

**MINUTES OF THE REGULAR MEETING OF THE BOARD OF COMMISSIONERS  
OF BIRCH BAY WATER AND SEWER DISTRICT  
HELD January 8, 2015**

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

**Election of Board Officers for 2015:** President Mr. Alesse called for election of the 2015 Board Officers. Mr. Reichhardt moved that the 2015 Board consist of Mr. Montfort as President, Mr. Reichhardt as Vice-President, and Mr. Alesse as Secretary. Mr. Montfort seconded the motion. The motion was carried and passed unanimously.

**Public Input:** None

**Agenda additions/changes:** None

**Consent agenda included:**

- 3. Minutes of December 11, 2014 Regular Meeting
- 4. Manual Checks:

Vendor	GL Month	Manual Check	Description	Amount
State of Wa Dept of Revenue	Dec-14	67	November Excise and Use Tax	\$ 6,767.33
Paychex	Dec-14	68	December Payroll Fees	\$ 233.11
			Total manual checks	<u>\$ 7,000.44</u>

- 5. December 2014 Payroll \$137,860.91
- 6. 2015 Wage & Salary Schedule Per Contracts

Mr. Reichhardt questioned the fourth paragraph from the bottom on page three. Mrs. McMillan couldn't remember the exact context of that paragraph so all agreed to have it deleted from the minutes. Mr. Reichhardt moved to approve the consent agenda with the indicated paragraph deleted. The motion was seconded by Mr. Montfort. The motion was carried and passed unanimously

**Finance Report:** Mrs. McMillan updated the Board that the 2014 fiscal year close process was in progress. She brought Resolution 738 and explained it adjusted the 2015 miscellaneous fees and charges to staff recommendation based on a review of their actual costs. The Commissioners recommended removing the graft to public sewer fee item as that was no longer used. Staff will review that item and bring it back to the Board at a later time. Mr. Reichhardt moved that Resolution 738 be approved as presented. Mr. Alesse seconded the motion. The motion was carried and passed unanimously.

Mrs. McMillan explained Resolution 739 improved the District code because it clarified delinquent bills versus delinquent accounts. She explained this Resolution was needed because the lock off schedule was implemented to meet the RCW requirement for 30 days between delinquency and service shut off. She also highlighted the Policy revision "Procedures for utility shut off". Mr. Alesse moved that Resolution 739 and the Policy revision "Procedures for utility shut off" be approved as presented. Mr. Reichhardt seconded the motion. The motion was carried and passed unanimously.

**Public Works Trust Fund (PWTF):** Mr. Eisses briefed the Board on the presentation that occurred that day to the legislators. He highlighted questions that Representative Vincent Buys asked and noted a sign in sheet

which totaled seventeen in attendance. Mr. Eisses also indicated that he would like to do this presentation annually to inform the legislators of water and sewer district issues. Mr. Montfort mentioned that the State budget is announced early in the fall and that might be a more effective time. The Commissioners thanked Mr. Eisses and Mrs. McMillan for conducting the presentation.

**City of Blaine (COB) Coordination:** Mr. Eisses reported on the recent City of Blaine meeting. He briefed the Board on the current cost sharing proposals on the hydrogeologist and the test well drilling. Mr. Eisses handed out the updated cost estimates for the Portal Way Bridge project and highlighted the increased costs on boring the line. He summarized the four alternative capital costs and concluded the District and City of Blaine would be best served with Alternative D “No temporary line but permanent line on bridge”. The estimated cost on Alternative D is \$306,600 less the \$20,000 loss of revenue that the District will ‘in-kind’ so that reduces the cost to \$286,600. Mr. Eisses highlighted various other topics included in the meeting and mentioned it’s a valuable partnership.

Mr. Eisses told the Board that the District’s current hydrogeologist, Associated Earth Sciences, Inc (AES) is on the MRSC consultant roster and that AES is the most knowledgeable firm working within the area of interest. He also mentioned the proposed contract cost of \$5,850 is more than previously discussed because the scope of work in the contract includes water rights evaluations. Mr. Eisses recommended the Commissioners approve the consultant selection process, the scope of work in the hydrogeologic consultant contract with AES and authorize the District General Manager to sign the contract. Mr. Reichhardt moved to approve the General Manager to sign the contract with AES. Mr. Alesse seconded the motion. The motion was carried and passed unanimously.

**Coordinated Water System Plan (CWSP) Meeting:** Mr. Eisses indicated the second meeting for the CWSP will be January 21, 2015 and highlighted the agenda items including the topic of creating subcommittees. He informed the Board that he has been mentioned as a possible WUCC chairperson. Mr. Brown further clarified that a possible co-chairperson might be nominated also which would lighten the workload for Mr. Eisses. Mr. Reichhardt commented that the District is involved in many county wide efforts and perhaps the chair of the WUCC should be staffed with another city or district staff person.

**WRIA 1 Watershed Planning:** Mr. Brown spoke on a special meeting of the Planning Unit held on January 7, 2015. He indicated the meeting included topics of facilitation services, work plan and a discussion of issues regarding governance. He spoke on the handout “Water Districts Caucus’ Comments on Governance Issues”. Mr. Brown stated that the Planning Unit has an advisory function which requires review of issues prior to County Council review. He stressed this advisory function will make the Council stronger in review of policy making and ongoing issues. He also highlighted a handout “Planning Unit Funding Stipulation and Recommendation” which summarized that it was the Joint Administrative Board rather than the County Council that requested the Planning Unit submit a budget.. He further explained that the special meeting approved the work plan, with a future status report on the Planning Unit scheduled before the County Council.

Mr. Montfort gave feedback on the Planning Unit notes and expressed an interest in strengthening the advisory function.

Mr. Alesse discussed the meeting that he attended “Whatcom Water Exchange”. He said the presentation highlighted how water rights could be exchanged and many other topics.

**Accounts Payable:** Mrs. McMillan presented the details for Accounts Payable as \$133,554.25. For 2014 the total was \$81,577.21 in accounts payable included check runs 45-47 which included check numbers 44283-44322 and vouchers 1475-1553 and in 2015 the total of checks were \$51,977.04 the check run 48 for check numbers 44323-44343 and vouchers 1554-1586. Mr. Alessee moved that the Accounts Payable be approved as presented. Mr. Reichhardt seconded the motion. The motion was carried and passed unanimously.

**Comprehensive Plan Consultant Selections:** Mr. Eisses referenced RCW Chapter 39.80 and the need to use the same procedure as he used earlier in the meeting for the hydrogeologist consultant selection. He mentioned he will bring a proposal to the Board at the next meeting.

**Customer Accounts:** Mr. Eisses handed out the new newsletter which included rate information that will go to all District customers.

Mr. Eisses then mentioned the use of I & I services on the Birch Bay Resort for the annual smoke testing and was positive about the Resort Parks continued efforts to find and fix I & I sources on their property.

Mr. Eisses indicated that customer Beachwood Resort (40011400, 40011500) was up for lock off this week but since they have private hydrants he delayed the shut off of services under the District's procedure until the Board could hear the customer's request. He said the customer had requested a delayed payment date of approximately Monday 1/12/15 when the Resort says the check should be received by the District and the Commissioners agreed to the delayed payment.

Mr. Eisses then discussed the customer Birch Bay Village (account 130011600) as requesting forgiveness of some portion of their account which had a balance of \$4,939.04. He mentioned that the account included \$1,659.36 in late fees. Mr. Alesse motioned to adjust the late fees to six percent under the District's current policy. Mr. Reichhardt seconded the motion. The motion was carried and passed unanimously.

Mrs. McMillan presented the written customer (account 40006354) request to not pay her basic amount for approximately four months while she repairs her leak. Her request was denied by the Board.

Mr. Eisses summarized the leak credit request (account 40004100) and staff recommendation to approve the leak credit of \$816.75 as the leak was evident on the 11/10/14 meter reading and the leak was not repaired in a timely manner so additional leakage was not credited. Mr. Alesse moved to allow the credit as staff recommended. Mr. Reichhardt seconded the motion. The motion was carried and passed unanimously.

**Ball Bay Service:** Mr. Eisses followed up on the prior Commissioners comment on the agreement with Ball Bay RV Park. He said the agreement is a recorded document and at the point of property sale, or as Mr. Carmichael clarified 8/15/2018, whichever came sooner, that would trigger the contract change.

**Developer Extensions:** Mr. Eisses mentioned he had received an application for Whispering Creek Developer Extension application for 145 units and will discuss further when he has more information to share.

**Executive session:** None

The Board meeting was adjourned at **1/8/15 at 6:40 pm.**

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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 **January 8, 2015.**

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BOARD SECRETARY