

MINUTES OF THE REGULAR MEETING OF THE BOARD OF COMMISSIONERS  
OF BIRCH BAY WATER AND SEWER DISTRICT  
HELD October 8, 2015

Board President Don Montfort called the meeting to order at 4:30 pm. Other persons present included Commissioner Carl Reichhardt, General Manager Dan Eisses, Attorney Bob Carmichael and Finance Director Sandi McMillan. Audience members included customers Donn Hollenbeck and Susan Christie.

**Agenda additions/changes:** None.

**Public input:** Donn Hollenbeck, President of Golden Tides Condo Association, presented a letter of request to waive fees based on the information that he had no knowledge of the condos "change of use". Susan Christie handed out a document titled "There are several factors to mention". Mr. Montfort explained how the general facilities charge is applied consistently and according to code.

Mrs. McMillan presented the payment plan options document as follow up to a prior meeting request by the Commissioners. Mr. Hollenbeck requested time to review with title insurance company options to recover the general facility connection fees and other amounts now due. The Commissioners denied Golden Tides Condo Association request to waive general facilities fees.

Ms. Christie requested waiver of back interest and she cited the regional connection charge isn't indicated in the change of use section of code. The Commissioners declared an executive session at 5:11 pm to discuss potential litigation. They estimated it would last 10 minutes and possibly a decision would be reached. The Board came out of executive session at 5:22 pm.

Mr. Montfort stated the question regarding regional connection charges in code section 7.04.040 and the back interest charge of 12% will be explored in hopes of possibly reducing. He said this will be brought back at the next Board meeting. Golden Tides staff appreciated the Commissioners comments.

**Consent agenda included:**

2. Meeting Minutes September 10, 2015
3. Manual Checks
4. September 2015 Payroll
5. September 2015 UB Adjustments
6. Budget Amendment \$0 net effect

Mr. Reichhardt moved to approve the consent agenda. The motion was seconded by Mr. Montfort. The motion was carried and passed unanimously.

**General Operating Overview:** Mr. Eisses spoke on water demand as having leveled and this would be his last report on summer water demand levels.

Mr. Eisses detailed information on the blowers and diffusers needed for the aeration system and itemized the electrical side needs. Mr. Eisses requested approval of \$3,000 for the electrical engineering work from Mr. TeVelde. He mentioned the project is more complicated than originally scoped. Mr. Reichhardt motioned to approve the request. Mr. Montfort seconded the motion. The motion was moved and passed unanimously.

Mr. Eisses passed along Mr. Sowers' windstorm debrief.

Mr. Eisses mentioned stormwater work that BBWARM is doing at Seavue drive. He also mentioned the water program truck arrived this week even though we were warned it wouldn't be delivered until 2016. This truck was budgeted in 2015 and this was just informational to the Board.

Mr. Eisses introduced a pictometry service as a benefit to many District staff tasks. He indicated the quote for the services with the County in which the District would obtain a license to use. He clarified that he hopes not to renew the contract repetitively but sees the benefit of using the pictometry service. He provided a handout itemizing seven benefits of using pictometry. The updated District aerial map would also be included. Mr. Montfort and Mr. Reichhardt directed District staff to submit a letter of intent for the District to participate in the license for service.

**Blaine Coordination:** Mr. Eisses said the pump test was completed on the new monitoring well at 45 gpm. The hydrogeologist said the water level increased slightly at the end of the three days and he will be analyzing why. Mr. Eisses will meet with DOE/DOH and the hydrogeologist for a required DOH grant deliverable soon.

**CWSP:** Mr. Eisses spoke on the WUCC meeting agenda for October 21.

**Finance Report:** Mrs. McMillan presented a revised 2016-17 budget preparation schedule. She discussed the District's Financial Management Policy to further prepare for the budget process.

Mrs. McMillan updated the Board on the increase in KeyBank banking fees and the bank's waiver of all collateralized deposit fees.

Mrs. McMillan presented the Databar contract for online bill presentation and bill mailing. She answered the Commissioner's prior question on Databar's ability to increase the fees above CPI. Mr. Reichhardt moved to approve the Databar contract. Mr. Montfort seconded the motion. The motion was moved and passed unanimously.

**WRIA 1 Watershed Planning:** Mr. Eisses highlighted sections of the recent PUD meeting on 10/13/15.

He mentioned the SWWS update to council on 10/22 and a memo from Ann Russell.

He presented information on the Governance and Funding Committee meeting scheduled for 10/13/15. He said there will be a special planning unit meeting next week to review the Interlocal Agreement (ILA) to establish the Policy Board and disband both the Joint Board and the Salmon Recovery Board. He reviewed an email regarding a need for the coalition to reply to the ILA.

He reviewed a document of comments and questions for the special planning unit meeting.

**Accounts Payable:** Mrs. McMillan presented the details for Accounts Payable as \$101,826.42. Checks numbered 44934-44962 and vouchers numbered 2678-2721. Mr. Reichhardt moved that the Accounts Payable be approved as presented. Mr. Montfort seconded the motion. The motion was carried and passed unanimously.

**Public involvement:** Mr. Eisses described a plan to increase the District's public involvement in hopes that the community better understands what the District does and how it operates. He mentioned the board duties and protocols will be a task for the current board members to create and document. Mr. Reichhardt expressed an interest in describing how the District is at the forefront of delivering water and sewer service while still keeping rates low for our customers. Mr. Carmichael said the history is interesting from the point of past Birch Bay water contamination. Mr. Montfort suggested the newsletter get a facelift and mentioned even a quarterly four page newsletter printed on better paper might be more effective.

**Customer Accounts:** Mr. Eisses presented a draft letter to Vision Craft and described a situation where a side sewer contractor dug where the District described the location of the side sewer connection was and couldn't find it. The District staff then identified the correct distance and found the side sewer connection on the other

side of the lot and notified the contractor who then made connection. Mr. Eisses pointed out that the \$75 fee hasn't been updated since 1976 and since the fee is so seldom used the District hadn't updated the fee. He said that after applying CPI the graft fee would be \$313. The Commissioners reviewed the invoice from Vision Craft and discussed the District code for grafts not applying to this type of work and they said there is no applicable code for the type of situation that occurred. Mr. Reichhardt moved to pay the invoice fully at \$526.23. Mr. Montfort seconded the motion. The motion moved and passed unanimously.

**Developer Extensions (DE):** None.

**Executive Session:** The Board of Commissioners announced they were going into Executive Session at 7:20 pm for an estimated 15 minutes in regards to the topic of employee collective bargaining. The Commissioners came out of executive session at 7:50 pm.

The meeting adjourned at 7:51 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 **October 8, 2015**.

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BOARD SECRETARY