

MINUTES OF THE REGULAR MEETING OF THE BOARD OF COMMISSIONERS
OF BIRCH BAY WATER AND SEWER DISTRICT,
HELD October 9, 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, Attorney Robert Carmichael, Water Conservation Specialist Emily Resch, Pat Pollock and Jimmy Zierdt.

Agenda additions/changes: Roger had Item #11, Surplus Equipment, removed from the discussion agenda. Commissioner Montfort requested a report on surplus equipment procedures when this item comes to the Board. Item #11 was replaced with an update on the Birch Bay Lynden Rd. Project.

Public Input: none

Consent Agenda included: Minutes for the Regular meeting of September 25, 2008; Accounts Payable Warrants #37783-37825 paying Claims #37783-37825 for \$120,435.08; September Payroll Warrants #5984-6009 for \$62,528.33; September adjusting entries to UBS for \$2,669.99 charges and \$629.06 credits and to Assessments for \$27,416.63 charges; September EFTPS withholding deposit made on 09/30/08 for \$22,443.44; and September Financial Reports for review. It was moved by Montfort and seconded by Reichhardt to approve the Consent Agenda. The motion passed unanimously.

Developer Extensions: none

BP Domestic Wastewater Decision: Dan presented the Resolution #670 drafted by Bob Carmichael to address the steps necessary to expand BP sanitary sewer services to include all of the property. Jimmy Zierdt of BP commented on the resolution. BP has concern that the resolution would warrant further investigation on breach of contract issues. However, they would not object to the resolution content as written. It was moved by Montfort and seconded by Reichhardt to approve Resolution #670. The motion passed unanimously.

Roger also reported on current activity at the PUD and his attendance at their board meeting.

Cost Reimbursement Program: Roger briefed the board on the District's meeting with the Nooksack Tribe held on October 1st, 2008. The meeting seemed promising and positive towards the District's actions in the Cost Reimbursement Program. The District did have a meeting scheduled with the Lummi Tribe on October 8th, 2008, but rescheduled for October 15th to include Chuck Lindsay in the meeting. The District received clarification that DOE will be unable to defer deciding on any groundwater rights applications that precede the City and District applications.

The District is meeting with the City of Blaine tomorrow to present data collected to assess the effectiveness of the summer conservation program. This is in preparation for the upcoming Whatcom Water Alliance regional meeting. Roger reviewed the other items that will be discussed with the City.

Blaine/Hall Rd. Waterline Project: Dan presented to the Board the proposal from Widner and Assoc. who assisted in the permitting process. Dan asked for approval from the Board to award

Widner and Assoc. the consulting services for archaeological monitoring and further HPA work in the amount of \$25,887.20. It was moved by Montfort and seconded by Reichhardt to authorize Roger to sign the contract. The motion passed unanimously.

Stormwater Update: Dan updated the Board on the NPDES requirements to evaluate the District's wastewater system for infiltration and inflow. Mike Sowers, Ops Manager, has already completed the report. The District is proposing to submit the report soon to DOE.

Dan also reported on the status of smoke testing RV/trailer parks in the District. The District plans to continue smoke testing for the next couple of weeks until all RV/trailer parks have been inspected.

Community Outreach: Dan informed the board about his presentation to the Birch Bay Village Men's Breakfast Club on October 7th, 2008. Emily also presented to the club on the conservation program.

Birch Bay Lynden Rd. Project Update: Dan updated the Board on the Birch Bay Lynden Rd. Project. As of today, the last item was completed. Dan is interested in seeing the savings from conducting the project in-house once the final numbers come in.

FACTA/Red Flags Rule: Roger informed the Board about a new regulation, the FACTA/Red Flags Rule, which is designed to prevent identity theft and fraud. The District is covered under the rule and plans to develop a program in compliance with the new statute. Staff will have a resolution and program ready by the next board meeting for approval. The final resolution and approved program must be in place by November 1st.

Infrastructure Financing Issues: Roger briefed the board about the focus group he attended earlier in the month on infrastructure financing issues. The board indicated that it would be appropriate for him to add his name and position to the paper he has prepared and sent to the Office of Financial Management.

Developer Extensions: none

Don asked for approval to use the District meeting room for Birch Bay WARM meetings. Don would be responsible for organizing meetings that would occur once a month. District staff and other board members did not see any conflict with the request.

The Commissioners went into Executive Session at 6:31 PM to discuss a matter of potential litigation. Commissioner Alesse announced that the Executive Session would last for 30 minutes and did not anticipate any action by the board afterwards.

Coming out of Executive Session at 6:45 PM, there being no further business, the meeting was adjourned at 6:45 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 **October 9, 2008.**

BOARD SECRETARY

(minutes taken by Emily Resch)