

MINUTES OF THE REGULAR MEETING OF THE BOARD OF COMMISSIONERS
OF BIRCH BAY WATER AND SEWER DISTRICT,
HELD January 23, 2014

President Pat Alesse called the meeting to order at **4:35 pm**. Other persons present included Commissioner Carl Reichhardt, Commissioner Don Montfort, General Manager Roger Brown, Assistant General Manager Dan Eisses, Attorney Bob Carmichael and Finance Director Sandi McMillan.

Audience member included Nathan Dalla Santa, a reporter from the Northern Light.

Agenda additions/changes: Dan changed two items on the agenda, on the Blaine coordination was changed from a discussion to a decision; and on the Community Assistance Program, the agenda item was changed from a decision to discussion.

Public Input: None.

Consent Agenda included:

Minutes for the regular meeting of January 9, 2014; Accounts Payable Warrants #43394-43409, paying for claims #43394-43409 for \$81,098.80 for 2014 budget; and Manual Warrants MW#901213-901216:

- Dept of Revenue utility tax for Dec 2013 paid in Jan 2014 with MW#901213 \$11,396.18
- Key Bank analysis fee for Dec 2013 paid in Jan 2014 with MW #901214 \$102.24
- American Express fees for Dec 2013 pd in Jan 2014 with MW #901215 \$31.97
- Elavon credit card fees for Dec 2013 paid in Jan 2014 with MW#901216 \$784.70

It was moved by Don, and seconded by Carl to approve the consent agenda as presented. The motion carried and passed unanimous.

Developer Extensions: None

Blaine Coordination:

Roger and Dan explained they heard back from City of Blaine on the "Interlocal Agreement" referencing Task Order #27 "Support to WRIA 1 Watershed Planning Process" and the City had no edits. Discussion amongst Commissioners occurred. Carl moved that Roger sign the Interlocal Agreement, Don seconded the motion. The motion carried and passed unanimous.

WRIA 1 Watershed Planning:

Roger started by talking about the Bellingham Herald article, "Bellingham mayor, Whatcom executive speak about biggest challenges" (1/22/2014) which spoke to the complex legal issues regarding water.

He will send Commissioners information about the caucus meeting time for next week.

The WRIA 1 Planning Unit "Work Summary" (1/21/14 meeting) was discussed in length. Highlighting minimum instream flow rule making thru state law, the Lower Nooksack strategy and the endangered species act.

Roger debriefed the Board on the "Farm Water" meeting which was held on 1/20/14. Commissioners were interested in minimum habitat requirements. Roger mentioned that at the meeting, involving key parties in the process was part of Bill Clarke's presentation. Ground water modeling was also highlighted. Irrigation districts were a discussed mechanism to pool resources for the farmers. Roger's sense was the "Farm Water" meeting was effective. The commissioners inquired as to the WIDs resources and commitments.

The last item discussed by Roger was the "Outline of BBWSD proposal to WASWD" and the Commissioners gave Roger feedback to propose giving a workshop for WASWD prior to their regular board meeting. Commissioners tasked Roger with identifying deliverables and commended Roger on his work.

A discussion about the letter to the legislature (12/2/2013) regarding the Swinomish Indian Tribal Community decision, included Bob and the Commissioners. Mitigating instream quantity and how it is affected by treaties was a lengthy discussion.

Council Agenda Bill 2014-040:

Roger and Bob both explained that the agenda bill from PDS to the Council was probably the least possible code changes to amend the WC Comprehensive plan to resolve code provisions regarding water resources in light of the issue appealed to the Growth Mgmt Hearings Board. Bob debriefed the commissioners on his short educational type presentation to PDS. Roger will let Ellen know to submit the letter that had been sent to PDS, to the Council during this agenda bill proposal.

Headworks Update:

Dan brought the Commissioners up to speed on progress within the sewer headworks capital project. Excavation and soils were not an issue in the newest area, unlike the first excavation area. Steel workers were in today. He anticipates the concrete wall extensions on the aeration basins will really keep the plant cleaner due to the height of the sides and their ability to eliminate spray. The claim from Headworks was highlighted and Dan explained that the PWTF will be invoiced soon for a reimbursement. The Commissioners thanked Dan for the detailed update.

NPDES renewal:

Dan indicated there had been an extension on the prior NPDES permit and just recently received the new permit for our completion and submission within thirty days. New sampling requirements, and the costs associated were highlighted as Mike Sowers had completed research. District staff believe the new sampling requirements would be good information as some have been done historically and found to be helpful. Dan will complete the permit and will ask Rodney and Rick to review prior to submittal.

Additional Accounts Payable: Warrants #43410-43426, to pay claims #43410-43426 for \$220,150.34 for the 2014 budget were reviewed. A motion was made by Don to approve the additional accounts payable as presented. The motion was seconded by Carl. The motion carried and unanimously passed.

2014 Budget amendments:

Sandi indicated that the two CIP amendments were fairly straightforward in that they were 2013 CIP budgeted items that although started last year, both will need to be paid, all or in part, from 2014 CIP Budget. The Lift Station 4 Generator replacement would add \$42,000 into the 2014 budget. The Logics software implementation would add \$36,888 into the 2014 CIP UB/Accounting Software. Don made a motion to approve the two budget amendments, Carl seconded the motion. The motion was carried and passed unanimous.

Community Assistance Program:

Sandi explained that for years low-income district customers have benefited from the CAP vouchers which help keep utility services to customers that would otherwise have been shut-off due to lack of payment. During the past few months the district staff have researched with the CAP a charitable support program mechanism which would allow a district customer to indicate on their billing a contribution toward the CAP assistance for low-income district customers who will be shut-off. Further explanation about how the CAP administers their program with eligibility of clients and encouragement for the customer to pay even some small portion of the bill themselves was detailed. Commissioners asked the district staff to further research if the CAP would contribute to our low-income customers even if the dedicated fund were not sufficient to cover a current period need.

Logics Software Implementation:

Sandi gave the software implementation report including how the district accesses support now that the consultant is no longer on site. Staff are becoming more independent each day with processes like utility billings, connection services, lock off processing and cash handling within this new software. Support is still needed though and that is expected. Next up is the payroll training which has already begun this

week and is scheduled to end in mid-February. Sandi mentioned that district staff have worked really hard at learning the new system and even identifying efficiencies already.

Developer Extensions:

Dan cited a Habitat for Humanity new home building services connection application and he discussed in reference to a process for use of EDI funding. Commissioners expressed a disinterest in delay for the project due to the district policy of confirming water availability only after payment for connection of services, which would be delayed due to the EDI reimbursement process. Commissioners moved that once Dan receives written confirmation of EDI reimbursement, he may confirm water availability. Don made the motion as stated and Carl seconded it. The motion carried and passed unanimously.

The Board meeting was adjourned at **6:45 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 23, 2014**.

BOARD SECRETARY