

MINUTES OF THE REGULAR MEETING OF THE BOARD OF COMMISSIONERS
OF BIRCH BAY WATER AND SEWER DISTRICT,
HELD May 12, 2011

Commission President Don Montfort called the meeting to order (by phone) at **4:30 pm**. Other persons present included Commissioners Patrick Alesse and Carl Reichhardt, General Manager Roger Brown, Assistant General Manager Dan Eisses, Attorney Bob Carmichael, Interim Finance Director Meredith Riley, and Jeremy Schwarz.

Agenda additions/changes: Drop items number 12, Verizon cell tower, and number 13, Cost reimbursement well 7. Add new item number 12, Fire District 21 vs. Whatcom County.

Public Input: None.

Consent Agenda included: Minutes for the Special meeting of April 20, 2011, Regular meeting of April 26, 2011; Accounts Payable Warrants #40591-40627 paying Claims #40591-40627 for \$105,521.15; April Payroll Warrants #7175-7198 for \$87,446.11; EFT Federal Withholding for \$22,340.78 and EFT monthly utility tax for \$4,530.99, and the Budget and CIP adoption policy. It was moved by Reichhardt and seconded by Alesse to approve the Consent Agenda. The motion passed unanimously.

Lincoln Road Waterline Replacement: Last meeting Dan passed out a proposal from Stremler Gravel. The sliplining lists using DR 9 pipe, but that should be DR 11.. Ductile iron is just over \$50 per foot, material and labor. The overall number is higher than the budget; most of which is due to the ductile iron pipe; project estimate of \$175,000 + sales tax, for a total of \$190,000. Dan reviewed the plans with the Board, particularly where the ductile iron pipe is placed. Dan said we could save money by sliplining rather than using the ductile iron pipe, but thought long term, the ductile iron would be better. The District requires a performance bond, and would with this project also. Dan reviewed the CIP Budget and Mike and Dan recommend using the SCADA system money that is in the CIP Budget for this project.

Dan recommends using Stremler as sole source, as then Stremler would use their own traffic control with savings for the District. There would not be conflicts between two contractors working at the same time, with less impact to the public. Dan is asking the Board for authorization to consider a sole source resolution to be drafted for presentation at the next Board meeting.

Reichhardt had a question on crushed backfill with regards to the County. Dan will need to check with the County on this. He also had a question on sliplining.

Board concurred that Dan should move forward with the sole source resolution and a contract agreement with Stremler Gravel.

BBWARM: Roger had a meeting with Kraig Olason; his objective is to address District stormwater rates by summer. Kraig is supposed to draft a proposal for the District's review. The District may get an exemption or in-kind credit to put against our rates. Kraig wants the District to help him with analysis of needs in one of the sub-basins; what storm facilities are in place, what will be needed in the future. This is a pilot project funded by an EPA grant. BBWARM wants the District to participate.

PWTF Headworks Draft Scope: PWTF revised the scope of the Headworks project. Dan thought the PWTF staff did a great job on the revised scope of work. Had a kick off meeting for this project yesterday; went well.

Loomis Trail Annexation: The petition was provided to the Board in their packet. CHS Engineers has reviewed the petition and confirmed 62% for the annexation. If the Board concurs with the petition, the District would start with the SEPA. It was moved by Alesse and seconded by Reichhardt to approve the acceptance of petition for the Loomis Trail Annexation. The motion passed unanimously.

It was moved by Alesse and seconded by Reichhardt to set the public hearing of the Loomis Trail Annexation to June 9th, 2011. The motion passed unanimously.

Accounts Payable: The 76 fleet credit card bill was too late to include in the consent agenda. Warrant #40628 for 76 Fleet Services for \$66.85 was issued to pay this bill. It was moved by Reichhardt and seconded by Alesse to approve Warrant #40628. The motion passed unanimously.

Don asked if there is a mechanism to pay these credit card bills on a timely basis. Roger reported that Dan is reviewing this process.

Kruse Waterline Easement Agreement: This happened several years ago. The Board agreed to an easement with Kruse, but it took Kruse and his sister a long time to sign the agreement. It provides for them to obtain a new easement if they ever develop their property, and the District needs to move the waterline. It has a 30 year term. It was moved by Alesse and seconded by Reichhardt to approve the Kruse waterline easement agreement. The motion passed unanimously.

Supreme Court decision on Fire District No. 21 vs. Whatcom County. The Fire District refused to provide a letter agreeing that they could provide adequate fire protection to a number of developments that Whatcom County approved despite not having the Fire District's letter. The Supreme Court ultimately overturned the County decision. Their reason was that the County code 20.80.212 states that the service provider must issue the letter to serve the developments. The development then should not have been allowed to proceed.

Developer Extensions:

Birch Bay Bible Church has started construction on the Blaine Rd. line.

Bay St 3 lots has completed construction and working on their paper work.

The Trillium easement for the Reserve at Semiahmoo has been updated. The District defined what development means. Dan has emailed Trillium with no response as yet.

Executive Session: the Board went into executive session at **5:30 pm** regarding existing litigation for approximately 15 minutes, no action expected. The Board came out of executive session at **5:42 pm**. No action was taken.

There being no further business, it was moved by Reichhardt and seconded by Alesse to adjourn the meeting at **5:43 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 **May 12th, 2011**.

BOARD SECRETARY