

MINUTES OF THE REGULAR MEETING OF THE BOARD OF COMMISSIONERS
OF BIRCH BAY WATER AND SEWER DISTRICT,
HELD June 28, 2007

Commission President Don Montfort called the meeting to order at 4:35 PM. Other persons present included Commissioners Carl Reichhardt and Patrick Alesse, General Manager Roger Brown, Attorney Robert Carmichael, Treasurer Glenn Golay, Engineer Rodney Langer, and Keith Lucke from BP.

Agenda additions/changes: Roger asked to delete #6. He also would like to add to #11, a discussion and decision on the Horizons intertie bill of sale. These changes were approved.

Public Input: none

Consent Agenda included: Minutes for the Regular meeting of June 14, 2007; Accounts Payable Warrants #36256-36311 paying Claims #36256-36311 for \$255,794.33; June Payroll Draw Warrants #5391-5404 for \$14,550.00. It was moved Alesse and seconded Montfort to approve the Consent Agenda. The motion passed unanimously.

Roger reviewed his agenda regarding the BP service issues. He and Lynn Takaichi will be meeting with BP tomorrow morning.

Roger also stated that the Well 5.1 work to connect to the City's water supply system is almost complete. Also, the new impellers for the pumps should be installed next week, and he reported that the City expects the project report for the Well 5.1 work to be approved by DOH soon. All these projects would help with the District's supply requirements for this summer.

The board then discussed a change of use for the C Shop account. The C Shop is owned by Commissioner Alesse. Attorney Carmichael talked about the discussion and what Commissioner Alesse's participation in the issue should be, recommending Commissioner Alesse's recusal. In response to a question from Commissioner Montfort, Attorney Carmichael explained that recusal meant not participating in discussion as well as not voting. Commissioner Alesse recused himself from the discussion. Commissioners Montfort and Reichhardt then reviewed the issue with staff. They agreed with the General Manager's recommendation that, according to current District code and policy, an ELU review for customers existing as of the date of adoption of the current ELU Resolution 616 is triggered by changes in the number of fixture units.

Roger discussed District irrigation policy. He reviewed the Horizons development and the irrigation requirements pursuant to the Horizons DE. Roger also discussed his proposed interim policy on irrigation. The commissioners gave their input on points in the policy outline. Roger noted that Dan will continue to work on this policy and bring it back to a future meeting for further discussion.

Rodney noted that the county has delayed the Drayton Harbor Road project until next year. This potentially impacts the schedule of the District's replacement of the waterline south of the road. Staff had begun preparing the project for permitting and construction, but has stopped work at this time because of the county's delay, until the issues can be reviewed with Dan.

The board reviewed a leak credit request from Leda Kiendy. Staff had denied the credit per the District Leak Credit policy. After review, the commissioners decided to only allow a credit for sewer charges over average usage.

Rodney reviewed the Horizons intertie project and the request to accept the facilities so that water could be conveyed through the system for District supply purposes. It was moved by Reichhardt to accept the bill of sale for all the water facilities conditioned upon receipt of the signed bill of sale, and corresponding easements, with the clarification that this action would not allow service of water through the facilities to the Horizons project until all other work on the developer extension was complete. The motion was seconded by Alesse and passed unanimously.

Rodney then discussed the intertie telemetry and electrical system completion. He asked if developers could post a performance bond for installation of the power service in order for the developers to obtain the county's final acceptance. It was moved by Reichhardt to accept a performance bond in lieu of completion of electrical service and final electrical system testing and inspection for intertie, for final acceptance. The motion was seconded by Alesse and passed unanimously.

Rodney presented information on sewer service options in the north Blaine Rd area (Harbor Shores). Commissioner Reichhardt noted that he owned property that could potentially be served by sewer facilities in the area. Attorney Carmichael advised that if the item was only informational and did not involve Board action that Commissioner Reichhardt need not recuse himself at this point. There are significant wetlands in the area. New information presented today focused on the difference in depth between two alternatives. Rodney will continue to work with Dan on this issue.

Rodney noted that a new DE application has been received from Homestead for a 200 plus condo project in the middle of the bay and an application for a reconfiguration of the Sweetgrass development east of the air force base has also been received.

There being no further business, the meeting was adjourned at 6:30 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 **June 28, 2007**.

BOARD SECRETARY

(minutes taken by Glenn Golay)