



LAKE WHATCOM WATER AND SEWER DISTRICT
1220 Lakeway Drive
Bellingham, WA 98229

REGULAR SESSION OF THE BOARD OF COMMISSIONERS

Minutes

January 31, 2024

Board President Todd Citron called the Regular Session to order at 8:00 a.m.

Attendees:

Commissioner Todd Citron (v)	General Manager Justin Clary
Commissioner John Carter (v)	Engineering Manager Greg Nicoll
Commissioner Bruce Ford	Finance Manager Jenny Signs
Commissioner Jeff Knakal (v)	Operations Manager Jason Dahlstrom
Commissioner David Holland (v)	Recording Secretary Rachael Hope

Also in attendance were:

- Ken Zangari, District Electrician & AFSCME Local 114 WD President
- Kevin Cook, District Water Treatment Plant Operator & AFSCME Local 114 WD Vice President
- Ross Ardrey, NW Management Consulting LLC

Attendees noted with a (v) attended the meeting virtually.

Change to Agenda

Clary recommended removing Item 6.C. Effective Utility Management Assessment from today's agenda. The Board agreed.

Consent Agenda

Action Taken

Knakal moved, Holland seconded, approval of:

- **Minutes for the 01.10.2024 Regular Board Meeting**
- **Minutes for the 01.10.2024 Special Board Meeting (Work Session)**
- **Payroll for Pay Period #2 (01.06.2024 through 01.19.2024) totaling \$51,591.59**
- **Benefits for Pay Period #1 totaling \$56,470.64**
- **4th Quarter 2023 Payroll Taxes totaling \$12,892.58**
- **Accounts Payable Vouchers totaling \$177,557.62**

Motion passed.

Compensation Philosophy Discussion

Clary explained that the total compensation package offered to District employees (e.g., salary, benefits, professional development opportunities) is a key component to promoting employee retention (which, in turn, is critical to maintaining institutional knowledge). In regular meetings over

the last few years, the Board has discussed the development of a formal compensation philosophy for the District. A compensation philosophy establishes agreed upon principles that guide how compensation is administered. While the District has not previously adopted a formal compensation philosophy, it has through board action adopted compensation policies that in aggregate may be considered to form a philosophy, including the salary matrix, benefits package, cost of living adjustments, and salary studies.

With the current collective bargaining agreement (CBA) between the District and AFSCME set to expire December 31, the 2023-24 Budget includes funding to conduct a total compensation study this spring as a means of facilitating negotiations of a successor CBA. The District has contracted with NW Management Consulting LLC to assist in the completion of the study. To facilitate and guide study development, a board discussion on the District's compensation philosophy and priority areas is beneficial.

Clary presented the Board with a summary of adopted policies and various compensation policy considerations, including pros and cons of the salary matrix, level of benefit contributions, cost of living allowance, and market competitiveness. Discussion followed, including contributions from Ross Ardrey of NW Management Consulting and District Employees/AFSCME representatives Ken Zangari & Kevin Cook.

Whatcom County Onsite Sewage System Inspection Program Revision Request

Clary recalled that the potential impacts of onsite sewage systems (OSS; commonly referred to as septic systems) within the Lake Whatcom Watershed has been an ongoing concern of the District for the past several years. Most recently the topic was discussed during a work session of the Board held on January 10, 2024. One outcome of the Board's discussion was consideration of submittal of a request to the Whatcom County Council to eliminate self-inspection of OSS located in the watershed. Clary presented a letter for Board consideration. Discussion followed with the Board directing staff not to issue the letter until more information may be gathered regarding the status of the County's current OSS compliance monitoring program.

General Manager's Report

Clary updated the Board on several topics, including a recent meeting with Sudden Valley Community Association management for upcoming project coordination, his attendance at recent Public Works Board day at the hill, which included meetings with 14 different Washington State legislators, and an upcoming WRIA adjudication webinar. Discussion followed.

Engineering Department Report

Nicoll highlighted several projects, highlighting the development of a new format for the monthly capital projects report, and giving updates on the Chlorine Contact Basin Replacement project and grant agreement, a well-attended pre bid meeting for the Division 7 Reservoir Replacement Project, and water system lead service line inventory progress. Discussion followed.

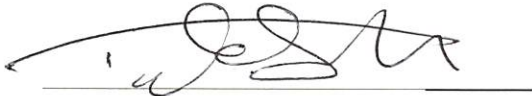
Finance Department Report

Signs highlighted the 4th quarter 2023 financial report, focusing on changes in policy and procedures. She also called attention to recent progress relating to the District's FEMA and Hazard Mitigation Grants, and changes to the District's investment strategy for long term investments. Discussion followed.

Operations & Maintenance Department Report

Dahlstrom reported on field crew operations, including highlights of the provided strategic business plan update from an O&M perspective, implementation of a new system tool to optimize operations at the Sudden Valley Water Treatment Plant, and coming updates to the District’s sewer camera capabilities. Commissioner Ford requested an update on the Midnight Court sewer line in which the crew found a concrete-like blockage, and Dahlstrom reported that the crew is currently performing monthly inspections while a permanent solution is developed. Discussion followed.

With no further business, Citron adjourned the regular session at 10:09 a.m.



Board President, Todd Citron

Attest: 

Recording Secretary, Rachael Hope

Minutes approved by motion at Regular Special Board Meeting on 2/14/2024