

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

**June 13, 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 Jaime Arnett; Commissioner Atul Deshmane; and Legal Counsel Peter Ruffatto. Commissioner Grant's absence was excused. Staff: Chris Heimgartner, General Manager; Assistant General Manager Brian Walters; Andrew Entrikin, Broadband Program Manager; Steve Jilk, In-House Consultant; Rebecca Schlotterback, Manager of Contracts and Regulatory Compliance; Annette Smith, Director of Finance; Aaron Peterson, IT/SCADA Technician; Mike Macomber, IT/SCADA Technician; Traci Irvine, Accountant I; Garrett Love-Smith, Project Manager; Paul Siegmund, Manager of Automation and Technology; and Kurt Wank, Director of Utility Operations.

Public attending:

Rick Maricle, Citizen     Dave Olson, Citizen  
Jack Wellman, PSE     Lauren Turner, P66

**2. Approval of Agenda**

No changes.

**ACTION:** Commissioner Arnett made the motion to APPROVE THE AGENDA OF JUNE 13, 2023. Commissioner Deshmane second the motion. Motion passed unanimously.

**3. Approval of Consent Agenda**

- a) Approval of Meeting Minutes of the Regular Meeting, May 23, 2023;
- b) Approval of the Claims of June 13, 2023:

<b>VENDOR NAME</b>	<b>AMOUNT</b>
ALUMICHEM CANADA INC (formerly WATERHOUSE ENV.)	31,098.00
APPLIED DIGITAL IMAGING	26.11
APSCO, LLC	33,486.19
INDUSTRIAL SUPPLY, INC	224.93
BRIDGEVIEW AUTO PARTS	58.64
CDW/COMPUTER DISCOUNT WAREHOUSE	7,180.80
CENTRAL WELDING SUPPLY	192.98
CESCO NEW CONCEPT CHEMICAL PRODUCTS	154.95
CONSOR NORTH AMERICA, INC.	148,286.32
CORNERSTONE MANAGEMENT, INC.	1,507.05
CRABTREE, DEVIN	207.45
DLT SOLUTIONS, LLC	1,392.14
EAGLE-EYE AERIAL SOLUTIONS, LLC	92,800.00
EDGE ANALYTICAL LABORATORIES	1,431.00
EVERGREEN LAND TRUST ASSOCIATION	3,079.00
EXACT SCIENTIFIC SERVICES INC.	27.00
FCS GROUP	2,216.25
FERGUSON ENTERPRISES, INC	122.47
FERNDALE ACE HARDWARE	68.02
FLOWSERVE FSD CORPORATION	2,652.01
GDS ASSOCIATES (EES CONSULTING)	3,594.71
GRAY MATTER SYSTEMS, LLC	3,760.00
GRIMM, ANN	246.94
HARDWARE SALES, INC	109.41
HD FOWLER CO, INC	18.89
HEALTH PROMOTIONS NORTHWEST	150.00
HEIMGARTNER, CHRIS	400.15
HOLLAND & HART LLP	14,302.50
KAMAN FLUID POWER LLC	303.65
KCDA PURCHASING COOPERATIVE	140.14
LAPLAUNT, DAVID	27.57
LOOMIS, CHRIS	30.06
MALLORY SAFETY & SUPPLY LLC	528.78
MANAGEMENT SERVICES NW	689.62
NATIONAL SAFETY, INC.	66.70
NESS CRANE SERVICE, INC	3,402.18
NORTHWEST CASCADE, INC.	118.50
NORTHWEST FIBER DBA ZIPLY FIBER	1,434.03
NP INFORMATION SYSTEMS (3-D CORP)	269.82
NW WASHINGTON FAIR ASSOCIATION	25,000.00
P&P EXCAVATING, LLC	27,961.27

PACIFIC UNDERWRITERS CORP INC	223.00
PITNEY BOWES GLOBAL FINANCIAL SERVICES LLC	151.04
PLATT ELECTRIC SUPPLY CO	849.17
PUD #1 OF WHATCOM COUNTY	656.19
PUGET SOUND ENERGY, INC	6,371.72
REGENCE BLUE SHIELD	45,798.72
REISNER DISTRIBUTION, INC	1,999.02
RICOH USA	228.59
SHRED-IT USA	54.79
SMITH, ANNETTE	131.00
SSC - SANITARY SERVICE COMPANY	615.43
STEEL RIVER PIPING & FABRICATION	17,576.08
SUPERLOGICS, INC.	5,478.87
TEAMSTER LOCAL #231	616.00
UNITED WAY OF WHATCOM COUNTY	742.00
UTILITIES UNDERGROUND LOCATION	21.93
VALVOLINE	92.47
WA PUBLIC UTILITY DISTRICTS ASSOCIATION	75.00
WASHINGTON DENTAL SERVICE	2,860.50
WASHINGTON TEAMSTERS WELFARE	13,273.40
WESTERN REFINERY SERVICES	9,991.20
WHATCOM FARMERS CO-OP	224.66
WHATCOM JANITORIAL	1,430.00
WILSON ENGINEERING, LLC	744.00
WINDWOOD ENTERPRISES INC.	3,138.54
<b>GRAND TOTAL</b>	<b>\$522,109.55</b>

**ACTION:** Commissioner Arnett made the motion to APPROVE THE CONSENT AGENDA OF JUNE 13, 2023. Commissioner Deshmane second the motion. Motion passed unanimously.

**4. Public Comment** – No comments.

**5. Old Business**

**a) Broadband Program Update**

- Staff met with the State Broadband Office to discuss two of the three projects that did not receive funding (Glacier and Raven Crest communities).
- Future broadband funding is coming with state and federal dollars. The funding will cover “distressed” counties first; however, Whatcom County is not considered distressed. Entrikin estimates more funds available in 2027; with potential smaller pools of funds available sooner.
- The Port of Bellingham is working on scaling back their \$12 million project that was not awarded grant funding through the State Broadband Office. They are now looking to Whatcom County for assistance, who has \$4 million available for broadband funding.

**b) Adjudication Update** - No update.

**6. New Business**

**a) Approve Transfer of BPA Energy Efficiency Incentives Budget (EEI) to Public Utility District No. 1 of Jefferson County**

The District’s existing Interlocal Agreement with Jefferson PUD was approved by Commission on May 25, 2021 and enabled the transfer of \$100,000 of the BPA EEI Budget. This is a request for the Commission to approve a third transfer of EEI Budget under the current Interlocal Agreement with Jefferson PUD. This transfer is identified under Exhibit A, Amendment No. 2 to the Agreement. There is no fiscal impact to the District.

**ACTION:** Commissioner Arnett made the motion to APPROVE THE TRANSFER OF \$100,000 OF THE DISTRICT’S BPA EEI PROGRAM BUDGET TO PUBLIC UTILITY DISTRICT NO. 1 OF JEFFERSON COUNTY (JEFFERSON PUD) UNDER EXHIBIT A, AMENDMENT NO. 2 OF THE INTERLOCAL AGREEMENT; AND AUTHORIZE THE DISTRICT’S GENERAL MANAGER TO SIGN THE AMENDMENT IMPLEMENTING THE TRANSFER. Commissioner Deshmane second the motion. Motion passed unanimously.

**b) Approve Change Order No. 18 for Potelco Inc.’s Construction Contract for the Ferndale Pump Substation Project**

Change Order No.18 regards the Ferndale Pump Substation Project (CIP E-22) and the associated Construction Contract with the prime contractor Potelco, Inc. The proposed change order covers the additional labor hours, materials, and leased equipment needed to complete the project due to un-anticipated delays in project construction activities, design modifications, and additional materials acquisition at higher costs. Delay due to redesign of project Distribution Line was caused due to the contractor calling for a Safety Stop work as the proposed design was unfit and unsafe for working conditions.

**ACTION:** Commissioner Arnett made the motion to APPROVE CHANGE ORDER NO. 18 IN THE NOT TO EXCEED AMOUNT OF \$154,510.43, FOR POTELCO, INC'S CONSTRUCTION CONTRACT FOR THE FERNDALE PUMP SUBSTATION PROJECT AND AUTHORIZE THE DISTRICT'S GENERAL MANAGER TO EXECUTE THE CHANGE ORDER. Commissioner Deshmane second the motion. Motion passed unanimously.

**7. General Manager Report**

- Working on a formal succession plan;
- Working on a series of contracts with Energy Northwest, at the suggestion of Commissioner Grant, about Whatcom PUD's ability to develop a geothermal plant, along with grant funding of feasibility study to see if it is possible.
- The Port of Bellingham is looking at a district energy system at its facilities. Heimgartner has been asked to apply to the board overseeing the project. This would be on his personal time.

**8. Operations Report - No report.**

**9. Commissioner Reports**

Arnett:

- Met with Heimgartner;
- Attended the WRIA1 Watershed Management Board meeting regarding the five-year work plan.
- Attended the WPUA Board of Directors special meeting regarding the use their reserves to conduct a net-metering study; the study was approved.

Deshmane:

- Attended Public Power Council Meetings;
- Would like to have further internal discussion of BPA tier power pricing.
- Indicated that Northwest RiverPartners presented during the Public Power Council Meeting.
- Will prepare a report for the next commission meeting regarding the District's liability insurance carrier Public Utility Risk Management Services (PURMS).

**10. Public Comment – No comments.**

**11. Executive Session**

Commission President Deshmane requested an Executive Session pursuant to RCW 42.30.110(1)(g): To review the qualifications and/or performance of a public employee. Estimated time for Executive Session was sixty (60) minutes. The Commission President indicated no action is anticipated to be taken after the adjournment of Executive Session. After a short recess, the Commission adjourned to Executive Session at 9:17 a.m.


**Executive Session Adjourn**

There being no further business for Executive Session, the Commission rejoined the Regular Commission Meeting at 10:23 a.m.

**12. Adjourn**

There being no further business for the regular meeting, Deshmane adjourned the regular meeting at 10:23 a.m.

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Atul Deshmane, President/Commissioner

  
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Christine Grant, Vice President/Commissioner

  
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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/>