

MINUTES OF THE MEETING OF THE COMMISSION

February 25, 2014

The regular meeting of the Board of Commissioners of Public Utility District No. 1 of Whatcom County was called to order at 8:03 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 Mike Murphy, 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; Alec Strand, Project Manager; Rebecca Schlotterback, Manager – Contracts and Regulatory Compliance, Lew Gaskill, Accountant I; Paul Siegmund, Manager – Automation and Technology Services; Mike Macomber, IT/SCADA Technician. Public attending: Greg and Karen Brown, citizens; Nate Hardy and Chris Hiatt, Murray, Smith and Associates; and Max Perry and Carole Perry, citizens.

◆ **Public Comment**

None made.

◆ **Approval of the Meeting Minutes and Claims**

The Commissioners were presented with the Minutes of the regular meeting held February 11, 2014 and the following Claims of February 25, 2014.

VENDOR NAME	AMOUNT
BIRCH EQUIPMENT COMPANY	4,195.82
BONNEVILLE POWER ADMINISTRATION	614,120.00
CENTRAL WELDING SUPPLY	61.29
COMCAST	151.77
EDGE ANALYTICAL LABORATORIES	19.00
HACH COMPANY	251.68
INTERNAL REVENUE SERVICE	11,359.93
KCDA PURCHASING COOPERATIVE	120.11
LITHTEX NW LLC	172.52
MACOMBER,MIKE	228.54
PAYROLL	148,495.84
PLATT ELECTRIC SUPPLY CO	576.58
PORTAL WAY FARM & GARDEN	54.33
POTELCO, INC	1,078.31
PUGET SOUND ENERGY, INC	1,269.15
RICOH USA FINANCIAL SVC	152.18
SAFETY WEST COAST SERVICES	30.00
STREMLER GRAVEL, INC	1,356.25
WA FEDERAL VISA CARD MEMBER SERVICES	6,482.96
WA ST DEPT OF REVENUE	63,682.34
WESTERN CONFERENCE OF TEAMSTERS	5,512.50
WESTERN ELECTRICITY COORD. COUNCIL	6,798.00
WILLIAM SCOTTSMAN	847.86
XEROX CORPORATION	96.97
GRAND TOTAL	\$ 867,113.93

ACTION: Commissioner Kenner motioned to approve the Minutes of the regular meeting held February 11, 2014 and the Claims of February 25, 2014. Commissioner Murphy second the motion. Motion passed unanimously.

◆ **Request for Funding - Nooksack Salmon Enhancement Association to Support Washington Conservation Corps Crew Work on Habitat Restoration Projects for 2014**

Background: On February 11, 2014, NSEA Project Manager Darrell Gray presented information on the projects where District funding was utilized to support the WCC crew. This is the third year that the PUD Commission has approved and provided funding to help support the WCC crew and their specific goals.

NSEA has submitted a letter of request for funding in the amount of \$15,000, which is \$3,000 less than past requests. The District's funding helps support fish passage projects, riparian planting projects for new areas and seasonal maintenance of existing projects. Commissioner Murphy was unable to attend the last meeting and reviewed the meeting minutes regarding the presentation. He asked if any of the District funding for NSEA is used for bridges. Commissioner McClure replied that the PUD funding is used in part to remove culverts or reduce fish passage barriers. Some of the bridges cost upwards in the amount of \$60,000 so it is unlikely that the small amount of PUD funding would pay for a single bridge project.

The \$15,000 funding for 2014 will be used to acquire restoration materials such as plants, vole and beaver protection, and large woody debris for salmon habitat restoration of lowland streams and the work will be performed again by the Washington Conservation Corps (WCC) Crew and managed by NSEA staff. Funding for this project has been allocated in the 2014 budget for this purpose.

ACTION: Commissioner Murphy motioned to approve funding in the amount of \$15,000 for Nooksack Salmon Enhancement Association to support Washington Conservation Corps Crew work on habitat restoration projects for 2014. Commissioner Kenner second the motion. Motion passed unanimously.

◆ **Approval of Bargaining Unit Agreement (2012 – 2017)**

Background – The District has employees represented by the Teamsters Union. The District and the Union currently have in place a four-year employment contract that would terminate on December 31, 2015. The Teamsters have asked to negotiate terms of the agreement to extend the termination date to December 31, 2017.

Jilk said he was pleased with discussions and an agreement has been reached and is contingent upon the Commission's approval. The terms of the agreement that would be modified are:

1. Termination date of December 31, 2015 changed to December 31, 2017;
2. Hourly wage adjustment of 2% for years 2016 and 2017.

No other adjustments to other benefits will be made for years 2016 and 2017.

Commissioner Murphy noted that he recently had a tour of both water plants and was impressed how much things have changed from the old facility to the new upgrades at Plant 2 – going from reading gages to today's technology where everything is computerized with many screens to be monitoring and was very impressed with the water operators' knowledge and know-how of the new equipment.

ACTION: Commissioner Murphy motioned to approve the new Collective Bargaining Unit Agreement between Public Utility District No. 1 of Whatcom County and Teamsters Local 231 for period of January 1, 2012 through December 31, 2017. Commissioner Kenner second the motion. Motion passed unanimously.

◆ **Approval of Murray, Smith and Associates Construction Services Contract – Amendment No. 5 to Task Order No. 19.**

The Commissioners have requested additional information regarding Amendment No. 5, and as such this agenda item has been tabled for future discussion at the next Commission meeting.

ACTION: No action taken.

◆ **Approval of Purchase of New Pickup Truck for Water Utility**

Walters requested this agenda item be deferred. The District was notified by Legacy Ford (Pasco, WA) who was awarded the state contract from Washington State's Department of Enterprise Services, that pricing information on some of the vehicle's options has not been updated on the State Contract. Purchase of the new truck will be postponed until the options pricing can be confirmed.

ACTION: No action taken.

◆ **Capital Projects Update**

Strand presented a photo update on District Capital Projects. Highlights included:

Water Plant 2 Improvements

- Welding on pipes for cathodic protection.
- Intake Pump Station (IPS) at river with walkway and railing all the way around building
- Inside IPS work now is mainly electrical. A temporary double door was installed on the north side of the building (reusing the door from the south side), then once equipment was in place, the door was removed, wall closed up and door was moved back to existing placement.
- Addition to control building with new flash mixer and chemical injection system with two treatment streams.
- New basin and tube settlers.
- New motors to run the chain flight sludge removal system.
- View of inside the High Head Pump Station flume with traveling screens to catch debris or ice chunks.
- Placement of the Variable Frequency Drive (VFD) prior to the roof installation.
- Four new pumps and motors, new electrical room – comparison with a photo of the old pump area.
- Maintenance building interior before and after – finish work and painting is now being done.
- East basin and new ponds.
- New SCADA system - monitored via computer screens instead of gages and antiquated methods.
- Finish paint on the pipes at the High Head Pump Station.
- 12-inch thick cement wall cut out where crew can now access the old clearwell area.

Enterprise Substation

-Project is about 90% complete – the remainder of the work is dependent upon the Intake Pump Station upgrades and redesign completion. That Intake work has to be completed before the Enterprise substation work can be completed.

Aldergrove Road Isolation Valve

-Photograph illustrating fitting on a pipe for the line-stop. The line-stop work involves a valve placed in a pipe when water is still flowing during the installation. The flow is stopped, pipe drained and isolation valve placement is installed. A vault was then added for ease of access. This project was complete within 24 hours as to not disrupt service and traffic in the area.

Plant 1 Security Fence

-Chain link fence and gate was installed around the parking area at Plant 1 and ties into the City of Ferndale’s treatment plant fence. This will provide more security at the Plant 1 area.

Upcoming Projects:

- Plant 2 – Intake Pump Replacement
- Electric Line Pole and Conductor Replacement Study
- Vegetation Management and Mowing of Water Transmission Pipeline
- Vegetation Management and Mowing of Electric Transmission Line
- “D” Station Upgrades

Jilk added that the Plant 2 Project will be completed at the end of May and an Open House and SCADA demonstration will be planned for sometime in June.

The Commission thanked Strand for the updates.

ACTION: Information only. No action requested by the Commission.

◆ **Manager’s Report**

No report.

◆ **Executive Session**

Sitkin requested an Executive Session to discuss pending water rights potential litigation. Sitkin stated no formal action will be expected to be asked of or taken by the Commission following the Executive Session. He estimated the time for the Executive Session will be approximately 30 minutes.

There being no further business for the regular meeting, the Commission recessed the regular meeting for five minutes and then adjourned at 9:00 a.m. to Executive Session.

◆ **Executive Session Adjourn**

There being no further business for the Executive Session, the Commission reconvened to the regular meeting at 9:47 a.m.

◆ **Adjourn**

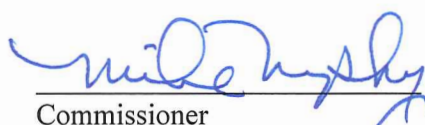
There being no further business for the regular meeting, the Commission adjourned the regular meeting at 9:48 a.m.



President/Commissioner



Secretary/Commissioner



Commissioner