



1220 Lakeway Dr • Bellingham, WA 98229

REGULAR SESSION OF THE BOARD OF COMMISSIONERS

Minutes

August 26, 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	Finance Manager Jenny Signs
	Commissioner Jeff Knakal	Operations Manager Jason Dahlstrom
	Commissioner Nick Greif (v)	Recording Secretary Rachael Hope

Also in attendance was member of the public Michael Miller (v). Attendees noted with a (v) attended the meeting virtually.

Consent Agenda

Action Taken

Carter moved, Knakal seconded, approval of:

- **Minutes for the 08.12.2026 Regular Board Meeting**
- **Payroll for Pay Period #17 (08.01.2026 through 08.14.2026) totaling \$49,995.06**
- **Benefits for Pay Period #17 totaling \$57,584.22**
- **Accounts Payable Vouchers totaling \$313,290.76**

Motion passed.

Draft 2027-2028 Biennial Budget Presentation

Per RCW and the District's Administrative Code Title 2, the District's budget is approved by the Board of Commissioners on a biennial basis, with the fiscal period running from January 1 of an odd-numbered year and ending on December 31 of the following even-numbered year. Budgets are generally developed in the second half of the year leading up to the next biennium, with approval before December 31.

District staff developed the first draft budget for 2027-2028 using projected revenues based upon rate increases established in the Master Fees & Charges Schedule 30 and projected operating expenses and projects defined in the District's water and sewer capital improvement plans. The draft proposes a budget of approximately \$17.5 million for the water utility and a budget of approximately \$11 million for the sewer utility, resulting in a total budget of approximately \$28.5 million. Signs highlighted various aspects of the proposed budget, including revenue and expenditure assumptions, operating reserves, staffing, and anticipated capital projects. Nicoll provided further details on several capital improvement projects. Discussion followed.

General Manager's Report

Clary updated the Board on several topics, including work with the Department of Ecology, Whatcom County Emergency Management, and other local organizations to create a current hazmat spill response plan for Lake Whatcom, progress on the 5-year update to the District's vulnerability assessment and emergency response plan in accordance with the American Water Infrastructure Act, and an upcoming planned emergency response exercise at the District.

Commissioner Greif left the meeting at 8:38 a.m. due to a prior commitment.

Engineering Department Report

Nicoll highlighted FEMA funded projects, staff are still waiting on Phase 2 funding agreements, currently projecting receipt in November, and upcoming projects going out for bid, including the Security Systems update and Force Main Pigging Project. Discussion followed.

Finance Department Report

Signs' report covered the July financial report and budget position for water and sewer funds, with expenses and revenue tracking to budget, progress toward the expected number of permits sold in 2026, and receipt of the District's reimbursement for 2022-2025 from the Washington Association of Sewer and Water Districts L&I Retro program.

Operations & Maintenance Department Report

Dahlstrom reported on the District's continued excellent safety record, the crew's work in August addressing multiple water leaks, noting that it is typical for the dry season to allow for water leaks becoming more visible, final interviews and job offer for the new Maintenance Worker, and receipt of the District's L&I Hazard Assessment report with only minor notes.

Executive Session Per RCW 42.30.110(1)(g)

Citron recessed the Regular Session to Executive Session at 8:56 a.m. It was estimated that the Executive Session would take 9 minutes and end at 9:05 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 9:05 a.m. No action was taken.

With no further business, Citron adjourned the regular session at 9:05 a.m.



Board President, Todd Citron

Attest:



Recording Secretary, Rachael Hope

Minutes approved by motion at ☒ Regular ☐ Special Board Meeting on 10/14/2026