

MINUTES OF THE REGULAR MEETING OF THE BOARD OF COMMISSIONERS
OF BIRCH BAY WATER AND SEWER DISTRICT,
HELD January 28, 2010

Commission President Patrick Alesse called the meeting to order at 4:30 PM. Other persons present included Commissioners Don Montfort and Carl Reichhardt, General Manager Roger Brown, Engineering Services Manager Dan Eisses, Water Conservation Specialist Emily Resch, Operations Manager Mike Sowers, Attorney Robert Carmichael, and Robert Romain.

Agenda additions/changes:

Public Input: Robert Romain was present to ask the Board to waive his penalty charges on water and sewer ULID's that he paid in the California Trail area. After discussion, Commissioner Reichhardt moved to waive the penalty charges. The motion was seconded by Alesse. Carl voted yes and Don and Pat voted no. Carl then made a motion to waive half of the penalty charges. The motion was seconded by Alesse. Carl and Pat voted yes and Don voted no, motion passed. Roger stated that Glenn would work with Mr. Romain on the refund.

Consent Agenda included: Minutes for the Regular meeting of January 14, 2010; Accounts Payable Warrants #39298-39332 paying Claims #39298-39332 for \$47,966.72; and January Payroll Draw Warrants #6591-6604 for \$17,650.00. It was moved by Montfort and seconded Reichhardt to approve the Consent Agenda. The motion passed unanimously.

BP: The current draft of the proposed wastewater contract is included in the binder and a meeting with BP has been scheduled for February 10.

Water Supply: Roger discussed the PUD's meeting minutes and the current status of the cost reimbursement program. Comments on the draft ROE's are due February 4 and the DOE is still working with the Birch Bay outlet mall's application. Emily discussed the Water Alliance meeting held earlier today. There was some discussion regarding the water supply group.

PS #3 to WWTP Forcemain Project: Dan discussed the contractor's progress on the forcemain project. They will be switching to the bypass line on Friday and hopefully have the culvert done shortly. The water services encountered in the residential area are not looking good and the Board agreed with Dan's recommendation to have the water crew change them out now while the street is opened up. The cost of this work will be charged to the yearly water replacement CIP project. Dan reviewed the contractor's response to the shallower force main and AC main removal change order proposals. Dan's recommendation was for the contractor to start at PS #3 and lay the pipes towards the WWTP. Try to get the pipes as close to the design as possible and move the grade higher if groundwater does start to be a problem. The Board concurred with this recommendation. Dan also asked for and received approval for an additional depth asphalt grinding change order.

Surplus Service Truck: It was moved Montfort and seconded Reichhardt to approve Resolution No. 689 to surplus the service truck. The motion passed unanimously.

2010 O&M/CIP Budgets: Roger distributed the 2010 O&M/CIP Budgets for discussion and informed the Board that the rate model would be discussed at the next meeting. Mike made a short presentation on the O&M requested budget and there was some discussion on the amount of connection fees assumed in the budget. Montfort made a motion to approve the O&M budget not including WAWSD dues. The motion was seconded by Reichhardt. The motion passed unanimously. Montfort then moved to join WAWSD for 2010, which was seconded by Alesse. The motion passed 2 to 1 with Reichhardt voting no.

HVAC Project Update: Dan reported that the HVAC project has been going well and that the building was currently being heated by the new heat pump. The contractor has most of the units up and running and there have been no real issues with the project.

I & I Standards: Roger discussed the recommended I&I standards. He will bring more information back to the next Board meeting

Developer Extensions: Dan reported that the Sandcastle project has made an inquiry about changing the spa area of the building to additional condo units. His initial determination is that this would be a change in use and the entire building would need to re-counted per the current ELU code. Jack Swanson had sent a letter late today saying that it was more than one premises and as such the entire building would not need to be reevaluated. The Board directed Bob to review the issue and bring it back for consideration.

There being no further business, it was moved Montfort and seconded Alesse to adjourn the meeting at 8:55 PM. The motion passed unanimously.

COMMISSIONER

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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 28, 2010**.

BOARD SECRETARY

(minutes taken by Emily Resch/Dan Eisses)