

NORTH BEACH PUBLIC DEVELOPMENT AUTHORITY
MINUTES OF SPECIAL MEETING
December 12, 2005

The meeting was called to order at 6:20 pm by President R. D. Williams at the Surfside Homeowners Association Board Room.

Present: NBPDA BOARD MEMBERS
 R. D. Williams Tom Downer
 Jim Hagen Ken Karch

Action on the minutes of the December 5 meeting will be taken at the next meeting.
No Treasurer's report. Will be reviewed at next meeting.

Ocean Park Water Company – R. D. Williams indicated there are no easements in dispute, and the deal could close any time.

Pacific Water Company – R. D. Williams reported that all properties owned by, and debt owed by, the Leaches has been identified, including stock, amounting to \$931,000, and property, amounting to \$101,000 (in amounts of \$69,000 and \$32,000). Following discussion, Jim Hagen moved and Tom Downer seconded to amend the Pacific Water Company Stock Purchase Agreement, as negotiated by R. D. Williams, to \$1,038,000 plus expenses. Motion was approved.

Water Revenue Bonds - R. D. Williams reviewed the Cashmere Bank proposal for \$2.4 million. The interest is 4.18% for the first 4 years, 4.39 % the 5th year, and 5.00 % for years 6 through 20. Repayment is supported by revenues generated. Deal requires a debt service reserve of 1 year of payments. The Bond is in primary position for repayment, and there is no pre-payment penalty. Jim Hagen moved, and Tom Downer seconded that the Board approve the Cashmere Bank proposal. Motion passed.

Public Works Trust Funds – Request for Approval of Remaining Balance - R. D. Williams reported that we have received \$1.5 million of the total \$2 million in PWTF funding, and asked for a motion to seek release of the remaining \$500,000. Jim Hagen moved, and Tom Downer seconded that the Board complete and submit the final vouchers and close out reports numbered PW-05-691-PRE-117 and PW-05-691-PRE-129. Motion passed.

Bond Resolution Approval - R. D. Williams asked the Board for approval of the Bond Resolution 07-2005. Jim Hagen moved and Tom Downer seconded NBPDA Board Resolution 07-2005, the approval of NBPDA Senior Lien Water Revenue Bonds of \$2.4 million, and a \$800,000 Junior Lien, to include the attachment entitled Asset Distribution Agreement. Motion passed.

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Real Estate Purchase & Sale Agreement Approval - R. D. Williams asked the Board for approval of the real estate purchase & sale agreement with the Leaches in the amount of \$101,000 for 4 lots. Jim Hagan moved and Tom Downer seconded approval of the purchase and sale agreement in the amount of \$101,000 with the Leaches for 4 lots. Motion passed.

Property Easement Disputes - The Board discussed certain easement issues with nearby property owners Hill and Emond. Jim Hagan moved and Tom Downer seconded that the NBPDA send a letter to Mr. Hill indicating our interest in working together to secure a mutually beneficial agreement through movement and exchange of easements to facilitate the plans of the NBPDA. Motion passed.

Payment Vouchers – R. D. Williams requested approval of four vouchers. Tom Downer moved, and Jim Hagen seconded that R. D. Williams be authorized to pay vouchers 12-12-05A, 12-12-05B, 12-12-05D, and 12-12-05E, totaling \$18,887.17. Motion passed.

Meeting was adjourned by the Chair at 9:00 pm



R. D. Williams, President



Ken Karch, Board Member