



1220 Lakeway Dr • Bellingham, WA 98229

REGULAR SESSION OF THE BOARD OF COMMISSIONERS

Minutes

May 27, 2026

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 David Holland (v)	Finance Manager Jenny Signs
Commissioner Jeff Knakal	Operations Manager Jason Dahlstrom
Commissioner Nick Greif	Recording Secretary Rachael Hope

Also in attendance were Heather Sytsma, Finance Manager of Birch Bay Water & Sewer District, Aryan Chawla of Waterworth (v), and members of the public Michael Miller (v) and Cato Stevens. Attendees noted with a (v) attended the meeting virtually.

Consent Agenda

Action Taken

Carter moved, Knakal seconded, approval of:

- Minutes for the 05.13.26 Regular Board Meeting
- Payroll for Pay Period #11 (05.09.2026 through 05.22.2026) totaling \$51,548.49
- Benefits for Pay Period #11 totaling \$59,039.10
- Accounts Payable Vouchers totaling \$163,845.58

Motion passed.

Water Utility Rate Design Alternatives Discussion

Signs recalled that during the regularly scheduled Board meeting on April 29, 2026, the Board requested evaluation of several water rate design scenarios based on varying consumption levels within the District's tiered rate structure. The purpose of this discussion is to evaluate how different rate structures within the Water Utility Fund affect revenue stability, customer bill impacts, long-term infrastructure sustainability, recovery of costs, and ability to responsibly fund ongoing operations and capital reinvestments.

Signs highlighted key concepts in utility and rate design, including fixed and variable costs, system reinvestment, and contingency funds, as well as providing the board with examples of several different utility rate scenarios with analysis and expected impacts. Ary Chawla from Waterworth provided visuals of multiple scenarios created with the District's finance management software. Discussion followed.

General Manager's Report

Clary updated the Board on several topics, including web content accessibility guidelines and staff work on moving towards compliance prior to various upcoming deadlines, expected results from a recent energy compliance audit with Apollo Solutions, and progress updates to the Whatcom County Natural Hazard Mitigation Plan.

Engineering Department Report

Nicoll highlighted completion of 2026's first round of inflow & infiltration repairs, with a second round to be completed later this summer, as well as updates on grant applications, permitting progress, and design progress on upcoming capital projects and work on the sewer pipes portion of the District's in-development asset management plan. Discussion followed.

Finance Department Report

Signs' report covered general budget tracking information, briefly touching on development revenue expectations, a strong first quarter, and noted that overall expenses are below budget due to on-hold capital projects, staff will likely present a budget amendment in 3rd quarter to address changes and shift project dates once the financing is secured.

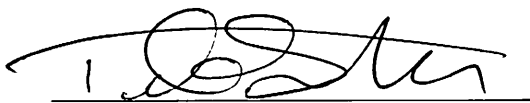
Operations & Maintenance Department Report

Dahlstrom reported on the District's continued excellent safety record and highlighted the District's asset management in action through the success of hydrant management and inspection activity.

Public Comment

Stevens commented on their appreciation of the Board's thorough deliberation regarding rate setting for the District.

With no further business, Citron adjourned the regular session at 9:46 a.m.


Board President, Todd Citron

Attest: 
Recording Secretary, Rachael Hope

Minutes approved by motion at Regular Special Board Meeting on May 27, 2026