



1220 Lakeway Dr • Bellingham, WA 98229

## REGULAR SESSION OF THE BOARD OF COMMISSIONERS

# Minutes

*April 24, 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	Operations Manager Jason Dahlstrom
Commissioner David Holland	Recording Secretary Rachael Hope

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

### **Changes to Agenda**

At the request of staff, item 6.B, Notice of SMP Bond Rating Withdrawal, was added to the agenda.

### **Consent Agenda**

#### **Action Taken**

**Knakal moved, Holland seconded, approval of:**

- **Minutes for the 3.27.24 Regular Board Meeting**
- **Minutes for the 4.10.24 Regular Board Meeting**
- **Payroll for Pay Period #8 (03.31.2024 through 04.12.2024) totaling \$47,325.69**
- **Benefits for Pay Period #8 totaling \$53,817.44**
- **Accounts Payable vouchers totaling \$133,548.95**

**Motion passed.**

### **Commissioner Insurance Discussion**

Clary recalled that under section 57.08.100 of the Revised Code of Washington (RCW), which governs the District, water/sewer districts are given the option of providing health insurance to commissioners. District employees are currently provided health insurance through Washington State's Public Employees Benefit Board (PEBB) Program. The Board last discussed whether to extend health insurance coverage to commissioners in 2019, at which time the Board opted to conclude consideration without formal action.

A District commissioner recently inquired if they may acquire insurance through the District's plan if they agree to pay the full premium. PEBB representatives indicated that commissioners may participate by amending the District's current contract with PEBB to add commissioners as a separate

“group,” even if participation is not by all five commissioners. Discussion followed, and the Board directed staff to return at a future date with a proposed policy for consideration.

**Notice of SMP Bond Rating Withdrawal**

Signs explained that on April 10, 2024, staff became aware that the District’s bond rating had been withdrawn by S&P Global Ratings on April 8. The notice stated that the withdrawal was due to S&P not being able to obtain the District’s 2022 state financial audit in a timely manner. Following the notice, staff learned that S&P has been issuing warnings to the Washington State Auditor’s Office that they would start withdrawing bond ratings of local governments within the state of Washington if they did not complete audits in a timelier manner. The District was one of five other agencies within the state of Washington to have their rating withdrawn. Signs provided background information about the purpose of the bond rating and potential impacts of the withdrawal, as well as options moving forward. Discussion followed.

**General Manager’s Report**

Clary updated the Board on several topics, including next week’s Division 7 Reservoir groundbreaking event, planning for an upcoming Emergency Response drill this summer facilitated by the WEMD, progress on the 2024 Salary Survey, and recent interest in the Lake Whatcom Management Program. Discussion followed.

**Engineering Department Report**

Nicoll highlighted several projects, including scheduling for the Division 7 Reservoir Replacement Project, Geneva Reservoir & SVWTP Pump Station RFQs received, and easement acquisition and bid opening for the Rocky Ridge & Lakewood Sewer pump stations. Discussion followed.

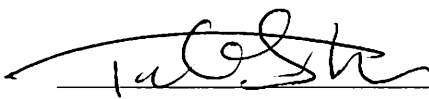
**Finance Department Report**

Signs’ report focused on the first quarter 2024 financial report, including purchase of Waterworth financial planning software, transition of the District’s billing cycles, and interest revenue received in first quarter that exceeded expectations. Signs recognized District employees Trish Gilmore and Miguel Gillis for work done to reduce shutoffs due to non-payment.

**Operations & Maintenance Department Report**

Dahlstrom reported on field crew operations, including 100% completion of annual safety training by staff, no time loss injuries, completion of railing installation on one of District’s reservoirs. Both plants operating as they should be, progress on EPA lead service line inventory, anticipation of new sewer van camera delivery, and potential erosion & sediment control training for staff.

With no further business, Citron adjourned the regular session at 9:15 a.m.

  
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Board President, Todd Citron

Attest:   
\_\_\_\_\_  
Recording Secretary, Rachael Hope

Minutes approved by motion at  Regular  Special Board Meeting on May 8, 2024