

MINUTES OF THE REGULAR MEETING OF THE BOARD OF COMMISSIONERS
OF BIRCH BAY WATER AND SEWER DISTRICT,
HELD **December 13, 2012**

President Pat Alesse called the meeting to order at **4:33 pm**. Other persons present included Commissioner Don Montfort, General Manager Roger Brown, Assistant General Manager Dan Eisses, Attorney Bob Carmichael, and Interim Finance Director Meredith Riley.

Agenda additions/changes: Remove No. 12 Sager Lots.

Public Input: None.

Consent Agenda included: Minutes for the regular meeting of November 29, 2012; Accounts Payable Warrants #42013-42041 paying Claims #42013-42041 of \$84,433.82; November Payroll Warrants #7472-7480 and auto payments #10382-10395 for \$100,514.99 in total; Manual Warrant #901172 to Elavon of \$526.67 for credit card fees paid in December, Manual Warrant #901173 to Key Bank of \$192.15 for bank fees paid in December, Manual Warrant #901174 to Dept of Revenue of \$10,282.35 for excise taxes paid in December; voided warrant #41669 for lost check to Partnership for Water Conservation for \$300.00; Utility Billing adjustments charges of \$1,210.20 and credits of (\$2,118.92) and LID adjustments of \$0 for November. It was moved by Montfort and seconded by Alesse to approve the Consent Agenda. The motion passed unanimously.

Developer Extensions: None.

Additional Accounts Payable: Accounts Payable Warrants #42042-42055 paying Claims #42042-42055 of \$30,366.68 were presented. It was moved by Montfort and seconded by Alesse to approve the additional Accounts Payable. The motion passed unanimously.

WRIA 1 Watershed Planning: Roger drafted a letter that came out of discussion at the WRIA 1 Whatcom Water Caucus regarding DOE funds. The purpose of the letter is to clarify for the record that the Whatcom Integrating Team (WIT) is not a reasonable substitute for the WRIA 1 Planning Unit. Roger then went through his slide presentation that he will be showing for the WASWD Board.

Lake Whatcom is not interested in supporting the cost of legal fees in regards to water rights.

2013 Budget & Rates: Roger told the Board that we would talk about some structural differences in proposed rate increases. Dan went over a water and sewer rate comparison throughout Whatcom County. He also reviewed two different revenue graphs for the proposed rate increase. Our customers have decreased their water usage since 2009. Dan then reviewed two different rate increases with the Board.

It was moved by Montfort and seconded by Alesse to adopt Resolution 722 as presented with the rate increase of 4.85% across the board. The motion passed unanimously.

It was moved by Montfort and seconded by Alesse to adopt the 2013 Budget as presented. The motion passed unanimously. The Board indicated that the CIP should be brought back to the Board for further review and possible amendment in January, when Carl is in attendance.

Annual Meeting with City of Blaine: Roger reviewed the agenda of the meeting with City of Blaine. Emily made a presentation on Water Conservation to the group. Dan spoke to the Water Supply issues and related projects that were reviewed in the meeting. At the meeting, a Joint Work Session with the City Council was discussed. The plan is to have the meeting review groundwater resources, with a presentation by Chuck Lindsay. Don asked that the meeting review Blaine's progress in implementing telemetry improvements. Dan reported that they have made good progress.

Headworks – PWTF Loan Amendment: Dan reported that the PWTF is asking for an amendment to the loan agreement. There were some date changes that needed to be made to match the 20 year period. It was moved by Montfort and seconded by Alesse to approve the PWTF Loan amendment to the agreement. The motion passed unanimously.

December 27th Board Meeting Cancellation: It was moved by Montfort and seconded by Alesse to cancel the December 27 2012 Board Meeting. The motion passed unanimously.

Developer Extensions:

The Tides

The Tides is asking for Buildings C and D to connect to the system. The developer has submitted a new legal description for the area of the property that will be served, and that was used to calculate the ULID credit. Emily prepared a letter outlining the changes to the Tides initial proposal and the connection costs. The Board approved the changes during the October 25 meeting, and this letter sent to the Tides documents the changes.

The Board meeting was adjourned at **6:25 pm**.

COMMISSIONER

COMMISSIONER

COMMISSIONER

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 **December 13, 2012**.

BOARD SECRETARY