

**MINUTES OF THE REGULAR
MEETING OF THE COMMISSION**

March 14, 2023

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 included: Commissioner Christine Grant, Commissioner Jaime Arnett; Commissioner Atul Deshmane; and Legal Counsel Jon Sitkin. Staff: Assistant General Manager Brian Walters; Ann Grimm, Executive Assistant; Andrew Entrikin, Broadband Program Manager; Steve Jilk, In-House Consultant; Annette Smith, Director of Finance; Rebecca Schlotterback, Manager of Contracts and Regulatory Compliance; Paul Siegmund, Manager of Automation and Technology; Mike Macomber, IT/SCADA Technician; Traci Irvine, Accountant I; Garrett Love-Smith, Project Manager; and Kurt Wank, Director of Utility Operations.

Public attending:

Rick Maricle	Darrell Gray, NSEA
Mike Kaufman	Lauren Turner, Phillips66
Jack Wellman, PSE	Dave Olson

2. Approval of Agenda

No changes made.

ACTION: Commissioner Grant made the motion to APPROVE THE AGENDA OF MARCH 14, 2023. Commissioner Arnett second the motion. Motion passed unanimously.

3. Approval of Consent Agenda

- a) Approval of Meeting Minutes of the Special Meeting, February 23, 2023;
- b) Approval of Meeting Minutes of the Regular Meeting, February 28, 2023;
- c) Approval of the Claims of March 14, 2023:

VENDOR NAME	AMOUNT
ARISTA CORP	1,312.00
AT&T MOBILITY	897.59
BELLINGHAM HERALD	710.97
BIRCH EQUIPMENT COMPANY	4,991.05
BRIDGEVIEW AUTO PARTS	65.64
CDW/COMPUTER DISCOUNT WAREHOUSE	1,361.90
CENTRAL WELDING SUPPLY	144.73
CRABTREE, DEVIN	251.24
CULLIGAN NORTHWEST	154.91
EXACT SCIENTIFIC SERVICES INC.	27.00
FERNDALE ACE HARDWARE	65.88
FERNDALE CITY OF	514.47
GATEWAY CONTROLS	1,580.13
GDS ASSOCIATES (EES CONSULTING)	16,895.00
GLEASON, GUY G	28.67
HACKER, RONALD G	321.84
HARDWARE SALES, INC	239.34
HEALTH PROMOTIONS NORTHWEST	150.00
HEIMGARTNER, CHRIS	149.91
INDUSTRIAL SUPPLY, INC	576.91
K ENGINEERS, INC.	95.00
KCDA PURCHASING COOPERATIVE	117.14
LAPLAUNT, DAVID	49.81
MILLS ELECTRIC	82,481.00
NATIONAL SAFETY, INC.	267.64
NORTHWEST CASCADE, INC.	118.50
NORTHWEST FIBER DBA ZIPLY FIBER	1,441.90
NP INFORMATION SYSTEMS (3-D CORP)	252.42
NW INTERGOV'L ENERGY SUPPLY COOPERATIVE	15,257.00
NW REQUIREMENTS UTILITIES, INC.	1,305.00
PARAMOUNT SUPPLY COMPANY	17.95
PITNEY BOWES GLOBAL FINANCIAL SERVICES	151.04
PLATT ELECTRIC SUPPLY CO	9,868.98
PUD #1 OF WHATCOM COUNTY	44.44
PUGET SOUND ENERGY, INC	8,484.52

REGENCE BLUE SHIELD	45,798.72
REISNER DISTRIBUTION, INC	1,225.41
RICOH USA	238.83
S&P GLOBAL PLATTS	3,209.13
SMITH MECHANICAL	1,633.60
SOUND PUBLISHING	217.56
SSC - SANITARY SERVICE COMPANY	631.41
SULLIVAN PLUMBING	842.11
TEAMSTER LOCAL #231	616.00
UNITED WAY OF WHATCOM COUNTY	742.00
UTILITIES UNDERGROUND LOCATION	20.64
WASHINGTON DENTAL SERVICE	2,860.45
WASHINGTON TEAMSTERS WELFARE	26,546.80
WHATCOM FARMERS CO-OP	151.45
WHATCOM JANITORIAL	1,430.00
GRAND TOTAL	\$236,555.63

ACTION: Commissioner Arnett made the motion to APPROVE THE CONSENT AGENDA OF MARCH 14, 2023. Commissioner Grant second the motion. Motion passed unanimously.

4. Public Comment - No comment.

5. Old Business

a) Broadband Program Update

Entrikin said he expects to hear award announcements from the Washington State Broadband Office by the end of March regarding the three grant applications/funding opportunities submitted by the PUD.

Port/PUD Broadband Steering Committee – will be adding a staff member from Whatcom County. The Interlocal Agreement is in the process of being amended for this purpose.

Commissioner Deshmane commented on providing retail options for broadband.

b) Adjudication Update

House Bill 1792 is now on the agenda for the House Committee on Agriculture and Natural Resources. WPUA’s Bill Clarke will testify. Regarding the Budget Proviso – this past week, the State Department of Ecology (DOE) has provided edits, as well as the tribes. Sitkin continues to monitor.

6. New Business

a) Nooksack Salmon Enhancement Association Presentation

The District has been supporting fish habitat restoration projects with Nooksack Salmon Enhancement Association (NSEA) since 2010. This funding request for 2023 is \$20,000. Darrell Gray, NSEA Project Manager, provided an overview of 2022 activities and update for projects planned for 2023.

There is no fiscal impact to the District as funding has been allocated in the 2023 budget for this purpose.

ACTION: Commissioner Grant motioned to APPROVE FUNDING IN THE AMOUNT OF \$20,000 FOR NOOKSACK SALMON ENHANCEMENT ASSOCIATION TO SUPPORT WASHINGTON CONSERVATION CREW WORK ON HABITAT RESTORATION PROJECTS FOR 2023. Commissioner Arnett second the motion. Motion passed unanimously.

b) Award of Bid: Water Treatment Plant 1 – Pump #5 Variable Frequency Drive (VFD)

The District 2023 Capital Improvement Project list includes the installation of a new variable frequency drive (VFD) on the Plant 1 High Head 5 (RW-35). The installation of a VFD will assist water operations in the management of water flow to District customers, as well as increase the electrical efficiency of the plant. On March 3, 2023 the District received and publicly read aloud one (1) bid submitted for this project.

<u>Low Bidder:</u>	<u>Bid Amount</u>
Mills Electric Co.	\$513,146.50 (tax not inc.)

Engineer’s Estimate \$722,469.82 (tax not inc.)

Staff recommends awarding the contract for the Plant 1 High Head 5 VFD to Mills Electric Co. Due to the total contract amount being less than the Engineer's Estimate of \$722,469.82 and the PUD's internal capital budget amount of \$650,000.00, there is no foreseen fiscal impact. This project is budgeted in the 2023 Capital Improvements Budget.

ACTION: Commissioner Grant made the motion to AWARD THE PLANT 1 HIGH HEAD 5 VFD CONTRACT TO MILLS ELECTRIC CO. AND AUTHORIZE THE GENERAL MANAGER TO EXECUTE THE AGREEMENT. Commissioner Arnett second the motion. Motion passed unanimously.

c) Call for Special Meeting

The District will hold a Special Commission Meeting to present a brief overview of the PUD's Electric System Expansion Feasibility Study and receive public comment. The meeting will be held on Thursday, April 13, 2023, at the Pioneer Park Pavilion, located at 2007 Cherry Street in Ferndale, from 4 PM to 6 PM. The agenda is forthcoming.

ACTION: Commissioner Grant made the motion to CALL FOR A SPECIAL MEETING ON APRIL 13, 2023, LOCATED AT PIONEER PARK PAVILION, 2007 CHERRY STREET, FERNDALE, FROM 4 PM TO 6 PM. Commissioner Arnett second the motion. Motion passed unanimously.

7. General Manager Report

- Walters is covering for Heimgartner. No report.
- Grant asked the following be passed along to Heimgartner – She is seeking status on the Interlocal Agreement with County for GIS assistance, and when the Request for Proposals regarding District's renewable energy project will be ready.

8. Operations Report

- Walters reported Washington State announced results of its first greenhouse-gas allowance auction raised an estimated \$300 million. The Department of Ecology announced Tuesday it had sold all of its almost 6.2 million allowances, each representing one metric ton of greenhouse-gas emissions. The settlement price was \$48.50 per ton, more than double the starting price of \$22.20.

CLERK NOTE – Video Recordings: Following the Operations Report at 9:01 a.m. the Zoom platform and internet shut down unexpectedly. The Commission recessed until staff could reboot and continue on with the Zoom platform. As a result of the technical problems, there will be three video recordings: The second video begins *after* Arnett's Commissioner Report. An additional technical interruption created a third video, which begins with Grant's Commissioner Report.

9. Commissioner Reports

Arnett:

- Will attend WPUA Committee Meetings and Commissioner Orientation Sessions.
- Completed her part on the Communications Plan for the Electric Expansion Feasibility Study release.
- Inquired about the Social Media Plan.

Jilk provided a brief update on the Watershed Management Board and Regional Water Supply Plan – on March 22, an update will be presented prior to the Planning Unit meeting. Deshmane commented that Water Use Efficiency should be included in the Five-Year Work Plan.

Grant:

- Completed her part on the Communications Plan for the Electric Expansion Feasibility Study release.
- Met with staff from the Port, PUD, Mt. Baker Ski Area and Representative Alex Ramel on the possibility of providing electric service to the area.
- Will be attending WPUA committee meetings this week.

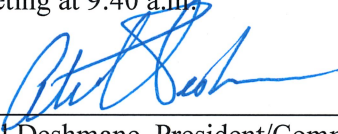
Deshmane:

- Completed his part on the Communications Plan for the Electric Expansion Feasibility Study release.
- Commented the effects of diesel (and snow) and possibly helping other ski areas that depend on diesel generators.
- He is interested in energy supply options and would like to begin attending monthly meetings with Public Power Council (Portland, OR) with Commission approval in advance.

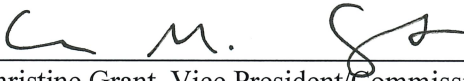
10. Public Comment – None made.

11. Adjourn

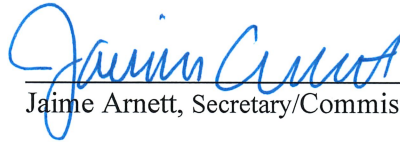
There being no further business for the regular meeting, Commissioner Deshmane adjourned the regular meeting at 9:40 a.m.



Atul Deshmane, President/Commissioner



Christine Grant, Vice President/Commissioner



Jaime Arnett, 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/2023-agendas-packets-meeting-minutes-recordings/>