

MINUTES OF THE REGULAR MEETING OF THE BOARD OF COMMISSIONERS
OF BIRCH BAY WATER AND SEWER DISTRICT,
HELD February 9, 2006

Commission President Patrick Alesse called the meeting to order at 4:30 PM. Other persons present included Commissioner Don Montfort, General Manager Roger M. Brown, Attorney Bob Carmichael, Engineering Services Manager Dan Eisses, Treasurer Glenn Golay, Engineer Rodney Langer, Water Manager Blair Beebe and Wastewater Manager Steve Hovde.

Agenda additions/changes: none

Public Input: none

Consent Agenda included: Minutes for the Regular meeting of January 26, 2006; January Payroll Warrants #4781-4805 for \$54,773.11; Accounts Payable Warrants #34593-34639 paying Claims #34593-34639 for \$282,352.55; January adjusting entries to UBS for \$2,421.94 charges and \$200.35 credits and to Assessments for \$9,425.21 charges; January EFTPS withholding deposit made on 01/31/06 for \$20,063.10; and January Financial Reports for review. It was moved Montfort and seconded Alesse to approve the Consent Agenda. Passed unanimously.

Engineering Services Manager Dan Eisses reported on developer extensions & projects:

Horizons at Semiahmoo – Dan reviewed the status of the project. Staff is recommending not allowing them to build a water booster pump station. The developers would then have to work with the City of Blaine to build a waterline from Blaine. An intertie for this project would be subject to review by both the Departments of Health and Ecology. Dan suggested sending a draft of the conditions for water so the developer can begin looking at their alternatives. The commissioners were in favor of sending the letter.

Lincoln Green: Tract B – Dan said he has suggested that these developers work with Tract C.

Blaine Rd/Maple Leaf – This is a 20-acre parcel and the owner would like to put one house on the property. Dan recommends that the District allow a septic system instead of requiring a build through. There will be further discussion at a future meeting.

Bay Breeze – Dan discussed CHS' recommendations on this project. This project consists of 16 lots at the corner of Anderson and Harborview. It was moved by Montfort and seconded by Alesse to approve the recommendations. Passed unanimously.

Commissioner Reichhardt arrived for the meeting at 4:50pm.

District staff briefed the Commissioners on the proposed **2006 Operations & Maintenance Budget**. There was general discussion and questions regarding the budget. Commissioner Reichhardt moved to approve the Department CIP items as presented. Montfort seconded the motion. Passed unanimously. Commissioner Reichhardt moved to approve the 2006 O&M Budget as presented. Montfort seconded the motion. Passed unanimously. Glenn and Roger then reviewed and discussed with the commissioners the Revenue Model for 2006 and the impact of the O&M and CIP budgets. No utility rate increase is recommended for 2006.

Dan presented Change Order #2 from Strider regarding the pump size increase for **the Pump Station #3 Rehabilitation Project**. It was moved by Montfort and seconded by Reichhardt to approve the change order. Passed unanimously.

Regarding the **Birch Bay Drive forcemain project**, Roger briefed the board on the meeting held yesterday with tribal representatives regarding the impact of the project. He felt it was a positive meeting. The tribes have said they will consult each other as they develop a response to the issues presented regarding the project. Roger thinks the next step is to develop a formal proposal of the project alternatives. The consultants will now begin drafting the permit conditions.

Water Comprehensive Plan: Dan discussed the work being done on the plan's Water Demand Forecast. Rodney reviewed the forecast memo prepared by CHS. The near term goal is to develop a 6 year forecast for the comp plan. Staff will continue to work on the demand forecast scenarios and bring them to a future meeting for review by the commissioners.

Roger presented the **Interlocal Agreement** with the City of Blaine for approval. This is a joint effort with the City of Blaine to have the District employ AES to perform hydro geological consultant services for both parties. It was moved by Montfort and seconded by Reichhardt to approve the agreement for Board Secretary Montfort's signature, and to allow Roger to sign the contract with AES. The motion passed unanimously.

Regarding water supply: Roger discussed recent activity regarding PUD water supply issues and changes that the PUD is making to its rate setting resolution, which impacts the District's rates. There was general discussion between staff, consultants and the commissioners about what should be the District's response. The board directed Roger to write a letter detailing the commissioner's concerns on this issue.

There being no further business, the meeting was adjourned at 8:20 PM.

COMMISSIONER

COMMISSIONER

COMMISSIONER

THIS IS TO CERTIFY that the above is a true and correct copy of the minutes for the regular meeting of the Board of Commissioners of Birch Bay Water and Sewer District, Whatcom County, Washington, held **February 9, 2006**.

BOARD SECRETARY

(minutes taken by Glenn Golay)