

MINUTES OF THE REGULAR MEETING OF THE BOARD OF COMMISSIONERS
OF BIRCH BAY WATER AND SEWER DISTRICT,
HELD September 25, 2008

Commission 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, Treasurer Glenn Golay, Water Conservation Specialist Emily Resch, and Attorney Robert Carmichael.

Agenda additions/changes: none

Public Input: none

Consent Agenda included: Minutes for the Regular meeting of September 11, 2008; Accounts Payable Warrants #37721-37782 paying Claims #37721-37782 for \$163,510.98; and August Payroll Draw Warrants #5969-5983 for \$15,750.00. It was moved by Montfort and seconded by Reichhardt to approve the Consent Agenda. The motion passed unanimously.

Emily presented her monthly update on the status of the **Conservation program**. She reported that the Fall newsletter is complete and being distributed. The summer advertising campaign is complete. She is meeting tomorrow with Blaine staff to begin evaluation of the results of the program this last summer. She discussed items that will be discussed with the Whatcom Water Alliance. Roger also noted that Rick Blair, from Ferndale, would like to discuss emergency management of water resources. Emily is also working with the Blaine elementary school to establish dates for the school program for next year.

BP Domestic Wastewater service: Roger noted that work is going forward on the sanitary service area change for BP. Dan thinks the package should be ready for board review at the next meeting.

Roger discussed the recent discussions with Blaine staff regarding the **Cost Reimbursement Program** and the resource development activity. There is another meeting tomorrow with Blaine staff to discuss water issues. Meetings with both tribes have been scheduled to discuss the program with them.

Roger reported on his attendance at the PUD's board meeting last Tuesday.

Dan reported on the bid opening this morning for the Blaine/Hall roads waterline project. There was a lot of interest in this project, and there were 15 companies submitting bids. Interwest Construction from Burlington was the low bidder at \$1.46M. Dan reported that the bid review looks good. He has checked with other agencies regarding Interwest's work and the response was positive. The Corps of Engineers permit has been received.

Dan recommended awarding the bid to Interwest Construction, subject to additional review. He also asked for approval of the construction assistance contract for this project with CHS as presented. It was moved Montfort and seconded Reichhardt to award the bid as recommended and to authorize Roger to sign the construction contract and contract with CHS for construction management. The motion passed unanimously.

Dan reported that the Birch Bay-Lynden road waterline replacement project is nearly complete. He feels the project has gone well and that the costs should be well under the estimate.

Glenn and Roger reported on the results of the Exit Conference with the state auditors for the recently completed 2006-2007 audit. There were no findings or management letter items. There were a few recommendations that will be addressed by staff for correction. The auditor also informed staff that the district will be audited annually in the future because the annual revenues are above the amount that allows for a two year audit. This change would result in an increase in audit costs over the two years by an estimated \$8,000 to \$9,000.

Developer extension projects: Dan reported that the Shintaffer Farms DE has a little paper work to complete. Dan has given his approval for the developer to use the lines.

The commissioners went into Executive Session at 5:45 PM. Commissioner Alesse announced that the subject of the session is **potential litigation** and that the session will last 30 minutes, with no action anticipated afterwards.

Coming out of Executive Session at 6:15 PM, there being no further business, it was moved Montfort and seconded Reichhardt to adjourn the meeting. The motion passed unanimously.

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 **September 25, 2008.**

BOARD SECRETARY

(minutes taken by Glenn Golay)