

MINUTES OF THE REGULAR MEETING OF THE BOARD OF COMMISSIONERS
OF BIRCH BAY WATER AND SEWER DISTRICT,
HELD June 13, 2013

President Don Montfort called the meeting to order at **4:35 pm**. Other persons present included Commissioner Pat Alesse, General Manager Roger Brown, Assistant General Manager Dan Eisses, and Interim Finance Director Meredith Riley. Attorney Bob Carmichael joined the meeting at 4:40pm.

Agenda additions/changes: Add purchasing agreement for Hycor Helissieve Screen, discuss cancelling the next meeting on June 27th and having a special meeting on June 26th, move the software item before WRIA 1, and add customer accounts as the last item.

Public Input: None.

Consent Agenda included: Minutes for the regular meeting of May 23 adjourned to May 29, 2013; Accounts Payable Warrants #42451-42470 paying Claims #42451-42470 of \$48,062.62 for 2013 Budget; May Payroll Warrants #7546-7554 and auto payments #11527-11544 of \$128,371.28 in total; Utility Billing adjustment charges of \$889.50 and credits of \$3,465.20; and LID Assessment adjustment of \$0 for May. It was moved by Alesse and seconded by Montfort to approve the Consent Agenda. The motion passed unanimously.

Developer Extensions: None.

Additional Accounts Payable: Accounts Payable Warrants #42471-42499 paying Claims #42471-42499 of \$408,401.45 were presented. Meredith explained that the large amount is due to the PWTF Loan payments before July 1. It was moved by Alesse and seconded by Montfort to approve the additional Accounts Payable. The motion passed unanimously.

Accounting & Utility Billing Software: Dan reviewed the RFP list for the software, and the three vendors on the short list. He explained that we had demos on the top three (3) vendors, and went over the results of the demos. The top pick is Logics and it was unanimous by the five (5) Admin staff. Logics quote is just under the \$70,000 budget. There are a number of add-ons to the original quote. Meredith checked two of the references which came back very good. Staff is asking for approval for the General Manager to sign the contract after review by Bob. Don asked about the price and Dan reviewed the training budget and the other add-ons. Dustin explained the on-line payment process. Patrick discussed the efficiencies involved with a new system, and Don emphasized that while the Board did not want credit card fees to the customers, he wanted to be made aware if the costs go up significantly due to more people using the service. Don had questions on security of the system. Dustin explained how it has a standard security system. Dustin also explained they have another system that functions with GIS. It was moved by Alesse and seconded by Montfort to authorize the General Manager to sign the contract. The motion passed unanimously.

WRIA 1 Watershed Planning: Roger reviewed the meeting he and Bob had on June 5th with Jack Louws, Whatcom County Executive. In the meeting he reviewed the Joint Board problems, and the Planning Unit problems, and the history of the two. Roger then laid out a Planning Unit work plan in the meeting. Jack stated that the PUD and the City of Bellingham were objecting to the way Roger and the Water Caucus were moving forward. Roger went into more depth regarding the discussion on WRIA 1.

Bob discussed the Growth Management Hearings Board decision on the petitioners challenge to Whatcom County on the County's comprehensive plan's rural element. The GM Hearings Board ruled that the County is not protecting water availability and water quality in rural areas sufficiently. Bob reviewed how he thinks the County should respond to this decision. Don spoke on exempt wells and how it was handled in Skagit County.

Roger stated that there is a meeting on Monday June 17 at the Country Club with the other Water Districts who are supporting the legal counsel hired to review legal action for WRIA 1.

WASWD Retro Reimbursement Program: Dan reviewed the L&I Retrospective Rating Program. Dan said there are a number of retro programs; Assoc of Washington Cities and Assoc of Washington Counties both have programs. Dan reviewed the analysis of our participation in the WASWD Retro rating program. Don asked Roger to review when the District needs to tell WASWD we're opting out of the program; Roger determined the deadline is June 15. Roger will make a courtesy call to Blair at WASWD explaining that while we will continue in the program for a year, we will be reviewing the status during the year and question the compensation and services of the current third party administrator.

Payment & Collection Procedures: Dan reviewed two proposed Resolutions: 1) The first resolution is in regards to filing liens with the County, not addressing the interest portion. Dan proposes bringing our current code up to current practice. The previous resolution was not codified, so we would like to pass a new resolution and have it codified. We would review past due balances every six months, instead of just once a year, and add both lien and removal fees. The Board is in agreement to move forward with this resolution. 2) The second resolution is updating the miscellaneous charges in the code. The Board is in agreement to move forward with this resolution.

PWTF and SRF Loan Funding: Dan updated the Board on the WWTP Headworks. Whatcom County said the District can pick up the permit when we're ready. Dan is concerned about the funding for PWTF loans and is hesitant to go out for bid. It looks like we're on the list for Drinking Water SRF loans for a portion of waterline on Blaine Rd. Don said the State legislature has still not decided what they're going to do with PWTF Loans. It's possible for the legislature to make a budget decision by June 30th. Don suggested that the District contact our State legislators.

Double R Ranch Dues: Dan reviewed the annual association dues on the lots that the District owns at Double R Ranch. Dan suggests that we pay the rest of the association dues at the next Board meeting. It was moved by Alesse and seconded by Montfort to pay the association dues. The motion passed unanimously.

Dan then reviewed Local Facility Charges and how they can be computed. Dan then reviewed how the LID and the General Facility charges were computed for the Double R Ranch lots. Dan came up with a local facility charge of \$12,000 for each of the Double R lots as one option. He then reviewed the original assessments on the four illegal lots. Then he reviewed how we came up with a proposed Local Facility charges. We would also need to charge a General Facility charge. Don thought a front footage fee was more equitable. Dan stated that he would bring this item back to the Board for review.

Verizon Wireless Lease at Kickerville: Dan reviewed the proposed Verizon wireless lease agreement at the Kickerville water tank property. Verizon wants to build a tower at this site. Dan had a question if the property owners in that area might get upset. The permitting process is through Whatcom County who will need to have a public hearing on this issue. The Board is in agreement to move forward with the lease.

Developer Extensions:

Plat of Alderwoods

Dan showed the preliminary plat of Alderwoods to the Board.

Purchasing Agreement: City of Elma is asking for Board signature of the purchasing agreement between the City of Elma and the District for purchase of the Hycor Helisieve Screen. This item was surplus previously and is no longer in use. A motion was made to authorize the Board to sign the purchase agreement. The motion passed unanimously.

Rescheduling next Board meeting: It was requested that the next meeting be rescheduled to the day before on Wednesday, June 26th. It was moved by Alesse and seconded by Montfort to cancel the regular meeting on June 27th and hold a special meeting the day before on June 26th. The District will provide notice of the change.

Water CAT meetings: Roger discussed the water CAT meetings, and the committee that will be selected. The District has requested a list of registered voters in the District from the County and will pass it along to the Board. The meetings should started by the end of July.

Customer Accounts:

Beachwood Park

Beachwood Park was due for shut-off on this past Wednesday, as payment was due last Tuesday. They asked if they could have until this Friday to make payment. The Board agreed and thought staff should look into a separate class for this recurring problem.

Blue Fish Restaurant/Birch Bay Café & Bistro Corp (aka Via)

This was the account that was inadvertently paid by an elderly woman. The District refunded the payments to the woman and notified the restaurant of a payment plan to repay these charges. Birch Bay Café & Bistro Corp was sent a letter on April 29, 2013 for a payment plan that they were suppose to sign and return to the District. This was an agreement to pay current utility charges and repay the past due balance over five (5) payments starting in May 2013 through January 2014. This Friday they will get a past due notice, and the question is what they should be charged. The Board agreed that they should pay the current and past due charges according to the payment plan. If they do end up getting locked off, the total amount should be collected to turn on the meter, unless they sign the payment plan.

The Board meeting was adjourned at **7:19 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 **June 13, 2013**.

BOARD SECRETARY