

Lake Whatcom Water and Sewer District
Regular Meeting of the Board of Commissioners
September 12, 2012

Board President Leslie Mc Roberts called the Regular Session to order at 6:30 p.m. Other District representatives present included Commissioners Deborah Lambert, John W. Millar, Laura Weide and Todd Citron, General Manager Patrick Sorensen, District Engineer Bill Hunter, legal counsel Brian Hansen, consulting engineer Melanie Mankamyer and Recording Secretary Lyn Edwards. There were no members of the public present at the meeting.

- Consent Agenda

- Action Taken

- Lambert moved, Citron seconded, approval of:

- **General and Construction Fund Vouchers totaling \$125,747.30**
 - **Payroll for Pay Period 18 (August 18, 2012 through August 31, 2012) totaling \$37,369.05**
 - **Payroll Benefits for Pay Period 18 totaling \$35,293.67**

- Motion passed.

- Financial Software

Sorensen reported that since 2006 the District has been using an accounting software package known as Springbrook. Springbrook has recently been encouraging its clients to upgrade to its newer version of software. The District received a quote to change to the newer version but the amount was significant enough to begin researching alternate solutions. The District consequently published a request for proposals and received responses from three software vendors who were invited to demonstrate their products for the staff. Of the three software systems, staff agreed that "BIAS" would provide the best function and flexibility. Initial costs are higher than a Springbrook upgrade, but due to a much lower annual service fee, BIAS would be the least expensive option over a three year time period. Staff also recommends authorizing a contract as soon as possible so that BIAS can begin integration and parallel test runs this fall to be ready for implementation in January 2013. BIAS will postpone invoices until the software system has been fully implemented. The Board discussed the proposal to purchase new accounting software.

- Action Taken

- Citron moved, Lambert seconded, to authorize staff to enter into an agreement with BIAS to provide business and accounting software not to exceed \$58,000.00 provided that no invoices are received until 2013. Motion passed.

- Monthly Budget Analysis

The Board reviewed and briefly discussed the Monthly Budget Analysis report.

- Summary of Existing District Projects

Hunter gave an overview of the District's current ongoing projects and answered questions from the Board.

- Discussion-City of Bellingham Wastewater Treatment Contract

At the August 29, 2012 meeting, the Board heard a presentation by rate consultants FCS Group entitled "Proposed Wholesale Rate Methodology for City of Bellingham and Lake Whatcom Water & Sewer District". The presentation suggested three alternatives for the District to pay its portion of the capital costs associated with the upcoming wastewater treatment plant upgrade. The three options included: (1) Upfront buy-in, (2) Buy-in over time, and (3) Lease. The Board

discussed the information that was presented by FCSG and requested that staff provide them with more specific cost data and debt ratio information to aid in their decision making process. The subject will be discussed further at the October 10, 2012 meeting.

• Manager's Report

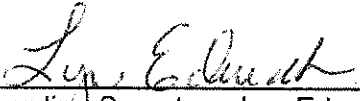
Whatcom Water District's Caucus

The Board discussed, without making a decision, the Whatcom Water District's Caucus participant's proposal to hire a water rights attorney as a group.

Washington Association of Sewer and Water District's Legislative Agenda

Mankamyer informed the Board that there has recently been a call for topics for the WASWD legislative agenda. The District's consulting engineer, Wilson Engineering, is planning to advocate that WASWD get legislation introduced to change the law that prevents sewer connections by individual homes that are near existing sewer lines but outside of an urban growth area. This is an issue that has affected sewer purveyors throughout the state. A brief discussion followed.

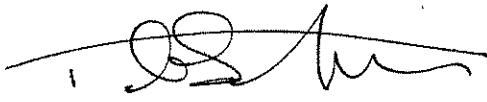
With no further business, Mc Roberts adjourned the Regular Session at 7:45 p.m.



Recording Secretary, Lyn Edwards

9-26-2012

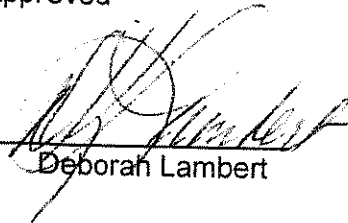
Date Minutes Approved



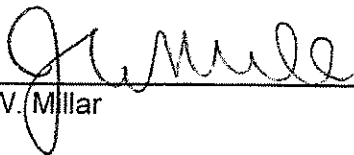
Todd Citron



Leslie Mc Roberts



Deborah Lambert



John W. Millar

Laura Weide