



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 6:00pm, Monday, March 15, 2010 at the meeting room of Pacific County Fire District #1, 26109 Ridge Ave, 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 6:00pm.

II. Roll call:

Commissioners present:

Gwen Brake
Brian Sheldon
R.D. Williams

Commissioners absent:

None

Staff present:

Michael Berlien, General Manager
Tia Crisifulli, Office Manager

Others present:

Neal Emond

III. Adopt agenda:

Mr. Sheldon moved to adopt the agenda as presented. Mr. Williams seconded the motion.

Discussion: None

Aye: Ms. Brake, Mr. Sheldon, Mr. Williams

Nay: None

Abstain: None

Absent: None

IV. Public comment:

Mr. Emonds commented that he prefers it when the meetings are held at the District office.

V. Action items:

A. Approval of minutes (February 8, 2010 and February 15, 2010).

Mr. Sheldon moved to approve the minutes of February 8, 2010 as presented. Ms. Brake seconded the motion.

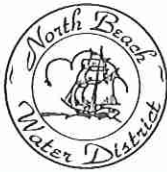
Discussion: None

Aye: Ms. Brake, Mr. Sheldon, Mr. Williams

Nay: None

Abstain: None

Absent: None



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

Mr. Williams moved to approve the minutes of February 15, 2010 as presented. Ms. Brake seconded the motion.

Discussion: None

Aye: Ms. Brake, Mr. Williams

Nay: None

Abstain: Mr. Sheldon

Absent: None

B. Consideration of approval of liens against properties with delinquent accounts and/or satisfaction of liens.

Mr. Williams moved to authorize the recording of the liens and lien satisfactions as presented by staff. Ms. Brake seconded the motion.

Discussion: Ms. Brake requested clarification on the information provided under the Customer and Property Owner headings on the spreadsheet. Ms. Brake was advised by staff and Mr. Williams of the layout/format of the spreadsheet.

Aye: Ms. Brake, Mr. Sheldon, Mr. Williams

Nay: None

Abstain: None

Absent: None

C. Participation in WASWD 2010 Spring Conference, April 22 & 23, 2010 in Ocean Shores, WA.

Mr. Sheldon advised that he had submitted the scholarship form and was planning on attending the conference provided it was the will of the Commissioners. Mr. Williams advised that he will not be attending. Ms. Brake desires to attend. Per Ms. Brake, the District has been guaranteed a scholarship to cover the registration cost for one commissioner to attend both days of the Conference. Mr. Sheldon made a motion that the District covers the expenses incurred by Ms. Brake and him while in attendance of the conference. Mr. Sheldon withdrew his motion.

Mr. Williams made a motion that Ms. Brake and Mr. Sheldon attend the 2010 WASWD Spring Conference in Ocean Shores. Ms. Brake seconded the motion.

Discussion: Ms. Brake advised of the rotation of the location of the conference. She feels that because of how close the conference is, it presents a unique opportunity for attendance by District Commissioners and staff.

Aye: Ms. Brake, Mr. Sheldon, Mr. Williams

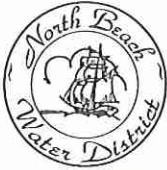
Nay: None

Abstain: None

Absent: None

D. Employee health insurance renewal.

Mr. Berlien advised that the health insurance policy is up for renewal in April 2010. The current policy will see a rate increase of about 9%. Because the budget cannot absorb the 9% increase, Mr. Berlien recommended changing to Option 1 which would be an increase of about 3% or Option 2 which would be a decrease of about



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

1%. On Mr. Williams' inquiry, Mr. Berlien advised that last year the District changed plans.

Mr. Williams made a motion to switch the District's health insurance coverage to Regence BlueShield Option 2 as listed on the spreadsheet provided by Employee Benefits Planning, LLC. Ms. Brake seconded the motion.

Aye: Ms. Brake, Mr. Sheldon, Mr. Williams
Nay: None
Abstain: None
Absent: None

E. Resolution 02-2010, transferring \$100,000 from operations to cash reserves.

Mr. Williams moved to adopt Resolution 02-2010 directing a transfer of \$100,000 for the District's Operations account to its Cash Reserves. Mr. Sheldon seconded the motion.

Aye: Ms. Brake, Mr. Sheldon, Mr. Williams
Nay: None
Abstain: None
Absent: Mr. None

F. Consideration of declaring surplus one 1994 Ford Ranger light truck.

Mr. Berlien advised that the new truck would be arriving any day and would like to have this one declared surplus so staff could proceed with advertising for bids. Mr. Williams made a motion to declare one 1994 Ford Ranger light truck surplus. Ms. Brake seconded the motion.

Aye: Ms. Brake, Mr. Sheldon, Mr. Williams
Nay: None
Abstain: None
Absent: None

G. Consideration of award of bid from Halton Power Solutions for replacement of west North Wellfield generator.

Mr. Berlien advised that the District's insurance carrier would cover the cost of replacing the old Caterpillar generator. Insurance will cover all costs minus the \$1,000 deductible. Mr. Berlien advised that per Washington State Auditor's office the District is not obligated to get multiple bids for the replacement. Mr. Williams moved to accept the Halton Power Solutions bid to replace the existing generator with a new Caterpillar D125-6 Tier III standby diesel generator for the cost of \$33,850.00 plus tax. Mr. Sheldon seconded the motion.

Discussion: Mr. Sheldon clarified that the motion was pending insurance approval for reimbursement. Mr. Williams revised his motion to include language regarding pending insurance reimbursement.

Aye: Ms. Brake, Mr. Sheldon, Mr. Williams
Nay: None
Abstain: None
Absent: None



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

Mr. Sheldon recommended declaring surplus the old generator. After much deliberation, it was decided to declare the old generator surplus pending approval by insurance. Staff was directed to issue notice of intent to sale along with the notice for the 1994 Ford Ranger

H. Consideration of bid from PACO Pumps for installation of auto-dialer at South Wellfield booster station.

Mr. Berlien advised that this unit would tie into the existing booster pump stations at the South Wellfield. It would be programmed to call the operators if there are any problems at the South Wellfield. Mr. Berlien had PACO Pumps provide the bid since they are the company that provided the pump station. Installation of this auto-dialer would not limit the District's options on a SCADA system. Mr. Berlien advised that funds for this were available since both the North Wellfield Master Meter and pressure relief valve projects came in under budget.

Mr. Williams made a motion to approve the purchase and installation of the Antx DS8 Auto Dialer for the cost of \$6,943.00. Mr. Sheldon seconded the motion.

Discussion: Mr. Sheldon requested clarification on what this would be monitoring. Mr. Berlien advised that it would monitor the fire pumps at the South Wellfield. It will also monitor water reservoir levels and system pressure.

Aye: Ms. Brake, Mr. Sheldon, Mr. Williams

Nay: None

Abstain: None

Absent: None

I. District Expenses for February 2010.

Mr. Williams made a motion to approve District expenses in the amount of \$97,164.03. Mr. Sheldon seconded the motion.

Discussion: None

Aye: Ms. Brake, Mr. Sheldon, Mr. Williams

Nay: None

Abstain: None

Absent: None

VI. Discussion items:

A. Installation of drain valves for winterizing homes.

Mr. Sheldon advised that this was something he requested be added to the agenda. His goal is to reduce the number of frozen pipes in vacation homes. Mr. Berlien suggested that as part of new installations we could install a drain but recommended against advertising it as winterization option provided by the District as this could present a liability. Mr. Berlien suggested including a reminder to turn off the water and drain pipes in with the September billing. Mr. Williams suggested developing a recommended procedure for draining houses using an indoor faucet and outdoor spigot. Mr. Sheldon feels at the very least the Commissioners should develop policy that would prevent customers who made no attempt to winterize their homes to be able to utilize the District's Leak Adjustment Program for leaks



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

caused by frozen pipes that could have been prevented had the customer winterized. Mr. Williams would like to see information put together for a newsletter that makes recommendations for winterization and address the situation the District could be placed in due to failure to winterize.

B. Employee incentive program.

Mr. Sheldon advised that when employees recommended changes in procedure or policy that had a measurable tangible dollar savings the employee would receive an incentive that would equal a percentage of the savings. Mr. Berlien feels that a cash incentive would be difficult as it could be view as a gift of public funds. However, employees could be given additional paid time off.

C. Installation costs for low-income customers.

Mr. Berlien advised that he had contacted Rod Kaseguma regarding this issue. Mr. Kaseguma advised that offering the program was the board's discretion and there was a lot of leeway on how to offer the program. If the board chooses to offer such a program then a contract would have to be written that would address the terms and issues. Mr. Berlien advised that the first step is for the board to decide whether they want to offer this program and then set the parameters. The commissioners all agreed that the District should have a limited fiscal role. Mr. Berlien advised that the current rules and regulations offer this program and that this policy should be available for Ms. Moggio. However, the rules and regulation need to be amended going forward. After much discussion, it was decided to hold a workshop to further discuss this matter.

D. Voluntary contributions to assist low-income customers.

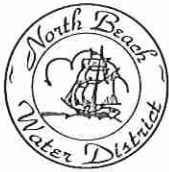
Mr. Berlien advised that he has contacted Ms. Shire with F.I.S.H. regarding administering a low income assistance program for the District. She is willing to do so. Mr. Berlien recommends having legal counsel write a "light" agreement for the District and F.I.S.H. to enter into.

VII. General Manager's report:

Mr. Berlien reported that Bromate results for the month of March came back non-detect. A 6" fire service will be installed at the Ocean Park School starting on March 29, 2010.

VIII. Board member comments.

Mr. Sheldon asked that Commissioners once again consider moving the board meetings to the District office. Mr. Sheldon feels the office provide sufficient room and also affords a greater level of privacy for executive sessions. Mr. Sheldon feels that at the current location the Board is not adhering with executive session requirements of having a closed session. Mr. Williams disagreed with this assessment. Mr. Williams feels the board is in compliance as long as the board chair properly controls the meeting. Mr. Williams and Ms. Brake advised that they would not support a change of meeting location at this time. They both feel having the meetings at the fire hall provides a more public arena and portrays a greater degree of openness. Mr. Sheldon suggested counsel be consulted regarding potential violation of executive session requirements. Ms. Brake felt this was a valid point and that counsel should be asked.



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

Mr. Williams questioned what District policy was regarding training and operation of the District's motor vehicles. Mr. Williams would like to see a safety review. Mr. Williams wants to be sure that North Beach Water District employees are operating District vehicles in a way that does not present a liability.

Mr. Williams questioned what the standing was on the title for the mobile home that was demolished by the District. Mr. Williams feels there could be a liability issue since the frame of the mobile home was hauled off by Mr. Sheldon. Mr. Berlien advised that he had allowed Mr. Sheldon to take the frame. Mr. Sheldon saved the District the expense of cutting up and hauling the frame off to the dump.

Mr. Sheldon advised that in light of this discussion he no longer had any interest in the frame and requested that the District remove the frame and demolish it as originally planned. Mr. Sheldon made a motion that North Beach Water District have the frame of the mobile home scrapped. This motion died due to a lack of a second.

Mr. Williams made a motion for adjournment. This motion died due to a lack of a second. Further discussion ensued on eliminating the title and appearances of impropriety. In conclusion, staff was directed to verify whether or not there is a title for the mobile home that needs to be eliminated.

IX. Future agenda items

This agenda item was skipped.

X. Adjournment

Mr. Brake moved to adjourn the regular meeting of the Board of Commissioners of North Beach Water District at 8:13pm. Mr. Sheldon seconded the motion.

Discussion: None

Aye: Ms. Brake, Mr. Sheldon, Mr. Williams

Nay: None

Abstain: None

Absent: None



Brian Sheldon, Commissioner



R.D. Williams, Commissioner



Gwen Brake, Commissioner