

MINUTES OF THE REGULAR MEETING OF THE BOARD OF COMMISSIONERS
OF BIRCH BAY WATER AND SEWER DISTRICT,
HELD July 10, 2014

Board President Pat Alesse called the meeting to order at 4:33. Other persons present included Commissioner Don Montfort, Commissioner Carl Reichhardt, General Manager Roger Brown, Assistant General Manager Dan Eisses, Attorney Bob Carmichael, Finance Director Sandi McMillan, Conservation Specialist Emily Resch and Operations Manager Mike Sowers.

Public Input: None

Agenda additions/changes: Move #11 to first, then #13

Consent agenda included:

2. **Minutes of June 26, 2014 Regular Meeting**

3. **Accounts Payable:**

Checks #43827-43836 for 2014 Budget	\$ 37,133.56
Paying claim vouchers #697-712	

4. **Manual Checks:**

Dept of Revenue use tax for May 2014 paid in June with MC#26	\$ 4,334.83
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Dept of Revenue excise tax for May 2014 paid in June with MC#27	\$ 9,392.27
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Elavon credit card fees for May 2014 paid in June with MC#28	\$ 741.33
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American Express fees for May 2014 paid in June with MC#29	\$ 54.46
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Key Bank analysis fee for May 2014 paid in June with MC#30	\$ 144.67
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5. June Payroll	\$ 141,642.53
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Checks 7788-7796, Direct deposits and E-tax

6. June Utility Billing Adjustments	\$ -671.33
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Mr. Reichhardt noted that item #1 in their Board binders was the Consent agenda summary and those amounts did not match the actual supporting manual check documents. Mrs. McMillan explained that the summary sheet was not updated and offered to remove it. It was moved by Mr. Montfort to approve the consent agenda with the removal of the summary sheet. The motion was seconded by Mr. Reichhardt. The motion passed unanimously.

Developer Extensions: None.

Water Use Efficiency Rule Public Hearing: Commissioners opened the Public Hearing at 4:35 pm. District Conservation Specialist Emily Resch presented background data on the goal setting process for Water Use Efficiency (WUE). She presented two graphs which reflected progress made over the recent six year goals and measures. The first graph showed the highest usage volume day for each recent year and illustrated the highest historical peak day need was 1.93 million gallons a day in 2007. That level of usage has not been met or exceeded in recent years. Ms. Resch proposed the new goal of 116 gallons per day which is lowered from 126 gallons per day. She highlighted a few program methods toward achieving the goal and those will be included in the WUE. Conversation continued about those programs including aggressive leak detection, public outreach, school program and smart irrigation. The Commissioners asked that the WaterCAT be part of the public outreach. Water audits on request were mentioned by the Commissioners as a possible program outreach also. Mr. Eisses mentioned that Shellfest is this weekend at the State Park and that Ms. Resch will be there to present "What Not to Flush". Commissioners closed the public hearing at 4:46 pm. Mr. Reichhardt moved to adopt the WUE goals and measures as presented. Mr. Montfort seconded the motion. The motion passed unanimously.

Headworks update: Mr. Eisses handed out pictures of the equipment that is being installed in the new building. Mike Sowers presented new information he obtained at a site visit to Lynden where he received clarification on a coating product. Mr. Sowers mentioned he had also contacted a Cascade Industries representative and that person said Tnimink is the industry standard and stressed the need to correctly apply the coating. Other coatings were described by Mr. Sowers and the warranty lengths of time varied but were significantly less. Mr. Montfort clarified that the coating had been omitted from the original plan for this project. Mr. Sowers also mentioned that an inspection of the application might be beneficial although it adds additional costs. Mr. Montfort moved that District staff pursue a price and scope of work for a coating application. Mr. Reichhardt seconded the motion. The motion passed unanimously.

Mr. Eisses showed the Commissioners pictures of the sidewalk area outside of the Headworks building. This sidewalk had been removed to allow the contractor on the project to move equipment. He mentioned that now the sidewalk needs to be replaced as the project is nearly finished so he brought a concrete bid of \$5,876 to replace the sidewalks. Mr. Eisses and Mr. Sowers both mentioned that District staff would normally do this type of work but they are busy with District maintenance issues. Mr. Montfort moved that the concrete walk around the District aeration basins proceed with the contractor. Mr. Reichhardt seconded the motion. The motion passed unanimously. Mr. Eisses congratulated Mr. Sowers on great coordination during the project with the contractors and he said his work was much appreciated.

Finance Report: Sandi McMillan followed up on the new Open Government Training Act legislation by recommending the Commissioners take the State of Washington Attorney General website video trainings. She will forward the link for the trainings to them as a convenience.

Mrs. McMillan reported on the current capabilities of the newly implemented online customer payment site. She said there is a link on the District's home page for a customer to go and pay their District utility bill online. The next phase of online customer payments will include a capability for a customer to look up their District account number and amount due.

Mrs. McMillan mentioned dissatisfaction with the newly implemented payroll system. She said this is a payroll system that the District received as part of the utility billing software package. She said she and staff are looking at different options for a new payroll system that will better serve the District.

The semiannual financial reports were presented by Mrs. McMillan. A conversation including operating reserves and cash management occurred with a recommendation that Mrs. McMillan include in her September update on the revenue model a cash management report.

Blaine Coordination: Mr. Eisses summarized the recent meeting with staff from the City of Blaine was productive and focused on the concept paper that will be coming out and the feasibility study funding. Mr. Eisses continued to explain that the feasibility study will include groundwater and well monitoring information. Mr. Brown suggested that the District and the City of Blaine could contribute local funding toward the feasibility study as both have local needs for water which will be addressed in that study. Mr. Brown further said that communication of the concept paper will be important to restate an issue like conservation as a good program but that does not mean there is no water.

Mr. Brown said he had a recent meeting with Senator Doug Ericksen on the Interbasin Transfer project. He spoke of possible State financial support. Mr. Brown further spoke on the reclaimed water portion for the City of Blaine and making it a feasible piece within the project.

CWSP Meeting: Mr. Eisses mentioned he was at the Whatcom County Public Works session and brought their Resolution "Commencing the coordinated water system plan update process" to the attention of the Board. He reminded the Board that he has asked Gary Stoyka to document how the current water processes work together. There was conversation by the Commissioners on how self-certification of water rights would work as it was mentioned to the CWSP. Mr. Montfort spoke on the Resolution and how it doesn't state nor relate to the GMA.

Mr. Eisses further explained that listing the entire county as the Critical Water Supply Service Area was noted by the Public Works session staff as necessary to be able to study all areas.

WRIA 1 Watershed Planning: Mr. Brown mentioned the forum tonight at 7pm on “Water Resources and Water Rights” as the final part of the Rome Grange series, he and Mr. Alesse will attend. Other meetings were highlighted as well as Mr. Eisses’ new role in the Planning Unit as an alternate representative. Mr. Brown pointed to an email on the Planning Unit regarding the need for an agenda. He also referred to an email from Thomas Pors summarizing questions from his recent meetings.

Additional Accounts Payable: Accounts payable of \$21,240.29 for checks #43837-43861, paying vouchers 715-743 from 2014 budget were presented. Mr. Montfort moved to approve the additional accounts payable. Mr. Reichhardt seconded the motion. The motion passed unanimously.

Double R Ranch: Mr. Eisses tabled this topic until the next meeting due to the Commissioners time constraints.

BBWARM Water Line Conflicts: Mr. Eisses updated the Board that the contractor awarded by BBWARM to move the lines is satisfactory to the District for historical work performed and will begin work on moving District lines affected by the BBWARM project.

Customer Accounts:

Mr. Eisses reported on a customer that paid a connection fee on a lot and now doesn’t need, within a month, he purchased another lot. [Don moved to grant the customer request.](#)

Developer extensions:

Mr. Eisses brought an issue to the attention of the Board on the Developer extension “Calluna”. He said the attorney for the developer has requested permission from the District to bond for the improvements rather than make a deposit. Mr. Eisses recommended approval of this request. The Commissioners said the Developer can proceed with the improvements and bond for them.

Other items:

Executive session:

The Board meeting was adjourned at **6:32 pm**.

COMMISSIONER

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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 **July 10, 2014**.

BOARD SECRETARY