

NORTH BEACH PUBLIC DEVELOPMENT AUTHORITY

REGULAR MEETING

June 18, 2007

Board Members:

Richard Schroeder
R.D. Williams
Brad Weatherby

Tom Downer
Jim Hagen

Others:

Phillip Leach
Nancy Edmondson
Neal Emond
Karen Klocke

Tia Crisifulli
David Tellvik
Curt Stephens

President Williams opened the monthly board meeting at 6:02 PM at the Fire Hall. He advised the Board of the absence of Secretary to the Board Celsa Johnson and thanked Nancy Bell for taking notes for the meeting. He welcomed the public and invited anyone to speak if they chose. No response.

MOTION BY BRAD WEATHERBY, SECONDED BY RICHARD SCHROEDER, TO APPROVE THE MINUTES OF MAY 21, 2007 AS SUBMITTED. MOTION CARRIED.

MOTION BY TOM DOWNER, SECONDED BY RICHARD SCHROEDER TO APPROVE THE MINUTES OF MAY 14, 2007. MOTION CARRIED.

RD reviewed the vouchers submitted for payment. After some discussion, **MOTION BY TOM DOWNER, SECONDED BY BRAD WEATHERBY TO APPROVE THE VOUCHERS SUBMITTED IN THE AMOUNT OF \$106,476.65. MOTION CARRIED.**

President Williams introduced Nancy Edmondson who presented the May financial statements. The Assistant County Treasurer has yet to adjust \$64,000 from one fund to another in the PDA assets. Nancy then presented an interim review of budget vs. actual expenses, as well as an outline of financial work needed to be completed to satisfy state requirements.

RD advised the Board of an error in submitting the forms for a federal tax ID number. He has submitted the corrected forms that should present the PDA with a new federal tax ID number that would give us a tax-exempt number representative of a utility.

RD presented RESOLUTION #02-2007 calling for an increase in the monthly transfer of funds to facilitate debt from \$32,530 to \$34,197, an increase of \$1,667 monthly from North Beach Operations to the Debt Reserve Fund, to facilitate the repayment of the Public Works Trust Fund Planning Loan #PW-06-962-PWB-204 in the amount of \$100,000 with a due date of July 1, 2012. Money in reserves is to be invested in the

Washington Government Investment Pool. MOTION BY TOM DOWNER, SECONDED BY JIM HAGEN TO APPROVE RESOLUTION #02-2007, CALLING FOR AN INCREASE IN THE TRANSFER FOR DEBT SERVICE. MOTION CARRIED.

Water District Formation - RD introduced Curt Stephens of the NPIA who presented the documents that will be mailed out in early July. The documents present a history of the NPIA, their goals and an invitation to sign a petition to form a water district. This would put the control of the water utility in the hands of a locally elected Board of Commissioners and out of the hands of the NBPDA Board under the watchful eyes of the Pacific County Commissioners. The NPIA strongly supports the water district formation.

Emergency Plan/Water System Plan - Phillip Leach advised that the Comprehensive Water System Plan has a component for an Emergency Response Plan. Phillip has been working on both plans and has about 6 elements left on the Water System Plan. All chapters have made some progress. The budget is about 49% spent. Phillip committed to the Board that all work would be submitted to our Engineer, Tom Frare by the end of the weekend.

Employee Manual Update – RD advised that a copy of the Employee Manual is being reviewed by Sheryl Brandt, Risk Manager of WGEP, our insurance carrier and has advised that much of the document needs to be reworded and replaced with standard language. The document has been forwarded for review to Susan Michael of Michael & Alexander, which is the Legal Counsel for the WGEP. Jim Hagen feels that we should take the advice of legal council. We should not reinvent the wheel on this issue.

Fire Flow Intertie – RD reported that there were programming errors in the new Booster Pump System but Paco Pump has addressed them and testing is now complete. The new booster pumps were tested at roughly 1800 gpm. The real test, yet to be administered, will take place at the school, where the two systems will come together as a combined system test, to determine what the true fire flow capability of the system will be. The Board will be advised of this test in advance.

Office Copier - It was felt that the office staff should review the proposal for the new copier and that leasing was perhaps a better option than owning the copier outright.

PUD #2 Hearing – As a result of a request for deposits from NBW by the PUD, a Public Hearing has been scheduled for Tuesday, June 19, 2007 at 1:00 PM to consider a rule change for PUD deposits from public entities. The PUD is asking for a deposit to be held prior to transferring the accounts from Ocean Park Water Company and Pacific Water Company to North Beach Water. RD advised that they are still not comfortable with the fact that we are a public entity. RD will attend their hearing on Tuesday.

Phillip Leach unexpectedly left the meeting at 7:45 PM.

North Beach Water Report – (Phillip was not present to make this report.) RD reported that the 2007 Consumer Confidence Report must be done as two separate entities for

Ocean Park Water and Pacific Water Customers until the Water System Plan is complete and the systems are combined, scheduled for later this year. MOTION BY RICHARD SCHROEDER, SECONDED BY TOM DOWNER, TO MAIL OUT THE CCR AS PRESCRIBED. MOTION CARRIED.

WGEP Refund – RD reported that the WGEP has notified us of an overpayment on our Property/Vehicle policy for the current year in the amount of \$1,980.

Purchase of Ford Ranger – After discussion regarding a short cab rather than a extended cab, MOTION BY JIM HAGEN, SECONDED BY TOM DOWNER TO PURCHASE A FORD RANGER FOR \$12,048.40 FROM THE WASHINGTON STATE GENERAL ADMINISTRATION STATE BID. MOTION CARRIED.

John Deer Tractor/Backhoe - There was much discussion regarding the need for a tractor and a backhoe. Richard Schroeder cautioned about having a study for the jobs. Tom Downer offered to loan Jack's Country Store's Forklift to the PDA when there was a need to unload pipe, etc. Brad felt we need to have a backhoe and may need to purchase it on time. Richard suggested used equipment or using a bidding process. No action was taken.

Water Line Extensions – Discussion followed on what was done at 280th from K Place to the beach and what the implications could be for/from the Powell project. We need a policy for future situations of new construction and working with customers.

RD reported that there were 9 new services requested for connections. All have paid their deposits. We have 120 days to respond to the request for service. We need to establish a policy for prioritizing the work. MOTION BY TOM DOWNER, SECONDED BY RICHARD SCHROEDER TO APPROVE THE REQUESTS FOR NEW SERVICES. MOTION CARRIED.

WGEP New Insurance Policy – RD reported that we have been preparing for our 2008 policy with WGEP. MOTION BY JIM HAGEN, SECONDED BY BRAD WEATHERBY TO ACCEPT THE DECLARATIONS FOR THE 2008 POLICY BY WGEP AND AUTHORIZE RD TO SIGN. MOTION CARRIED.

DOH Water System Transfer of Ownership – Notification has been received from DOH that the transfer of the OPWC System, ID #6300C and PWC System, ID #2051 to North Beach Water is complete. Separate ID's must be maintained until the Water System Plan is complete and approved, before the two systems will be combined into one system.

Proposed Resolution #03-2007 – RD discussed the need to amend the Rate Resolution #05-2006 to clarify an issue regarding Water Availability Notification, also known as Water Certificates, to any individual lot development. An application must be completed and all fees are to be paid in full. This discussion was tabled until our next meeting.

The meeting adjourned at 9:01 PM into Executive Session, requested by Tom Downer to discuss personnel matters.

The next meeting will be Special Meeting on Monday, June 25 at the North Beach Water Office at 6 PM. The next Regular Meeting will be on Monday, July 16, 2007 at 6 PM at the Pacific County Fire Protection District #1 Meeting Room.



RD Williams, President


Celsa Johnson, Secretary