

MINUTES OF THE REGULAR MEETING OF THE BOARD OF COMMISSIONERS
OF BIRCH BAY WATER AND SEWER DISTRICT,
HELD July 13, 2006

Commission President Patrick Alesse called the meeting to order at 4:37 PM. Other persons present included Commissioner Don Montfort, Commissioner Carl Reichhardt, General Manager Roger M. Brown, Attorney Bob Carmichael, Engineering Services Manager Dan Eisses, Information Services Supervisor Dustin Sellinger, Engineer Rodney Langer, and Jim Kenoyer from the Blaine School District.

Agenda additions/changes: Roger requested that an item be added on the WASWD Fall Conference.

Public Input: none

Consent Agenda included: Minutes for the Regular meeting of June 22, 2006; and June 29, 2006 Special meeting and Public Hearing; June Payroll Warrants #4967-4991 for \$55,128.29; Accounts Payable Warrants #35112-35167 paying Claims #35112-35167 for \$275,920.12; June adjusting entries to UBS for \$2,566.19 charges and \$1,226.18 credits; and to Assessments for \$618.83 charges; June EFTPS withholding deposit made on 06/29/06 for \$20,781.17; and June Financial Reports for review. It was moved Montfort and seconded Reichhardt to approve the Consent Agenda. Passed unanimously.

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

ESM Dan presented the planning and engineering requirements for water and sewer service to the proposed **Blaine School District** project. For the water supply, replacement of the existing water main with a 12" line would be required and would possibly need to be larger for fire flow requirements. The property is currently outside of the District's Sewer service area and is located in a basin without existing sewer facilities, but it may be possible to extend gravity sewers to that area. It is recommended that the School District do some work on topography to see if that is feasible. ESM Eisses asked the board for approval of these recommendations. Commissioner Montfort moved to accept recommendations, Commissioner Reichhardt seconded, approved unanimously

The **Malibu** DE paid the rest of their fees for project closeout. The District was provided with an assignment of savings, but it appears to need some correction. Dan asked for project acceptance contingent on fixing the assignment of savings. Commissioner Montfort moved to accept recommendations, Commissioner Reichhardt seconded, approved unanimously.

Related to the proposed **Ocean Point Condos**, ESM Eisses reviewed some previous discussion with the Board about this project and the problems with locating water meters and potential water main extensions. The developer has recently spoken with Dan requesting that meters be installed in a mechanical room in the parking garage. Dan expressed some concern about the location due to the developer needing water availability for a building permit to do the work, and the district needing the lines installed to issue water availability. He recommends working on a one-time policy revision to allow the will-serve letter to go out prior to actual project acceptance. The Board was OK with the concept, pending actual details to be provided later.

Rodney has done more work on the **Harder DE** water service application, and his recommendations were presented to the board. An extension of a water main for the build through requirements would provide water main redundancy but essentially no increased system capacity. If fire flow is not required for the buildings in the development then there may be no need for a water main extension. The application materials suggest the majority of the properties will be set aside as conservation easements, thus preserving the low density development. ESM Eisses asked the board for approval of these recommendations. Commissioner Montfort moved to accept recommendations, Commissioner Reichhardt seconded. Approved unanimously.

Dan presented a petition for annexation into the District of Loomis Trail Phases 1 and 2, the golf course, and properties across the street. Staff will review the petition in the context of the District's annexation policy.

Dan briefed the board on a meeting with the State Park about the upgrade of their sewer pump station. The park manager would like to be able to bring the station up to the District's standards so that we could take it over. There was discussion about what would be required for that to happen, as well as issues with permitting and alternate options.

JIJ has made application for a Sewer DE to serve the existing **Harbor Shores** development.

General Manager Roger Brown briefed the board on some changes to County shoreline planning regulations that may affect the **Birch Bay Drive force main** or other District projects. The County is circulating proposed changes to the shoreline management program for comment. The board was given excerpts from the June 30th draft and other materials for review. It would appear that the District's application for the Birch Bay Drive Force Main project would be submitted before any changes to current regulations could be adopted. The board did direct the General Manager to prepare comments on the proposed changes.

Normar Well House Demolition. Dan and Blair have reviewed the building and gotten a quote to demolish. There is no budgeted amount for demolition but there is money in the water system upgrade budget. The board approved getting 2 more bids and then doing the work.

Water Comprehensive Plan and Water supply – General Manager Brown briefed the board on water consumption from the start of July onward and the penalty charges that were incurred to keep up with demand. Roger demonstrated how the charges are calculated to the board. The District may request up to 1.8mgd for next year because it would be more cost effective to secure supply that way and because it would provide greater operational flexibility. Roger then reviewed a report from Associated Earth Sciences Inc. detailing the rights for each of their wells and the current usage. It would appear that there are existing rights for enough water to last 7 to 8 years. The steps that would need to be taken to fully use these existing rights were detailed. Roger also presented the agenda for tomorrow's coordination meeting with the City's Public Works Department.

Roger and Dan briefed the board on the past few PUD meetings.

Related to the water demand discussion earlier on water usage, the consumption and water rate of BP was discussed and the impact of their service being interruptible. The commissioners expressed the position that the PUD should be offered the opportunity to pay their fair share of penalty charges in order to obtain firm water supply for BP. The Board also agreed that if BP is interested in rate analyses beyond the District's existing commitment to update the rate study done in 2003, they would have to fund that additional work.

Roger stated that he and Commissioner Montfort were planning on attending the WASWD Fall conference and asked that other board members let him know if they wanted to register for that conference.

There being no further business, the meeting was adjourned at 8:07 PM.

COMMISSIONER

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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 **July 13, 2006**.

(minutes taken by **Dustin Sellinger**)

BOARD SECRETARY