

MINUTES OF THE REGULAR MEETING OF THE BOARD OF COMMISSIONERS
OF BIRCH BAY WATER AND SEWER DISTRICT,
HELD April 26, 2012

President Pat Alesse called the meeting to order at **4:31 pm**. Other persons present included Commissioners Don Montfort and Carl Reichhardt, General Manager Roger Brown, Attorney Bob Carmichael, Interim Finance Director Meredith Riley, Conservation Specialist Emily Resch and Jeremy Schwartz.

Agenda additions/changes: None.

Public Input: None.

Consent Agenda included: Minutes for the regular meeting of April 12, 2012; Accounts Payable Warrants #41474-41492 paying Claims #41474-41492 of \$15,965.28; April Draw Payroll Warrants #7394-7395 and auto payments #10204-10213 for \$15,775.00 in total. It was moved by Montfort and seconded by Reichhardt to approve the Consent Agenda. The motion passed unanimously.

Developer Extensions: None.

Conservation Update: Emily Resch updated the commissioners on this year's conservation activities. The Whatcom Water Alliance met on April 10th to discuss 2012 conservation activities. The group organized a Wayne Drop Photo Op at the Whatcom Council of Governments for June 28th, and agreed to advertise the watering schedule on the I-5 Lummis Sign. Pat Alesse agreed to represent the District for the Wayne Drop photo op on June 27. Emily visited the Blaine 4th grade classrooms April 25th and 27th to teach water conservation. The Water Awareness Poster Contest Awards assembly is schedule for June 1st. Emily will hold two rain barrel workshops for the Birch Bay area. .

Additional Accounts Payable: Accounts Payable Warrants #41493-41500 paying Claims #41493-41500 of \$3,583.99 were presented.

Policy Updates: Roger spoke to a new proposed policy regarding approval of vouchers without a Board Meeting in situations when the meeting would be needed simply to approve vouchers. Dan Eisses did some research and prepared a proposed policy to bring forward to the Board for discussion. The Board is generally in favor, but had some questions about how internal controls have been addressed in general. Some additional research will be done and the policy brought back to the Board. Roger will make a comprehensive presentation on the division of authority.

Cash Reserve Policies: Roger spoke to the cash reserve policy review that FCSG accomplished. This included the current policies of \$2.6 million, results of FCSG study of \$1 million, then Staff recommendation for minimal level of \$748,686, and optimal policies for the Bond market of 1.75-2.0 for debt service coverage and 150-180 days cash balance. Roger walked the Board through rate modeling of each potential cash reserve policy. Roger will bring the rate modeling back again for additional review by the Board.

Additional Accounts Payable: Accounts Payable Warrants #41493-41500 paying Claims #41493-41500 of \$3,583.99 were voted on. It was moved by Montfort and seconded by Reichhardt to approve the additional Accounts Payable. The motion passed unanimously.

State Funding: Roger spoke to a number of different potential projects for Board review and approval to move forward with PWTF loan applications. Dan has recommended the following projects: 1) Water project on Blaine Rd from the Double R Ranch to the Birch Bay Bible Church for \$1.5 million, and Automatic Meter Reading (AMR) program for \$1 million; 2) Sewer project for WWTP aeration upgrades for \$0.5 million, Pump Station #3 to #4 capacity upgrades for \$1.6 million, and Pump Station #8 for \$0.35 million, and 3) Birch Bay Berm Pump Station #4 to #8 larger pipes for \$3 million. The Board approved

moving forward with the Water and Sewer projects. The Board would like to hold off on the Berm project for further discussion at the next meeting.

City Coordination Meeting: The District met with the City of Blaine Public Works Director Ravyn Whitewolf and Assistant Public Works Director, Bill Bullock. Roger included the meeting agenda for the Board. The next meeting will discuss the Water contract between the District and the City of Blaine.

Developer Extensions: Dan was approached regarding a project between Bay Rim and Homestead. The previously discussed project on this property was 84 condos.

Roger will bring a review of the Water shed planning to the Board.

Pat Alesse adjourned the Board meeting at **5:47 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 **April 26, 2012**.

BOARD SECRETARY