

MINUTES OF THE REGULAR MEETING OF THE BOARD OF COMMISSIONERS
OF BIRCH BAY WATER AND SEWER DISTRICT,
HELD January 12, 2006

Commission President Don Montfort called the meeting to order at 4:30 PM. Other persons present included Commissioners Carl Reichhardt and Patrick Alesse, General Manager Roger M. Brown, Attorney Bob Carmichael, Engineering Services Manager Dan Eisses, and Treasurer Glenn Golay.

Election of Board officers for 2006: Carl moved to elect Alesse President, Montfort as Secretary, and Reichhardt as Vice President/Assistant Secretary. The motion was seconded by Montfort and passed unanimously.

President Alesse then presided over the meeting.

Agenda additions/changes: none

Public Input: none

Consent Agenda included: Minutes for the Regular meeting of December 22, 2005; December Payroll Warrants #4745-4768 for \$52,927.93; Accounts Payable Warrants #34496-34522 paying Claims #34496-34522 for \$22,251.02; December adjusting entries to UBS for \$2,721.80 charges and \$849.00 credits; December EFTPS withholding deposit made on 12/29/05 for \$18,773.37; December Financial Reports for review; and 2006 Wage & Salary schedules. It was moved Montfort and seconded Reichhardt to approve the Consent Agenda. Passed unanimously.

Engineering Services Manager Dan Eisses reported on developer extensions & projects:

Anchor Village – Roger reported on his meeting with Tom Fenton regarding his project. In his negotiations with the developer's attorney, Roger would like to propose that the line along the southern boundary of the project would be District responsibility and along Blaine Rd., the developer, with a District standard payback agreement. The developer would like a 15-year payback. The District standard payback agreement is currently 7 years, but with the deletion of District front footage charges Roger is looking into whether it should be changed to 15 years. Roger will continue to work on this issue and report back to the board.

Horizons at Semiahmoo – Dan reviewed the water engineering recommendations on this project. Generally, the project is similar to the one presented a year ago. CHS has completed its water review and Dan went over them with the board. Because of pressure issues, a water booster station is recommended and the payback on that would be a credit on their connection charges. Carl asked if a waterline from the Semiahmoo reservoir could be constructed instead of a booster pump station (bps). Dan noted that the bps is part of the current water comp plan, but would look into this idea and report back to the Board. The sewer recommendations should be ready for review at the next meeting.

Lincoln Green: Tract C – Dan reviewed the status of this project. The owner of Tract B would now like to develop and this would change the sewer recommendations on Tract C. Dan also discussed the water general facilities needed to be constructed along Morningside Dr. The expense of that line exceeds the GFC's available from Tract C. The question is whether the District should construct the line or have the developer build the line. Carl asked if this line was really necessary, or would just be nice to have. Don asked about state law regarding how much work the District crews could do on a project. Staff will continue to work on this issue.

Terrell Creek Landing – Dan reviewed the project plan and CHS' recommendations. The commissioners approved the recommendations.

Harborside LLC – A new DE that has not been reviewed as yet (on Blaine Road near Anderson Rd).
Bay Breeze – Also another DE just received (on Anderson Road near Harborview).

Forcemain project – Dan presented a proposed letter to the Lummi Tribe asking for a meeting to review concerns on this project. The commissioners approved the letter.

Regarding water supply: Roger reported on his meetings with the PUD, particularly regarding their budget. He discussed some of the issues reviewed.

Resolution #656, which removes District local facility charges. It was moved by Montfort and seconded by Reichhardt to approve the resolution, which includes language to make the change retroactive to June 9, 2005. The motion passed unanimously. The resolution will be prepared and included in the next meeting consent agenda.

Dan discussed a small water project that changes water line connections and the County is now requiring that a cultural assessment be done before a permit is issued. Dan would like to defer this project for now because of the additional cost and the fact that the process will be repeated with the forcemain project. The commissioners agreed.

Dan reviewed the 2006 CIP budget. There was general discussion and questions about the items listed. It was moved by Montfort and seconded by Reichhardt to approve the Water CIP budget with the exception that the radio read meters would be deleted and that the PUD charges would be updated. Motion passed unanimously. It was moved Montfort and seconded Reichhardt to approve the Sewer CIP budget as presented. Motion passed unanimously.

The Commissioners then went into Executive Session at 8:10 PM to discuss a personnel issue. They plan to be in session for 30 minutes with no action anticipated afterwards.

Coming out of Executive Session, there being no further business, the meeting was adjourned at 8:40 PM.

COMMISSIONER

COMMISSIONER

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 **January 12, 2006**.

BOARD SECRETARY

(minutes taken by Glenn Golay)