

**MINUTES OF THE REGULAR MEETING OF THE BOARD OF COMMISSIONERS
OF BIRCH BAY WATER AND SEWER DISTRICT
HELD February 12, 2015**

Board President Don Montfort called the meeting to order at 4:30 pm. Other persons present included Commissioner Pat Alesse, Commissioner Carl Reichhardt, General Manager Roger Brown, Assistant General Manager Dan Eisses, Attorney Bob Carmichael and Finance Director Sandi McMillan.

Public Input: None

Agenda additions/changes: Tab 20 has the Tsunami article to discuss

Consent agenda included:

2. Minutes of January 22, 2015 Regular Meeting
3. Minutes of February 5, 2015 Special Meeting

4. Manual Checks

Vendor	GL Month	Manual Check	Description	Amount
State of Wa Dept of Revenue	Jan-15	69	December 2014 Excise and Use Tax	\$ 11,552.82
Sage Payment Solutions	Jan-15	70	December 2014 Customer CC Pymt Fees	\$ 454.58
Elavon	Jan-15	71	December 2014 Customer CC Pymt Fees	\$ 671.71
Paychex	Jan-15	72	December Payroll Fees	\$ 429.22
			Total manual checks	<u>\$ 13,108.33</u>

5. January 2015 Payroll \$ 149,270.42
6. January 2015 Utility Billing Adjustments \$ 1,661.20

Mr. Reichhardt moved to approve the consent agenda. The motion was seconded by Mr. Montfort. The motion was carried and passed unanimously.

Finance Report: Mrs. McMillan discussed technology that supports paperless Board meetings. She mentioned the board binder material and handouts would be available through software online and the Commissioners could read the material before the meeting. She said the technology has the ability to search prior Board meetings for a certain subject which is convenient.

Mrs. McMillan updated the Board on the State Auditor's Office Financial Intelligence Tool release. She included the tool with the District's financial information from 2009 through budgeted 2015.

She updated the Board on the ELU's growth during January 2015. Water added 9 ELUs and Sewer added 7. The budget contained 45 and 41 respectively so nearly 20% of budgeted ELU growth occurred in the first month.

Mrs. McMillan followed up on Mr. Reichhardt's question from the 2015 budget process as he was curious as to credit/debit card fees. She stated that last year the total fees were approximately \$11,724 and the District processed nearly \$500,000 of revenue through credit and debit cards. She mentioned that electronic payments benefit the District because less staff time is needed to process them but will continue to look at cost containment measures to keep the fees low.

She mentioned that in the recent six months there have been a number of customer errors in home online banking payments to the District. One person paid their utility bill and then mistakenly paid the District again.

She mentioned staff time and effort to solve customer based errors may warrant a fee to cover office staff expenses. The Commissioners asked her to bring the information back to the next Board meeting.

Mrs. McMillan brought the Board up to date on the L&I claim for an employee by stating the District is seeking a "stay at work" reimbursement for designing job tasks that the employee could complete while returning to work before being fully recovered. She included a handout from L&I that stated workers have faster recoveries and lower rates of long-term disability if they return to work before they are fully recovered.

She updated the Board on District investments by summarizing the deposits at KeyBank are more financially favorable for the District versus investing more of those reserves in the LGIP investment pool. KeyBank earned a 0.20% return whereas the LGIP interest rate averaged 0.10%. Mr. Montfort cited the Risk Pool Financials and a return on their investments of 0.20% which was similar to what the District is earning.

City of Blaine (COB) Coordination: Mr. Brown stated that DOH funding of \$30,000 is in process for non-capital items for the Interbasin Water Transfer Project.

Mr. Eisses updated the Board on the Peace Portal Bridge Project progress with a discussion on bid packages and an easement. He hopes in the next few weeks to get the project to the deep well drillers for quotes.

Mr. Eisses discussed challenges on particular culverts in regards to the State DOT project on Blaine Road.

Double R Ranch: Mr. Eisses presented the motions and Resolution needed to clean up the lots except for the two lots that are owned by the District.

Mr. Alesse moved to terminate the utility account for lot 11A in Double R Ranch and write off the past due charges of \$6,228.80. He moved to set GFCs for lot 11A in Double R Ranch to the full current amount with no credits for any prior payments. He moved to set the GFCs for lot 84B to the full current GFC amounts with no credits. He moved to give lot 103 a GFC credit of \$293.86 to reflect previously paid principal, and a credit for the increases in GFC charges since the start of the UB account. Mr. Reichhardt seconded the motion. The motion was carried and passed unanimously.

Mr. Eisses presented Resolution 740 regarding local facilities charges for properties in ULID 13 and 14. Mr. Alesse moved to approve Resolution 740. Mr. Reichhardt seconded the motion. The motion was carried and passed unanimously.

Coordinated Water System Plan (CWSP) Meeting: Mr. Eisses spoke about the agenda for the 2/18/2015 WUCC meeting. He also discussed the population allocation definition regarding the comprehensive plan update process. Mr. Eisses said that updated population allocations would be needed as the process moves forward. Mr. Carmichael explained how potential conflict between the County's comprehensive plan and the District plan for providing services would be resolved.

WRIA 1 Watershed Planning: Mr. Brown explained how the WRIA is taking a different shape which includes three committees. Mr. Eisses spoke on the governance committee progress including a water resources coordination plan from 2001. On the facilitator contract committee Mr. Eisses said the next meeting is in a week and they will review the statement of qualifications. Mr. Montfort asked how the Planning Unit meetings were effectively progressing without a facilitator. Mr. Eisses and Mr. Brown commented that two meetings without facilitations had occurred with decisions made and progress continuing. Mr. Brown indicated the committee meetings need to be publicized and open to the public. Mr. Brown talked about the future of the Joint Board.

Accounts Payable: Mrs. McMillan presented the details for Accounts Payable as \$81,833.62. Checks numbered 44378-44427 and vouchers 1686-1755. Mr. Reichhardt moved that the Accounts Payable be approved as presented. Mr. Alesse seconded the motion. The motion was carried and passed unanimously.

Mr. Reichhardt and Mr. Montfort raised concern on the continuing regular cost of Turftenders landscape services.

Customer Accounts: None.

Bell Bay Jackson Water Association: Mr. Eisses said the MOU was edited per the Commissioners instructions and the Water Association had signed the agreement. He said the District staff has finished the three service installations this week. He spoke with staff at the Association about scheduling a future discussion regarding service area.

Developer Extensions: Mr. Eisses updated the Board on requests for accessory dwelling unit (ADU) approvals for water and sewer connections. He reviewed the County code on ADUs as well as the District code 7.04.083 Equivalent Living Units. He suggested that District code contain an ELU assignment for ADUs. Mr. Montfort said that an ADU really should be a charged as one ELU similar to “single family residence” and where possible separate meters. Mr. Eisses said that the Calluna short plats would be examples of only requiring a single meter due to the length of the service lines. Mr. Reichhardt encouraged the District to develop an “Institutional” classification for code 7.04.083 ELU calculations for potential hospital or jail being built within the District service area.

Mr. Eisses updated the Board on The Ridge at Semiahmoo as having requested the District update the “Water and Sewer Availability” letter from 9/26/2013. Mr. Montfort reminded staff that the previous discussions had been that topography of the area should dictate where the service should be provided and so The Ridge should be served by City of Blaine. The Commissioners directed staff to renew the letter.

Mr. Eisses discussed receipt of a DE application on Lincoln Road.

Tsunami: Mr. Eisses spoke on the email that Mr. Montfort received from the Sheriff’s office on the Tsunami siren location. The Commissioners directed Mr. Eisses to contact the Sheriff’s office that the District was agreeable with locating the Tsunami siren at the District.

Supreme Court Cornelius Decision: Mr. Carmichael summarized the as-applied challenges that the Supreme Court decided on regarding well consolidation by WSU. He focused on the constitutional claim and the claim to due process.

WASWD Conference April 16-17: Mr. Alesse said that he has not decided if he will attend the conference. Mr. Montfort and Mr. Reichhardt will not attend.

Executive session: None

The Board meeting was adjourned at **2/12/15 at 6:43 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 **February 12, 2015**.

BOARD SECRETARY