

**NORTH BEACH PUBLIC DEVELOPMENT AUTHORITY**  
**REGULAR MEETING**  
**January 9, 2006**

The meeting was called to order at 6:00 PM.

Present:	<u>NBPDA Board Members Present:</u>		
	R. D. Williams	Ken Karch	Tom Downer
	Jim Hagen	Brad Weatherby	
Also Present:	Neal Emond	Barbara Emond	Clyde Sayce
	Bobbie Reynolds	Pete Johnson	

The minutes of December 29 were discussed and a motion was made by Tom Downer, seconded by Brad Weatherby to approve the minutes. Motion carried.

RD presented a Sources and Uses Worksheet. Tom Downer inquired if RD had presented the new numbers to the Bank. RD reported that the loan officer had been on official two-week vacation required by Cashmere Valley Bank. He will meet with him on Friday January 13, and the package will be presented to the Loan Committee on Tuesday, January 17. Tom Downer asked that we give assurances to the Bank of our intention to give full disclosure to them on acquisition plans and timing. Ken Karch urged that we provide the same level of disclosure to the Public Works Trust Fund Board..

Tom Downer commented on the E-mail forwarded by RD from Phil Leach and Phil's apparent displeasure with the Board (the gang). RD felt we needed to go forward with the purchase of Ocean Park Water Company and deal with Phil later.

After much discussion, motion by Tom Downer to enter into a purchase agreement with Ocean Park Water Company as outlined in the letter from David Thompson dated 1/9/06 with the proviso that we have full disclosure and approval of the purchase by the Public Works Trust Board and Cashmere Valley Bank. Seconded by Jim Hagen. Motion carried.

RD reported that an approval made in November had an erroneous amount – was presented as \$43,966.94 actually was \$14,596.14 and he would go forward with that payment. He asked for approval to pay HD Fowler to pay invoice I1783516 for \$3,872.23. Motion by Jim Hagen, seconded by Tom Downer to pay Invoice I1783516 for \$3,872.23 when funds are available. Motion Carried.

RD expressed some concern over the mounting legal bills. He feels the many hours spent by Preston Gates have been well spent and expect their fees to be reasonable. Ken Karch requested that any legal bills submitted for payment should have a detailed breakdown of charges. RD assured the Board that this was being done.

Minutes of 1/9/06

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~~Tom commented that we were paying a premium for Philip to facilitate the entire package and it has not happened. It might be prudent to obtain a commercial appraisal to determine the value of Pacific Water Company and support the earlier estimates provided by Herta Ingram. He also wants to be certain that there are no contractual agreements by Ocean Park Water Company for which we may be obligated, such as employee contracts for 2006.~~

~~A suggestion had been made by Brad Weatherby that we contact the minority stockholders to see if they might be willing to donate their shares to the PDA since they have never received any type of communication from Pete Christoson even hinting at any value. Their expectation for compensation is no doubt very small, if at all. RD will follow up with our attorney to see what ramification, if any could result from such action. It could be a considerable saving to the PDA.~~

Meeting adjourned at 6:45 PM



R. D. Williams, President



Celsa Johnson, Secretary