

NORTH BEACH PUBLIC DEVELOPMENT AUTHORITY

REGULAR MEETING

November 17, 2008

Board Member: Jim Hagen Tom Downer
 Brad Weatherby R. D. Williams

Staff: Michael Berlien, General Manager
 Tia Crisifulli, Office Manager

Others: Neal Emond Brian Sheldon
 Gwen Brake

President Williams called the meeting to order at 5:05 PM at the North Beach Water Office. He welcomed the public and invited anyone to speak that wished to address the Board.

JIM HAGEN MADE A MOTION SECONDED BY TOM DOWNER TO APPROVE THE MINUTES FROM THE OCTOBER 20TH MEETING. MOTION CARRIED.

Tia Crisifulli, Office Manager reviewed the November 2008 financial reports with the Board.

Unfinished Business:

President Williams gave an update on the "Red Flag" rule from the FTC. Resolution 15-2008 (passed at October meeting) is okay but no enforcement is required for 6 months per FTC memo released on October 22, 2008

New Business:

Water System Plan has been approved and signed off by state but the formal paperwork has not yet been returned to the PDA.

Authorize NBPDA financial review. TOM DOWNER MADE A MOTION SECONDED BY JIM HAGEN TO AUTHORIZE HDR ENGINEERING TO PROCEED WITH FINANCIAL ANALYSIS PER THEIR PROPOSAL. MOTION CARRIED WITH R.D. WILLIAMS ABSTAINING.

Brian Sheldon asked that it be noted: North Beach Water District has reviewed with due diligence and accepted the financials from NBPDA. He does not understand why NBPDA is spending customer funds to perform this financial review.

TOM DOWNER MADE A MOTION SECONDED BY JIM HAGEN TO ASK NORTH BEACH WATER DISTRICT TO CONTRIBUTE IN WRITING THEIR CONCERNS. MOTION CARRIED WITH R.D. WILLIAMS ABSTAINING.

General Managers Report:

School Fire Suppression proposal submitted to school before October meeting but still no response to proceed from school board.

The ozone system for the south well field treatment plant is still problem that is being worked on by staff.

Due to the fire last week two customers are asking for compensation for small amounts of laundry ruined by dirty water. Need to put into place a policy to cover future incidents. Manager Berlien will draft a policy for the board to consider.

The fire last week also raised concerns about communication between fire and water teams. This may have been compounded in this instance by the implementation of the new answering service employed by North Beach Water. Manager Berlien believes this can be improved before future needs arise.

Manager Berlien has surveyed other entities for Fire Service Connection Fees and most do not charge. BRAD WEATHERBY MADE A MOTION SECONDED BY JIM HAGEN TO TABLE FURTHER DISCUSSION ON THIS SUBJECT UNTIL RICHARD SCHROEDER COULD PARTICIPATE. MOTION CARRIED.

Sunset View Resort Fire Service Charge is being contested as unfair by the owner Mr Coffin. TOM DOWNER MADE A MOTION SECONDED BY JIM HAGEN TO REFER THIS ISSUE TO COUNCIL. MOTION CARRIED. TOM DOWNER AMENDED THE PREVIOUS MOTION AND WAS SECONDED BY JIM HAGEN TO REQUEST R.D. WILLIAMS TO FIND APPROPRIATE COUNCIL THEN REFER THE ISSUE TO THAT COUNCIL. MOTION CARRIED.

Preliminary budget review for 2009. See page 15 "Debt Services" Tom Downer has talked with Bank of the Pacific regarding the use of municipal bonds to replace all or part of existing loans. Due to the current economy investors are looking for safer places for their money. A better rate may be gained by using bonds. The new water district should be able to qualify. There is now a two year track record of financials to show investors.

2009 Budget Hearing will be during the December 15th Board Meeting. Board will conduct preliminary review at December 8th Workshop meeting.

Directors Reports and Comments:

TOM DOWNER MADE A MOTION SECONDED BY BRAD WEATHERBY TO AUTHORIZE PAYMENT OF OCTOBER VOUCHERS IN THE AMOUNT OF \$44,775.49. MOTION CARRIED.

President Williams thanked the public for their attendance and asked the Board to move to executive session for 30 minutes to discuss personnel issues and transfer issues at 5:50 PM.

The Board exited executive session at 6:25 PM. Meeting was adjourned with no further action.

Respectfully Submitted

R. D. Williams, President

Nancy Bell, Secretary to the Board