

NORTH BEACH PUBLIC DEVELOPMENT AUTHORITY

REGULAR MEETING

May 8, 2006

The meeting was called to order at 6:02 PM at the Fire District #1 Meeting Hall. Present were:

Board Members: Brad Weatherby Jim Hagen
 Tom Downer Ken Karch
 R D Williams

Others: Phillip Leach Tom Frare
 Neil Emond

The minutes of the meeting of April 10th and April 17 were discussed. **MOTION BY TOM DOWNER, SECONDED BY JIM HAGEN TO APPROVE THE MINUTES OF APRIL 10 AND APRIL 17, 2006 AS AMENDED. MOTION CARRIED.**

RD reported on the availability of a Planning Loan for \$100,000 loan at zero percent interest. **MOVED BY JIM HAGEN, SECONDED BY BRAD WEATHERBY THAT WE DO WHAT IS NECESSARY TO COMPLETE THE LOAN APPLICATION AND OBTAIN THE PLANNING LOAN. MOTION CARRIED.**

RD reported on the **stockholder closeouts from Ocean Park Water Company**. Two of the stockholders, Carol LeBeck and Yona Watts have misplaced their stock documents. They are in the process of completing the appropriate paperwork required to complete the payments to them.

RD introduced Ray Westfall and Tim Williams of Employee Benefits Planning LLC. Mr. Westfall made a presentation, stating that his group started in 1986 in Bothel. There are three principals in the group who have many years of experience. They are anxious to work with us in all our insurance needs and presented costs for a **life insurance package** for all our employees. RD explained that currently we have only one employee on contract requiring life insurance, but certainly that is something we hope to be able to offer our employees at a later time.

RD advised the Board that Julia Parker had e-mailed him that, because of workload constraints, she "cannot take on the accounting for the NBPDA." RD presented a proposal from Mark Redwine CPA, for **accounting services**. We need to be able to look at a balance sheet, and a profit and loss statement on a regular basis, as a minimum. **MOTION BY JIM HAGEN, SECONDED BY KEN KARCH TO ACCEPT THE PROPOSAL BY MARK REDWINE AS SUBMITTED. MOTION CARRIED.**

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RD presented information to the Board on **properties owned by the PDA**. A property at 217th and V has a well that has not been capped. We need to include it in the water system plan. He explained the easements the PDA has near the new reservoir site. He will be meeting with an engineer from the PUD regarding the 3-phase electric required for the new construction site.

RD introduced the subject of **formation of a water district and a proposal from Inslee, Best, Doezie & Ryder, Attorneys**. The county is not willing to have the Public Health Officer act on our behalf. That leaves the petition method for us to use. We need to have petitions from 10% of those that voted in the last election. In the Fire District Bond election, they had 2400 votes and our area of jurisdiction is smaller than that. Tom Downer feels we can obtain a voters list from the county and mail petitions to selected voters who would be likely to respond positively to the petition to obtain the required signatures. MOTION BY JIM HAGEN, SECONDED BY TOM DOWNER, THAT WE COMPLETE THE ENGAGEMENT LETTER SUBMITTED BY INSLEE BEST; BUT DO NOT HAVE THEM DO ANY WORK FOR US AT THIS TIME. MOTION CARRIED.

It was consensus of the group that we need to ask the NPIA and the Chamber for financial support to go forward with the petition process. RD will contact Curt Stephens and ask him to make a presentation to the Chamber on our behalf. Tom Downer will contact the president of the NPIA.

Phillip Leach reported that Mt. Baker Silo started working on the reservoir today. DPR Construction is moving right along and should be to "U" Street by the end of the week. Badger Meter Company can provide radio and touch methods of **reading water meters and provide a new billing system**. There is a 30-year life expectancy on the new meters for radio read. They will swap out our old meters. They would provide a computer that would let us know if a meter was broken and flowing at full force. He did not have a written proposal from them. Master Meter Corporation also can provide a radio system.

Phillip reported that they will read all meters the third week in June for billing at the new rates. He feels things are going smoothly; however he feels that Tia Crisifulli needs part time help in the office. He distributed a proposed advertisement for a **Utility Clerk** to fill that need. After much discussion, MOTION BY TOM DOWNER, SECONDED BY HIM HAGEN, TO CREATE AND ADVERTISE FOR THE POSITION OF UTILITY CLERK. MOTION CARRIED.

Tom Frare reported that the foundation pour is complete and sidewalls for the **reservoir project** should be complete within a week. The dimensions are 30 feet in diameter by 40 feet tall and it will look much like others at our well field and at Surfside. The generator will provide a good savings by purchasing it from the State contract. He realizes we are

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getting close to the anticipated total for the project, but we still have the 10% contingency available. He will have a proposed contract for the **comprehensive plan** completed by the end of this week.

RD reported on a need to speed up payment to the contractors and asked the Board if we could meet two times each month during the construction phase to facilitate payment to the contractors. There was consensus that we would have a second meeting on May 22 to approve vouchers for construction.

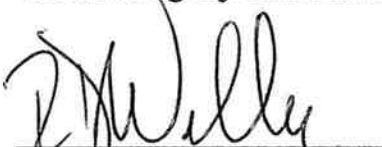
RD reported that funds from the DOH Drinking Water would not be available until after completion of the comprehensive plan in the fall.

The Board had consensus to complete the work on the **Employee Manual, Position Descriptions and Salaries**. It was agreed to continue the work on Wednesday, May 10 at 4 PM at the Water Office.

RD presented the **voucher list for approval of payments**. MOTION BY JIM HAGEN, SECONDED BY TOM DOWNER TO APPROVE THE VOUCHERS FOR THE INTERTIE PROJECT AS SUBMITTED IN THE AMOUNT OF \$37,837.39. MOTION CARRIED. MOTION BY JIM HAGEN, SECONDED BY TOM DOWNER, TO APPROVE THE PAYMENTS FOR OPERATIONS IN THE AMOUNT OF \$35,436.33. MOTION CARRIED. After pulling Voucher #06-0095, MOTION BY TOM DOWNER, SECONDED BY JIM HAGEN TO APPROVE THE PAYROLL VOUCHERS IN THE AMOUNT OF \$19,997.50. MOTION CARRIED.

RD reviewed with the Board correspondence he had made with "housekeeping" items required from the transition from a private water company to a public entity. Copies of these are included with the minutes. This includes transfer of the account at Costco and a new American Express account. Advice only. No action taken.

The meeting adjourned at 9:00 PM.


RD Williams, President


Celsa Johnson, Secretary