

MINUTES OF THE REGULAR MEETING OF THE BOARD OF COMMISSIONERS
OF BIRCH BAY WATER AND SEWER DISTRICT,
HELD June 12, 2008

Commission Vice President Carl Reichhardt called the meeting to order at 4:30 PM. Other persons present included Commissioner Don Montfort, General Manager Roger Brown, Engineering Services Manager Dan Eisses, Attorney Robert Carmichael, Treasurer Glenn Golay, Water Conservation Specialist Emily Resch, Operations Manager Mike Sowers and Elizabeth Daly of BP.

Agenda additions/changes: Roger asked that the Conservation program discussion be moved up to first on the discussion agenda.

Public Input: none

Consent Agenda included: Minutes for the Regular meeting of May 22, 2008; Accounts Payable Warrants #37334-37403 paying Claims #37334-37403 for \$163,026.83; May Payroll Warrants #5825-5848 for \$66,852.82; May adjusting entries to UBS for \$1,788.93 charges and \$502.62 credits; May EFTPS withholding deposit made on 05/30/08 for \$25,699.97; and May Financial Reports for review. It was moved by Montfort and seconded by Reichhardt to approve the Consent Agenda. The motion passed unanimously.

Conservation Specialist Emily Resch reviewed Task Order #9, which shares the cost of purchasing door hangers, regarding the watering schedule, with the City of Blaine. It was moved by Montfort and seconded by Reichhardt to authorize Roger to sign the agreement. The motion passed unanimously.

Emily also showed the commissioners the new Conservation A boards that were recently purchased.

BP Wastewater/Water service:

Roger reported that district and BP staff met on June 5th to discuss the contract work and the project funding of the different activities charged to that account. Roger explained that, at that meeting, he indicated that the District had not made a decision to litigate with BP over issues pertaining to petroleum products and other substances in BP's discharge to the District's sewer system. He stated that he thought that it was important that BP not misconstrue the District's expressions of concern about these matters as necessarily implying court action. Roger talked about the proposed budget amendment for the BP pump station operations that would account for the extra work generated by ongoing issues with the pump station. The proposed amendment increases the budget by \$25,000. He also reviewed the proposal to contract with Carollo Engineering to assist with the BP wastewater issues. In addition, it is proposed to do a rate study by Kennedy Jenks to establish the rate impact of the additional cost. It was moved by Montfort to amend the budget as presented, and the motion was seconded by Reichhardt. The motion was passed unanimously.

It was also moved by Montfort and seconded by Reichhardt to approve the Kennedy Jenks rate study and the Carollo consultant services agreement. The motion passed unanimously.

Roger noted that the City's attorney has a concern regarding one point in the Blaine water supply contract amendment. Roger has made a small change in the document to address that

concern and he asked the board to approve the change. It does not change the understanding of the parties or the intent of the contract.

Mike talked about his request to hire some temporary summer help for the utility operations. He would like to use lower paid temporary help to do jobs during the summer that don't require the skills and certification of our full time utility operators. Mike has considerable experience with temporary summer help when he was with the City of Bellingham and thinks this would be a good approach. This would not require additional labor budget. The commissioners were in favor of the proposal.

Dan reviewed the summary that was prepared to address the items noted by DOH in their review of the District Water System Plan. Dan would like to respond by letter to the issues brought up by DOH. He reviewed his proposed responses with the commissioners and they agreed with his approach.

There was also some discussion about the pursuit of additional water rights.

The **Drayton Harbor Road waterline replacement** project was discussed by Dan. It was a big effort by District staff to get done on time. The contractor was finished June 4th. The county should be done with the paving soon. The invoice has been received from the contractor and it was less than anticipated.

Dan reported that June 18th will be the public hearing for County shoreline and conditional use permits on the Forcemain project. He also noted that only one comment was received on the archaeological permit. The comment period has now ended.

Dan reviewed the Scope and Fee proposal for the tank painting project from Northwest Corrosion Engineering. After review, it was moved by Montfort and seconded by Reichhardt to approve the Scope and Fee for \$3,427, and authorize Roger to sign the related task order. The motion passed unanimously.

Dan also presented a plan to amend the CIP budget regarding the planning for the sewer Pump Station #1 upgrade. Because of State Park improvements in the area, Dan thinks we need to accelerate the design plan on the pump station project. There were funds projected for 2009 and 2010 for this project. He would like to move this project ahead in order to meet the State Park's timeline. It was agreed by the board to ask for a scope and fee from CHS on the project design.

Dan discussed a recent contact from the Grandview Beach water association regarding the District's ability to provide water service to their area.

The board then went into Executive Session at 6:20 pm to discuss an issue of potential litigation. They plan to be in session for 20 minutes with possible action afterwards.

Coming out of Executive Session at 6:25 pm, it was moved by Montfort and seconded by Reichhardt to send a letter to BP detailing issues that have resulted in breaches of the wastewater service contract by BP. The motion passed unanimously.

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 12, 2008**.

BOARD SECRETARY

(minutes taken by Glenn Golay)