

MINUTES OF THE REGULAR MEETING OF THE BOARD OF COMMISSIONERS  
OF BIRCH BAY WATER AND SEWER DISTRICT,  
HELD August 23, 2007

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

**Agenda additions/changes:** Roger asked to make a comment on the AP invoice to DRS and also noted that the draft Incorporation survey is in the info tab.

**Public Input:** none

**Consent Agenda included:** Minutes for the Regular meeting of August 9, 2007; Accounts Payable Warrants #36453-36487 paying Claims #36453-36487 for \$184,465.74; August Payroll Draw Warrants #5465-5476 for \$12,050.00. Roger noted that the AP includes the payment to DRS for excess compensation invoice due to Hovde's retirement. He will comment further regarding its impact on this year's labor budget at the next meeting. It was moved Alesse and seconded Reichhardt to approve the Consent Agenda. The motion passed unanimously.

Roger discussed the status of the water contract discussions with BP and the PUD. The PUD manager told him the contract between the PUD and BP has been signed. The next meeting with BP is on the 31<sup>st</sup>.

Dan talked about the telemetry upgrade and noted that Phase 1 is nearly complete. He will have a proposal on Phase 2 of the project to bring to the board soon.

Dan talked about possible options to acquisition of neighboring water associations and the projected cost. Dan is waiting for further contact from Bell Bay Jackson regarding their interest in this issue. Dan's review of the costs was a high level outline of the different issues and options. There were some comments from Carl regarding Bell Bay's infrastructure, and there was discussion about what are the advantages for the District to pursue acquiring that system. Primary among those is a second point of connection to the source in Blaine. Staff will continue to work on these issues and return to the board for further review.

Dan and Rodney discussed the Pt. Whitehorn water service reliability and the possible improvements that could be made to the system. Dan noted that the Koehn Road DE has been put on hold until the developer makes a further project deposit. Because of its location, this project is tied to the discussion of the Pt. Whitehorn reliability. There was discussion about the waterline through the state park, how the supply gets to the plant and also the booster pump station. Rodney talked about some options to improve service and the projected resulting expense

for each option. The commissioners asked staff to continue to study the current projected options.

Rodney discussed the 2004 PWTF water system loan and the projects that are part of that loan. Since approval, there have been some changes to system needs and plans. Rodney proposes seeking to get approval from PWTF to change the project scope in the loan documents to align with current conditions. It was moved Reichhardt and seconded Alesse to approve the request to change the project scope for the loan document and seek approval from the Public Works Board. The motion was passed unanimously.

Roger discussed the proposed Irrigation Policy. After discussion, it was moved Reichhardt and seconded Alesse to approve the new policy. The motion passed unanimously.

Dan asked for approval of the DE agreement with Homestead/SeaLinks that would apply to their fire system only. It was moved by Alesse and seconded by Reichhardt to approve the agreement. The motion passed unanimously.

The commissioners approved sending a letter to the Koehn Rd DE requesting an additional project deposit so that District review of the project can continue.

Roger showed the commissioners the draft survey from the city incorporation steering committee. No action was taken.

There being no further business, the meeting was adjourned at 6:32 PM.

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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 **August 23, 2007**.

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BOARD SECRETARY

(minutes taken by Glenn Golay)