

MINUTES OF THE REGULAR MEETING OF THE BOARD OF COMMISSIONERS  
OF BIRCH BAY WATER AND SEWER DISTRICT,  
HELD February 13, 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, reporter from the Northern Light.

**Agenda additions/changes:** None.

**Public Input:** None.

**Consent Agenda included:**

Minutes for the regular meeting of January 23, 2014; Accounts Payable Warrants #43427-43466, paying for claim vouchers #86-131 for \$86,242.91 for the 2014 budget; January payroll and draw warrants #7629-7638 and #11745-11772 for \$149,468.93; and utility billing adjustments (charges and credits) net \$1,652.85.

Don Montfort mentioned the benefits of typing full proper names and/or organizations in the minutes as these are permanent documents. The board agreed that future minutes should reflect full names. It was moved by Don Montfort, and seconded by Carl Reichhardt to approve the consent agenda as presented with future minutes including full names. The motion carried and passed unanimously.

Carl Reichhardt initiated conversation about the Double R ranch expense claims included in the consent agenda and mentioned it's getting expensive to maintain those properties. Dan Eisses will bring information to the next meeting regarding options.

**Developer Extensions:** None.

**Blaine Coordination:** Roger Brown spoke about the City of Blaine finalized contract amendment Task #27. This resulted in presenting a budget amendment to the CIP 2014 to increase \$5,000. Don Montfort moved to adopt the 2014 CIP budget increase of \$5,000 as presented. Carl Reichhardt seconded it. Motion passed unanimously.

**WRIA 1 Watershed Planning:** The Water Action Plan was discussed by Roger Brown, who shared positive feedback about the role of the County Council in the Action Plan. Discussion continued about the Planning Unit. He emphasized the need for the Council to hear the issues and to exercise oversight of Joint Board actions. The Water Action Plan and Roger Brown's email comments to the Council were reviewed. The Planning Unit committee meeting 2/12/14 was summarized. Pat Alesse attended and provided comment. Don Montfort inquired to whom the Planning Unit would make recommendations. Roger Brown stated it would be the County Council. Resources for meeting facilitation were discussed. Mr. Brown requested that committee members read the Water Action Plan and identify points of correspondence between the Action Plan and the Planning Unit work plan. Discussion of watershed planning continued, including inquiry from the Board as to County Council views. The WASWD funding proposal is scheduled to be submitted next month

**Water availability Strategic Planning:** Roger Brown summarized the Growth Management Hearing Board (GMHB) letter dated 6/17/13. He presented examples of situations in which the District had absorbed all the cost of initiatives that benefited other parties, provided benefits to the District exceeded costs incurred. The examples included development of the 2002 Water Supply and efforts to eliminate the County's Flood Fee. Roger Brown then asked the commissioners if the District should pursue addressing the GMHB issues even though other districts and partners would benefit.

Bob Carmichael further explained the coordination of planning for land use and water resources. Mr. Carmichael sees the water action plan as a positive step and counties need to be interested in both water quantity and quality. Mr. Carmichael restated the question at hand as our interest to take action to secure a place to participate in a meaningful way. We are a special purpose district and are focused on these issues. Three principles might influence our participation in a meaningful way: an open process, identifying the right questions as those lead to the best information, and lastly are the laws being followed. Conversation continued.

Don Montfort said he wanted the District to be informed of County proposals, and stated the District is valued as a credible commenter on proposals regarding water quantity and quality. Mr. Montfort's concerns are that the county's decisions won't address those three principles identified by Mr. Carmichael and then might become too political. Mr. Carmichael agreed that we need to depoliticize the water issues, for example exempt wells. Roger Brown reminded the Board that our District has a "duty to serve" in our service area, and could expand into the District's jurisdiction, so an aspect would be due process in making sure the County complies with water laws in responding to GMHB issues. Pat Alesse also brought up the wetlands and other issues that might be of concern to the District. Bob Carmichael indicated that the Water Action Plan draft resolution asks for recommendations from the affected parties. The board referred this matter back to District staff to detail comment on the Exhibit A of the Agenda Bill by the August 1 deadline.

Board representation to the Groundwater Management Plan was discussed and Carl Reichhardt was selected for that role.

**Headworks Update:** Dan Eisses spoke about the progress on the Headworks project and outlined the aeration basin and the walls being formed as recent milestones. He shared that staff are pleased with how it's coming together. He brought the Board's attention to the two invoices for Award construction and outlined as well the change order proposal from the contractor. The commissioners were interested in the details, progress and thanked Dan Eisses for the update.

**Verizon Lease Kickerville:** Dan Eisses presented the lease, drawings and land use agreement as Verizon has created them, for a proposed site at the District property at the Kickerville Water Tank. He indicated we would compare WASWD members cell tower lease rates in addition to having Bob Carmichael review the lease documents. The commissioners shared it's an obvious choice for a cell tower, but are concerned how neighbors close to the reservoir would feel of the proposed tower location. Don Montfort would like to know if tree removal is part of Verizon's plan. Mr. Eisses suggested putting in place a developer extension agreement to cover District costs to review the lease. The commissioners asked Dan Eisses to talk to other WASWD members for cell tower lease rates and let Verizon know we want more information prior to them pursuing county permitting.

**WASWD Spring Conference:** Roger Brown asked who on the Board would want to attend the WASWD Spring Conference, so that the District can register and secure hotel rooms. Don Montfort and Carl Reichhardt will be attending, as well as Roger Brown. Pat Alesse will decide soon and let Mr. Brown know.

**Additional Accounts Payable:** Warrants #43467-43477, to pay claim vouchers #132-141 for \$158,203.67 for the 2014 budget; and Warrants #43478-43481, to pay claim vouchers #143-146 for \$11,979.68 for the 2014 budget were reviewed. A motion was made by Don Montfort to approve the additional accounts payable as presented. The motion was seconded by Carl Reichhardt. The motion carried and unanimously passed.

**Community Assistance Program (CAP):** At a prior meeting the Commissioners had asked district staff to further research if CAP would contribute to our low-income customers even if the proposed dedicated fund was not sufficient to cover a current period need. Sandi McMillan answered, as the CAP recently clarified that yes they would continue, just as they had in the past, for low-income District customers to fund their need thru other resources if the dedicated fund was insufficient. Mrs. McMillan further let the

Board know that the CAP had returned edits to the proposed agreement and now those edits would be sent to Bob Carmichael for review. The CAP is willing to attend the next Board meeting and address any outstanding questions.

**Logics Software Implementation:** Sandi McMillan reminded the Commissioners that at the last Board meeting we indicated the payroll system as next to be implemented within the new financial and utility billing software implementation. She and staff had a combined 50+ hours on payroll implementation during the recent two weeks. She went on to explain that milestones had been achieved within the payroll module such as producing a parallel January payroll successfully, and an accurate February mid-month draw. Overall, she said, this is the fifth week of software implementation and staff is spending much time in testing system features, training and continuing to process everyday work and staff are looking forward to catching up on daily work. Conversation continued as to the software implementation.

**Customer Accounts:** Dan Eisses discussed the utility shut off for a customer dated 1/30/14, the Commissioners agreed with District staff decision to return water service.

Sandi McMillan presented a request for late fee removal on an account in the amount of \$32.01. Pursuant to District policy "Adjustment to Utility Bill-Water Leaks", this customer had a water leak credit but incurred a late fee. The commissioners agreed to remove the late fee of \$32.01.

Dan Eisses and Sandi McMillan requested permission from the Board to revise the District Policy "Adjustment to Utility Bill-Water Leaks" to include information about addressing late fees while customers accounts are being analyzed for water leak credits.

Conversation continued about shut offs as Commissioners reviewed some of the accounts on the leak credit adjustments and requested District staff to review and return to Board at next meeting with additional information.

**Developer Extensions:** None

The Board meeting was adjourned at **6:41 pm**.

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COMMISSIONER

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COMMISSIONER

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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 **February 13, 2014**.

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BOARD SECRETARY