

MINUTES OF THE REGULAR MEETING OF THE BOARD OF COMMISSIONERS  
OF BIRCH BAY WATER AND SEWER DISTRICT,  
HELD September 22, 2011

Commission President Don Montfort called the meeting to order at **4:31 pm**. Other persons present included Commissioners Carl Reichhardt, General Manager Roger Brown, Assistant General Manager Dan Eisses, Attorney Simi Jain, Interim Finance Director Meredith Riley, two persons from Loomis Trail Homeowners Association, and Jeremy Schwartz.

**Agenda additions/changes:** Add Accounts Payable Warrants and LID Adjustments for Interest and Penalty annual billing.

**Public Input:** None.

**Consent Agenda included:** Minutes for the Regular meeting of September 8, 2011; Accounts Payable Warrants #40920-40966 paying Claims #40920-40966 for \$69,762.19; September Payroll Draw Warrants #7312-7315 and auto payments #10035-10043 for \$15,900.00 in total; and the August Income Statement. It was moved by Reichhardt and seconded by Montfort to approve the Consent Agenda. The motion passed unanimously.

**Developer Extensions:** None.

**Loomis Trail Annexation:** Dan noted that the Loomis Trail Home Owners Association had paid the current expense estimate last week. Resolution 709 approving the annexation of the Loomis Trail Area to the District was brought forward. Reichhardt moved and Montfort seconded to approve Resolution 709. The motion passed unanimously.

**Foreclosures:** Carmichael will prepare an Answer on the foreclosures by Whatcom County on the Double R Ranch properties, possibly by next week. The Double R Ranch attorney has been contacted, but discussion has not taken place yet. The Board will be kept informed.

**Real Property Sale:** The District owns three lots in the Double R Ranch that are legal lots. The District tried to sell these lots in 2004. The Resolution presented authorizes the sale of these three lots. The District will need appraisals on these lots to start the process. One lot is buildable, but it's possible the other two lots are not buildable. Dan thought the appraisals should take that into consideration. Don mentioned that the District can dedicate property as a park. The Board decided to postpone any action. Dan will bring back what the District is spending on maintenance of these parcels, and also appraisal costs.

**Lien Process:** Dan reviewed what other utilities in Whatcom County are charging for past due balances on utility bills. An option would be 7% on the past due balance instead of 10%. The District does give customers the option to terminate service, but their utility bill must be paid in full. To reinstate service at a future date, any increase in GFCs would need to be paid. Dan thought that we should review bills when they get to the GFC level, and terminate service. Dan is reviewing options on customer service information and timing in order to make a change. Dan suggested putting this on hold until a later date and the Board agreed.

**Delegation of Spending Authority:** Roger spoke to the two resolutions and an associated policy which address internal controls and budget policy and also define the District's fund structure. Roger explained resolutions and policy, and will bring them back next meeting on the consent agenda.

**Policy Updates:** Dan presented three Commission policies to discuss and update.

Number 1: Annexation within Loomis Trail UGA, should be deleted as it's no longer valid. Reichhardt moved and Montfort seconded to delete this policy. The motion passed unanimously.

Number 2: Annual workshop/recognition of accomplishments should be deleted as it is no longer used. Reichhardt moved and Montfort seconded to delete this policy. The motion passed unanimously.

Number 3: Meeting, Training, and or Emergency Repair-Lodging, Meal, Coffee and Light Refreshment and Mileage Expenses. Dan presented a red-lined copy to update this policy. Don thought we should use the State per diem rate that is published and updated every year. The District will review the State policy and bring it back to the Board.

**WRIA 1 Watershed Plan:** Roger went to the Whatcom County Council on September 13 regarding the funding of the Coordinated Water System Plan (CWSP) element of the Lower Nooksack Strategy. Roger called Jon Hutchings, Assistant Director, Whatcom County Public Works and has a meeting on Oct 4 with him. Patrick Sorenson of Lake Whatcom Water & Sewer District sent a letter to Jon Hutchings in support of reconvening the Planning Unit process. Roger will keep the Board informed. Don asked about coordination with the Small Cities on this issue. There was discussion on the EDI grant and what it will accomplish as well as the need for the CWSP update.

**BBWARM:** Roger talked to Kraig Olason today, and the Whatcom County Council will look at the interlocal agreement regarding the BBWARM and the District in November. There are no apparent objections to the agreement.

**PWTF WWTP Loan:** The District has received the PWTF loan documents on the WW Headworks project, and Dan reviewed some changes with the Board. Dan asked for Board approval to have the General Manager sign the loan documents. Reichhardt moved and Montfort seconded to authorize the General Manager to sign the loan documents. The motion passed unanimously.

**Accounts Payable:** A separate run of Accounts Payable Warrants #40967-40977 paying Claims #40967-40977 for \$6,549.10 was presented. Also presented was the LID interest and penalty annual billing of \$24,236.35. It was moved by Reichhardt and seconded by Montfort to approve the Accounts Payable and LID annual billing. The motion passed unanimously.

**Developer Extensions:**

Lincoln Park Retirement Home: The application for water/sewer extensions for this development was reviewed by CHS Engineers. This development is in the District's service area but out of the UGA. The developer will need to provide the District with confirmation from Whatcom County that the water and sewer extensions are consistent with Whatcom County comprehensive plan. Reichhardt moved and Montfort seconded to approve this review. The motion passed unanimously.

The Board received an update on water and sewer ELUs to date.

The Board meeting adjourned at **6:20** 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 **September 22, 2011.**

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BOARD SECRETARY