



Minutes of the Regular Meeting of The Board of Commissioners of North Beach Water District

A Regular Meeting of the Board of Commissioners of North Beach Water District was held at 6:00 p.m., **Monday, January 23, 2012** at the office of North Beach Water District; 25902 Vernon Avenue, Suite D, Ocean Park, Washington.

I. Call to Order:

Commissioner Brake called the Regular Meeting of the Board of Commissioners of North Beach Water District to order at 6:03 p.m.

II. Roll call:

Commissioners present:

Gwen Brake
Brian Sheldon
R.D. Williams

Staff present:

William Neal, General Manager
Tia Crisifulli, Office Manager

Others present:

Glenn Ripley, Ralph Miller

III. Election of Board Officers:

Commissioner Brake nominated Commissioner Williams as Board President.
Commissioner Williams seconded the nomination. Commissioner Brake called for the vote.

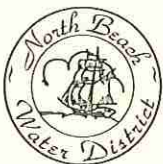
Aye: Commissioner Brake and Williams
Nay: Sheldon
Abstain: None

Commissioner Williams nominated Commissioner Brake as Board Secretary.
Commissioner Sheldon seconded the nomination. Commissioner Williams called for the vote and Commissioner Brake was elected unanimously.

IV. Adopt agenda:

There was a discussion of the timeliness of delivery of Board Packets and completion of Meeting Minutes. Commissioner Sheldon requests add a "Discussion Item E". to Item 7 - "Discussion Items" titled "Board Packets and Meeting Minutes process".

Commissioner Williams asks to reverse Items 7 and Item 8.



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Commissioner Williams asks to have Item 7 Discussion Items stricken from the Agenda for the evening.

Commissioner Brake asks to move Items 8F and 8G to Item 8A and Item 8B and rotating all other Items in 8 down.

Commissioner Sheldon made a Motion to adopt the agenda as amended. Commissioner Brake seconded the Motion. Commissioner Williams called for the vote and it passed unanimously.

V. Public comment:

No comments.

VI. Presentation:

A. Greg Reynolds – *MeteReaders, LLC*.

General Manager introduced Greg Reynolds with *MeteReaders, LLC*. to give the Commissioners a presentation on his company. *MeteReaders* were the low bid on the recent Request for Proposals (RFP) for outsourcing our meter reading.

Greg states that *MeteReaders, LLC* is a 30 year old company that does nothing but read meters. They read more than 200,000 meters a month with an accuracy of less than 1 misread per 1000 reads. They have developed techniques and technology that make them fast and efficient. They have very low turnover and all employees are partners in the company.

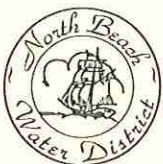
VII. Action items:

A. Resolution 06-2012 – Meter reader Service Contract:

General Manager recommends that the Board approve Resolution 06-2012 to contract for meter reader services. The District's attorney has reviewed and approved the contract.

Commissioners and General Manager discuss the Resolution. Commissioner Brake moved to approve Resolution 06-2012. Commissioner Williams seconded the Motion. Commissioner Williams called for the vote and the Resolution is approved unanimously.

B. Resolution 07-2012 – 2012 Compensation Policy:



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General Manager recommended that the Board approve Resolution 07-2012 to provide cost of living increase to North Beach Water District employees commensurate with the Consumer Price Index from September 2010 to September 2011. The Policy also provides the General Manager with guidance on Merit Pay increases for District employees.

Commissioners and General Manager discuss the Resolution. The Resolution is tabled. The Board of Commissioners ask the General Manager to revise Resolution 07-2012 and present at the February Regular Meeting.

C. Resolution 01-2012 – 2012 Operating Budget:

General Manager recommends that the Board approve Resolution 01-2012 to approve the 2012 Operating Budget. The Board of Commissioners approved the budget at the December 19, 2011 Regular Meeting and 2012 Budget Hearing without a Resolution. After checking Washington State rules the budget needs to be approved by Resolution.

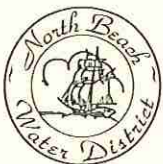
Commissioners and General Manager briefly discuss the Resolution. Commissioner Brake moved to approve Resolution 01-2012. Commissioner Sheldon seconded the Motion Commissioner Williams called for the vote and the resolution is approved unanimously.

D. Resolution 02-2012 – Operations and Reserve Account Management:

General Manager recommended that the Board approve Resolution 02-2012 the Operations and Reserve Account Management. Resolution 02-2012 is a result of an incident last November when an unauthorized Electronic Funds Transfer (EFT) made by our Business Manager (Tia Crisifulli). Shelly Flemetis with the Pacific County Treasurer's office requested we deposit our funds into the Pacific County General Fund instead of the District checking account at the Bank of the Pacific. Along with the requested account change, Resolution 02-2012 will also create separate account that corresponds to the accounts referred to in the District's Rate Study.

Commissioners and General Manager discuss the Resolution. The Resolution is tabled. The Board of Commissioners asked the General Manager to revise Resolution 02-2012 by adding a beginning balance of \$300,000 to the Capital Reserve Account and present at the February Regular Meeting.

E. Resolution 03-2012 – Amending Petty Cash Account:



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General Manager recommended that the Board approve Resolution 03-2012 to amend the Petty Cash Account. Resolution 03-2012 will provide a method of paying for liens and lien releases in a timely manner. Currently, the Business Manager (Tia Crisifulli) pays for the liens and lien releases out of her personal money and waits at least 30 days to be reimbursed.

Commissioners and General Manager discussed the Resolution. Commissioner Brake moved to approve Resolution 03-2012. Commissioner Sheldon seconded the Motion Commissioner Williams called for the vote and the Resolution is approved unanimously.

F. Resolution 04-2012 – Office Machine Lease:

General Manager recommended that the Board approve Resolution 04-2012 to lease a Pitney Bowes folding and envelope stuffing machine. This machine will save time and eliminate a repetitive and mind numbing task. This machine is used extensively in utilities across the nation.

Commissioners and General Manager discuss the Resolution. Commissioner Brake moved to approve Resolution 04-2012. Commissioner Sheldon seconded the Motion Commissioner Williams called for the vote and the Resolution is approved unanimously.

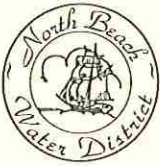
G. Resolution 05-2012 – Master Purchase Agreement:

General Manager recommended that the Board approve Resolution 05-2012 a Master Purchase Agreement with HD Supply to purchase AMR meters at a guaranteed price and an approved price increase process for nine years.

Commissioners and General Manager discuss the Resolution. Commissioner Sheldon moved to approve Resolution 05-2012. Commissioner Brake seconded the Motion Commissioner Williams called for the vote and the Resolution is approved unanimously.

H. Approval of Minutes (November 21, 2011; November 28, 2011; December 5, 2011)

Commissioner Sheldon moved to accept the Minutes for November 21, 2011. Commissioner Brake seconded the Motion Commissioner Williams called for the vote and the minutes are approved unanimously.



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Commissioner Sheldon asked for amendments to the Minutes November 28, 2011 meeting. Tia makes the amendments while the Commissioners review the Minutes to the December 5, 2011 meeting (there was a 3 minute delay in the recording due to recorder limits) Commissioner Brake moved to accept the Minutes for November 28, 2011 and December 5, 2011. Commissioner Sheldon seconded the Motion Commissioner Williams called for the vote and the Minutes are approved unanimously.

I. Approval of Lien Satisfactions and/or Liens on properties with delinquent accounts:

Commissioner Sheldon moved to approve the liens and lien satisfactions. Commissioner Brake seconded the Motion. Commissioner Williams called for the vote and the Motion was approved unanimously.

J. District Expenses:

Commissioner Brake moved to adopt the District Expenses as presented. Commissioner Sheldon seconded the Motion. Commissioner Williams called for the vote and the Motion was approved unanimously.

K. Budget to Date:

Commissioner Williams moved to receive and file the Budget to Date. Commissioner Brake seconded the Motion. Commissioner Williams called for the vote and the Motion was approved unanimously.

VIII. Discussion Items:

A. Surfside Inn LOSS update:

The General Manager reported that the Department of Health has assured him there was justification to lower the certification level for the LOSS to a level two if requested. This would reduce the time needed for our crew to become certified to operate the LOSS. Gray and Osborne have personnel with the correct certification level to train our crew. The General Manager recommends that Surfside Inn contract directly with Gray and Osborne during the training period. A separate Agreement for Operation and Management of the LOSS will be entered into between Surfside Inn and North Beach Water District.

The General Manager recommended that the contract be for \$30,000 per year.



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The General Manager asked the Board if they want him to continue to work on this project. Commissioner ~~Shelton~~ ^{Sheldon} expressed his concern with the District getting involved sewer systems. He felt it would be unethical and would be viewed negatively by the rate payers. He felt that the people voted to create a Water District not a Sewer District.

After discussion, the Board authorized the General Manger to continue to move forward on investigating the feasibility of a Operation and Management Agreement with Surfside Inn for their LOSS. Commissioner Sheldon opposed any further action on this project.

B. Heather Reynolds – Professional Fee Increase.

The General Manager advised the Commissioners that Heather Reynolds, District's General Council has requested a fee increase from \$150.00 per hour to \$170.00 per hour. Commissioner Sheldon moved to accept the price increase. Commissioner Brake seconded the Motion. Commissioner Williams called for the vote and the Motion was approved unanimously.

C. Wiegardt Property – U Street and 250th:

This item was tabled under Agenda Approval. The Commissioners agreed to discuss this in Executive Session at the February Regular Meeting.

D. District Website:

Business Manager reported that most of the documents are to *beachdog.com* and they are in the design phase. Before it goes live we will have one more chance to ask for changes. They are taking over the hosting of e-mail accounts. Question: Do the Commissioners want e-mail accounts within the District website?

E. Board Packet and Meeting Minutes Process:

The General Manager recommended a Policy be adopted that identifies a deadline of, "the Wednesday before the Regular Meeting by 5:00 p.m." for Board Packets to be delivered to the Commissioners. In addition the policy should state that the Meeting Minutes is to be delivered to the Board of Commissioners and the General Manager no later than the first Friday by 5:00 p.m. following the Meeting.

IX. General Manager's report:



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No events at the North Wellfield in January, 2012. The General Manger mistakenly ordered the wrong 'soft start' for well number 2 at the South Wellfield.

Tomorrow morning's staff meeting we will kick-off the Unidirectional Flushing System program. Start flushing in February.

Two water quality complaints in December. In 2011 we did 664 customer service work orders.

Gray and Osborne evaluation continues. In their investigation they have observed that the use of ambient air removed as much or more iron and manganese as the ozone treated water.

X. Board Member Comments:

Commissioner Williams asked status on the Social Security refund. The General Manager stated that is was not getting done in the office so we took it to John Powell to complete.

Commissioner Williams asked status on the electronic billing. People are joining like crazy. The office staff has been working very hard to help all of the customers sign up.

XI. Future Agenda Items.

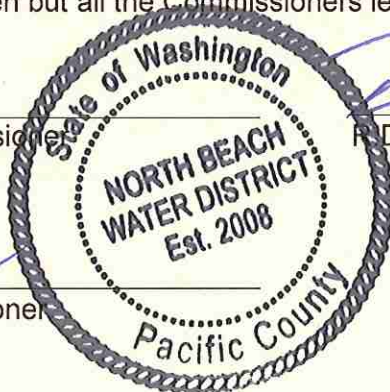
Commissioner Sheldon wants to investigate covered storage for our Vehicles. He stated that he would like to build a storage shed.

Commissioner Sheldon wants to make sure we are using good practices in Small Works Project Contractor selection.

XII. Adjournment

Commissioner Williams moved to Adjourn the Regular Meeting of the Commissioner of North Beach Water District at 9:03 p.m. Commissioner Sheldon seconded the Motion. No vote was taken but all the Commissioners left.

Brian Sheldon, Commissioner



R.D. Williams, Commissioner

Gwen Brake, Commissioner