

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, November 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:

Mr. Emond

III. Adopt agenda:

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

Discussion: Commissioners discussed making changes to the order of the agenda so as to discuss the use of the consent calendar prior to that handling that item on the agenda. After discussion, no changes were made.

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

Nay: None

Abstain: None

Absent: None

IV. Public comment:

None.

V. Consent Calendar:

Commissioners chose not to use the consent calendar format until after further discussion of it by the Board at the December 2010 regular meeting.

A. Approval of minutes (October 18, 2010)

Mr. Williams moved to approve the minutes of the October 18, 2010 regular board meeting as presented by staff. Mr. Sheldon seconded the motion.

Discussion: None

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



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Nay: None
Abstain: None
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 liens and lien satisfactions as presented by staff. Ms. Brake seconded the motion.

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

C. District Expenses for October 2010.

Mr. Williams moved to approve payment of District expenses in the amount of \$57,839.58. Mr. Sheldon seconded the motion.

Discussion: Mr. Berlien advised that expenses had increased from the original total of expenses emailed to the Commissioners with the board packet last week.
Aye: Ms. Brake, Mr. Sheldon, Mr. Williams
Nay: None
Abstain: None
Absent: None

D. Budget-to-date.

Mr. Williams made a motion to receive and file the financial statements provided by staff. Mr. Sheldon seconded the motions.

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

VI. Action items:

None

VII. Discussion items:

A. Consent calendar.

Mr. Williams felt that use of the consent calendar should be postponed until the after the beginning of the new year. Mr. Berlien advised that the purpose of the consent calendar is to provide streamline approval for non-controversial items; approval of all items under the consent calendar would be accomplished with a single motion. A Commissioner can pull out any item listed under the consent calendar during agenda approval. Use of a consent calendar is part of the Commissioners' Rules for Procedure. This agenda item will carry over for further review to next month's agenda.



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B. Public use of District property.

Mr. Williams feels the District is in need of a policy that requires all use of District property for purposes other than those of the District be approved in advance by the Board of Commissioners. Mr. Sheldon felt that this could easily be left to the discretion of the General Manager. After further discussion, the Commissioners instructed Mr. Berlien to draft a policy that establishes regulations requiring formal request for the use of District property for non-district purposes but that leaves some flexibility for discretion by the General Manager.

C. Draft 2011 Budget.

Mr. Berlien reviewed the proposed budget with the Commissioners. Ms. Brake requested that a paragraph be added under Water Revenues that explains the monthly service fee and revenue brought in by that fee. Mr. Sheldon asked for clarification on the system value stated on page 7 and was advised that it was a value assigned by the State Auditor based on acquisition cost. A 2.5% pay scale salary increase and a 1% COLA is figured into the budget. Actual increase will vary based on job performance. Field Operations and General and Maintenance expenses will stay fairly close to 2010 budget numbers. Cost for accounting services were increase with an scheduled 2 year audit by the State. The Komatsu backhoe will be paid off in 2011, lowering the debt service for 2011.

Under review of Capital Improvements, Mr. Berlien advised that the proposed iron study included looking at the use of polyphosphate and the fate of iron in the distribution system. It will also be used to review the current treatment plant, insuring that it is optimized and operating as it should. Further discussion ensued regarding the allocation of capital expenses. Mr. Berlien anticipates replacing the service truck in 2012. Mr. Williams would like to see deferring the expense of the replacement pickup for 2011 until 2012 and then replace the pickup truck and the Chevy service truck with a single service vehicle equipped with a hoist and all equipment needed to perform service jobs. Mr. Sheldon would like to find a way to take advantage of used equipment sells.

The Budget Hearing will be advertised next month and will be held to coincide with the District's December 2010 board meeting. Pending the hearing, budget approval will take place at the December 2010 meeting.

D. Winterization.

Mr. Sheldon is against providing leak adjustments to absentee owner customers with leaks caused by failure to winterize and would like to review the leak adjustment policy. After additional discussion, staff was directed to include a winterization reminder flyer in with the current billing.

E. Update on 264th Place and R St. pipeline project.

Mr. Berlien advised that there was approximately 80' of pipe that remained to be installed. That would be followed by disinfection, flushing, water quality testing, and finally, pending the test results, connection of the individual services to the new mainline. Anticipated completion date is mid-December.



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F. Polyphosphate for iron removal in distribution system.

Mr. Berlien advised that based on their response the Department of Health is not too keen on the idea. At this time, it will be deferred until 2011 when the Board considers having an iron study performed.

VIII. General Manager's report:

Mr. Berlien reported the AMR route is up and running. The route was electronically read for the first time at the beginning of the month and bills were mailed. The system worked as expected with leaks and backflow incidents detected. It took approximately 10 minutes to read the route of 101 meters which corresponds to the time it takes to drive the route. South Well 2 failed and the failure will be investigated as soon as the crew finishes installing the 264th pipeline. In the meantime, South Well 1 has been put into service.

IX. Board member comments.

Mr. Williams advised that based on the IACC conference public funds just aren't available for capital projects. Rural Community Assistance Corporation (RCAC) is under contract with the Department of Health and has developed asset inventory programs that figure cost replacement thereby helping Utilities to establish rates that allows for allocation of funds for future replacement. Mr. Williams provided a handout of the inventory programs.

Mr. Williams brought in a kit that converts existing single flush commodes to dual flush water saving commodes. Retail price was around \$30. He would like to encourage installation of these as part of the District's conservation program.

X. Future agenda items.

Ms. Brake requested the consideration of relocating the regular board meetings to the District office be considered at next month's meeting. Mr. Sheldon would like additional information on purchasing used equipment.

XI. Adjournment

Mr. Williams moved to adjourn the regular meeting of the Board of Commissioners of North Beach Water District at 7:58 pm. Mr. Sheldon seconded the motion.

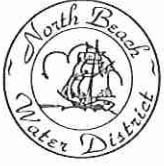
Discussion: None

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

Nay: None

Abstain: None

Absent: None



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A handwritten signature in blue ink, appearing to read "Brian Sheldon".

Brian Sheldon, Commissioner

A handwritten signature in blue ink, appearing to read "R.D. Williams".

R.D. Williams, Commissioner

A handwritten signature in blue ink, appearing to read "Gwen Brake".

Gwen Brake, Commissioner