



1220 Lakeway Dr • Bellingham, WA 98229

REGULAR SESSION OF THE BOARD OF COMMISSIONERS

Minutes

May 29, 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	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

Also in attendance were Luke Gaba with Waterworth (v) and Brian Smith of Wilson Engineering (v). Attendees noted with a (v) attended the meeting virtually.

Consent Agenda

Action Taken

Knakal moved, Holland seconded, approval of:

- **Minutes for the May 8, 2024 Regular Board Meeting**
- **Minutes for the May 8, 2024 Special Board Meeting**
- **Payroll for Pay Period #10 (04.27.2024 through 05.10.2024) totaling \$50,291.13**
- **Benefits for Pay Period #10 totaling \$55,010.14**
- **Payroll for Pay Period #11 (05.10.2024 through 05.23.2024) totaling \$53,501.51**
- **Benefits for Pay Period #10 totaling \$31,300.37**
- **Accounts Payable Vouchers totaling \$446,953.20**

Motion passed.

Geneva Reservoir and SVWTP Booster Station Seismic Retrofits Project Hazard Mitigation Grant No. D24-057 Approval

Nicoll outlined that water treated at the District's Sudden Valley Water Treatment Plant (SVWTP) is conveyed to the South Shore water distribution system by the SVWTP Booster Station. Storage and system pressure is maintained in the South Shore distribution system by five reservoirs, which includes the 500,000-gallon welded steel Geneva Reservoir, which serves roughly 1,136 connections.

In 2016, BHC Consultants performed a seismic vulnerability assessment of the District's steel reservoirs. The assessment identified two structural deficiencies with the Geneva Reservoir that would prohibit it from surviving a significant earthquake. In 2022 Gray & Osborne Engineers completed a seismic evaluation of the SVWTP Booster Station and identified non-structural improvements that

are required to ensure that the building can survive a significant earthquake. As a result, District staff identified the need to complete upgrades to ensure that both structures meet current seismic standards.

Also in 2022, the District submitted a FEMA Hazard Mitigation Grant application to complete seismic retrofits to the Geneva Reservoir and the SVWTP Booster Station. The grant application was developed in conjunction with Washington State Emergency Management Division (WA-EMD) of the Washington State Military Department and the Federal Emergency Management Agency (FEMA) as a hazard mitigation project. The cost sharing is as follows: FEMA 90% (\$1,820,160), WA-EMD 5% (\$101,120), and Lake Whatcom Water and Sewer District 5% (\$101,120).

The project has been split into two phases: Phase 1 – Design/Permitting; and Phase 2 – Construction. The goal is to approve an initial Hazard Mitigation Grant agreement for Phase 1 and a professional services agreement with an engineering consultant to enable completion of design/permitting in 2025. Phase 2 targets construction during the summer of 2026. Discussion followed.

Action Taken

Carter moved, Ford seconded, to authorize the general manager to execute the Hazard Mitigation Grant Agreement No. D24-057 with the Washington State Military Department to enable receipt of federal and state funds supporting Phase 1 of the Geneva Reservoir and Sudden Valley Water Treatment Plant Booster Station Seismic Upgrades Project as presented. Motion passed.

Geneva Reservoir and SVWTP Booster Station Seismic Retrofits Alternative Analysis Professional Services Agreement Approval

Nicoll explained that following the District’s issue of a request for qualifications for design and permitting of this project, Wilson Engineering was selected as the most qualified consultant. As part of the selection process, Wilson Engineering proposed an alternative to replace the Geneva Reservoir with two concrete reservoirs with a combined volume equal to the existing reservoir capacity rather than completing seismic upgrades to the existing reservoir. In considering this new alternative, District staff requested Wilson to provide an initial scope of work to further assess the cost and viability of this option. Staff presented the Board with a professional services agreement for completion of alternative analysis for the two reservoir upgrade alternatives. Nicoll noted that a future contract amendment will be prepared to include design and permitting for the selected alternative. Discussion followed.

Action Taken

Knakal moved, Holland seconded, to authorize the general manager to execute the professional services agreement with Wilson Engineering for alternative analysis for the Geneva Reservoir and SVWTP Booster Station Seismic Retrofits Project as presented. Motion passed.

Commissioner Insurance Authorization

Clary recalled that at the April 24, 2024 regular meeting, the Board revisited the topic of insurance coverage through the District for members of the Board. During the discussion, the Board was in favor of providing the option as long as participating commissioners paid the full premium. Because PEBB will not directly bill individual commissioners, a payment agreement was developed to be executed between the District and commissioners wishing to participate in the PEBB insurance program. Discussion followed.

Action Taken

Carter moved, Knakal seconded, to authorize the general manager to execute an amended contract between the District and the Washington State Public Employees Benefit Board to add District commissioners as a separate group under the condition that each participating commissioner shall be required to pay the full premium associated with the insurance plan in which that individual has enrolled. Motion passed.

District Financial Model Presentation

At the regularly scheduled Board meeting on March 13, 2024, the Board of Commissioners approved purchase of rate modeling software from Waterworth to assist the District in creating a rate model that can be updated at any time, model “what-if” scenarios, and be used in creating the future budgets. Signs introduced Luke Gaba of Waterworth, who provided a presentation of the developed District-specific model. Discussion followed.

General Manager’s Report

Clary updated the Board on several topics, including topics discussed at the recent Lake Whatcom Management Program (LWMP) meeting and the availability of a 5-year follow-up survey to a LWMP survey of watershed residents completed in 2018 regarding knowledge, education, and progress in education/outreach in the watershed. Discussion followed.

Engineering Department Report

Nicoll highlighted several projects, including a fully executed contract in place for the Rocky Ridge and Lakewood Sewer Lift Stations, initial construction meeting at the Division 7 Reservoir Replacement Project site, and progress on alternatives analysis for the Chlorine Contact Basin at the Sudden Valley Water Treatment Plant. He also updated the Board on the status of the cementitious sewer line blockage near Midnight Court. Discussion followed.


Finance Department Report

Signs’ report focused on April financial reports, which showed revenues exceeding expenditures in water and sewer funds as expected. She also gave an update of progress relating to staff pursuit of reinstatement of the District’s bond status with S&P Global. Discussion followed.

Operations & Maintenance Department Report

Dahlstrom reported on field crew operations, including recent review of procedures for operational efficiency, IT updates, crew development and training, and preparation and training for updates to monitoring systems on the District’s reservoirs. Discussion followed.

With no further business, Citron adjourned the regular session at 9:49 a.m.



Board President, Todd Citron

Attest: 

Recording Secretary, Rachael Hope

Minutes approved by motion at Regular Special Board Meeting on 6/12/2024