

## MINUTES OF

### NORTH BEACH WATER DISTRICT

October 6, 2008

Commissioners Present: Brian Sheldon Gwen Brake RD Williams  
Others Present: Neil Emond Debbie Richmond Rob Richmond

The meeting was opened at 6 PM by President Sheldon. A quorum was present.

Regarding the September 2 meeting, Commissioner Williams requested that meeting agendas be sent out with several days' notice, particularly in the case of a holiday. Resolution 01-2008, specifying that in the event of a holiday, meetings would fall on the following day, was reviewed.

Minutes of the September 2 meeting were presented for approval. MOTION BY PRESIDENT SHELDON TO ACCEPT THE MINUTES. SECONDED BY COMMISSIONER BRAKE. MOTION CARRIED. Commissioner Williams abstained.

Commissioner Williams expressed a concern regarding Resolution 19-2008 adopted at the September 16 special meeting. Commissioner Williams presented an amended version of Resolution 19-2008, clarifying some of the language. MOTION MADE BY COMMISSIONER BRAKE TO ADOPT THE AMENDED VERSION OF RESOLUTION 19-2008. THE MOTION WAS SECONDED BY COMMISSIONER WILLIAMS. THE MOTION CARRIED.

Minutes of the September 16 special meeting were presented for approval. MOTION BY PRESIDENT SHELDON TO ACCEPT THE MINUTES. SECONDED BY COMMISSIONER BRAKE. MOTION CARRIED. Commissioner Williams abstained.

A request was made from the public that meeting announcements for special meetings or meetings outside of the regular schedule be posted more than 24 hours in advance of the meeting. Posting at the Post Office was recommended. Regular meetings might also be posted to build public involvement.

**Budget Status:** President Sheldon contacted Rod Kaseguma, the district's attorney, to get an estimate of services to date. Attorney Kaseguma has put in 25.4 hours. We currently owe his firm \$6,413.

**Transition Team Report:** Commissioner Brake stated that the transition team has identified five issues still needing to be resolved. Copies to be forwarded to the transition team were distributed to board commissioners.

Three documents have been agreed upon:

- Declarations document
- Transfer of Assets of the Water Utility
- Real Property Transfer

The district board has added three elements to the Declarations Document:

- An intent clause: asking the PDA to agree that they've not witnessed any activity to prevent the transfer from occurring.
- A due diligence clause: asking the PDA to acknowledge the work of the district board specified by Rod Kaseguma and agree with the Resolution 18-2008 and findings of the district board.
- The rate increase clause was wordsmithed.

The district board has added several elements to the Transfer Agreement:

- District board were asked to guarantee all staff for a period of 2 years. The district has responded with an agreement to hire the General Manager for three years. His job is to manage the staff.
- Sale or assignment management – still not resolved. It is not appropriate to bind a board beyond their term. Under catastrophic conditions, this clause could harm the utility. District board members are committed to local control but need an exception clause here.

The warranty deed document is perhaps the most difficult. Commissioner Williams asked why Exhibit A of the Transfer Agreement wouldn't accomplish the transfer of property. Commissioner Brake stated that a document was needed to convey real property from one agency to another.

President Sheldon stated that if a Title Search has been conducted previously, there isn't a need to do another.


Commissioner Williams has contacted the attorney for the PDA. Attorney Thompson has been asked to put the list of properties and any title searches conducted earlier.

Next meeting for the Transition Team is Wednesday, October 8.

No new business. No correspondence.

The meeting was adjourned.

Respectfully submitted



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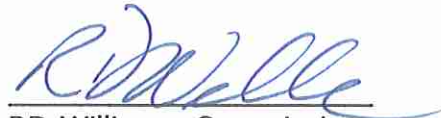
Gwen Brake, Secretary

Attest:



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Brian Sheldon, President



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RD Williams, Commissioner