

MINUTES OF THE REGULAR MEETING OF THE BOARD OF COMMISSIONERS
OF BIRCH BAY WATER AND SEWER DISTRICT,
HELD **August 12, 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, Assistant General Manager Dan Eisses, Attorney Simi Jain, Engineer Rodney Langer, Treasurer Glenn Golay, Operations Manager Mike Sowers and Pat Pollock (BP).

Agenda additions/changes: Glenn asked to add a customer request for decision. Roger and Dan recommended moving items #9 and #10 for action immediately following the Consent Agenda. This would allow input from Pat Pollock of BP to the changes to the water supply quantity and how it impacts the district's potable water service to BP.

Public Input: none

Consent Agenda included: Minutes for the Regular meeting of July 22, 2010; Accounts Payable Warrants #39812-39845 paying Claims #39812-39845 for \$43,848.82; July Payroll Warrants #6834-6857 for \$63,331.58; July Adjusting Entries to UBS for \$1,434.69 charges and \$1,646.53 credits and to Assessments for \$11,992.28 charges; July EFTPS withholding deposit made on 07/30/10 for \$24,366.92; July Department of Revenue payment made electronically on 08/05/10 for \$13,121.10; and July Financial Reports for review. It was moved by Montfort and seconded Reichhardt to approve the Consent Agenda. The motion passed unanimously.

Water Supply Contract – Amendment #2: Roger asked for approval of the amendment. He explained that it was slightly changed from the document previously reviewed by the board, but it is now approved by the city council and Roger recommended approving the changed document. After discussion and questions, it was moved Montfort and seconded Reichhardt to approve and allow Roger to sign the Water Supply contract Amendment #2, easement, and bill of sale. The motion passed unanimously.

BP: The sewer contract is under review at BP. BP staff is very busy with Gulf issues and there is some delay because of that. Also, the BRB has accepted the District's application as complete as of Aug 11 and the time line has started.. Roger will be working next week on the notice to BP regarding the notice of satisfaction on the first condition precedent.

Dan, Roger, and Mike presented a semi-annual budget performance review. There was considerable discussion of the projections for expenditures and revenues. Mike described processes and procedures he has implemented that have saved some expense. Dan reviewed capital items and where we are with the projects.

Dan reviewed a Readiness to Proceed Questionnaire to PWTF as part of the loan application process for the Headworks upgrade project. Dan is hopeful that this project could be funded by PWTF. Don gave some input from his perspective as a PWTF board member. There was also discussion of other funding possibilities.

Dan updated the commissioners on the progress of completion of remaining punch list items on the Birch Bay Drive Forcemain project. There wasn't very much new to report. Jansen has made some progress on the punch list. Dan described his discussions with Jansen as they move toward close-out of the project.

Roger reviewed the Water Service Policy that was also seen by the board at the last meeting. After discussion, it was moved by Montfort to approve the policy. The motion was seconded by Reichhardt and passed unanimously.

The board discussed the status of the foreclosure process on the Drews matter. It was moved by Reichhardt to approve filing on the foreclosure, but not to execute on the judgment against the property at this time. The motion was seconded by Montfort and passed unanimously.

Roger discussed a letter received from the Dakota Creek Community Association that asks for a vote on a proposal to approve a special assessment for road improvements. The district owns property there because of Well #2. It was moved by Reichhardt and seconded by Montfort to approve a one time payment of \$2,000 for the improvements. The motion passed unanimously.

Developer Extensions: Dan updated the board on current developer activity. He is meeting tomorrow with Mike Bleakney to discuss starting construction on his project. Dan also discussed the Harbor Shores project and their efforts to be annexed to the city.

Dan discussed a sewer line that is in the public right away next to Beachwood, one that Beachwood would like the district to take ownership. The board approved Dan getting this done because it was an oversight by both the district and Beachwood originally not to record the location and ownership.

Dan also informed the board of a proposed zoning change by the county within the district service area.

The board reviewed a request from Ruth Cleveland for refund of payment she made on a delinquent account prior to moving into the house. She is not able to move in now and would like her payment back. After review, the board decided that this is an issue between the entity controlling the property and Ms. Cleveland and declined to refund the payment.

There being no further business, it was moved Montfort and seconded Reichhardt to adjourn the meeting at 6:30 PM. 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 **August 12, 2010.**

BOARD SECRETARY

(minutes taken by *Glenn Golay*)