

MINUTES OF THE REGULAR MEETING OF THE BOARD OF COMMISSIONERS  
OF BIRCH BAY WATER AND SEWER DISTRICT,  
HELD May 27, 2010

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

**Agenda additions/changes:** none

**Public Input:** none

**Consent Agenda included:** Minutes for the Regular meeting of May 13, 2010; Accounts Payable Warrants #39622-39660 paying Claims #39622-39660 for \$82,422.30; and May Payroll Draw Warrants #6744-6757 for \$17,350.00; and Resolution #692. It was moved by Montfort and seconded Reichhardt to approve the Consent Agenda. The motion passed unanimously.

**BP:** Roger and Dan discussed their recent meeting with BP staff regarding the draft wastewater agreement. BP staff noted that their attorneys have reviewed the draft contract proposal and they had no suggested changes. Dan talked about specific issues discussed and there doesn't seem to be any major problems. They also talked about a change to the water supply contract.

**Water Supply:** Dan attended the last PUD meeting and discussed the issues reviewed at that meeting.

Emily and Roger reported on the **Water Alliance** meeting that was held yesterday.

Concerning the Cost Reimbursement Program, Roger reported that the Loop agreement has been signed by the City and the Loops. Roger will sign the agreement and return to the City for recording. Roger has talked with DOE about the process of the appeal period to the water right approval.

**Forcemain Project:** Dan briefed the board on the status of the project: general cleanup has been concentrating on the Park; Cronk sewer is complete; demolition on old Pump Station #1 will be shortly; detour signs came down today; and digging is complete.

Dan discussed the County's plan to improve Lincoln Road and how those improvements would impact the district waterline along the road. The road construction design has changed some from the original concept, but Dan would still recommend replacing the waterline. The commissioners agreed with Dan and directed him to prepare a plan for the project.

Roger reported on his meeting with the county staff regarding the Birch Bay storm water program. He has asked them about the process to get the district exempted from the county storm water rate. Roger will continue to follow up on this issue.

Roger, Dan and Dustin presented additional information concerning the district utility rate structure and some alternatives to that structure based on criteria previously discussed with the board. After input from the commissioners, staff will continue to develop information on this issue for presentation at a future board meeting.

**Developer Extensions:** Dan noted that Bleakney has paid his deposit and signed the DE agreement. Also, the Birch Bay Community Church project was discussed.

At 7:30 PM, Commissioner Alesse announced that the Board would go into Executive Session to discuss a personnel matter.

At 7:45 PM the Board came out of Executive Session and resumed the regular meeting, discussing the need to provide for stability as the District continues to address the potential for turnover in top management. It was discussed that this is an issue affecting a number of districts in the region, as well as Birch Bay. At 7:58 PM the General Manager was asked to leave the meeting temporarily while the Board discussed the issues further. At 8:26 the General Manager was summoned back to the meeting. Commissioner Montfort stated that the Board determined that the General Manager will have a salary range of \$98,354 – \$130,000 per year with 2% steps. The General Manager will be placed at \$115,000 per year within that range. The Engineering Services Manager will have a salary range of \$85,000 - \$105,000 with 3% steps. The Engineering Services Manager will be placed at \$93,000 per year within that range. The Board directed that the General Manager continue and enhance the management training of the Engineering Services Manager. The Board also directed that the General Manager make an appropriate salary adjustment for the Operations Manager, considering the specialized skills and duties now existing in this position. The changes in salary for these three positions are based on the Board's consideration of the needs of the District, taking account of prevailing market conditions. The General Manager was directed to bring specific implementation measures, to take effect July 1, 2010, to the next Board meeting for adoption.

There being no further business, it was moved by Montfort and seconded Reichhardt to adjourn the regular meeting at 8:55 PM.

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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 **May 27, 2010**.

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BOARD SECRETARY

(minutes taken by Glenn Golay)