

MINUTES OF THE REGULAR MEETING OF THE BOARD OF COMMISSIONERS  
OF BIRCH BAY WATER AND SEWER DISTRICT,  
HELD May 10, 2007

Commission President Don Montfort called the meeting to order at 4:30 PM. Other persons present included Commissioner Patrick Alesse, General Manager Roger M. Brown, Engineering Services Manager Dan Eisses, Attorney Bob Carmichael, Treasurer Glenn Golay, Luke van't Hoog (BP), and Horizon DE representatives.

**Agenda additions/changes:** none

**Public Input:** none

**Consent Agenda included:** Minutes for the Regular meeting of April 24, 2007; Accounts Payable Warrants #36093-36152 paying Claims #36093-36152 for \$192,102.84; April Payroll Warrants #5330-5354 for \$58,724.40, April adjusting entries to UBS for \$2,100.35 charges and \$394.40 credits; April EFTPS withholding deposit made on 04/30/07 for \$20,134.40; and April Financial Reports for review. It was moved Alesse and seconded Montfort to approve the Consent Agenda. The motion passed unanimously.

**Developer Extensions – public input:** - Representatives were present for input on the **Horizons DE**. Dan discussed the project, the irrigation review, and the study by FCSG, which were funded by the developer. The study by FCSG makes recommendations regarding the number of connections to be charged, the per-hundred usage rate and the procedures for collection of the fees and charges from the subsequent homeowners association. Dan said that he was not bringing this for approval tonight, but would bring it back to the next board meeting after the developer has an opportunity to review the study and recommendations. There were a couple questions from Horizons representatives on technical issues. Commissioner Montfort expressed his appreciation to the developers for their cooperation in the review of the irrigation needs of their project.

Dan also addressed the issue of service to the Horizon sales office. Sewer service is being held up by acceptance of the project, but Dan is not ready to recommend conditional acceptance because the over-sizing calculations (which determines the developers GFC credit) are not complete. The developer asked that the District write a letter stating that the sewer is available so that they can pick up their building permit at the County. The developers indicated they understood they are under control of the schedule for the project acceptance which will provide facilities to which the sales office will physically connect. The commissioners directed staff to prepare a letter or other communication to enable the County to issue the building permit, with the understanding that Horizons was responsible for the schedule of the DE project.

Mr. Luke van't Hoog from BP was present to hear the discussion regarding **BP's request for increased wastewater service**. He discussed the reasons for BP's request to make changes to the contract proposal. The key issue currently is that there are no funds available to continue the review. Mr. van't Hoog stated that BP intends to make another project deposit so that discussions can continue. Roger, Commissioner Alesse and Commissioner Montfort described the District's position on issues. Mr. van't Hoog indicated that he would like to attend the District board meetings regularly.

Roger discussed his attendance at the PUD board meeting. He also reviewed the PUD's annual financial report, indicating that he will convey District concerns about non-proprietary costs to the PUD at the next PUD board meeting.

The city (Blaine) coordination meeting was postponed to the 16<sup>th</sup>. Roger discussed his approach to further water contract meetings with the city. Dan reported also that the water quality test on well 5.1 was very good. There is concern about the delay to connect to the system. Dan talked about interim measures to get access to the supply, and he has talked with Sandy at the city about this proposal. He will continue to pursue this course of action.

Roger summarized the initial meeting on negotiations with the City for an amendment to the existing water supply contract. The next meeting is on May 14.

Roger briefed the commissioners on his efforts to fill the conservation position. He has contacted several agencies to get information on their programs and position descriptions. Roger also talked about the recent meeting with the city on conservation issues. He also reviewed current water usage reports and there was some discussion about the usage trends.

Roger discussed the impact of the retirement of wastewater manager Steve Hovde. It was moved Alesse and seconded Montfort to approve giving Dan Eisses authority to sign the monthly monitoring DOE reports. The motion passed unanimously. Roger also discussed the reorganization of the district workforce. Roger would like approval to begin the changes as of the 14<sup>th</sup> of May. It would include promotion of Fred Reid to Sewer Utility Foreman, making Blair Beebe the Assistant Operations Manager and making Dan the Interim Operations Manager. The commissioners concurred with his decision.

There being no further business, the meeting was adjourned at 6:24 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 **May 10, 2007**.

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BOARD SECRETARY

(minutes taken by Glenn Golay)