

MINUTES OF THE REGULAR MEETING OF THE BOARD OF COMMISSIONERS  
OF BIRCH BAY WATER AND SEWER DISTRICT,  
HELD December 11, 2008

Commission President Patrick Alesse called the meeting to order at 4:30 PM. Other persons present included Commissioners Carl Reichardt and Don Montfort, General Manager Roger Brown, Engineering Services Manager Dan Eisses, Treasurer Glenn Golay, Water Conservation Specialist Emily Resch, Attorney Robert Carmichael, Engineer Rodney Langer, Mike McLeod (Beachwood Park), and Pat Pollock (BP).

**Agenda additions/changes:** Roger asked to move up the RCC implementation discussion on the agenda, and also the Beachwood payment request. Also, Dan asked to add a discussion on the surplus equipment sale.

**Public Input:** Mike McLeod was present to discuss a request to allow Beachwood Park to make a partial payment on their account. The commissioners were in favor of allowing a partial payment one time for this account. The Park would be able to make a partial payment on their account after it is current, which would help them to stay current.

**Consent Agenda included:** Minutes for the Regular meeting of November 13, 2008; Accounts Payable Warrants #37956-37996 paying Claims #37956-37996 for \$143,132.36 and Warrants #37997-38029 paying Claims #37997-38029 for \$430,757.60; November Payroll Draws Warrants #6049-6061 for \$14,500.00 and November Payroll Warrants #6062-6086 for \$63,269.14; November adjusting entries to UBS for \$1,786.02 charges and \$1,056.85 credits; November EFTPS withholding deposit made on 11/28/08 for \$22,827.17; and November Financial Reports for review. Commissioner Montfort noted a wording error on the minutes for November 13 that was corrected on the original. After that correction, it was moved by Montfort and seconded by Reichardt to approve the Consent Agenda. The motion passed unanimously.

Roger noted that the district has received a copy of the water use efficiency report for BP. Dan will be discussing the report with Pat Pollock.

Roger also reported on current activity at the PUD and his attendance at their board meeting. He also discussed the PUD's proposed 2009 budget. Roger noted that the budget calls for the district's rates to go up 17+%. He talked about the questions he asked the PUD board and the impact on the PUD budget.

**Cost Reimbursement Program:** Roger noted that Phase 1 of the program is to provide a preliminary report to lay out the issues and develop an estimated cost to complete the program. The estimated cost of the study exceeds \$51,000, which is considerably more than the original estimate of \$5,000 to \$10,000 as advertised in DOE's publication. District and City staff will meet with DOE and the consultant tomorrow to discuss a reduction in these costs and also the number of water right applications to be covered by this program. Roger asked for authorization from the board for the district to pay up to \$15,000 for the Phase 1 program expense. This would match the amount the City Manager can approve without specific Council authorization and would enable contracting to move forward if the budget can be brought down under a total of \$30,000. It was moved by Reichardt and seconded Montfort to increase the approved amount per Roger's request. The motion passed unanimously.

Roger also discussed current activity with regional watershed planning.

The staff and commissioners discussed the implementation of the Regional Connection Charge. District Resolution #674 would set the implementation date for January 1, 2009. It was moved Reichhardt and seconded Montfort to approve the resolution. The motion passed unanimously.

Roger also talked about his discussion with DNR staff regarding approval of the District's aquatic lands lease extension.

Glenn left at 5:40 and Emily began taking meeting minutes.

**City Annual Meeting:** Roger briefed the Board about the annual Water Supply Contract meeting with the City of Blaine. The meeting was very positive with a lot of support from City Manager Gary Tomsic and City Council Member Charlie Hawkins. Commissioner Alesse also commented on the success of the meeting.

**Hogan Drive Watermain:** Don recused himself from the discussion. Dan explained to the remainder of the Board about the location of the watermain on Hogan Drive and the situation it presents to fixing an identified leak. The watermain is located behind a homeowner's house and a leak is suspected to be seeping into the foundation. Larry Freeman, District Inspector, has researched the District #6 archive meeting minutes for more information about the details of the existing watermain. Dan discussed the information that has been found thus far. Dan recommends having the waterline located behind the house and to have a survey done to locate the easement and watermain in relation to the house. If it is found that the watermain is not in the easement, there needs to be a 10 foot easement in front of the house and a new waterline located within that easement. Responsibility should fall on the homeowner if the house is located on the easement and if not it becomes the District's responsibility. However, the homeowner's septic system is located in the front of the house and presents an obstacle for waterline relocation. Given the circumstances, Commissioner Montfort said that he has no conflict of interest making a decision regarding the Hogan Dr. waterline. The Board concurred with this recommendation.

**Surplus Property:** The District advertised the backhoe, trailer and service truck in the Northern Light. The District received a few offers. Blair Beebe was the high bidder of the back hoe at \$3,251.50. Washington Implement placed bids on the back hoe and trailer, but would only accept the trailer with the purchase of the back hoe. All bids must meet the minimum offer to be accepted. All three bids met the minimum offer for the backhoe, but not the other surplus items. Language in the advertisement did not state rules on combination bids. The District plans to re-advertise the trailer and service truck. Attorney Carmichael said discretion is given to the Board on how to award the bid. It was moved by Montfort and seconded Reichhardt to award the backhoe bid to Beebe. The motion passed unanimously.

**Developer Extensions:** Dan discussed two developer extensions with the board. Dan explained Duane Nelson's proposal for condominium development. Dan is looking for approval of the D.E. agreement for phase 1. It was moved by Montfort and seconded by Reichhardt to approve the D.E. agreement. The motion passed unanimously.

Dan went on to explain the Trillium Shintaffer Farms reimbursement agreement. A resolution will be drafted for January to hold a public hearing to consider approval of the reimbursement agreement for the project.

Commission President Alesse then announced that the Commissioners would go into Executive Session at 6:16 PM to discuss an issue of potential litigation. They expect to be in session for 20 minutes, with no action anticipated afterwards. They was no public attending the meeting at this time.

The Commissioners came out of Executive Session at 7:46 PM, and there being no further business, it was moved by Reichhardt and seconded by Montfort to adjourn the meeting. The motion passed unanimously.

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COMMISSIONER

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COMMISSIONER

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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 **December 11, 2008.**

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BOARD SECRETARY

**(minutes taken by Glenn Golay & Emily Resch)**