

MINUTES OF THE REGULAR MEETING OF THE BOARD OF COMMISSIONERS
OF BIRCH BAY WATER AND SEWER DISTRICT,
HELD January 10, 2013

President Pat Alesse called the meeting to order at **4:34 pm**. Other persons present included Commissioner Don Montfort, Commissioner Carl Reichhardt, General Manager Roger Brown, Assistant General Manager Dan Eisses, Attorney Bob Carmichael, and Interim Finance Director Meredith Riley.

Election of Board Officers for 2013: President Pat Alesse called for election of Board Officers. Carl moved that the 2013 Board consist of Don as President, Carl as Vice-President, and Pat as Secretary. The motion carried. The Board was approved for 2013 as stated.

Agenda additions/changes: add discussion of PWTF Loans following No. 14; add Executive Session on personnel issue.

Public Input: None.

Consent Agenda included: Minutes for the regular meeting of December 13, 2012; Accounts Payable Warrants #42056-42067 paying Claims #42056-42067 of \$14,782.84 for 2012 Budget; Accounts Payable Warrants #42068-42081 paying Claims #42068-42081 of \$9,522.85 for 2012 Budget; Accounts Payable Warrants #42082-42089 paying Claims #42082-42089 of \$31,787.38 for 2013 Budget; December Payroll Draw Warrants #7481-7482 and auto payments #10396-10405 of \$15,475.00 in total; December Payroll Warrants #7483-7491 and auto payments #10406-10420 of \$87,322.30; the Employee 2013 Wage schedule; voided warrant #10411 for Employee Fringe Benefits of \$1,251.00; Utility Billing adjustments charges of \$954.00 and credits of (\$2,104.03) and LID adjustments of \$0 for December. It was moved by Montfort and seconded by Alesse to approve the Consent Agenda. The motion carried.

Developer Extensions: None.

Additional Accounts Payable: Accounts Payable Warrants #42090-42098 paying Claims #42090-42098 of \$20,448.61 were presented, Warrant #42093 of \$2,451.85 was pulled. It was moved by Montfort and seconded by Alesse to approve the additional Accounts Payable. The motion passed unanimously.

Conservation Program Task Order: Dan reported on the Conservation Program Task Order; the City of Blaine pays 10% of the Conservation Coordinator's salary and 50% of the School Conservation program. It was moved by Alesse and seconded by Reichhardt to approve the Conservation Program. The motion passed unanimously.

WRIA 1 Watershed Planning: Roger discussed the communications that he has sent out recently. Phil Cloward of Water District No. 13, attended the last PUD No. 1 meeting and talked to one of their Commissioners, Mike Murphy. Mike Murphy said he would like to attend the next Water District Caucus meeting. There was some discussion of the PUD's actions in the coming month. There was also additional discussion on proposed action by the Water District Caucus in the near future. Roger is also in contact with some of the representatives of the Small Cities Caucus. January 16th Roger will be going down to Snohomish County to make a presentation to some of the Districts' Managers.

General Facilities Charge: Dan told the Board that he has reviewed the general facility charges a number of times. He cited the RCW that addresses the GF charges. Dan then reviewed a work paper on the GFCs that has been reviewed a number of years with the aid of Rodney with CHS. Dan then reviewed a report that FCSG had done a number of years ago. They developed two alternative methods. Dan then reviewed the projected capital improvement projects for the next 10 years, and how they could be assigned to growth or to existing customers. Montfort wanted to know if our method was fair and reasonable. The Board was in agreement with Dan's methodology.

Double R Ranch: Dan had a meeting with three County representatives and Hugh Lewis, Double R Ranch Association's attorney, out at the Double R Ranch property. The illegal lots were reviewed by a Hearing Examiner who stated that if one of these properties was purchased by an innocent party, then they should be able to get a building permit from the County. Dan reviewed what the County personnel impressions were of the ability to build on these lots. The District is waiting to hear back from the County. The Board was interested in combining Lots 84 and 84A.

Cherry Point Aquatic Reserve Implementation: Dan stated that during the Budget process there was a question on reclaimed water. Dan gave the Board minutes from the Cherry Point Aquatic Reserve Implementation Committee. One of their items is working with the District and other parties on reclaimed water. Dan will be attending their next meeting.

PWTF Loans: The PWTF Loans for the District projects will all be eliminated if the Governor's recommendation of funding level is passed. Montfort stated that there are presently three different versions of funding level.

Developer Extensions:

Dan pointed out that six units were developed during 2012.

Executive Session:

The meeting went into executive session at **5:59 pm** to discuss a personnel issue. The time in executive session is estimated to be 20 minutes; no action is expected. The meeting came out of executive session at **6:30 pm**. No action was taken.

The Board meeting was adjourned at **6:30 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 **January 10, 2013**.

BOARD SECRETARY