

MINUTES OF THE REGULAR MEETING OF THE BOARD OF COMMISSIONERS  
OF BIRCH BAY WATER AND SEWER DISTRICT,  
HELD April 7, 2008

Commissioner President Patrick Alesse called the meeting to order at 4:30 PM. Other persons present included Commissioners Carl Reichhardt and Don Montfort, General Manager Roger Brown, Engineering Services Manager Dan Eisses, Water Conservation Specialist Emily Resch and Attorney Robert Carmichael.

**Agenda additions/changes:** Roger wanted to discuss an item in the information tab after developer extensions.

**Public Input:** none

**Consent Agenda included:** Minutes for the Regular meeting of March 27, 2008; Accounts Payable Warrants #37149-37150 paying Claims #37149-37150 for \$1,319.99 and Warrants #37151-37184 paying Claims #37151-37184; March Payroll Warrants #5746-5771 for \$72,643.51; March adjusting entries to UBS for \$4,039.83 charges and \$513.25 credits; Assessments adjustments for \$913.22 charges; March EFTPS withholding deposit made on 03/31/08 for \$28,532.97; District Financial Policies; and March Financial Reports for review. It was moved by Reichhardt and seconded by Montfort to approve the Consent Agenda. The motion passed unanimously.

**Developer Extensions:** None

**BP Wastewater/Water service:** Roger updated the Board on the work that FCSG has done in support of the negotiations between the District and City wholesale water contract. Roger also revisited questions asked by the Board at the previous meeting regarding joint assets and the Birch Point surcharge. The topic of regional connection charge/fee was discussed based on a conference call meeting with the City on April 1, 2008. It is anticipated that the contract will be recommended for Board approval on April 24, 2008 and Council approval on April 28, 2008.

District was contacted by DOH regarding the comprehensive water system plan and current water supply. Richard Rodriguez of DOH raised several questions about District demand appearing to exceed supply in the near term. Roger reviewed the letter responding to DOH's questions. He stated DOH was very interested in the District's water conservation program and indicated approval of the WSP was likely.

Roger updated the Board on water conservation. A regional conservation meeting was held on April 4, 2008. Bellingham attended the meeting represented by Joy Monjure, Communications Coordinator, and Anitra Accetturo, Water Conservation Specialist. Bellingham was very enthusiastic about the regional water conservation program and collaborative effort. A subcommittee was approved at the meeting with Emily Resch named as the committee chair.

Reichhardt brought attention to the Board about the sub-consultant mark-up with Kennedy-Jenks. Dan explained that our intent was to have the consultant manage the sub-consultants, as a way to manage the overall workload resulting from BP's service requests. The work in question was funded by BP. The potable water contract with BP is currently with the District's attorney. BP's attorney has not been in contact with Carmichael. The contract is ready to go, in the view of District staff, except for a condition that BP must be in compliance with the District's cross-connection control policy, pending BP's review. Roger has been discussing with BP about

domestic wastewater connection. BP has given Mike Sowers a purchase order to deal with petroleum products in the discharge. A concern is that this issue was not included in the estimated cost of developing the amended contract for domestic wastewater service. District will ask for a cost estimate to answer questions regarding petroleum product discharge into the system.

The **Drayton Harbor Road waterline replacement** project was discussed. The archeological assessment report was submitted by Kelly Bush to the tribe for 15-day comment period. If the permit is granted, Dan intends to proceed up to \$250,000 with 3 quotes.

**Hall Rd/Blaine Supply Line:** Dan updated the board on the Hall Rd/Supply Line. The 15-day comment period will be over in a couple of days for the DNS. The application to the county for a Zoning Conditional Use permit has been submitted. Geotech drilling for the bore is scheduled for this Wednesday.

**Force Main:** Only one official comment was issued for the DNS. It came from DOH regarding the shellfish beds in case of a spill. The comment period for the report is officially closed. Dan further discussed the details of the DNS report to the Board. Zoning Conditional Use, Shorelines Conditional Use, and Shoreline Substantial Development permit applications have been started with the County. The archeological report has been held off until the SEPA report is approved. It will be submitted this week.

**Refunding:** Glenn and Roger met with Lindsay Sovde of Seattle Northwest Securities last week in preparation for ratings presentation for Moody's Investment Services in San Francisco. Roger is currently working with Bob on the bond resolution.

**Developer extension projects:** Dan discussed developer extension projects. The District has prepared an easement for Caruthers sewer connection and will remove this project from the DE list.

Roger requested Board input for the Washington Association of Sewer and Water Districts' special Board of Directors meeting on April 9, 2008. Don provided background information on the issues currently before the state association.

There being no further business, the meeting was adjourned at 6:05 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 **April 7, 2008.**

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BOARD SECRETARY

(minutes taken by Emily E. Resch)