

MINUTES OF THE REGULAR MEETING OF THE BOARD OF COMMISSIONERS  
OF BIRCH BAY WATER AND SEWER DISTRICT,  
HELD **August 23, 2012**

President Pat Alesse called the meeting to order at **4:32 pm**. Other persons present included Commissioner Don Montfort, Commissioner Carl Reichhardt, General Manager Roger Brown, Assistant General Manager Dan Eisses, Attorney Bob Carmichael, Interim Finance Director Meredith Riley, and Jeremy Schwartz.

**Agenda additions/changes:** Add 2013 Water supply demand letter to City of Blaine before Item 13; and add potential litigation to Executive Session.

**Public Input:** None.

**Consent Agenda included:** Minutes for the regular meeting of August 9, 2012; Accounts Payable Warrants #41759-41774 paying Claims #41759-41774 of \$13,582.77; August Draw Payroll Warrants #7438-7439 and auto payments #10300-10309 for \$15,475.00 in total; Manual Warrant #901159 to Dept of Revenue of \$8,015.75 for excise tax in August; Manual Warrant #901160 to Elavon of \$719.61 for credit card fees in August; Manual Warrant #901161 to Key Bank of \$69.53 for bank fees in August; and an update of the Leak Credit Policy. It was moved by Montfort and seconded by Reichhardt to approve the Consent Agenda. The motion passed unanimously.

**Developer Extensions:** Bay Road 3 Lots:

**Reimbursement Agreement for Bay Road 3 Lots and Resolution No. 719:** This reimbursement agreement has been in the works for a long time. It took six months for the party to supply back up information for the charges. The District would like to set a public hearing for September 27<sup>th</sup>. It was moved by Montfort and seconded by Reichhardt to approve Resolution 719. The motion passed unanimously. It was moved by Montfort and seconded by Reichhardt to set the public hearing for September 27<sup>th</sup>. The motion passed unanimously.

**Additional Accounts Payable:** Accounts Payable Warrants #41775-41792 paying Claims #41775-41792 of \$10,840.97 were presented. It was moved by Montfort and seconded by Reichhardt to approve the additional Accounts Payable. The motion passed unanimously.

**Headworks Design Contract:** Dan went over the engineers report on the WWTP Evaluation and pre-design of the Headworks several meetings ago. This proposal is for actual design of the Headworks and submitting the engineering report to DOE for review. Dan reviewed CHS's portion of the costs and the various subconsultants costs. The costs seem high to Dan, but it is a fairly complicated design project with the number of subconsultants required versus the size of the actual construction. He was unable to find an equivalent project as it seems most agencies are doing more WWTP work when they upgrade their headworks. Dan did include some local consultants within this project. It was moved by Montfort and seconded by Reichhardt to approve the design contract. The motion passed unanimously. The Board also approved submitting the Engineering Report for Wastewater Treatment Plant Improvements to DOE for review.

**Policy Updates:**

Fees and Charges: Dan spoke to this policy. He reviewed the new and updated fees and charges. There was discussion on the after-hours turn on and cut lock fees being raised to \$600 each, which includes District overhead. Dan also discussed some issues that may be unique to Birch Bay, such as week-end customers, and a proposed fee of \$250, which is actual District cost (not including the overhead rate). Staff will continue working on the resolution for future action..

**State Funding:** Don M. spoke to this issue. The PWTF Board has reduced total projects to \$700 Million, with \$730 Million in requests. The Legislature may not authorize all of these projects.

**WRIA 1 Watershed Planning:** Roger stated that Lake Whatcom is considering an interlocal agreement with the District to hire legal counsel. The Water Districts Caucus will meet on August 31<sup>st</sup>. Roger will be showing the Caucus the new slides he presented to the County Council.

**Budget Transfers:** Roger presented three Budget transfers: two CIP projects, and one operating transfer. It was moved by Montfort and seconded by Reichhardt to approve the Budget transfers. The motion passed unanimously.

**2013 Water supply demand letter to City of Blaine:** once a year at this time, the District is required to send an estimated water supply demand letter for the coming year to the City of Blaine. The 2013 letter also includes notice that the District would like to extend the term of the water supply contract for an additional term of ten (10) years from the date of the expiration of the initial thirty (30) year term. It was moved by Montfort and seconded by Reichhardt to approve the letter conveying that notice and estimated water supply requirements. The motion passed unanimously

**Developer Extensions:**

Whisper Lake Plat, 145 units, has talked to the District and there will be an application shortly.

Waterslides (Grand Bay Resort): the District has received a request for a "will serve" letter.

The Tides wants to get into Phase 2, but would like to discuss timing of payment of connection charges..

**Executive Session:**

Meeting went into executive session at **5:51 pm** to discuss potential litigation and personnel issue. The time in executive session is estimated to be 25 minutes; no action is expected. The meeting came out of executive session at **6:22 pm**.

The Board meeting was adjourned at **6:25 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 **August 23, 2012**.

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BOARD SECRETARY