

NORTH BEACH PUBLIC DEVELOPMENT AUTHORITY

REGULAR MEETING

August 14, 2006

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

<u>Board Members:</u>	Brad Weatherby Ken Karch	Tom Downer Jim Hagen
<u>Others:</u>	Phillip Leach	Tia Crisifulli
<u>Public Present:</u>	Bob Gillespie Larry Wellman Neal Emond	Lisa Gillespie Linda Boland Jon Dickerson

Acting Chairman Ken Karch announced that President RD Williams was out of town and welcomed the public to the meeting, introducing the Board. Because we had an extensive agenda, he invited the public to make comments at this time so that they would be free to leave as they see fit.

Jon Dickerson indicated that he would like to understand the rate for charges. He also wanted to know the charge for a disconnect. Phillip Leach responded to these questions, indicating the rate charged for service is \$24.50 per month and consumption of \$.0135 per cubic foot. There is no charge for a disconnect; however a connection fee would be \$450. Mr. Dickerson will contact Phillip at the office for other questions he had.

Bob and Lisa Gillespie were concerned about the percentage increase and the water pressure. Phillip asked them to look at the base rate cost compared to the cost of cell phones, cable TV, etc. and it is a bargain. He cautioned that the bill goes up depending on the consumption, thus it is more fair to all customers, particularly those that are gone during the winter months. Lisa did comment that this was the best water they have ever had in all their travels across the country.

Linda Boland did not object to the bill, but wanted to know if the bill would increase year after year. Ken explained our financing and the extensive work that was done at the beginning to insure that we would have sufficient funding for the near future. He indicated that the Board is very sensitive to the cost issue for customers and many hours were spent to adopt an equitable rate structure. She did ask about fire hydrants. Brad Weatherby presented an overview of the plans for hydrants as part of the 6-Year Plan, particularly in her area at Sunset Sands. He reported that a structure fire was successfully fought north of 227th that very morning. Jim Hagen advised that it was unfortunate that the School District built its own water system and that their timing needs didn't work.

At 6:30 Ken Karch asked for any more questions. With that, the public left the meeting and the Agenda for the meeting was approved. MOTION BY TOM DOWNER, SECONDED BY JIM HAGEN TO APPROVE THE MINUTES OF AUGUST 7TH AS SUBMITTED. MOTION CARRIED.

Ken Karch asked for **approval of the vouchers** as submitted. MOTION BY BRAD WEATHERBY, SECONDED BY JIM HAGEN TO APPROVE VOUCHERS FOR OPERATIONS, CAPITAL PROJECTS AND PAYROLL IN THE AMOUNT OF \$120,520.67. MOTION CARRIED. Tom Downer asked that it be noted that he abstained from the vote because one voucher was to Jack's Country Store. Contact with the State Auditor will be made with regard to this issue to insure propriety of approval of vouchers and any appearance of a conflict of interest.

Ken Karch introduced the next agenda item – the **Fire Flow Intertie and Building Upgrade**. He indicated that he had been to the site and pictures were made available to the Board. Phillip presented a review of the two buildings – the one for which we already have bids, 18 x 24 at \$19.50/sq.ft. and another larger building 32 x 49 at approximately \$20/sq.ft. Ken emphasized the need for a larger building: #1 we need more space and #2 we need to get out of our current situation. Jim Hagen feels we need to build a stem wall building with 6-inch concrete floor to support the filtration/generator equipment. The building is the key to our system expansion. MOTION BY JIM HAGEN, SECONDED BY TOM DOWNER, THAT WE CONSIDER A 6-INCH FLOOR AND INSULATION WITH STEM WALL 24 INCHES ABOVE THE FINISHED FLOOR AT NO MORE THAN \$35/SQ.FT. MOTION CARRIED.

MOTION BY JIM HAGEN, SECONDED FOR DISCUSSION BY BRAD WEATHERBY, TO ACCEPT THE WATER SYSTEM PLAN CONSULTANT AGREEMENT WITH TGF AND ASSOCIATES. Brad is concerned about the high estimate; Jim concerned about how the billings have been submitted. Upon inquiry by Ken Karch, Phillip Leach indicated that DOH has allowed all kinds of estimates. Small systems seem to be less money; but basically, we are starting all over with a new comprehensive plan. The last plan accepted was in 1994, so compilation of data for the last 12 years will be time-consuming. There was consensus that we are already tied to the task with this firm. Upon call for the question, MOTION PASSED UNANIMOUSLY.

Tom Downer suggested that a **Written Emergency Plan** should be done in-house. We need to make sure that our employees have clear, written instructions to follow when damage occurs from an accident, wind storm, flooding, pollution of water, etc. There are certain entities that **MUST BE** notified and this should be included, such as Department of Health, Emergency Services and the Board. While it is included in the 6-year plan, the requirements for any kind of an emergency situation should be done NOW by our Manager. There are many organizations that can facilitate this, including DOH and our insurance carrier. Ken Karch distributed the DOH Active and Effective Security Programs publication.

There was consensus that we need to have much more detailed hourly reporting on work performed and billed before any approvals for engineering time for the **Fire Flow Intertie Engineering Costs**. A letter should be drafted instructing TGF that more precise estimates need to be presented for approval.

The Board perused the **Fire Flow Inter-tie Project Maps** and asked questions regarding fire hydrants, etc. The twelve-inch line and eight-inch line at 256th and "R" allows for looping in the future. At the present time, these lines are available for fire protection only.

Tom Downer presented the letter to be mailed to the Chinook Observer regarding **Water District Formation**. He asked for endorsement from the Board and the Board signed the letter. The Petition has been changed by Marc Scott and is now ready to photocopy. We need to emphasize that there is no need to increase property tax to form the water district. Ideally, we need to acquire 700 signatures. Letters to the Editor endorsing the water district formation should come from other organizations (the Shellfish Growers, NPIA, Chamber, Sunset Sands Homeowners, for example). These letters should immediately follow the publication of our letter. The 3-person Water District Commission will be elected at the same time as the election for the district formation.

Ken reviewed the **DOH Sanitary Survey Report of June 25, 2006**. Obviously from the report, there is much work to do. Brad addressed some of these concerns to Phillip, including cross control issues. Phillip reported that he has had a cross connection specialist's license, but that it needs to be renewed. We need to put together a list of tasks incorporated from this report to make sure that there is a better report next year.

The Board reviewed the **2006 Water Quality Report** to be mailed to all customers separately, for Pacific Water customers and Ocean Park Water customers. Next year, we will have data from 2006 which will be inclusive of all customers. Brad asked about the lead content number and Phillip assured him that it is within normal range. NBW staff person Tia Crisifulli asked to do a bulk mailing of the report on Monday, August 21. Ken Karch commented that DOH is working on a huge data base that will in time have data from all water systems and urged members to browse the web site.

Ken Karch advised that the time has passed for comments on the **Retail Water Service Area** proposal by DOH. We can expect some new regulations on how and why you can expand the service area.

The **Annual Report to the Pacific County Commissioners** was reviewed. RD presented copies of his report to the Board. RD reported that it was a fruitful meeting.

Ken Karch and Jim Hagen will serve as a committee to prepare documentation for the **General Manager's Semi-Annual Performance Review**. Jim recommended that "we do it right rather than fast." The meeting with Phillip will include President Williams.

Employee, Randy Hunt, has resigned. We need to advertise for a Water Operator and a competent Finance Person as soon as possible.

Tom reported that RD had heard about a rate-payer complaint from Ethan Marino of the State House on Local Government Committee Members. RD will provide documentation to that organization about the rate increase.

Tom asked about customers with two-inch meters. About 4 years ago, a customer (Full Circle Café) was told that they could not change to a smaller meter. Consensus of the Board was that we have an obligation to inform customers that they can change meters. Jim asked Phillip to follow up on this and advise the Board at the next meeting.

Ken Karch advised the Board of a DOH workshop attended by himself, RD and Mark Clemmons from Oysterville Water. They have received a video tape by DOH on **Water System Board Member Responsibilities** and how to avoid problems. He felt that this would be excellent training for all the Board.

Neil Emond asked how many employees the Board has. Tom Downer explained the process that the General Manager reports to the Board. Mr. Emond cautioned that the Board has no business telling any employee what to do except for Phillip.

Ken Karch thanked Phillip and Tia for their work in preparing for the meeting.

There will be a Special Meeting and Workshop of the NBPDA Board on Monday, August 21 at 6 PM at the Ocean Park Water Office.

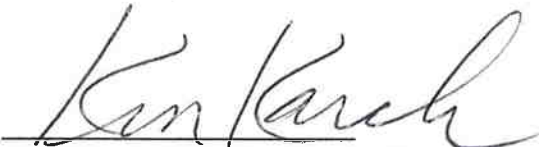
The meeting of the NBPDA adjourned at 8:35 PM.



RD Williams, President



Celsa Johnson, Secretary



Ken Karch, Vice President and
Acting Chairman