

MINUTES OF THE REGULAR MEETING OF THE BOARD OF COMMISSIONERS
OF BIRCH BAY WATER AND SEWER DISTRICT,
HELD **April 11, 2013**

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

Agenda additions/changes: Dan asked to move No 13 before No. 12.

Public Input: None.

Consent Agenda included: Minutes for the regular meeting of March 28, 2013; Accounts Payable Warrants #42314-42330 paying Claims #42314-42330 of \$37,854.28 for 2013 Budget; March Payroll Warrants #7523-7533 and auto payments #10476-10489 of \$121,979.30 in total; Utility Billing adjustment charges of \$743.00 and credits of \$9,624.05; and LID Assessments of \$0 for March; Commission Policy – Procedures for Bankruptcy Notice; Resolution No. 724 – Revising Water & Sewer Fees & Charges with Exhibit A – updated fees and charges. It was moved by Reichhardt and seconded by Alesse to approve the Consent Agenda. The motion passed unanimously.

Developer Extensions: None.

Additional Accounts Payable: Accounts Payable Warrants #42331-42352 paying Claims #42331-42352 of \$19,937.71 were presented. It was moved by Reichhardt and seconded by Alesse to approve the additional Accounts Payable. The motion passed unanimously.

WRIA 1 Watershed Planning: Roger reviewed the outside legal counsel interviews that have occurred and will occur in the next week. Roger presented a letter he sent to Jack Louws and Whatcom County Council regarding the WRIA 1 Planning Unit reconvening, and a list of potential agenda items for the Planning Unit.

Roger reviewed the meeting of the Management Team of the Joint Board. Roger cannot find the Joint Board funding in the current Whatcom County Budget.

Roger brought a report from the Treaty Indian Tribes in Western Washington called “Treaty Rights at Risk” dated July 14, 2011 to the Board’s attention.

Roger then gave the Board the current level of spending on legal fees as of the end of March on this issue.

Don had a question on the funding of the Joint Board. The funding occurred in the County Budget in 2004.

Legislation: No information.

Payment & Collection Procedures: Dan reviewed the outline of Payment and Collection procedures he created. The outline includes: two month lock-off, late charges, letter notice of lien filing at 6 months, include removal fee with the lien fee, review old liens to update the language, and if monthly charges are greater than the current connection charges.

Dan then reviewed late charges: the District fee is not clear what part is penalty and what part is interest. Dan included some other entities’ late charges. He then showed a chart tracking late charges for the last 10 years which comprise about 1% of the District’s budget annually.

Dan then reviewed the current, average, and possible late fees for the District. The Board thought 6% seemed reasonable.

Dan then discussed District Code 8.04.340 Grafts to public sewers. Dan recommends eliminating this code section. The Board would like a disclaimer somewhere in the code.

The next issue is the number of utility liens the District has filed. There are currently 18 liens with old language; Dan's recommendation is to not update these. The other issue is how long should we wait before we file liens. Dan is recommending that we look twice a year and those accounts 12 months past due, we send a letter of intent to lien. The Board concurred.

Another issue is accounts that have more unpaid utility charges currently over and above the connection charges. There are only a few of these. One account has no water connection, and has a rental on the property. Dan will call the Whatcom County Health Department regarding this property.

PWTF and SRF Loan Funding: Dan updated the Board on the State Revolving Fund Loan (SRF) application from last year. The District may get funded for a portion of Blaine Road main replacements. The PWTF notified the District that they wanted to move forward with the Aeration Basin Upgrade paperwork. The Senate and House budget versions have included this project for \$500,000. It looks like we might have a good chance to have this project funded.

Headworks Bid Approval: Dan would like to wait on offering this project to bid until we find out if the aeration basin upgrade will be funded. Dan will work with our engineer, Rodney, to complete the present Headworks project documents. Dan is not sure why the engineer's estimate is so much higher than what the project was anticipated to cost.

Consumer Confidence Report: Dan brought the Consumer Confidence report to the Board before sending it out to the public. Emily has updated it for the current year. These will go out in May.

Accounting & Utility Billing Software RFP: Meredith reviewed what has taken place in the last two weeks. Meredith and Dustin saw two additional demonstrations and will be sending out an RFP that's due in two weeks.

Developer Extensions:

Alderson and Blaine Road Mini Storage

Dan told the developer he needed to turn in an application for water and sewer to move forward.

There may a housing development of around 300 units that will be near this property.

Loomis Trail Subdivision may have a parcel that's interested in water and sewer. The District may be able to do water only, but no sewer.

Don stated that many schools are pushing for changes in the Growth Management Act.

Don stated that Silver Lake is getting around 100 connections a month.

The Board meeting was adjourned at **6:10 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 **April 11, 2013.**

BOARD SECRETARY