

NORTH BEACH PUBLIC DEVELOPMENT AUTHORITY
SPECIAL MEETING
NOVEMBER 21, 2005

The meeting was called to order at 6 PM by President RD Williams at the SHOA Office.

Present: NBPDA Board Members
 R. D. Williams Tom Downer Ken Karch
 Brad Weatherby
Absent: Jim Hagen
Also Present: Rod Kaseguma

RD introduced Rod Kaseguma of the Washington Association of Water and Sewer Districts. He was here to discuss with the Board the benefits and differences between operating as a public development authority or a water district. Presently no PDA's belong to the association, but since it is a public entity, that could be facilitated if desired. Rod distributed an outline for Formation of Water-Sewer Districts, which delineates the steps necessary by either filing a petition, a county hearing, a boundary review board procedure or an election.

Rod concluded with a comparison with what PDA's and districts can legally do. He stated that a PDA cannot condemn property; districts have the right of eminent domain condemnation. Districts can create ULID's for a specific improvement to a specific area. Districts can file liens against properties if customers do not pay. Districts are municipalities and generally can obtain loans at a lower rate than PDA's. Rod offered to facilitate the formation of a water district should we decide to form one. He left the meeting after his presentation.

Motion by Ken Karch, seconded by Brad Weatherby to approve the minutes of Nov. 14 as revised. Motion carried.

RD discussed the Ocean Park Water Company purchase agreement, which should be finalized this week.

RD presented an update on the Bank Loan Committee Meeting and the various offers from each of the four banks to date. Tom Downer estimated that each additional percentage point we pay could cost us from \$35 to \$50 thousand the first year. Brad Weatherby moved, seconded by Tom Downer, that upon successful execution of the loan to Shorebank, that we pay Shorebank \$5000 as part of the closing costs. Motion carried.

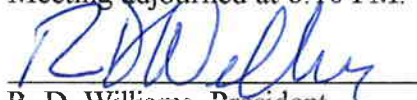
RD reported on correspondence from Tom Frare to the Department of Health, wherein Mr. Frare documented our desire to extend the date for the final 5-year plan to September, 06. RD reported that the reservoir contract has been awarded to DPR.

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RD submitted requests for payment of vouchers from Tom Frare for \$7,650 and for HD Fowler for additional piping for fire flow project for \$43,966.94. Motion by Brad Weatherby, seconded by Tom Downer that we pay the submitted invoice by Tom Frare. Motion carried. Motion by Tom Downer, Seconded by Ken Karch, that we create Resolution 07-2005, rescinding Resolution 05-2005 and pay HD Fowler all invoices submitted. Motion carried. All board members noted the changes on the document of Resolution 05-2005 and initialed the changes removing restrictions .

Discussion followed regarding the probable boundaries of the PDA/Water District.

Meeting adjourned at 8:10 PM.


R. D. Williams, President


Celsa Johnson, Acting Secretary