

MINUTES OF THE REGULAR MEETING OF THE BOARD OF COMMISSIONERS
OF BIRCH BAY WATER AND SEWER DISTRICT,
HELD August 25, 2011

Commission President Don Montfort called the meeting to order at **4:33 pm**. Other persons present included Commissioners Carl Reichhardt and Patrick Alesse, General Manager Roger Brown, Assistant General Manager Dan Eisses, Attorney Simi Jain, Interim Finance Director Meredith Riley, Jeremy Schwarz, and three members of the public.

Agenda additions/changes: Delete No. 8 Lien Process.

Public Input: Alex and Lorna Macquarrie, account #1100000300. Alex spoke on his delinquent account; he had left an outside tap running. His bill is high and is requesting some relief. After discussion, the Board determined that the District would recoup their City of Blaine costs for the water at \$370.00 and agreed unanimously to reduce the bill to this amount.

A woman representing Loomis Trail Annexation asked the current status of the annexation request. Dan reported that the Boundary Review Board (BRB) have not made a final decision. They are waiting to hear if the County is requesting that the BRB invoke jurisdiction.

Consent Agenda included: Minutes for the Regular meeting of August 11, 2011; Accounts Payable Warrants #40852-40887 paying Claims #40852-40887 for \$46,574.70; August Payroll Draw Warrants #7297-7300 and auto payments 10013-10021 for \$15,900.00 in total; July State utility tax payment made on 8/26/11 for \$12,665.94; and the July bank and ASP reconciliation. It was moved by Alesse and seconded by Montfort to approve the Consent Agenda. The motion passed unanimously.

Developer Extensions: None.

Foreclosures: The District was notified by the County of foreclosures on lots 11A and 84B in the Double R Ranch area. The District has filed liens on these lots to secure payment of assessments and other charges. Simi Jain reviewed the situation, indicating that legal counsel is recommending that the District file a Notice of Appearance and Answer in this matter. These actions are intended to call attention to the possibility of an assessor's plat as a potential method to assist with resolution of outstanding issues for both the County and the District. It was moved by Alesse, seconded by Reichhardt to approve filing the recommended legal actions. The motion passed unanimously.

Lien Process: Pulled.

City of Blaine Estimated Demand Forecast: The District has updated the estimated demand forecast to the City of Blaine. The District can propose a change only in the fifth year. Staff is recommending the peak day stay the same at 2.110 mgd, and the annual rate be increased to 1.250. Dan had Emily look at June 15 through August 15 for a number of years for rainfall and temperature. Dan believes that this summer was cooler than other years resulting in a lower demand, but there will be further analysis later. Dan is requesting the Board's authorization to sign the letter to Blaine. Reichhardt moved and Alesse seconded to authorize the letter; motion carried.

WRIA 1 Watershed Plan: Roger has a meeting set up with Patrick Sorenson of Lake Whatcom Water & Sewer District and their attorney with the District and Carmichael, Sept 6. There is reportedly a funding proposal going to the County on Sept 13. Roger proposes to draft a letter to the County Council raising issues with this plan which he will bring back to the Board for their review.

WASWD Survey: Roger received a survey letter from WASWD that he completed online and sent in regarding WASWD's focus for the 2012 Legislative Session. The Board also received this survey, which Roger encouraged them to complete.

BBWARM: Roger does yet not have a report back from Kraig Olason regarding progress on the interlocal agreement. It needs to go to their Board of Supervisors for review.

PWTF Changes: The District received a document proposing restructuring of the Public Works Trust Fund loan process. Roger brought it to the attention of the Board. There have been some concerns expressed regarding the restructuring. One of the concerns are it disrupts the present process between entities and their legislators. With the present system, entities have been rewarded for keeping on top of improvements to their infrastructure. Established agencies have their own cultures and priorities, and the emphasis may be on other values other than basic infrastructure. Roger is wondering if the Board shares his concerns, and do they want to communicate those concerns. August 26 is the deadline for review and approval of the new process. Don will draft a letter for the Board to review and sign opposing the changes.

Dan has done a preliminary review of the Headworks project, and sent a letter to the Public Works Board.

Customer request: Dan reported on a request from a customer. The customer purchased his mother's property from her estate. He wants the \$35 set up fee waived. Dan drafted a letter explaining that since this property transfer went through a title company, the District incurs cost of meter reading, and dealing with the title company, so the \$35 should stand. The Board concurred with the letter and the charge.

Developer Extensions:

Drayton Harbor Meadows: this project is moving along, and the road work is scheduled for Sept 5th. Five lots are going to pick up an 8 inch line, and then a 4 inch connection to Drayton Harbor. They would like to get started with construction soon.

Lincoln Retirement Home: this project is for a 170 unit retirement home. This is a land use and zoning issue with the County. There are a couple of parcels that the sewer would need to go through that are not included in the UGA. The District will need to provide fire flow. The District will review the request, but the County will need to deal with the land use issue. Dan will bring it back probably the second meeting in September.

The Board meeting went into executive session at **6:09 pm** to discuss potential litigation. The time in executive session is estimated to be 15 minutes; no action is anticipated. The meeting came out of executive session at **6:30 pm**. No action was taken.

The Board meeting adjourned at **6:30 pm**

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 **August 25, 2011**.

BOARD SECRETARY