



1220 Lakeway Dr • Bellingham, WA 98229

REGULAR SESSION OF THE BOARD OF COMMISSIONERS

Minutes

June 11, 2025

Board President Todd Citron called the Regular Session to order at 6:30 p.m.

Attendees:	Commissioner Todd Citron	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	District Legal Counsel Bob Carmichael
		Recording Secretary Rachael Hope

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

Consent Agenda

Action Taken

Holland moved, Knakal seconded, approval of:

- Minutes for the 5.28.2025 Regular Board Meeting
- Payroll for Pay Period #12 (5.24.2025 through 6.06.2025) totaling \$53,909.30
- Benefits for Pay Period #12 totaling \$63,635.20
- Accounts Payable Vouchers totaling \$242,913.01

Motion passed.

2025-26 Budget Amendment No. 1

The Lake Whatcom Water and Sewer District Administrative Code requires the Board's adoption of an operating and capital improvement budget for both the water and sewer utilities. As projected revenues and/or expenditures change, it is best practice to periodically perform budget amendments to ensure the District is operating within an approved budget.

Signs recalled that the 2025-26 Biennial Budget was adopted at the regularly scheduled Board meeting on November 26, 2024. The proposed budget amendment recognizes federal and state grant award revenues and associated project costs related to the Division 22-1 Reservoir Replacement Project, as well as adjusting for timing of various revenues and expenditures relative to the 2023-24 and 2025-26 budgets. Discussion followed.

Action Taken

Knakal moved, Ford seconded, to approve Amendment No. 1 to the 2025 -2026 Biennial Budget as presented. Motion passed.

Water Utility Capital Improvement Program Funding Discussion

The Lake Whatcom Water and Sewer District has traditionally adhered to a “pay as you go” philosophy for financing capital projects, prioritizing the use of existing revenues to fund infrastructure improvements rather than relying on debt. This proactive approach to rate setting and cash flow forecasting has allowed the District to maintain a low level of debt over the years. That said, the District has occasionally relied on debt financing of capital projects.

In recent years, the District has successfully secured grant funding to finance necessary capital improvements. However, these grants have come with certain challenges including accelerated project timelines, local match requirements for each grant, and funding shortfalls for select projects. These factors have placed increased pressure on the District’s ability to cash fund these projects. District staff facilitated a discussion of potential financing strategies associated with water utility capital projects over the next two to three years, including the possibility of debt issuance, which included an overview of the District’s current financial status, anticipated funding gaps, and other metrics.

General Manager’s Report

Clary updated the Board on several topics, including the successful recruitment a Temporary Seasonal Laborer and an Engineering/GIS Intern, the opening of the watershed land disturbance window, repairs at the Scenic Avenue intertie, and progress on the Division 7 Reservoir Replacement Project.

With no further business, Citron adjourned the regular session at 7:48 p.m.


Board President, Todd Citron

Attest: 
Recording Secretary, Rachael Hope

Minutes approved by motion at ☒ Regular ☐ Special Board Meeting on June 25, 2025