

MINUTES OF THE REGULAR MEETING OF THE BOARD OF COMMISSIONERS
OF BIRCH BAY WATER AND SEWER DISTRICT,
HELD December 10, 2009

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 Brown, Engineering Services Manager Dan Eisses, Treasurer Glenn Golay, Attorney Robert Carmichael, Skip Jansen, Carl Nichols and Dustin Sellinger.

Agenda additions/changes: Roger asked to move item #14 up to the top of the agenda.

Public Input: Carl Nichols was present to ask the board to consider reducing connection charges to encourage development. The commissioners discussed this with Mr. Nichols and were open to reviewing this issue in the future in conjunction with the current review by CHS of the District connection charge rate.

Consent Agenda included: Minutes for the Regular meeting of November 12, 2009; Accounts Payable Warrants #39019-39054 paying Claims #39019-39054 for \$65,407.30 and Warrants #39055-39088 paying Claims #39055-39088 for \$84,690.44; November Payroll Draws Warrants #6514-6527 for \$17,800.00 and November Payroll Warrants #6528-6551 for \$65,558.82; November adjusting entries to UBS for \$1,136.28 charges and \$901.21 credits; November EFTPS withholding deposit made on 11/30/09 for \$24,944.36; November Department of Revenue payment made on 12/01/09 for \$9,534.39 and November Financial Reports for review. It was moved by Reichhardt and seconded by Alesse to approve the Consent Agenda. The motion passed unanimously, except Don Montfort abstained from approving the minutes because he was not present at the meeting.

Attorney Carmichael presented his review of the County Land Use (UGA) change activity.

The land use change was reviewed regarding how it impacts the district service area and projects that are planned or currently ongoing. Skip Jansen (Harbor Shores DE) was present to discuss how these changes impact his development. Roger gave the background on this issue. Harbor Shores was begun before the UGA changes. Mr. Jansen stated that he has obtained all the permits from the county he needs to commence construction of the sewer system. Skip asked for the commissioners to approve the DE agreement now, while his property is still in the UGA.

At this point, 5:20 PM, Commission President Don Montfort announced the board would go into Executive Session to discuss a matter of potential litigation. They will be in session for 20 minutes, with the regular meeting to resume at 5:40 PM.

Coming out of Executive Session at 5:40 PM, the meeting resumed.

Skip again asked the commissioners to approve his DE agreement as it was originally presented. There was continuing discussion on this issue. Commissioner Montfort suggested that the board and staff review the information presented and if needed, schedule a special meeting to make a decision on the DE agreement.

Dan and Roger reviewed the important points and terms from the proposed new wastewater contract with BP that is currently under negotiation. They will continue to work with BP to complete the contract update.

Roger and Dan also reported on current activity at the PUD and attendance at their board meeting. They also discussed the PUD's proposed 2010 budget.

Cost Reimbursement Program: Roger talked about the status of program work.

City Annual Meeting: Commissioner Montfort and Roger reported on the annual meeting with the City of Blaine regarding Water Supply.

Hogan Drive Waterman: Dan reported that the waterline has been installed, as of last night. Dan is still working with Dar Kruse regarding the future line location.

Dan presented the final quantities on the Hall Road project. He asked for approval of the project as presented, and to allow Roger to sign the final change order. Dan thought overall the project went well and that the contractor was good to work with. It was moved by Reichhardt and seconded by Alesse to accept the project and allow the General Manager to sign the change order. The motion passed unanimously.

It was moved Alesse and seconded Montfort to approve Resolution #687 concerning supporting an effort to allow district managers to vote on WASWD issues. The motion passed unanimously.

Dan discussed the project schedule for the Forcemain project. Dan also presented the MOA with the state park and asked for approval. It was moved Alesse and seconded Reichhardt to approve the MOA and allow Roger to sign for the district. The motion passed unanimously.

Roger discussed the proposed settlement agreement with Birch Bay Resort Park. Dan is still working on this and the board supported his recommendations.

Dan also discussed ongoing district efforts to reduce I&I.

Commission President Montfort then announced that the Commissioners would go into Executive Session at 8:25 PM to discuss a personnel issue. They expect to be in session for 20 minutes, with possible action anticipated afterwards. There was no public attending the meeting at this time.

The Commissioners came out of Executive Session at 8:45 PM. Following discussion, it was moved by Reichhardt and seconded Alesse to approve the Employee Group and Managers Group collective bargaining agreements for 2010-2012, and the contract amendments for the General Manager and the Engineering Services Manager for 2010-2012. The motion passed unanimously.

There being no further business, it was moved by Reichhardt and seconded by Montfort to adjourn the meeting. The motion passed unanimously.

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 **December 10, 2009.**

BOARD SECRETARY

(minutes taken by Glenn Golay)