

MINUTES OF THE REGULAR MEETING OF THE BOARD OF COMMISSIONERS  
OF BIRCH BAY WATER AND SEWER DISTRICT,  
HELD June 14, 2012

President Pat Alesse called the meeting to order at **4:34 pm**. Other persons present included Commissioner Carl Reichhardt, General Manager Roger Brown, Assistant General Manager Dan Eisses, Attorney Bob Carmichael, Skip Jansen from Harbor Shores, Craig Parkinson from Cascade Engineering, Interim Finance Director Meredith Riley, and Jeremy Schwartz.

**Agenda additions/changes:** SCADA Update is moved to next meeting June 28, 2012.

**Public Input:** None.

**Consent Agenda included:** Minutes for the regular meeting of May 24, 2012; Accounts Payable Warrants #41580-41614 paying Claims #41580-41614 of \$97,818.73; May Payroll Warrants #7407-7415 and auto payments #10238-10251 for \$93,316.91 in total. Including Federal Withholding auto payment #10243 for \$23,877.64; Manual Warrant #901151 to Key Bank of \$47.33 for April bank fees, Manual Warrant #901152 of \$80.34 to Key Bank for deposit books, and Manual Warrant #901153 of \$9,283.87 to Dept of Revenue for May excise tax; Utility Billing May adjustment charges of \$1,005.53 and credits of (\$613.70), and LID Assessment May adjustments of \$0.00. It was moved by Reichhardt and seconded by Alesse to approve the Consent Agenda. The motion passed unanimously.

**Developer Extensions:** Harbor Shores summary: Dan spoke to this issue. The District's water comp plan includes a 16" water line that goes through a portion of Harbor Shores. It would work as a second source of water into the District. According to the District's limited availability of water and sewer policy, water and sewer service is not assured until connection to the system is complete, and connection must be consistent with the Comp Plan. Dan went over his June 7th email explaining the Harbor Shore issues. In 2008 this area met our design standards. There was nothing in the previous Comp Plan to upgrade. Since then the new comp plan has new standards that part of the development needs to meet.

Skip Jansen said he spoke to the Fire Chief in 2008 and he stated that the 4" water line was adequate. There was some disagreement on what has been discussed in the past, and what was necessary for Harbor Shores. Craig Parkinson had a question on the \$4,000 water assessment per hookup. Reimbursement agreements were discussed.

Skip wants the record to show that until June 7<sup>th</sup>, he was not aware that this policy existed.

Dan stated that Skip or his engineer was given a copy of this policy every time he has done a project in the District, when given a "will serve" letter that goes to the County.

Roger spoke to the Comp Plan and why they are updated. Staff uses the Comp Plan for its guide in determining what facilities are required in conjunction with new connections to the system.

Pat spoke to this project, and some history of this area. Skip stated he felt that this is not a new project, it's an existing project. Skip feels this is not fair, as this project has gone on since 2008, and was approved in 2009. Skip asked the Board to make an exception.

The Board decided to carry this issue over to next meeting June 28, 2012 when Don is back.

**Additional Accounts Payable:** Accounts Payable Warrants #41615-41630 paying Claims #41615-41630 of \$385,666.71 were presented. It was moved by Reichhardt and seconded by Alesse to approve the additional Accounts Payable. The motion passed unanimously.

**State Funding:** Dan reported the Public Works Trust Fund applications were all submitted. PWTF Board asks for addition information as they go through the applications.

**Cash Reserve Policies:** Roger drafted policy language for the Cash Reserve policy update. He redlined a copy to show any changes to this policy, which comply with the Board's previous decisions.

Carl would like it brought back on the regular agenda for next meeting when Don will be back.

**Capital Asset Policy:** Although the District no longer has capital assets on the Balance Sheet, we are still required to track capital assets, and we have a subsidiary capital asset system. Meredith wrote this policy taken from another Water/Sewer District. The threshold for a capital asset would be \$5,000, and then an additional list would be for small and attractive assets, such as a digital camera. This is a second reading.

The Board requested that this issue be put on the consent agenda for next meeting.

**Delegation of Authority for Payables:** In April the staff had proposed a policy regarding approval of vouchers without a Board Meeting in situations when the meeting would be needed simply to approve vouchers. Meredith drafted a resolution that adds language regarding District Treasurer and General Manager authorizations and responsibilities in this circumstance. It also refers to the State guidelines in RCW 42.24.180. The Board had reviewed the flow chart showing the authorization and disbursement of District funds at the previous meeting.

The Board requested that this issue be put on the consent agenda for next meeting..

**WRIA 1 Watershed Planning:** Roger called some information on the groundwater permit exemption to the Board's attention. Roger also brought to the Board's attention a grant agreement from Ecology to PUD No. 1 regarding in-stream flow. There is a caucus meeting scheduled for Wednesday of next week.

**Blaine Coordination Meeting:** Dan reported on the Coordination meeting with City of Blaine with the new PW Director, Ravyn Whitewolf.

**Developer Extensions:** None to report.

Meeting went into executive session at **5:38 pm** to discuss potential litigation. The time in executive session is estimated to be 25 minutes; potential action is expected. The meeting came out of executive session at **5:59 pm**. The Board took no action.

Pat Alesse adjourned the Board meeting at **6:00 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 **June 14, 2012**.

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BOARD SECRETARY