

**MINUTES OF THE REGULAR MEETING OF THE BOARD OF COMMISSIONERS  
OF BIRCH BAY WATER AND SEWER DISTRICT  
HELD September 10, 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:**

Public input: Donn Hollenbeck, President of Golden Tides Condo Association, said he had received a letter from the District regarding the increased number of units in his Condo Association. He presented additional historical information on the original number of units, how the Condo Association had been formed and how the additional number of units had occurred.

Mr. Hollenbeck said the Association's number of units might have been discovered quicker if the District listed the number of units on their bills. Mr. Montfort reminded Mr. Hollenbeck that the District updates their rate schedule online each year and a customer can calculate the units they are being charged. Mr. Hollenbeck questioned the General Facility Charge fees and Mr. Carmichael stated that those connection charges are applied consistently to all customers when they connect to the District.

Mr. Montfort summarized the District's letter by saying this is a local government and the General Facility Charge fee is calculated in the comprehensive plan. Commissioners requested District staff to produce a proposal for how to follow up with the fees due and bring to the next Board meeting.

**Consent agenda included:**

2. Meeting Minutes August 27, 2015
3. Manual Checks
4. August 2015 Payroll
5. August 2015 UB 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 informed the Commissioners that the agenda now has an approximate number of minutes next to each item and that he plans the meetings to be within an estimated two hours. The Commissioners appreciated this organization.

He then showed a color graph that illustrated water usage this year as compared to an average of the past nine years. The graph also had the 2009 water usage on it, which was the last big year.

Mr. Eisses handed out photographs of the Anderson Road waterline break west of Harborview. He said this waterline break was complicated by electrical lines in the tree that had fallen. Water service was restored to the approximately 25 residents in a day. He highlighted a reimbursement request that the District submitted to the Whatcom Department of Emergency Management in hopes there will be federal emergency response funds made available. Mr. Montfort asked if the diesel fill ups after the wind storm would have lasted a day or two longer. Mr. Eisses stated that he thought this was due to not knowing how long the service would be out, but he would check into this.

Mr. Eisses mentioned a water main break on the Blaine Road this week. He shared that the City of Bellingham had requested to borrow two pieces of 16" ductal iron pipe due to their water main break. And after the

District staff delivered that pipe then our staff started to hear more customers complain of low water pressure on Blaine Road. Mr. Eisses said the waterline was repaired quickly.

**Blaine Coordination:** Mr. Eisses said he met with COB (9/4/15) and personally delivered the Water Demand letter. He reminded COB of the 12/31/15 deadline and the desire for a contract extension.

Mr. Eisses updated the Board on the new well drilling as slow and with few reports. He said there is more sand in the drilling than expected. The driller said this will be an excellent monitoring well but probably not a great production well. He will bring a task order to the City of Blaine to the next Board meeting for the well monitoring improvement scope of work.

Mr. Eisses brought the Department Of Health amendment #1 which extends the end date to January 2016. Mr. Alesse motioned to approve the DOH amendment and have the District General Manager sign. The motion was seconded by Mr. Reichhardt. The motion was moved and passed unanimously.

**CWSP:** Mr. Eisses said the next meeting is October 21.

**Finance Report:** Mrs. McMillan said she is continuing preparations for the 2016-17 budget. She brought to the attention of the Board the labor negotiation schedule as starting September 15.

Mrs. McMillan presented the Rate Requirement review that shows a higher yearend balance than original estimations. She cited increased revenues from the warm weather as the majority of the estimated year end increase.

She updated the Board on the increase in KeyBank banking fees. Mr. Reichhardt mentioned perhaps depositing the funds at numerous banks.

Mrs. McMillan presented the Databar contract for online bill presentation and bill mailing. The Commissioners questioned the contractor's ability to raise the costs after two years higher than CPI. She will bring back the Databar contract in October with clarification on the price increase.

**WRIA 1 Watershed Planning:** Mr. Eisses indicated an article "Metering Agricultural Water Use in Whatcom County" (Eric Hirst, 9/1/15) and highlighted a portion that states the data will be essential in negotiations with the Lummi Nation and Nooksack Indian Tribe. Mr. Eisses questioned whether this is true as the tribe's right is senior to others.

Mr. Eisses handed out an Instream Flow Committee draft letter to Doug Allen DOE.

Mr. Eisses spoke on the agenda for Governance and Funding Committee meeting (9/9/15) and said attendance was low. The Interlocal Agreement for the Salmon Recovery Board was explained by Mr. Carmichael as really two caucus' and that there is no statutory authority for starting this interlocal.

**Accounts Payable:** Mrs. McMillan presented the details for Accounts Payable as \$71,784.41. Checks numbered 44854-44881 and vouchers numbered 2591-2631. Mr. Reichhardt moved that the Accounts Payable be approved as presented. Mr. Alesse seconded the motion. The motion was carried and passed unanimously.

**Aeration Basin:** Mr. Eisses followed up on the prior Board meeting Commissioners' questions on the diffusers. Per the permit, he said, the diffusers should be installed by 12/31/15. He presented the CHS project fee scope of work as \$36,000 for the design and construction support. He said the District can use the small works roster to purchase the diffusers and possibly have District staff install them. He estimates the total project costs for this Capital Improvement Item at \$500k, the District has \$300k budgeted and he hopes the PSE rebates will

make up the difference. Mr. Reichhardt moved to approve the CHS not to exceed contract of \$36,000. Mr. Alesse seconded the motion. The motion was carried and passed unanimously.

Mr. Eisses gave a summary level context for this CIP as engineering thru construction support would be about 10% of the total estimated project cost. The Commissioners nodded that seemed reasonable.

**Blaine Road Water PreDesign:** Mr. Eisses introduced the second section of the Blaine Road pre-design proposed scope of work. He recommended for approval the CHS contract for the Blaine Road 14" Transmission Main Pre-design of \$13,000. Mr. Alesse moved to approve the CHS pre-design scope of work as presented. Mr. Reichhardt seconded the motion. The motion was carried and passed unanimously.

**Customer Accounts:** Mrs. McMillan brought to the Board account 140001700 and the customer's request to waive \$40 was denied.

Mrs. McMillan brought account 10018300 customer request for relief of late fees to the Board. The Commissioners discussed the account history. District staff commented that the title company had contacted the District for the utility balance and they mentioned their closing as approximately 9/11/15. The Commissioners directed staff to collect the total amount based on today's policy for late fees.

**Finalize Remaining 2015 Meeting Schedule:** Mrs. McMillan proposed cancelling the 9/24/15 Board meeting as no Commissioners will be present due to the WASWD conference and an excused absence. She also proposed cancelling two meetings that fall on District recognized holidays 11/26/15 and 12/24/15. Mr. Reichhardt moved to cancel the meetings. Mr. Alesse seconded the motion. The motion was carried and passed unanimously.

**Developer Extensions (DE):**

The meeting adjourned at 6:45 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 **September 10, 2015.**

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BOARD SECRETARY