

MINUTES OF THE REGULAR MEETING OF THE BOARD OF COMMISSIONERS
OF BIRCH BAY WATER AND SEWER DISTRICT,
HELD August 22, 2013

President Don Montfort called the meeting to order at **4:30 pm**. Other persons present included Commissioner Carl Reichhardt, Commissioner Pat Alesse, General Manager Roger Brown, Assistant General Manager Dan Eisses, Interim Finance Director Meredith Riley, Gordon Montgomery (the Ridge) and Dannon Traxler of Langabeer & Traxler PS. Attorney Bob Carmichael joined the meeting at 4:33 pm.

Agenda additions/changes: The Blaine Road Waterline will be discussed first before Developer Extensions.

Public Input: None.

Consent Agenda included: Minutes for the regular meeting of August 8, 2013; Accounts Payable Warrants #42634-42648 paying Claims #42634-42648 of \$15,671.17 for 2013 Budget; August Draw Payroll Warrants #7578 and auto payments #11602-11611 of \$16,400.00 in total; Manual Warrant #901197 to Elavon of \$670.51 for credit card fees paid in August; Manual Warrant #901198 to American Express of \$19.78 for credit card fees paid in August; Manual Warrant #901199 to Key Bank of \$265.93 for bank fees paid in August; and Manual Warrant #901200 to Dept. of Revenue of \$10,747.17 for excise taxes paid in August. It was moved by Reichhardt and seconded by Alesse to approve the Consent Agenda. The motion passed unanimously.

Blaine Road Waterline – Double R to Alderson (State Revolving Fund): Dan spoke to this issue. This is a loan agreement for the Blaine Road Waterline that has been approved by the State Drinking Water Revolving Fund. Dan is requesting that this loan agreement be signed. It was moved by Alesse and seconded by Reichhardt to approve the General Manager to sign this loan agreement. The motion passed unanimously.

Developer Extensions: Dan spoke to this issue. Gordon Montgomery, the owner of the Ridge property, was present with his attorney, Dannon Traxler. The Ridge is a 26 lot parcel that was taken out of the urban growth area. This is regarding a “will serve” letter from the District. The Ridge is asking for sewer service from the District. They would like a letter to take to Whatcom County for preliminary plat review. It could require a comprehensive plan amendment for the District.

Gordon Montgomery spoke, and feels that this area should be in the urban growth area. His goal is to get sewer in this area, and would like to have it annexed into City of Blaine. Dannon Traxler also spoke regarding what has happened at the Whatcom County level.

Bob Carmichael spoke regarding the growth management act, and the District’s obligation to comply with the act. Bob said the District could send in an availability letter with a number of disclaimers. Bob suggested that Dannon send us some additional information for the District to review.

Don Montfort stated that the District does not speculate on growth, and has not done that in the past. Carl stated that piece-mealing our approach to properties poses problems because the County changes urban growth areas. This causes the District to have a difficult time planning.

Customer Issues: Dan said he has three customer issues:

Beachwood called last week, as they had missed their payment date, and paid late on Friday. Dan will call Beachwood again next week.

Whatcom County Treasurer’s Office has started foreclosure proceedings against a property that the District has a utility lien against. Apparently the District has to send a letter to the County requesting any excess funds that may be available after the sale. Otherwise the County will not send any excess funds to

the District even with the lien on file. Dan suggested that we could review the parcels that may be going to tax foreclosure.

There have been a couple of instances where it appears that customers have paid substantial amounts of money to get plumbing work done on their side of the meter. It does not appear that customers are getting cost estimates for work that they require. We will be putting an article in our newsletter regarding what to do when customers have trouble with their water and sewer lines.

WRIA 1 Watershed Planning: Roger has attended several meetings this month on the legal issues of WRIA 1. He reviewed several recent newspaper articles on County water issues. Roger discussed some issues involving the City of Bellingham, City of Lynden and PUD 1 regarding changing the point of diversion for Bellingham water rights. Roger also reviewed additional implementation issues for the Planning Unit which he will take to the Water District Caucus next week.

Executive Session: The Board went into executive session at **5:55 pm** to discuss potential litigation. The time is estimated to be 20 minutes. No action is anticipated. The meeting came out of executive session at **6:09 pm**. No action was taken.

Additional Accounts Payable: Accounts Payable Warrants #42649-42664 paying Claims #42649-42664 of \$13,482.47 were presented. It was moved by Alesse and seconded by Reichhardt to approve the additional Accounts Payable. The motion passed unanimously.

UB & Financial Software Status: Dan discussed some issues regarding Logics and the implementation of the new software, as we are experiencing problems. We are supposed to receive an updated schedule next week.

Special Meeting – Joint Work Session: Roger sent Ravyn Whitewolf, City of Blaine’s Public Works Director, information on a joint work session with City of Blaine. Patrick’s preference is October 7th.

WaterCAT: Roger reviewed the agenda for the next WaterCat meeting on August 28th. Roger will be showing a power point presentation regarding watershed planning issues.

Finance Director Status: Meredith stated that we have received 32 applications at this point, and will start reviewing applications after August 30th.

Headworks Project Status: Dan stated that we have resolved the grit chamber flooring issue, and the bid specs are very clear that it will be the manufacturer’s responsibility to test and confirm that the grit chamber will work properly. The District will start advertising next week, and contractors will have three opportunities to come in and review the site. Bid opening is scheduled for Oct 1.

Developer Extensions:

Nothing to report.

The Board meeting was adjourned at **6:27 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 **August 22, 2013.**

BOARD SECRETARY