

MINUTES OF THE REGULAR MEETING OF THE BOARD OF COMMISSIONERS
OF BIRCH BAY WATER AND SEWER DISTRICT,
HELD **November 10, 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 Bob Carmichael, Treasurer Glenn Golay, Operations Manager Mike Sowers, IT Specialist Dustin Sellinger and Jeremy Schwartz from the Northern Light.

Agenda additions/changes: none

Public Input: none

Consent Agenda included: Minutes for the Regular meeting of October 28, 2010 (*with the correction of noting that it was the Forcemain project that Dan discussed PWTF closeout issues*); Accounts Payable Warrants #40073-40124 paying Claims #40073-40124 for \$172,059.28; October Payroll Warrants #6948-6971 for \$60,479.44; October Adjusting Entries to UBS for \$2,264.97 charges and \$1,039.32 credits; October EFTPS withholding deposit made on 10/29/10 for \$23,143.73; October Department of Revenue payment made electronically on 11/05/10 for \$10,499.26; and October Financial Reports for review. It was moved by Montfort and seconded Reichhardt to approve the Consent Agenda. The motion passed unanimously.

BP: Roger discussed recent activity regarding the water contract. Bob discussed his conversation with the PUD's attorney regarding service areas for both entities.

Dan reported that the district has received BP's comments on the wastewater contract and he discussed those and the district's response. Roger said they have reached agreement on all issues at the staff level and hope the contract will be ready for board review at the next meeting.

Dan presented a request for an additional \$1,500 to complete the review of the BP potable water contract work. Carl asked about the timing of the presentation of billing for additional work after the fact. Dan stated that Rodney has not yet gone over the approved amount, although the additional work has already been done. This was done at Dan's request and he will be more careful about this in the future. Don moved to approve the additional amount for CHS. The motion was seconded by Reichhardt and the motion passed unanimously.

Roger reviewed the agenda for the annual meeting of City of Blaine and the District regarding water supply. Carl will represent the commissioners at that meeting.

Roger presented the 2009 water rate True-up and the 2011 rate proposal. Roger is still reviewing the documents and will report to the board after that review.

Roger is still reviewing the DOE water bill decision.

Dan and Mike discussed ongoing efforts to investigate I & I problems in the district wastewater system. Mike has programmed the SCADA system to identify each basin's total flow such that it can be reviewed during rain events. This has identified basins 4 and 6 as the basins that show the most increase in flow. They will be investigating those basins more closely to try and locate the sources. Additionally, Larry has been inspecting all manholes in the District and has identified several problem manholes and corrected a number of problems.

Dan reviewed the **Forcemain project** and noted that he is still working with Jansen on change orders. Fisheries approved the culvert installation.

Dan reviewed the status of the search for a consultant on the headworks project. He is still reviewing information presented by the engineering firms.

Roger and Dan discussed rates, the board was in agreement with moving ahead with review of a rate restructuring and 3% increase. Roger will put out a press release on the rate proposal before the next board meeting.

Dan reviewed developer extensions. Harbor Shores is looking into a STEP system for sewer service. They are still working on getting sewer from either the District or the City of Blaine. The Board agreed to have Roger start working with the City to explore options in using a STEP system to service these lots. Dan then discussed the Blaine Bay Bible Community Church Fire system proposal. The Board was in agreement with the offer presented by the church. The Board authorized the General Manager to sign the DE Agreement for the 3 lots on Bay Rd across from Beachwood. It was moved Reichhardt, and seconded Montfort, to authorize the general manager to sign the agreement. The motion passed unanimously.

Board President Patrick Alesse announced at 7:05 pm that the board would go into Executive Session to discuss an issue of potential litigation. Mr. Alesse expects the session to last until 7:15 pm.

Coming out of Executive Session at 7:15 pm, there being no further business, it was moved Montfort and seconded Reichhardt to adjourn the meeting. 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 **November 10, 2010.**

BOARD SECRETARY

(minutes taken by Glenn Golay)