

MINUTES OF THE REGULAR MEETING OF THE BOARD OF COMMISSIONERS
OF BIRCH BAY WATER AND SEWER DISTRICT,
HELD **February 10, 2011**

Commission Vice President Carl Reichhardt called the meeting to order at 4:30 PM. Other persons present included Commissioner Patrick Alesse, General Manager Roger Brown, Assistant General Manager Dan Eisses, Attorney Bob Carmichael, Conservation Specialist Emily Resch, Interim Finance Director Meredith Riley, Operations Manager Mike Sowers and Larry Coleman.

Agenda additions/changes: Roger added potential litigation under executive session to the agenda.

Public Input: District customer Larry Coleman requested the Commissioners to waive the water/sewer bill payments reflecting zero water usage. His rental property was destroyed by fire. It was moved by Alesse and seconded by Reichhardt to credit Coleman the charges for the last two bi-monthly payments. The motion passed unanimously.

Consent Agenda included: Minutes for the Regular meeting of January 27, 2011; Accounts Payable Warrants #40344-40393 paying Claims #40344-40393 for \$95,158.69; January Payroll Warrants #7063-7087 for \$69,793.19; and January Adjusting Entries. It was moved by Alesse and seconded by Reichhardt to approve the Consent Agenda. The motion passed unanimously.

BP – Potable Water Service: Dan briefed the Board on the existing BP potable water contract and District recommendations for a permanent water contract with BP. Dan also updated the Board on the status of the Comprehensive Water System Plan amendment with Department of Health.

2011 Budget: District staff reported the proposed 2011 budget to the Board. Roger indicated that the Revenue Requirements Model will be ready by next Board meeting. Budget discussion included Revenue, Capital Improvement Projects, Operations, IT, Administration and Conservation.

Roger will come back with answers relating to questions raised by the board regarding the budget at the next Board meeting.

Blaine Inter-local: Roger updated the Board on the renewal of the inter-local agreement with the City of Blaine. The agreement extends the agreement for another three years. Blaine will bring the agreement to their council meeting next Monday, February 14th. Roger asked for approval of the agreement from the Board. It was moved by Alesse and seconded by Reichhardt to approve the Blaine Interlocal Agreement. The motion passed unanimously.

Forcemain Project: Dan informed the Board that the archeological report will arrive early next week. Electric West notified Dan that they most likely will be filing a lien.

Headworks Project: Dan briefed the Board on the waste load assessment completed by CHS. The report supports the need to increase plant capacity. Dan hopes to have a scope and fee for the Headworks project by next meeting.

Rates & Charges: Dan reviewed the changes made to the rates and charges discussed at the previous board meeting. Dan requested adoption of Resolution 699 Revised Rates and Charges. It was moved by Alesse and seconded by Reichhardt to adopt Resolution 699. The motion passed unanimously.

Resort Park Agreement: Roger informed the Board that the District has reached a final agreement with the Resort Park.

County Interlocal Agreement: Dan discussed the County's request for an Interlocal agreement with the District. The County is asking the District to enter into an interlocal agreement to assist with planning of urban growth areas in Birch Bay. Roger and Dan will meet with the County and report back to the Board.

Joint Work Session: Roger reminded the Board that the Joint Work Session is scheduled for Monday, February 14th.

Developer Extensions: Dan reviewed developer extensions with the Board.

Dan discussed the issue of metering fire flow for Birch Bay Bible Community Church. Dan recommended installing the meter at the right-of-way and the church is responsible for the service line along the easement. Measurement of water would be similar to District customers.

Dan updated the Board about the State Park Pump Station. Dan has been working with Garth on the DE agreement and hopes to have it by the next meeting.

Dan reviewed Drayton Harbor Meadows project to the Board. Plans have been submitted. Dan requested approval of the DE agreement for staff signature. It was moved by Alesse and seconded by Reichhardt to approve the DE agreement. The motion passed unanimously.

Meeting went into executive session at **6:41 pm** to discuss potential litigation. The time in executive session is estimated to be 10 minutes; no action is expected. The meeting came out of executive session at **6:49 pm**.

The Board recommended writing a letter to Mr. Bleakney advising him of his non-compliance with contract terms and directing that he take corrective action within 30 days.

There being no further business, it was moved by Alesse and seconded by Reichhardt to adjourn the meeting at **6:50 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 **February 10th, 2011**.

BOARD SECRETARY
(minutes taken by Emily Resch)