

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

**November 28, 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 8:16 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 Atul Deshmane, Commissioner Christine Grant, Commissioner Jaime Arnett and Legal Counsel Jon Sitkin. Staff: Chris Heimgartner, General Manager; Assistant General Manager Brian Walters; Andrew Entrikin, Broadband Program Manager; Ann Grimm, Executive Assistant; 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; Aaron Peterson, IT/SCADA Technician; Kurt Wank, Director of Utility Operations; Stephanie Hooper, Accountant I; and Garrett Love-Smith, Project Manager.

Public attending:

Rick Maricle, Citizen	Dave Olson, Citizen
Robin Dexter, Environmental Caucus	Nash El-Badawi, BP Cherry Point
Jack Wellman, Puget Sound Energy	

**2. Approval of Agenda**

The agenda was amended to remove Executive Session.

**ACTION:** Commissioner Grant made the motion to APPROVE THE AGENDA OF NOVEMBER 28, 2023, AS AMENDED. Commissioner Arnett second the motion. Motion passed unanimously.

**3. Approval of Consent Agenda**

- a) Approval of Meeting Minutes of the Regular Meeting of November 14, 2023; and
- b) Approval of the Claims of November 28, 2023:

<b>VENDOR NAME</b>	<b>AMOUNT</b>
BALANCING SERVICE COMPANY, INC	3,120.00
BONNEVILLE POWER ADMINISTRATION	923,635.00
CDW/COMPUTER DISCOUNT WAREHOUSE	3,808.00
CENTRAL WELDING SUPPLY	143.21
CESCO NEW CONCEPT CHEMICAL PRODUCTS	148.95
CHMELIK SITKIN & DAVIS	24,679.35
COMCAST	191.61
COMCAST - NWRC	299.86
CONSOR NORTH AMERICA, INC.	23,878.91
EASTERN OREGON COMMUNICATIONS, LLC	8,570.00
EDGE ANALYTICAL LABORATORIES	55.00
FASTENAL	24.96
FERNDALE ACE HARDWARE	41.23
INTERNAL REVENUE SERVICE	20,998.20
KCDA PURCHASING COOPERATIVE	39.46
MASSMUTUAL RETIREMENT SVCS LLC	12,940.00
NORTHWEST CASCADE, INC.	128.50
PAYLOCITY	206.40
PAYROLL	251,366.79
PLATT ELECTRIC SUPPLY CO	2,555.64
SMITH MECHANICAL	6,439.87
TUPPER MACK WELLS PLLC	23,254.50
US BANK	2,263,977.85
WA FEDERAL VISA CARD MEMBER SERVICES	2,552.56
WA ST DEPT OF REVENUE - EXCISE TAX	87,011.07
WASHINGTON ALARM, INC.	141.75
WESTERN CONFERENCE OF TEAMSTERS	4,700.50
WHATCOM FARMERS CO-OP	217.71
<b>GRAND TOTAL</b>	<b>\$3,665,126.88</b>

**ACTION:** Commissioner Grant made the motion to APPROVE THE CONSENT AGENDA OF NOVEMBER 28, 2023. Commissioner Arnett second the motion. Motion passed unanimously.

4. **Public Comment** – None made.

5. **General Manager’s Report**

- The District received notice that the State audit will begin shortly.
- Provided an update on a recent presentation regarding water storage by Whatcom County staff.
- Provided an update on the Public Power Council notice regarding pausing post-2028 contract discussions with Bonneville Power Administration, because of “commitments the U.S. Government has made” in a confidential draft settlement in the ongoing Columbia River Systems Operations litigation.

6. **Old Business**

a) **Broadband Program Update**

- Heimgartner and Entrikin provided updates from the Washington State Broadband Office’s (WSBO) *Volume 2 Report* of the State’s initial Proposal for federal Broadband Equity, Access, and Deployment (BEAD) funding. With Commission approval, Heimgartner will send a letter to the WSBO’s director to advocate for the long-term interests here in Whatcom County.
- Point Roberts Broadband Request for Qualifications – deadline for submittals was November 23, 2023. Entrikin reported six engineering firms responded. The next step is to evaluate the responses according to qualifications.
- Geothermal Grant – *Clean Energy Research Development and Demonstration* grants are available through the Department of Commerce. The deadline is December 5 to provide a narrative of the project proposal. Agencies will be notified if the proposal is feasible to move forward to the application stage.

b) **Adjudication Update**

- Sitkin has been working on a “Rules” outline;
- A court commissioner will need to be appointed to oversee the Nooksack adjudication process;
- He is presenting adjudication information to the Small Potato Farmers group this week.

c) **Board Retreat Discussion**

- Additional consultants were provided to the Commission for the retreat. Deshmane was designated to interview them and report back.

7. **New Business**

a) **Second Draft 2024 Budget Presentation**

Finance Director Smith presented a final update to the draft budget after input was received from PUD customers and the Commission. The budget will be presented for final approval at the December 12, 2023 Commission meeting.

**ACTION:** No action taken. Information only.

b) **Public Hearing for Draft 2024 Budget**

Commissioner Deshmane opened the public hearing at 10:11 a.m. Robin Dexter commented the reserves amount is too low and the District should consider using its taxing authority to increase funds. Rick Maricle commented that reserves should be specified by use; such as equipment purchases with long lead times. Heimgartner added that the American Public Power Association (APPA) recommends six months’ worth of reserve and the American Water Works Association (AWWA) recommends a three to four months of reserves for emergency, capital and O & M. Aaron Peterson commented on the Grandview rate increase. Commissioner Deshmane closed the public hearing at 10:27 a.m.

c) **Approve Resolution No. 838 – Declaring Surplus of Certain District Property**

District staff has identified equipment and/or materials that are of little or no use to the operations of the District as referenced in Exhibit A. RCW 54.16.180(2)(b) authorizes the disposition of properties, equipment and materials. The equipment listed is either obsolete, worn out, broken, or no longer works properly.

**ACTION:** Commissioner Grant made the motion to APPROVE RESOLUTION NO. 838 DECLARING CERTAIN DISTRICT PROPERTY SURPLUS THAT IS INADEQUATE, OBSOLETE OR NO LONGER FUNCTIONAL, AND HAS LITTLE OR NO VALUE TO THE OPERATIONS OF THE DISTRICT’S UTILITIES AND AUTHORIZE DISTRICT STAFF TO UTILIZE THE BEST METHOD(S) AUCTION, RECYCLE, DISPOSAL, ETC.) TO DISPOSE OF THE DISTRICT PROPERTY. Commissioner Arnett second the motion. Motion passed unanimously.

8. **Operations Report**

Walters provided a synopsis of the Department of Ecology’s Climate Commitment Act (CCA). Adopted in 2021, to combat climate change and prepare the state for the future low-carbon economy the CCA caps and reduces greenhouse gas (GHG) emissions from the state’s largest emitting sources and industries.

## 9. Commissioner Reports

Grant:

- Presented along with Heimgartner at the Bellingham Climate Impact Advisory Committee meeting two weeks ago;
- Will be presenting with Heimgartner at the Whatcom Democrats meeting on December 5;
- Will reach out to the Northwest Indian College regarding geothermal.

Arnett:

- Attended the WPUDA committee meetings two weeks ago via Zoom;
- Asked about Commissioner attendance at WPUDA's Day on the Hill – encouraging the opportunity to interact with our Legislators (more on this in January);
- Board Retreat Discussion – would like to have a focus on leadership skills;
- Suggested a mini-Strategic Planning session;
- Would like more education on the electric system.
- Will attend the WRIA Management Board meeting this week.

Deshmane:

- Plans to attend a meeting with Rob Fix (Port) and the Mayor and staff of the City Ferndale on December 14 to discuss water and economic development;
- Will forward his WPUDA notes to Heimgartner to distribute;
- Presentations are forthcoming on December 5 and 7 from WPUDA to key legislators;
- The NuScale Project (small modular nuclear reactor) was cancelled. Initial funding may be redirected to the Federal Government, possibly to Energy Northwest.

Sitkin addressed the Per Diem compensation policy, including determining what meetings are approved and those that are not, at times leaving staff to determine what is appropriate. The Per Diem Policy will be reviewed in early 2024.

## 10. Public Comment

Rick Maricle commented on the Lower Snake River Dams removal issue. Breaching the dams will have an adverse effect on the PUD, its customers and the people of Whatcom County. It is the Commission's duty to defend the interests of this PUD.

## 11. Adjourn

There being no further business for the regular meeting, Deshmane adjourned the regular meeting at 11:00 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/>