

MINUTES OF THE MEETING OF THE COMMISSION

October 28, 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 via speaker telephone and Legal Counsel Jon Sitkin. Staff: Steve Jilk, General Manager; Ann Grimm, Administrative Assistant; Annette Smith, Director of Finance; Brian Walters, Director of Utility Operations; Rebecca Schlotterback, Manager of Contracts and Regulatory Compliance; Paul Siegmund, Manager of Automation and Technology Services; Mike Macomber, IT-SCADA Technician; Lew Gaskill, Accountant I; and Alec Strand, Project Manager;

Public attending: Carole and Max Perry, and Dave Brumbaugh, Citizens.

◆ **Public Comment**

None made.

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

The Commissioners were presented with the Minutes of the regular meeting held October 14, 2014 and the following Claims of October 28, 2014:

VENDOR NAME	AMOUNT
BANK OF NEW YORK	179,753.13
BONNEVILLE POWER ADMINISTRATION	733,888.00
BROOKS MANUFACTURING CO	2,880.55
CDW/COMPUTER DISCOUNT WAREHOUSE	338.21
COMCAST	85.96
DUNDAS, BRUCE K.	65.21
EDGE ANALYTICAL LABORATORIES	41.00
FASTENERS, INC	47.30
FEDERAL EXPRESS	4.85
FERNDALE ACE HARDWARE	32.57
HARDWARE SALES, INC.	139.07
INTERNAL REVENUE SERVICE	10,659.16
PAYROLL	150,352.29
PLATT ELECTRIC SUPPLY CO	642.90
PORTAL WAY FARM & GARDEN	22.82
PUGET SOUND ENERGY, INC	453.93
RICOH USA FINANCIAL SVC	152.18
SPECIALTY ENGINEERING, INC	482.53
UNICK, ROBERT F	74.76
UNIT PROCESS COMPANY	2,550.10
WA FEDERAL VISA CARD MEMBER SERVICES	6,857.10
WA ST DEPT OF REVENUE	68,323.98
WESTERN CONFERENCE OF TEAMSTERS	5,554.50
WHATCOM CO PLANNING-REMITTANCE	4,000.00
WONDERWARE PACWEST	1,676.27
GRAND TOTAL	\$ 1,169,078.37

ACTION: Commissioner Kenner motioned to approve the Minutes of the regular meeting held October 14, 2014 and the Claims of October 28, 2014. Commissioner McClure second the motion. Motion passed unanimously.

◆ **Draft 2015 Operating and Capital Budget Presentation**

Due to the absence of Commissioner Murphy and speaker-phone attendance by Commissioner Kenner, today's presentation of the Draft 2015 Budget will be postponed until the November 11th regular meeting. The District's customer meetings for Grandview and Cherry Point will be held as scheduled on November 5 and 6 respectively, and comment from these meetings will be presented on November 11 along with the overview of the Draft 2015 Budget. At this point, the Public Hearing for the budget will remain scheduled for November 25.

ACTION: Presentation postponed until November 11, 2014. No action taken.

◆ **Whatcom County Coordinated Water System Plan – PUD Representative**

Background – Whatcom County has initiated the update to the County Coordinated Water System Plan, a plan for public water systems within a critical water supply service area (CWSSA). This Plan was last updated in 2000. By state statute, membership on the WWUC will include a representative from each water purveyor with more than 50 connections that chooses to participate. Water purveyors with more than 50 connections will have voting authority. Water purveyors with 50 or less connections will be invited to participate but will not have voting authority.

The PUD currently has two potable water systems that place it in the status of 50 connections or less, Grandview/Northgate/I-5 and the Praxair well/system at Cherry Point. As such, the PUD is invited to participate as a non-voting member of the WWUC. If the District chooses to participate, a representative and alternate from the PUD to the WUCC will need to be appointed via the Board of Commissioners. This is a recommendation to appoint the PUD General Manager as Representative and Rebecca Schlotterback as Alternate. There is no fiscal impact to the District.

The first meeting of the WWUC is scheduled for November 5, 2014 at 6:00 PM. The process is expected to be completed in 2015. Commissioner McClure inquired if major changes are anticipated or simply an update. Jilk replied he hopes that major changes will be made because what is missing is the implementation phase of the plan. Since the last update, not much progress has been made.

The State Department of Health required an update every six (6) years and had provided funding in the past. Based upon considerable land use changes, water interests have increased in Whatcom County and significant planning changes are expected.

ACTION: Commissioner Kenner motioned to Appoint General Manager Stephan Jilk as PUD Representative and Rebecca Schlotterback as Alternate to the Whatcom County Water Utility Coordinating Committee (WUCC) for representing the PUD in the Whatcom County CWSP update. Commissioner McClure second the motion. Motion passed unanimously.

◆ **Approve Amendment No. 1 to Work Order No. 6 – Pacific Surveying and Engineering, Inc.**

Background: The District has executed an Agreement for Professional Land Surveying Services with PSE (Agreement). Further, the District executed Work No. 6 with PSE on June 8, 2011. Work Order No. 6 will be performed consistent with the Agreement.

Walters said that Work Order No. 6 covers surveying services that the District may require from time to time that aren't covered by other Work Orders already in effect or are related to major maintenance work not considered a CIP project. Currently, Work Order No. 6 has a cost not to exceed limit of \$20,000 for surveying services approved by the District. The remaining budget under the work order is not sufficient to cover services, including some near term work, through the end of the year. Therefore, staff requests that the Commission consider and approve increasing the authorized expenditures limit for services from the current limit to \$30,000, an increase of \$10,000. There is no fiscal impact to the District's overall 2014 budget if this amendment is approved.

Sitkin added that individual Scopes of Work may be approved by the General Manager, under the General Manager's Delegation of Authority unless the dollar amount exceeds \$25,000. McClure added that Pacific Surveying and Engineering is very well organized and he has been pleased by their work.

ACTION: Commissioner Kenner motioned to approve Amendment No.1 to Work Order No. 6 between the District and Pacific Surveying & Engineering Inc, (PSE) for On Call Services, increasing the maximum authorized expenditures limit by \$10,000 and authorize the District's General Manager to sign and execute the amended work order. Commissioner McClure second the motion. Motion passed unanimously.

◆ **Manager's Report**

State Department of Health Grants

After discussions with the State Drinking Water Manager at the recent WPUA meeting, the District is seeking the attention of the State DOH to receive fixed grant funding so the District can be a day-to-day resource for water associations which need assistance in Whatcom County. Jilk was invited to attend a meeting on the DOH offices in Kent on November 3 to speak about this topic. Whatcom PUD was one of three statewide PUDs chosen to attend.

State of the Bay

A save-the-date flyer was distributed for the "Bellingham Bay State of the Bay Research Symposium". The all-day event will be held Thursday, January 22, 2015 at the Bellingham Cruise Terminal and plans to include speakers, posters and videos covering a wide range of topics including the latest research results, new research needs and coordination/communication opportunities. The event is free but registration is limited to 150 people.

Cherry Point Aquatic Reserve Forum

Commissioner McClure attended the Cherry Point Aquatic Reserve Forum on Saturday, October 25th. The event was hosted by the Cherry Point Aquatic Reserve Citizen Stewardship Committee, RE-Sources, and North Sound Baykeeper. Information about the "health" of the Salish Sea from projected increases in vessel and rail transportation, and Cherry Point herring and their role in the ecosystem was presented. Speakers from the Puget Sound Partnership, State Departments of Ecology, Natural Resources, Fish and Wildlife were among presenters. McClure said many issues were discussed, including how vessel traffic is managed in Puget Sound, the ecosystem and monitoring thereof.

On November 19th, RE-Sources will host an information meeting about the draft Habitat Conservation Plan (HCP) for aquatic lands which is out for review. Specifics of the HCP will be presented and how the HCP will affect practices around our area, including the Cherry Point and Fidalgo Bay Aquatic Reserve and Bellingham Bay.

◆ **Adjourn**

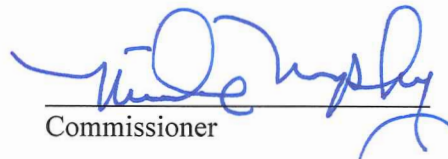
There being no further business for the regular meeting, the Commission adjourned the regular meeting at 8:15 a.m.



President/Commissioner



Secretary/Commissioner



Commissioner