

RESOLUTION NO. 674

A RESOLUTION OF THE BOARD OF COMMISSIONERS
OF BIRCH BAY WATER AND SEWER DISTRICT,
WHATCOM COUNTY, WASHINGTON, AUTHORIZING IMPLEMENTATION OF A
REGIONAL CONNECTION CHARGE

WHEREAS, on April 2, 2002, the Birch Bay Water & Sewer District ("District") and the City of Blaine ("City") entered into an Agreement For Wholesale Supply of Water ("Agreement"); and

WHEREAS, on May 27, 2008, the Birch Bay Water & Sewer District ("District") and the City of Blaine ("City") entered a First Amendment To Agreement For Wholesale Water Supply ("First Amended Agreement") and;

WHEREAS, the First Amended Agreement established a Regional Capacity Charge ("RCC") to be imposed on new development in the City and District service areas in proportion to potential water demand; and

WHEREAS, the RCC was agreed by the District and the City to be based upon the estimated unit cost of the Joint Assets under the Agreement, including eligible existing and planned future assets; and

WHEREAS, the application and scope of the RCC is further defined in the First Amended Agreement, which shall be fully incorporated herein; and

WHEREAS, in the First Amended Agreement the District and the City agreed that the RCC shall be applicable to all new development at the time of application of District or City connection charges and to all redevelopment that increases the corresponding meter size or estimated water demand; and

WHEREAS, the foregoing recitals are a material part of this Resolution;

NOW THEREFORE, BE IT RESOLVED by the Board of Commissioners of Birch Bay Water and Sewer District, Whatcom County, Washington as follows:

Section 1: A new section 7.04.080 is hereby added to the Birch Bay Water & Sewer District Code and shall read as follows:

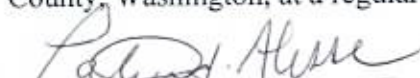
7.04.080 Regional Connection Charge. Any application for water service shall be subject to a regional connection charge ("RCC") for each equivalent living unit ("ELU") to be connected to the District's water system. The RCC shall be imposed and collected as defined by and in accordance with the First Amendment To Agreement For Wholesale Water Supply ("First Amended Agreement") entered into on May 27, 2008, between the District and the City of Blaine, and as hereafter amended. The RCC shall be \$852.00 per ELU to be connected to the District water system. The RCC shall be in addition to a general facilities charge and any other applicable charges and shall be imposed on all new connections or increases in service demand as of the effective date of this resolution, regardless of the date of application.

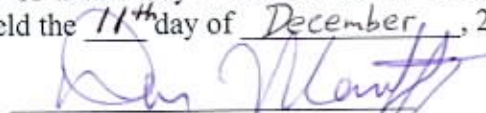
Section 2. BE IT FURTHER RESOLVED that any resolutions or parts of resolutions in conflict herewith are hereby repealed insofar as they conflict with the provisions of this resolution.

Section 3: If any section, subsection, sentence, clause or phrase of this Resolution is for any reason held to be invalid or unconstitutional, such decision shall not affect the validity of the remaining portions of this Resolution. The Board hereby declares that it would have passed this code and each section, subsection, sentence, clause and phrase thereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses or phrases has been declared invalid or unconstitutional, and if, for any reason, this Resolution should be declared invalid, or unconstitutional, then the original Resolution shall be in full force and effect.

Section 4: This Resolution shall be effective January 1, 2009.

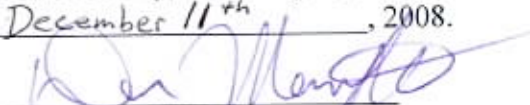
PASSED by the Board of Commissioners of Birch Bay Water & Sewer District, Whatcom County, Washington, at a regular meeting held the 11th day of December, 2008.


COMMISSIONER


COMMISSIONER


COMMISSIONER

THIS IS TO CERTIFY that the above is a true and correct copy of Resolution No. 674 of Birch Bay Water & Sewer District, Whatcom County, Washington, adopted at the regular meeting of the Board of Commissioners on December 11th, 2008.


SECRETARY