

MINUTES OF THE REGULAR MEETING OF THE BOARD OF COMMISSIONERS  
OF BIRCH BAY WATER AND SEWER DISTRICT,  
HELD January 14, 2010

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

First order of business is to elect board officers for 2010. It was moved by Reichhardt and seconded Alesse to elect Patrick Alesse President, Carl Reichhardt Vice President/Assistant Secretary, and Don Montfort Secretary for the 2010 board year. The motion passed unanimously.

New President Alesse then presided over the rest of the meeting.

**Agenda additions/changes:** Roger asked to move the CIP and Conservation budget review up in the agenda so Emily and Mike don't have to stay for the entire meeting.

**Public Input:** None

**Consent Agenda included:** Minutes for the Regular meeting of December 10, 2009 and Special Meeting of December 17, 2009; Accounts Payable Warrants #39180-39235 paying Claims #39180-39235 for \$100,706.58, Warrants #39236-39266 paying Claims #39236-39266 for \$68,892.42, Warrants #39267-39297 paying Claims #39267-39297 for \$376,892.16; December Payroll Draw Warrants #6552-6565 for \$17,800.00 and December Payroll Warrants #6566-6590 for \$63,941.53; December adjusting entries to UBS for \$2,744.77 charges and \$2,638.01 credits; December EFTPS withholding deposit made on 12/31/09 for \$24,426.37; December Department of Revenue payment made on 01/04/10 for \$6,979.45; 2010 Wage & Salary Schedule; December Financial Reports for review; and Voided Warrants #39089-39179 due to a print error. It was moved by Reichhardt and seconded by Montfort to approve the Consent Agenda. The motion passed unanimously.

**Conservation Budget** – Emily presented the proposed budget for 2010, which is approximately \$10,000 less than 2009. The activity has not changed greatly from 2009. Most elements are the same as last year. As part of the 2010 approval process, Emily also asked for a decision on **Task Order #16** which would provide for cost sharing (50/50) with the City of Blaine for joint conservation program activities for 2010 and for the City to pay 10% of Conservation Program labor in general. It was moved by Montfort and seconded Reichhardt to approve Task Order #16. The motion passed unanimously.

Operations Manager Mike Sowers presented and commented upon the Operations CIP budget items.

Dan discussed the project CIP schedule which is based on the approved water and sewer comprehensive plans. Dan pointed out that the projected growth rates in the comp plans will be factored into the revenue model along with projects that would go along with capacity requirements. Don asked how the deferral of projects would impact operational maintenance costs. Some of the projects are based on repair needs rather than capacity requirements.

Roger reported on current activity at the PUD and his attendance at their board meeting. He also discussed the watershed planning group.

Roger noted that the Water Supply Group meetings have been suspended indefinitely.

**Cost Reimbursement Program:** Roger reported that DOE has released the Draft Reports of Examination on the water right applications for both the District and the City of Blaine, which include recommendations for approval. Roger pointed out a couple issues that came up late in the process that required additional time from consultants to address those issues. Roger asked for approval of an MOU that would add \$5,000 and an additional \$3,000 in contingency.. The city would pay half of that amount. It was moved Montfort and seconded Reichhardt to approve Task Order #17 in the amount of \$5,000. The motion passed unanimously.

Dan discussed the status of the **Forcemain project** and reviewed the project schedule and where the contractor is on that schedule. He discussed the de-watering issue. Dan reviewed potential approaches to de-watering issues. Dan is recommending to the board to make the installation shallower; allow the contractor to abandon the AC main in place (credit to be negotiated); produce a geo-tech report (\$3,000); remind the contractor that he needs to perform reasonable de-watering activities; and to dig the bypass system thru the residential area as a learning experience to see how much the ground water impacts the project. It was moved by Montfort to approve Dan's recommendations. The motion was seconded by Reichhardt and passed unanimously.

Glenn presented a request from **Beachwood** to make a partial payment on their utility accounts. After review, it was moved by Reichhardt and seconded Montfort to approve the request. The motion passed unanimously.

Rodney presented the CHS review of the District connection charge and discussed the factors (or different methods) that impact the calculation of the charge. There was general discussion about which method to use taking into account strategic infrastructure planning. The commissioners asked questions and gave their input. Dan and Rodney will continue to work on this and come back to the board with a formal recommendation.

Commission President Alesse then announced that the Commissioners would go into Executive Session at 8:10 PM to discuss an issue of potential litigation. They expect to be in session for 20 minutes, with the regular meeting to resume afterwards. There was no public attending the meeting at this time.

The Commissioners came out of Executive Session at 8:30 PM and resumed the regular meeting.

Roger presented information and gave some recommendations for changes to the policies and procedures regarding the district's infiltration and inflow (I&I) regulatory standards. There was general discussion regarding this issue. He and Dan will continue to work on this and bring a final recommendation to a future board meeting.

There being no further business, it was moved by Reichhardt and seconded by Montfort to adjourn the meeting at 8:50 PM. 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 **January 14, 2010.**

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BOARD SECRETARY

**(minutes taken by Glenn Golay)**