

MINUTES OF THE REGULAR MEETING OF THE BOARD OF COMMISSIONERS  
OF BIRCH BAY WATER AND SEWER DISTRICT,  
HELD June 26, 2014

Board President Pat Alesse called the meeting to order at 4:35. Other persons present included Commissioner Don Montfort, Commissioner Carl Reichhardt, General Manager Roger Brown, Assistant General Manager Dan Eisses, Attorney Bob Carmichael and Finance Director Sandi McMillan.

**Public Input:** None

**Agenda additions/changes:** Roger Brown informed the Board that Bob Carmichael needed to leave at 6:30pm.

**Consent Agenda included:**

2. **Minutes of June 12, 2014 Regular Meeting**
3. **Accounts Payable:**

Checks #43803-43811 for 2014 Budget	\$21,551.80
Paying claim vouchers #640-671	
4. **Void check #42776** \$ 380.73

Replaced with warrant #43505	
------------------------------	--

It was moved by Don Montfort to approve the consent agenda. The motion was seconded by Carl Reichhardt. The motion passed unanimously.

**Developer Extensions:** None.

**Finance Report:** Sandi McMillan informed the Commissioners of the new "Open Government Training Act" (ESB 5964) legislation that takes effect 7/1/2014. She referred to handouts in the Board binder as informational and spoke in general about how the Act applies to them as Commissioners. She will return to the Board and present training opportunities after she herself has evaluated different options.

**Blaine Coordination:** Dan Eisses presented two graphs, titled "Drayton Harbor Watershed Blaine and BB Water Rights", one reflected Qi and the other Qa. On the Qi graph, he mentioned the 2% growth rate was conservative and that the demand for water has consistently been less than growth rates. He explained a need of 1,000 gallons per minute could be served for the next 30 years in the Qi analysis. Mr. Eisses presented details on the next graph, Qa, and mentioned we had water available until 2042 at the projected growth level.

Mr. Eisses spoke about the Interbasin Transfer Project and details that "Phase 1" would provide 1,130 gallons of water and the Qa documented is a little lower than shown on the graph. He reviewed pipe size and substantiated a 16" pipe. He suggested use of our existing water rights to get the project going and then completing test well drilling to transfer water to the farmers. He cited project benefits including quality improvement of water systems on the DOH high nitrate list and supplying water to Lynden for the Qa issue flow enhancement. Staff recommended the Interbasin Transfer Project as a pilot project to show how this process will function and Commissioners were in agreement.

Roger Brown spoke about funding for the beginning of the project which is a feasibility study. He indicated the Whatcom County Flood Fund as a potentially allowable source of funding.

Mr. Eisses mentioned he had his monthly coordination meeting with City of Blaine and would update the Board later in the evening on the Science of Spirituality as a Developer Extension request.

**CWSP Meeting:** Mr. Eisses mentioned this will be an ongoing meeting item but no update for tonight.

**Water Use Efficiency Rule:** Mr. Eisses reminded the Board that the District currently has water use goals of 126 gallons per day/per year/per equivalent living unit (ELU). He indicated the new water use efficiency goal needs to be reset this year for the next six year period, so he analyzed connections for the District and ELU usage. He mentioned even with the number of District new connections, the District is still declining in number of gallons per ELU usage. At the next Board meeting it will be a public meeting to set the goal ELU usage for the next six year period. The Commissioners discussed the number of gallons goal and agreed the District should show a declining amount to a new goal of 116 gallons per day/per year/per ELU.

The Commissioners also discussed water shortage emergencies such as groundwater supply drying up and a storage reduction. Mr. Brown clarified that shortage management is a system issue and the importance that conservation programs include shortage management in order to continue to grow systems. Mr. Brown mentioned shortage management plans cannot be shallow and ineffective. Don Montfort pointed to the comprehensive water plan as a place to include the emergency management plans.

**WRIA 1 Watershed Planning:** Mr. Brown updated the Board on the recent Water Caucus meeting (6/18/14). He also updated the Board on the Planning Unit meeting (6/25/14) and continued need to improve their agenda. He spoke on the need for resources to support the Planning Unit. Commissioners agreed that some type of parliamentary procedures should be the groundwork for the group. A prioritized ranking of the work plan was sent to the Planning Unit by Mr. Brown.

Mr. Brown asked the Board when they would be available to hear Mr. Carmichael's presentation on water law including foreign water. The Board was amenable to 7/17/14 at 4:30 p.m. at the District office. The District was directed to follow the procedures for a Special Meeting notification and Mr. Brown will notify interested people.

Mr. Brown detailed the legal budget and actual costs to date. He indicated there was legal work yet to be accomplished this current year but felt the remaining budget sufficient. Mr. Brown asked the Board if they still wanted the District to utilize Mr. Carmichael to write a letter on the growth management issue. Mr. Carmichael suggested an approximate cost of \$10,000 to address the land use issue and the Commissioners were amenable.

**Headworks Update:** Mr. Eisses clarified the change order #1, presented at the last meeting was incorrectly calculated due to an addition error. Change order #1 actually totals \$19,636.45. Mr. Montfort moved to approve the revised change order #1 for \$19,636.45. Mr. Reichhardt seconded the motion. The motion passed unanimously.

Mr. Eisses informed the Board that Mike Sowers, Operations Manager for the District, went to the City of Lynden Sewer Treatment plant to examine the results of their Tnemec coating application and found it is indeed eroding and falling off as Commissioner Reichhardt had warned. He clarified that no current product is being recommended as a replacement. Conversation continued on the coating of the channels including an asphalt application done by staff. Mr. Reichhardt recommended the original contract price to Award Construction be reflected on future change orders.

**Additional Accounts Payable:** Accounts payable of \$9,561.08 for checks #43745, 43812-43826, paying vouchers 553, 672-696 from 2014 budget were presented. Mr. Montfort moved to approve the additional accounts payable. Mr. Reichhardt seconded the motion. The motion passed unanimously.

**Double R Ranch:** Mr. Eisses brought a letter from Mr. Carmichael dated 2004, "Process for Sale of District Real Property", that outlined the procedure to sell the Double R Ranch properties. He handed out a Resolution for the Board to consider adopting which updates the threshold from \$2,500 to \$5,000. Mr. Montfort moved to adopt Resolution 735 to sell the Double R Ranch properties. Mr. Reichhardt seconded the motion. The motion passed unanimously.

Mr. Eisses handed out a property "Bid Form" which is the notice of intention to sell District property. The District received counsel from Carmichael that the titles be clean to eliminate misunderstandings. Mr. Carmichael suggested adding title insurance paid by the seller. The Commissioners directed staff to add the title insurance. The Commissioners directed the District staff to add information to the sale "assessments for the water and sewer to the lots would be eliminated as part of this sale". The Commissioners also directed the District staff to correct the bid form to reflect lot 10W not 10. Mr. Montfort moved to include the terms, as listed above, to offer the property for sale. Mr. Reichhardt seconded the motion. The motion passed unanimously.

**BBWARM Water Line Conflicts:** Mr. Eisses reported BBWARM had proceeded to get bids on the work for the water line movements without the District. He recommends getting one bid to compare to the BBWARM low bid contractor. Mr. Eisses mentioned he is looking forward to improved coordination with BBWARM.

**Customer Accounts:**

Mrs. McMillan presented a narrative on the Fire District #7 customer account. Mr. Reichhardt questioned if the District should add a fourth exemption to its Utility Shut Off Procedure. The Commissioners agreed that a policy revision to exempt state and local government from late fees and service shut off.

Mr. Carmichael left at 6:30 pm.

Mrs. McMillan detailed the customer account #10005055 "ER&R Lands" leak credit request. Mr. Montfort moved to approve the leak credit as requested. Mr. Reichhardt seconded the motion. The motion passed unanimously.

Mrs. McMillan detailed the customer account #100003500 customer requesting removal of shut-off charge. Mr. Reichhardt motioned to remove the \$35 lock-off charge. Mr. Montfort seconded the motion. The motion passed unanimously.

Mrs. McMillan forwarded the public disclosure request (PDR) as informational to the Board. Mr. Montfort requested a PDR form be created by the District for customers to use.

Mrs. McMillan presented a letter the District was copied on in regards to customer account #140019200. The Commissioners reviewed the letter and told staff that anyone can pay the delinquent bill and service will be restored. Staff were directed to notify the customer of District code regarding a delinquent account.

Mr. Eisses informed the Board that the Twilight side sewer issue now has sewer service.

**Developer extensions:** Mr. Eisses updated the Board on the Developer Extension for the Science of Spirituality (SOS). He said that he has met with the City of Blaine to coordinate actual costs and their connection fee. The Commissioners directed staff to add a fee schedule item to code for temporary service to customers which would be a percentage of the typical connection charges. Mr. Montfort clarified that only current connection charges should be charged and if SOS becomes our customer permanently, then all of our connection charges would be due. Staff will draft the needed code change and bring to the Commissioners at a future meeting.

**Other items:**

**Executive session:**

The Board meeting was adjourned at **7:12 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 **June 26, 2014.**

---

BOARD SECRETARY