

MINUTES OF THE REGULAR MEETING OF THE BOARD OF COMMISSIONERS  
OF BIRCH BAY WATER AND SEWER DISTRICT,  
HELD January 26, 2012

President Pat Alesse called the meeting to order at **4:35 pm**. Other persons present included Commissioners Don Montfort and Carl Reichhardt, General Manager Roger Brown, Assistant General Manager Dan Eisses, Attorney Bob Carmichael, Interim Finance Director Meredith Riley, IT Specialist Dustin Sellinger, and Jeremy Schwartz.

**Agenda additions/changes:** 2012 Wage Schedule, Warrant # 41248 to be voided, and State Audit Exit Conference scheduled.

**Public Input:** Rosalie Slagle of 4621 Sunburst Dr was here to talk about her bill for November 2011, which seemed higher than normal. Dan discussed the District's policy regarding leak credit, which is offered only once in three years. There is a risk of getting a small credit when in the future a large leak might happen and she would not be eligible for the leak credit. As there was no structural leak, the leak credit was denied.

**Consent Agenda included:** Minutes for the Regular meeting of January 12, 2012; Accounts Payable Warrants #41250-41268 paying Claims #41250-41268 for \$26,839.01; January Draw Payroll Warrants #7361-7362 and auto payments #10132-10141 for \$15,775.00 in total; and December Utility Excise Tax Manual Warrant paid in January. It was moved by Montfort and seconded by Reichhardt to approve the Consent Agenda. The motion passed unanimously.

**Developer Extensions:** None.

**Resolution 715:** Amends Resolution 710 authorizing and governing payments and transfer of District funds. Roger explained that when the District converted to cash basis it changed the way automatic withdrawals are run through the accounting system. We now need to produce manual warrants for bank and credit card fees that are automatically taken out of our bank. This resolution also codifies Resolution 710 and 715. It was moved by Montfort and seconded by Reichhardt to approve Resolution 715. The motion passed unanimously.

**Bank & Credit Card fee automatic withdrawals:** It was moved by Montfort and seconded by Reichhardt to approve the bank and credit card manual warrants. The motion passed unanimously.

**Additional Accounts Payable and voided warrant:** Accounts Payable Warrants #41269-41283 paying Claims #41269-41283 for \$24,055.51 were presented. It was moved by Montfort and seconded by Reichhardt to approve the Accounts Payable. The motion passed unanimously. Warrant #41248 for \$1,008.00 needs to be voided as the Whatcom County Auditors would not accept the warrant as the amount was higher than the amount of the liens, as two of the liens had been pulled after the warrant was processed. The Board authorized voiding the warrant.

**Code Update:** Dustin Sellinger presented the District's Code that will be available on our website. The Board was very appreciative of Dustin's work and agreed it should be available on the District's website.

**PW Trust Fund Loans:** Don M. spoke on the proposed PWTF Loans. Dept of Health was awarded \$25 Million, and Ecology was awarded \$45 Million. Repayments of PWTF loans make up 55% of the loan funds, and the other 45% is made up of different State taxes. The amounts were not as high as anticipated.

**Kaiser Meats:** Dan reported on Kaiser Meats; the District has taken five loads so far and we have not had any problems processing the product. We have been using Pump Station 1 to receive his effluent. The District was willing to negotiate a contract. Kaiser Meats is being sold the end of February, and the owner doesn't want to make a permanent contract at this time. Dan proposed a continuation of the temporary

solution, with a price of \$200 per dump load. The initial 5 loads that have already been delivered would be charged at \$100 per load. Dan is asking for Board approval of the \$100 initial loads rate and the \$200 temporary rate. This would apply through approximately mid-March, which should give the new owner time to have discussions with the District. The Board approved the temporary rate.

**Policy Updates:** Dan brought forward a number of policies for Board review:

1. \$60 charge of system maps; Dan proposed deletion.
2. Use of credit cards for District purchases; Dan proposed deletion.
3. Adjustments to utility bills, leak credits. Dan proposed a number of changes. The Board would like some language changes and then have this policy brought back.
4. Procedure for Rental or Similar Properties. Dan recommends some of the language needs to be updated.
5. Assessment policy will be brought back as there are some questions on it.

It was moved by Montfort and seconded by Reichhardt to approve the staff recommendations to policies 1-4. The motion passed unanimously.

**WRIA 1 Watershed Plan:** Roger provided the Board with a number of written communications regarding WRIA 1. There is a Water Districts Caucus meeting set up for February 2nd. Roger discussed the report on natural resource banking, which includes banking of water rights, ecological services and transfer of development rights. There are no statutes presently that authorize such exchanges. Roger brought other information to the attention of the Board. Roger also brought House Bill 1297 which would extend the time period permitted to put water to beneficial use to the attention of the Board.

**2012 Wage Schedule:** Meredith brought back the 2012 Wage Schedule as there were two errors on the original schedule. It was moved by Reichhardt and seconded by Montfort to approve the 2012 wage schedule. The motion passed unanimously.

**State Audit Exit:** the exit conference is scheduled for February 10th at 10am. Commissioner Alesse stated his intention to attend.

**Developer Extensions:** No developer extensions at this time.

Alesse adjourned the Board meeting at **6:35 pm**.

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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 **January 26, 2012**.

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BOARD SECRETARY