



1220 Lakeway Dr • Bellingham, WA 98229

REGULAR SESSION OF THE BOARD OF COMMISSIONERS

Minutes

January 29, 2025

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 Jeff Knakal Finance Manager Jenny Signs
Commissioner Bruce Ford (v) Operations Manager Jason Dahlstrom
Recording Secretary Rachael Hope

Excused Absences: Commissioner David Holland

Also in attendance: Kristin Hemenway, District Construction Engineer
Rich Munson, District Engineering Technician
Members of the public Joe O'Keefe and James Johansson

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

Public Comment

District constituents spoke to the Board regarding the decommissioning of the existing Division 7 reservoir, scheduled as part of the Division 7 Reservoir Replacement Project.

Consent Agenda

Action Taken

Knakal moved, Carter seconded, approval of:

- Minutes for the January 8, 2025 Regular Board Meeting
- Payroll for Pay Period #02 (01.04.2025 through 01.17.2025) totaling \$55,047.69
- Benefits for Pay Period #02 totaling \$60,089.87
- Payroll taxes for 4th Quarter 2024 totaling \$12,361.10
- Accounts Payable Vouchers totaling \$299,236.33

Motion passed.

Commissioner Bruce Ford joined the meeting virtually at 8:15 a.m.

Chlorine Contact Basin Replacement Alternative Selection

Nicoll explained that an essential component of the District's Sudden Valley Water Treatment Plant (SWWTP) system is the chlorine contact basin (CCB). The CCB, constructed in 1994, provides filtered water the necessary chlorine contact time, as regulated by the Washington State Department of Health (DOH). In 2016,

BHC Consultants performed a seismic vulnerability assessment of the District's steel water reservoirs, including the CCB. The assessment identified structural deficiencies with the CCB that would prohibit it from surviving a significant earthquake. Through this assessment, along with subsequent assessments of the CCB's treatment capacity performed by Gray & Osborne, Inc. (G&O), the District identified the need to replace the existing CCB with a new CCB that meets current seismic standards and that is sized to accommodate full design flow of the SVWTP.

Following the award of a FEMA Hazard Mitigation Grant (HMG) which will fund 87.5% of the estimated project budget, the District selected G&O to design the new CCB. G&O's first task was completion of an alternative analysis of various alternatives for configuration and materials of construction for the new CCB. This alternative analysis identified an approximate \$1,000,000 funding gap between the estimated project cost and available grants and budgeted District funds. To fill this gap, District staff has requested additional grant funds from FEMA and Washington State Emergency Management Department. Staff presented a proposed funding scenario for discussion, and will subsequently prepare an amendment to the 2025-2026 Budget and present to the Board for approval at a future meeting.

Resolution No. 900 Lake Whatcom Management Program 2025-2029 Work Plan

Clary recalled that, in 1998, due to observed deterioration of the water quality in Lake Whatcom, the Lake Whatcom Water and Sewer District, City of Bellingham, and Whatcom County entered into an interlocal agreement formally creating the Lake Whatcom Management Program (LWMP). The LWMP's primary goal is to improve lake water quality by jointly implementing programs affecting the Lake Whatcom watershed.

Since its creation, LWMP partners have developed and implemented five 5-year work plans focused on the program areas including land preservation & use, stormwater, recreation, and climate change. With the most recent work plan (2020-2024) approaching expiration, the LWMP interjurisdictional coordinating team (ICT) began development of a successor work plan in early 2024, which was presented for Board review and approval via Resolution No. 900. Discussion followed.

Action Taken

Knakal moved, Ford seconded, to adopt Resolution No. 900 as presented. Motion passed.

Water Right No. CG1-23449C Status

Clary explained that in 2006, the District entered into an agreement with the Lake Whatcom Residential & Treatment Center (LWRTC) to extend the District's Agate Heights System to serve the LWRTC's facility located at 3400 Agate Heights Road. A condition of the agreement was LWRTC's transfer of ownership of its water distribution system, groundwater wells, and groundwater water right (Water Right Certificate No. G1-23449C) to the District. Following execution of this agreement, in 2010 Wilson Engineering filed the District's Application for Change/Transfer of Water Right to transfer Water Right No. G1-23449C from the LWRTC well to the District's 10-inch diameter well serving its Agate Heights water system.

With nearly 15 years having passed since the application was filed, and significant District staff turnover having occurred during that time, current District staff had incorrectly understood that the water right transfer had been completed. However, in review of the Whatcom County Coordinated Water System Plan that is currently under revision, the subject water right transfer was noted as pending. District staff met with Ecology on January 22 to discuss the transfer application status and means of expediting its completion. Due to current workload and the pending WRIA No. 1 adjudication, Ecology staff could not provide a timeline for the application to be processed under the traditional review process and recommended the District consider Ecology's cost reimbursement process. Discussion followed.

General Manager's Report

Clary updated the Board on several topics, including a customer responsiveness analysis for 2024, an updated report on the 2022-2027 strategic business plan implementation status, and a recent sewage overflow violation notice issued to a homeowner on the North Shore. Discussion followed.

Engineering Department Report

Nicoll highlighted several projects, including an update on concrete pouring at the Division 7 Reservoir, expected delivery times for lift stations for the Rocky Ridge and Lakewood Lift Stations renovations, completion of work at the cure-in-place-pipe lining of the Beaver Creek sewer crossings, and upcoming projects going to bid.

Finance Department Report

Signs' report focused on a District wide summary for 4th quarter 2024, approval of the 2025-26 budget, and receipt of approximately \$900,000 in FEMA reimbursement funds in December; highlighting that to date the water fund has been awarded almost \$4.8 million in grants for various projects, allowing for capital projects to move forward without debt service.

Operations & Maintenance Department Report

Dahlstrom reported on field crew and operations activity, including two water main breaks, which is fairly typical during periods of ground freeze/thaw cycles; the new service truck delivered to the District this week, generator repairs and maintenance, and the District's newest Maintenance Worker, who has been on staff since Jan 6.

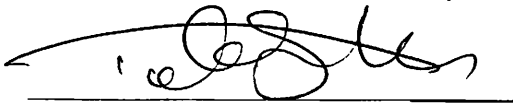
Executive Session Per RCW 42.30.110(1)(g)

Citron recessed the Regular Session to Executive Session at 10:02 a.m. It was estimated that the Executive Session would take 20 minutes and end at 10:22 a.m. The purpose of the Executive Session was to review the performance of a public employee (General Manager performance evaluation). Citron recessed the Executive Session and reconvened the Regular Meeting at 10:20 a.m.

Action Taken

Carter moved, Knakal seconded, to increase Justin Clary's annual salary to \$192,478 effective January 1, 2025. Motion passed.

With no further business, Citron adjourned the regular session at 10:21 a.m.



Board President, Todd Citron

Attest: 

Recording Secretary, Rachael Hope

Minutes approved by motion at Regular Special Board Meeting on 2/26/2025

