

MINUTES OF THE REGULAR MEETING OF THE BOARD OF COMMISSIONERS
OF BIRCH BAY WATER AND SEWER DISTRICT,
HELD May 26, 2011

Commissioner Carl Reichhardt called the meeting to order at **4:32 pm**. Other persons present included Commissioners Patrick Alesse, General Manager Roger Brown, Assistant General Manager Dan Eisses, Attorney Simi Jain, Interim Finance Director Meredith Riley, and Jeremy Schwarz. Commission President Don Montfort arrived at 5:12pm.

Agenda additions/changes: delete item number 8, Verizon cell tower.

Public Input: None.

Consent Agenda included: Minutes for the Regular meeting of May 12, 2011; Accounts Payable Warrants #40629-40664 paying Claims #40629-40664 for \$45,048.69; May Payroll Warrants #7199-7211 for \$15,900.00; and voiding Warrant 40595 that was sent as an on-line payment for \$1,420.20. It was moved by Alesse and seconded by Reichhardt to approve the Consent Agenda. The motion passed unanimously.

Developer Extensions:

Bay Road 3 Lots: Dan is recommending a conditional acceptance of this developer extension. The assignment of savings is the only remaining item. The developers are interested in a latecomer's agreement. The Board agreed to conditional acceptance of the project.

Lincoln Road Waterline Replacement: Last meeting Dan recommended using a sole source for Stremler Gravel for this project. Dan talked to MRSC and they thought it was a go; Attorney Carmichael did not think the RCW definition for exception for Public Work fit as it is only for emergencies. Two options for this project: small works roster or not doing the project. The line is a 35 year old a/c line; with the County project there is a concern that there may be some breakage of the line. If the line is redone it could last for 50 years. Dan reviewed the project again to see if it could be shortened and to see what problems could arise during the County project. The budget is \$150,000.

The small works roster was reviewed. We would need to advertise the small works roster, and then contact at least five on the list for quotes, and give them up to a week. They will need to work with Stremler to coordinate the project. It will be a bid item as part of the costs.

The Board agreed with Dan to shorten the project and move forward with the small works roster.

MRSC Roster for Consultant Selection & Small Works Roster: MRSC offers a service for both these items, and they make sure all the timeframes and paperwork is advertised on time. If the project is under \$150,000 the requirement is to contact five qualified vendors; if over \$150,000 than all vendors must be notified. MRSC has a model resolution and the next opportunity to apply will be for the January advertisement.

Whatcom County Draft Interlocal Agreement: this is for planning purposes within the Birch Bay Urban Growth Area. Dan asked the County why the District needed an interlocal agreement with the County. A draft agreement was supplied to the Board. Dan is concerned that the language in the agreement may not agree with some of the District's policies. Roger and Dan will be meeting with the County next week to review this agreement.

2010 Financials: Discussion was on the CWIP and close out of projects for 2010.

Customer Request: the District's policy allows one leak credit every three (3) years; this customer had a small leak costing \$34. The policy was made clear to the customer, but she was adamant that she wanted

the credit so she addressed a letter to the Board. The Board approved the leak credit and District is to make clear to the customer that the leak credit is once every three years.

Board Policy – Delegation of Expenditure Authority: this is part of the review of accounting procedures; purchase orders are a commitment to fund. This is to clarify the delegation of expenditure authority as purchase orders are made on an on-going basis. Roger reviewed the policy with the Board. The Board wanted some clarification of the policy. Roger will review the District's existing policies to see what is currently established.

Carl had a question on DSL Extreme; Dan said he thought this is an internet line payment for a secondary drop at lift station 3. All of the District's alarms are now routed thru the internet and this secondary drop will pick them up, if Comcast goes down.

Carl asked if the meeting times and/or dates needed to be changed for Don's convenience for any conflicts with PWTF Board.

Roger asked for an extension of his vacation time; the Board agreed.

There being no further business, the meeting was adjourned at **5:52 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 **May 26th, 2011**.

BOARD SECRETARY