

MINUTES OF THE REGULAR MEETING OF THE BOARD OF COMMISSIONERS
OF BIRCH BAY WATER AND SEWER DISTRICT
HELD August 13, 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 Dan Eisses, Attorney Bob Carmichael, and Finance Director Sandi McMillan.

Agenda additions/changes:

Consent agenda included:

2. Meeting Minutes July 23, 2015
3. Special Meeting Minutes July 27, 2015
4. July 2015 Payroll
5. July 2015 Utility Adjustments

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

General Operating Overview: Mr. Eisses mentioned this is a new discussion topic area. He highlighted the District being awarded its 13th Outstanding Treatment Plant award. He also highlighted water demand usage as lower than recent usage but still elevated.

Mr. Eisses summarized a report from Mr. Sowers on biosolids as excellent progress toward improving the thickened biosolids percentage. He said typically in July we would start to see a problem on the thickener but this year we have maintained 3.2%. He anticipates the biosolids budget to underspend by about \$50,000 this year. He said part of this reduction in costs is attributable to the new Headworks facility. He also attributed the new flow meters as helping the biosolids percentage increase. Mr. Montfort asked about the influent volume and Mr. Eisses clarified the plant is rated for 2,000 pounds per day of BOD.

Mr. Eisses referred to a picture of the Birch Bay Village new asphalt section. He said this section of roadway had a large waterline break due to a contractor boring through the line. Mr. Eisses said this claim was referred to the Risk Pool Insurance.

Mr. Eisses informed the Board that his District credit card had been subject to fraudulent use and US Bank is handling the investigation and resolution of charges.

Blaine Coordination: Mr. Eisses updated the Board on the well drilling status. He said there is a piece of equipment called a "K-packer" that is delayed. He has let DOH know that the grant deliverables will be delayed and he mentioned the delay was verbally approved by DOH.

Mr. Eisses said the District water supply hasn't been affected by the Peace Portal Bridge waterline project.

Mr. Eisses highlighted information on the draft City of Blaine demand letter. He recommended using the 2.4% county comprehensive plan population growth for Birch Bay to raise the MGD to 2.25 in 2020. Mr. Eisses spoke on recent graphical data on the well water supply for City of Blaine and the District. He said that data provides information that we are not exhausting the aquifer. He said a contract with the Hydrogeologist will be coming soon for the well field management data and improvements. Mr. Montfort asked about the water age testing. Mr. Eisses clarified the City/District will do a carbon test on the aquifer water to analyze the age of the water. Previously, he said, we have analyzed the age of the soil from various depths of specific wells but we have never age tested the water.

CWSP: Mr. Eisses highlighted the agenda for the 8/19/15 CWSP meeting. He described the CWSP as only addressing potable water. Mr. Carmichael described some concerns on the draft document. Mr. Eisses mentioned the boundary map and fire flow as useful documents that come from the CWSP process. The Commissioners directed District staff to work with Mr. Carmichael on addressing any potentially harmful items.

Finance Report: Mrs. McMillan said she is starting preparations for the 2016-17 budget. She brought the SAO fee increase letter to the attention of the Board as a 5.1% increase. She also brought information on Board Docs software and the associated hardware needs as an item for the budget. The Commissioners mentioned they would like an update on how to search resolutions and code and how those current website searches will integrate with Board Docs.

Mrs. McMillan introduced the draft revised Budget Policy which incorporates the final SAO exit item of “no open accounting period”. She said the policy update also brought other items up to date within the policy and she will be looking for a decision at the next meeting.

WRIA 1 Watershed Planning: Mr. Carmichael spoke on a recent discussion with attorney Bill Clarke. Mr. Carmichael spoke on instream flow rules for on or off reservations. Mr. Eisses said he will continue efforts toward getting the farmers more plugged into the Planning Unit which will better inform their decisions and strategies.

Mr. Eisses highlighted the email to Clare Fogelsong regarding the LNS vs IFAP short summary.

Mr. Eisses spoke on the Governance and Funding committee recent meeting. He said the main focus is on the Wilkensen Path Forward document. The committee meeting resulted in recommending two motions for the next Planning Unit meeting. He spoke on the budget information for the Flood Control Zone District and possible uses for the surplus funds in that fund to be effective prior to year end.

Accounts Payable: Mrs. McMillan presented the details for Accounts Payable as \$185,309.74. Checks numbered 44782-44825 and vouchers numbered 2445-2523. Mr. Alesse moved that the Accounts Payable be approved as presented. Mr. Reichhardt seconded the motion. The motion was carried and passed unanimously.

Customer Accounts: Mr. Eisses referred to the current bill on commercial account 60010100 and mentioned the District is still waiting for an as-built/inspection on that business before any sewage credits will commence again.

Mr. Eisses spoke on the Birch Bay Resort’s change in billing their residents for the water and sewer base and usage charges. Mr. Eisses said this is a heads up in case the residents are concerned. He mentioned this is an item that is between Birch Bay Resort and its residents and doesn’t involve the District.

Mr. Eisses spoke on the Golden Tides Condominium account 600008800 leak credit request because the request lists 30 units but there is a documented change of use in 1986 from 30 units to 28. The Commissioners spoke favorably of approving the water leak credit because it was in a single unit. The Commissioners directed staff to follow up with the account holder on correcting the use and then dealing with the credit.

WASWD: Mr. Eisses updated the Commissioners on a recent Affordable Care Act topic. Mr. Carmichael reminded the District to include reopener language in the employee contracts.

Mr. Eisses said that Sno-King is looking into the idea of starting a credit union co-op for water and sewer districts that might work similarly to the PWTF.

Mr. Eisses mentioned the WASWD fall conference as 9/23-9/25/15. Mr. Alesse said he will be out of town 9/24/15-10/8/15 and that he will miss two Board meetings. Mr. Eisses, Mr. Montfort and Mr. Reichhardt would like to attend and requested staff reserve hotel rooms for Tuesday-Thursday plus conference registration.

Developer Extensions (DE): Mr. Eisses brought the Beachwood General Store water permit application and mentioned the results of his analysis.

Mr. Montfort announced an Executive session to discuss a lawsuit regarding the Lincoln road retirement home pursuant to RCW 42.30.140(1)(i). He said the session is estimated to last 5 minutes until 7:25 pm. Mr. Montfort said the Commissioners were not expected to take action after the session. The Board came out of executive session at 7:25 pm. The Board did not take any actions.

The meeting adjourned at 7:25 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 **August 13, 2015**.

BOARD SECRETARY