

NORTH BEACH PUBLIC DEVELOPMENT AUTHORITY

NOTES FROM PUBLIC HEARING

MARCH 27, 2006

And

April 3, 2006

RD Williams welcomed the public to the hearing and advised that the proceedings would be recorded. He then introduced all the members of the Board.

Present: Ken Karch Brad Weatherby
 Jim Hagen Tom Downer
 RD Williams Celsa Johnson

Also Present: Tom Frare Phillip Leach

The roster of those who signed in attendance is attached to this document. Each attendee was given an agenda of the hearing and a copy of the proposed resolution.

RD Williams followed the power point presentation attached to this document for his opening remarks. He explained the ground rules and asked for the decorum the proceedings deserve. The power point presentation is attached for the record.

At 6:30, RD opened the meeting for questions.

Fred Hill asked how much the increase was going to be. RD referred to the chart, indicating a 39% increase to \$24.50/month; below the average for Pacific County.

for 3/4" Meter RDW

Dave Fisher asked about backflow devices and if they would be required. Phillip Leach affirmed that they will be required in certain circumstances in 2006 under Washington State Law. This is to protect the integrity of the system when certain businesses are on line, such as dental offices, certain types of food processing, manufacturing, etc.

ad.e RDW
Joe Labody asked about the terms of the Board Members. RD re-emphasized that the board members were selected by the County Commissioners and had varying terms. Specifically, his term is up in October, 2006.

Dick Sheldon congratulated the Board on their hard work, stating that this was very good for the community. He expressed concern about a tax levy. Tom Downer explained that a Water District can levy a tax in its first year only, as a means of providing capital to get started. Since the NBPDA is already in the "water business" that is not going to happen. We intend to use rates to support the operation and pay the debt of the North Beach Water. Mr. Sheldon expressed concern about the possibility of imposing sewers on the community. Tom Downer explained that Washington State Law provides for the

formation of water and sewer districts as a whole and that it would be the responsibility of the district commissioners to establish such a need. RD assured Mr. Sheldon that the vision of the new water district and this board would be to provide quality water only.

Mr. Sheldon presented the Board a letter from Brian and Marilyn Sheldon expressing a desire to have the water treated with fluoride. RD acknowledged that he had asked Marilyn to do research on the issue and that information was presented to the Board via computer disk with the letter. Lucille Downer advised that her pharmacist felt that fluoride is more dangerous than beneficial, in that there was concern that there was a link to Alzheimer's. RD commented that it would be some time before we would look at this.

Joe Labody^{adve ZDW} explained that he owned a home in Ocean Park, but had his driver's license in Oregon. Because of his choice to have two homes, one in Oregon and one in Washington, he is not able to vote in elections in Washington. Curt Stephens commented that he has seen a tremendous influx of new retirees who have made to choice to leave their other homes and move to Ocean Park. Surfside Estates is a prime example of that occurrence.

Michele Guglielmetti asked how many employees we had. RD replied 5 and that we have a good working relationship with Surfside and Oysterville and in an emergency, it would not be uncommon to ask and receive help. "Where will the office be?" RD replied that the offices will remain at the same location as they presently are. "Are you going to purify the water?" Phillip Leach replied that in 1998 we installed an ozone filtration system. There is also a possibility that the state will require chlorination. "How do you test~~x~~ the water?" Phillip explained the water testing procedures and commented that as requirements change, it may become one of the most expensive parts of our operation.

Jim Mack commented that 12 years ago he took samples of his water to Columbia Analytical in Kelso.

Michele Guglielmetti asked "What is backflow?" Tom Frare answered and explained the need for backflow^{Devices - 10/10/25 ZDW} devices. Brad Weatherby^{for some time ZDW} commented that with the systematic flushing of lines, the residual effect of removing manganese from the lines will occur and color will improve, especially after flushing in the spring. Tom Frare commented that lines are scheduled to be flushed in early April.

Dick Sheldon expressed concern about sewers. Curt Stephens explained the study^{done ZDW} down a few years back which focused on sewers for the business area of Ocean Park. Essentially, sewers are not practical, as the cost is prohibitive. RD again reassured the public that the intent of the Public Development Authority is to focus on providing good, quality water and service and that sewers would be something to consider only if and when the technology would make sewers plausible.
^{feasible ZDW}

With that, RD asked for any other questions. Hearing none, he ~~adjourned~~ ^{Rescinded RDW} the meeting at 6:55 PM until Monday, April 3, 2006 at the Fire Hall.

CONTINUATION OF PUBLIC HEARING

APRIL 3, 2006

Absent: Tom Frare

RD called the meeting to order at 6:05 PM. He advised the public that the meeting was being recorded. He introduced the Board.

Keith Mahoy asked why we were building a storage tank for water. He felt that the dollars could be used for filtration. Phillip Leach responded that the storage was for potable water for the demands of summer. Department of Health requires compliance by increasing storage based on the number of customers. Further, we need more storage for fire protection. Tom Downer commented that we need 4,000 gpm for 6 hours for the Ocean Park School; Omans required 3500 gpm. Phillip added that 10 years ago, DOH allowed water in the ground for storage, but because of infiltration of chemicals, etc., those rules have changed.

Michelle Gugliamette asked about the service area. RD responded that the 6-year Plan, due in September will give a better idea about where we plan to add loops for a better water system. Our agenda is to provide good water to the public from Cranberry Road to Joe Johns Road and from the beach to the bay.

Virginia Eggleston asked for clarification on the rate increase. Phillip offered that with the proposed rate change, a survey of customers found that the average consumption was 753 cf per month, making the average cost to customers increase from \$21.24 to \$34.67 per month. She asked when it would take effect. RD explained that the Rate Resolution will be adopted on April 10th at our regular meeting.

Keith Mahoy asked about connection charges. Phillip explained that the basic charge will be \$650, but that there could be added costs depending on an engineering review. RD suggested that he stop by the office to make an inquiry so that we can look at his needs more appropriately than at this forum. RD did advise those present that as of this summer, we will be able to provide fire flow to the Ocean Park core business area.

RD expressed the hope that eventually we hope to make availability of water service a part of the permit process for Pacific County. As time goes by, there may be the possibility of required water hookups if service is available.

Michelle Gugliametti asked about the number of employees and the planned expansion. RD explained that we will use construction contracts as necessary. She asked about the quality of the water. Phillip explained that as the filtration and flushing program continues, we can expect improvement in the quality of the water. Manganese and iron in the pipes has contributed to the black substance found in toilet tanks and as time goes by the flushing program continues and new loops are included in the system, the quality of water will improve.

Ken Karch explained that the north end of the peninsula is the fastest growing area in the County, so we need to be proactive in the planning process. It is our goal to develop a 6 year plan consistent with the county and state planning process.

Virginia Eggleston expressed concern over Page 6 of the Resolution, wherein employees of the water company will have access to property. Phillip explained why such a clause is needed, in that in the event of broken pipes during an unusual cold spell breakage of water lines can wreak havoc on the water system and employees may need access to homes in such an emergency. RD commented it is a given for the level of trust to municipal water employees to handle emergencies.

Keith Mahoy inquired about the testing procedures for the water. Phillip explained that the testing is highly regulated by the Department of Health; that we do some testing in our own lab and that we send out samples to an independent laboratory 3 times a month. Mr. Mahoy asked if we are introducing anything into the water system and Phillip replied that it is our desire to not do so. Fluoride would have to come to a vote of the people. Chlorination would occur only as a mandate from the Dept. of Health.

RD inquired if there had been any written comments about the rates and Tia Crisifulli advised that none had been received. RD adjourned the Public Hearing at 6:55 PM, noting that comments may be received until 5 PM on Friday, April 7, 2006.


R. D. Williams, President

Celsa Johnson, Secretary