICE COMPANY	389.86
TRI-COUNTY DIESEL MARINE	19,979.55
UTILITIES UNDERGROUND LOCATION	29.82

WA FEDERAL VISA CARD MEMBER SERV	6,040.39
WA ST DEPT OF ECOLOGY	3,193.00
WA ST DEPT OF REVENUE	64,056.70
WESTERN CONFERENCE OF TEAMSTERS	5,344.50
WILLIAM SCOTTSMAN	1,017.43
XEROX CORPORATION	106.67
GRAND TOTAL	\$921,275.17

ACTION: Commissioner Kenner motioned to approve the Minutes of the regular meeting held July 8, 2014 and the Claims of July 22, 2014. Commissioner McClure second the motion. Motion passed unanimously.

◆ **Personnel Policy Granting Unpaid Holidays for Reasons of Faith or Conscience**

Background – Amendments to Senate Bill 5173 “State Employees – Unpaid Holidays” were passed on June 12, 2014. This bill requires political subdivisions (which includes the PUD) to allow two (2) unpaid holidays for religious or similar reasons.

Under RCW 1.15.60, the amendment to the bill reads:

“...The employee may select the days on which the employee desires to take the two unpaid holidays after consultation with the employer pursuant to guidelines to be promulgated by rule of the appropriate personnel authority, or in the case of local government by ordinance or resolution of the legislative authority. If an employee prefers to take the two unpaid holidays on specific days for a reason of faith or conscience, or an organized activity conducted under the auspices of a religious denomination, church, or religious organization, the employer must allow the employee to do so unless the employee's absence would impose an undue hardship on the employer or the employee is necessary to maintain public safety. Undue hardship shall have the meaning established in rule by the office of financial management under section 2 of this act.”

Legal Counsel Sitkin said the District does maintain an Employee Handbook and although the bill does not require notice to the employee, but because it is essentially a mandated benefit, the policy will be added to the District's personnel policies.

ACTION: Commissioner Murphy motioned to approve the “Policy Granting Unpaid Holidays for Reasons of Faith or Conscience” for all District Employees. Commissioner McClure second the motion. Motion passed unanimously.

◆ **Manager's Report**

Water Treatment Plant 2 Project

Holden updated the Commission on the Plant 2 Project (RW-1): The building inspector from the County was out yesterday and granted the temporary occupancy permit. He noted each building had a separate permit. The Corp of Engineers permits have all been satisfied as well. There are a couple of items left to be fixed – one flocculator motor may be replaced next week and there is an issue with the ATS gear and waiting on a fix from the manufacturer – also due to be completed next week.

Jilk noted there are four (4) outstanding Change Orders which the District did not approve. July 11, 2014 was the scheduled project completion date and the District began assessing liquidated damage claims because of non-completion. Staff met with Stellar's management team and after the problems have been corrected, they will regroup to discuss outstanding claims and damages at that time.

◆ **Adjourn**

There being no further business for the regular meeting, the Commission adjourned the regular meeting at 8:12 a.m.



 President/Commissioner



 Secretary/Commissioner



 Commissioner