

MINUTES OF THE REGULAR MEETING OF THE BOARD OF COMMISSIONERS
OF BIRCH BAY WATER AND SEWER DISTRICT,
HELD January 13, 2011

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, Conservation Specialist Emily Resch.

Agenda additions/changes: none

Public Input: none

Elections of Board Officers: 2011 Board elections took place. It was moved by Reichhardt and seconded by Alesse to elect Montfort as Board President. The motion passed unanimously. It was moved by Alesse and seconded by Montfort to elect Reichhardt as Vice President. The motion passed unanimously. It was moved by Montfort and seconded by Reichhardt to elect Alesse as Secretary. The motion passed unanimously.

Consent Agenda included: Minutes for the Regular meeting of December 9, 2010; Accounts Payable Warrants #40192-40241 paying Claims #40192-40241 for \$154,823.89 and Warrants #40242-40276 paying Claims #40242-40276 for \$79,810.19 and Warrants #40277-40314 paying claims for #40277-40314 for \$64,800.14 and Warrants #40315-40315 paying claims for \$1,151.44; December Payroll Draw Warrants #7010-7023 for \$17,350.00 and December Payroll Warrants #7024-7048 for \$65,597.49; December Adjusting Entries to UBS for \$2,112.20 charges and \$2,493.05 credits; December EFTPS withholding deposit made on 12/31/10 for \$25,925.74; December Department of Revenue payment made electronically on 01/07/11 for \$6,747.33; 2011 Wage and Salary schedule per contracts; and January 2011 VEBA deposits for \$14,809.11. It was moved by Montfort and seconded Reichhardt to approve the Consent Agenda. The motion passed unanimously.

BP – Sewer Contract and Potable Water Service: Roger presented to the Board receipt of the first payment from BP as a result of the completion of the sewer contract. Roger also updated the Board on the status of the BP potable water service.

Water Supply: Dan updated the Board on the upcoming Joint Work Session with the City of Blaine on January 24th at 5:30pm. Chuck Lindsey is working on a topics outline for that meeting.

Roger informed the Board that the DOE estimate of work has been received and is under budget for the Cost Reimbursement Task Order No. 21, which was approved at the last Board Meeting.

Emily presented to the Board Task Order No. 23 regarding 2011 Conservation Program support and requested Board approval. It was moved by Reichhardt and seconded by Alesse to approve Task Order No. 23. The motion passed unanimously.

Forcemain Project: Dan updated the Board on the status of the forcemain project. The project close-out forms have been sent to the State. Dan is currently waiting on the State close-out process to close-out on the Public Works Trust funds. Dan also updated the Board on the status of storing the archeological remains found during the project. Western Washington University and Lummi Nation are both interested in storing the remains at no cost to the District.

Headworks Project: Dan summarized the December 12th rain event to the Board that generated record flows at the WWTP.

Rodney is working on the scope and fee for the headworks and WWTP evaluation. In addition, the District's NPDES permit requires two flow and loading reports by January 31, 2011. Dan sought approval for Rodney to complete the NPDES Monitoring Reports for the District, as these reports will feed into the

headworks and evaluation. It was moved by Alesse and seconded by Reichhardt. The motion passed unanimously.

Dan updated the Board on BBWARM and the status of waiving the storm-water fee. The item is on the next BBWARM Advisory Board meeting agenda.

Birch Bay Resort Park Settlement Agreement: Roger sought final approval of the Settlement Agreement amount between the District and Birch Bay Resort Park. It was moved by Alesse and seconded by Reichhardt to give Roger approval to finalize the agreement. The motion passed unanimously.

Developer Extensions: Dan reviewed developer extensions with the board.

Harbor Shores – Skip Jansen has been in discussions with Blaine and it appears that it is a workable solution. The Board concurred that this was a good direction.

Tom Fenton has requested a will serve letter for a proposed development called Maritime Manor. The proposed development is in an area that had been taken out of the UGA and was recently put back into the UGA. Dan sought approval from the Board to send a will serve letter to Tom Fenton. Board approved Dan to go forward and send the will serve letter to Tom Fenton.

Julie Carney has requested a will serve letter for an assisted living community development for the elderly. This area was taken out of long term UGA, but this particular project appears to be vested with the county. Dan requested approval from the Board to send the will serve letter and the Board approved.

Dan discussed the current status of the State Park Pump Station and the fact that the State is pursuing this project.

Meeting went into executive session at **6:10 pm** to discuss potential litigation and a personnel issue. The time in executive session is estimated to be **60 minutes**. The meeting came out of executive session at **7:20 pm**.

Bob recommended that the District prepare a settlement agreement for Drews' signature to dismiss the lawsuit against him which seeks to recover the costs of hooking him into the District's system, to record a release of the lien against his property for said costs, and to obtain a release of liability from Drews for any action against the District. Drews will remain liable for the GFC and LFC charges for which the District has a judgment lien. Bob also recommended that he send James a letter offering a cash payment equal to the estimated cost of removing the gravel from the holding tank and re-installing the pump and to obtain a release of liability from James for any action against the District. James would then remain subject to the deferral agreement he signed. It was moved by Alesse and seconded by Reichhardt to prepare a settlement agreement for Drews and a letter for James. The motion passed unanimously.

Roger requested Board approval for appointment of Meredith Riley as Finance Director for the District. Montfort asked for a background check if prudent and feasible. It was moved by Reichhardt and seconded by Alesse. The motion passed unanimously.

There being no further business, it was moved Reichhardt and seconded Montfort to adjourn the meeting at **7:35pm**. 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 **January 13, 2011.**

BOARD SECRETARY

(minutes taken by Emily Resch)