



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, August 20, 2012**, at the office of North Beach Water District; 25902 Vernon Avenue, Suite D, Ocean Park, Washington.

I. Call to Order:

Commissioner Williams called the Special Meeting of the Board of Commissioners of North Beach Water District to order at 6:00 p.m.

II. Roll Call:

Commissioners present:

Gwen Brake

Brian Sheldon

R.D. Williams

Staff present:

William Neal, General Manager

Robert Hunt, Crew Chief

Nick Morrison, Treatment Plant Operator

John Fleming, Water Worker I

Others present:

Rich Makoloski, Glenn Ripley, George Miller, Marilyn Sheldon, Don Sheldon

III. Adopt Agenda:

Commissioner Brake makes a motion to adopt the Agenda.

Commissioner Sheldon seconds the motion.

Commissioner Williams calls for a vote to adopt the agenda.

Motion to adopt the agenda passes unanimously.

IV. Action Items:

A. Approval of Minutes – July 9, 2012 Special Meeting

Commissioner Sheldon makes a motion to approve the minutes for the July 09, 2012 special meeting.

Commissioner Brake seconds the motion.

Commissioner Williams calls for a vote to approve the minutes.

The motion passes unanimously.

A. Approval of Minutes – July 16, 2012 Regular Meeting

Commissioner Brake moves to approve the July 16, 2012 regular meeting minutes.

Commissioner Sheldon seconds the motion and wants to make spelling corrections. Corrections to spelling and other errors are made.

Commissioner Williams calls for a vote to approve the minutes.

The motion passes unanimously.

B. Liens

Lien Release – Meliton Torres – USDA

General Manager reports that the lien was not properly filed and was invalid. The GM recommends to the Board that the lien and the balance of \$464.34 be released.

Commissioner Brake moves to release the lien on 24126 Z Place, Ocean Park, WA 98640 without collecting the outstanding balance of \$464.53 due to the lien being filed incorrectly.

Commissioner Sheldon seconds the motion.

The motion passes unanimously.

Lien Branstetter –

General Manager reports that the property belongs to a presumed deceased individual. Heather Reynolds recommends that the District lien the property and wait for heirs to appear on behalf of the estate.

Commissioner Sheldon moves to approve the lien.

Commissioner Brake seconds the motion.

The motion passes unanimously.

Lien Release – Prendergast –

General Manager reports that the outstanding balance of over \$1000 has been paid.

Commissioner Sheldon moves to release the lien.

Commissioner Brake seconds the motion.

The motion passes unanimously.

C. Revision of Resolution 11-2012 – Amendment to Surfside Management Agreement

General Manager reports that he inadvertently used the same resolution number on two different resolutions. Board action is needed to correct the numbering of the resolutions.

Commissioner Sheldon moves to reconsider Resolution 11-2012 – Amendment to Surfside Management Agreement.

Commissioner Brake seconds the motion.

No discussion.

Motion to reconsider Resolution 11-2012 – Amendment to Surfside Management Agreement passes unanimously.

Commissioner Brake moves to adopt Resolution 11-2012 – Amendment to The Surfside Management Agreement, as Resolution 12-2012 – Amendment to The Surfside Management Agreement.

Commissioner Sheldon seconds the motion.

No discussion.

Motion passes unanimously.

D. Resolution 13-2012 – Amending Rules – 1.01.380 – Payment of Bills

General Manger reports that the change in the billing process necessitates a change in the rules. The proposed changes will lessen confusion over billing dates and balances owed and reduce staff time by providing a minimum of 60 days of delinquency prior to the water being locked off. The change will lead to fewer late fees and lock off notices as well as fewer liens on properties and better customer relations.

The important change in the rules will guide how the District utilizes liens to collect delinquent accounts. The change in the lien process also will allow the district to collect interest on delinquent accounts.

The proposed rule will authorize the General Manager to file and release District liens.

Commissioner Brake moves to adopt Resolution 13-2012 Amending Rules.

Commissioner Sheldon seconds the motion.

No discussion

Motion passes unanimously.

E. Resolution 14-2012 – Authorizing General Manager to Drill and Test a Water Well and Complete a Feasibility Study.

General Manger reports that the District has entered into an agreement with the Wiegardt Group to purchase a parcel of property to be created from a larger property located on U Street and 250th. The property is being purchased to construct a well field to replace the failing wells in the south well field.

The well will be drilled and tested prior to satisfying the contingencies and closing the property.

Commissioner Brake moves to adopt Resolution 14-2012 – Authorizing General Manger to Drill and Test a Water Well and Complete a Feasibility Study.

Commissioner Sheldon asks to the public to comment on the Resolution.

Don Sheldon asks if the General Manager will be hiring the well driller and other contractors.

Commissioner Sheldon states that the Board authorizes the funds and that the General Manager will hire the contractors.

The motion passes unanimously.

F. District Expenses

General Manager reports that all of the IRS refund money has arrived and that the refund checks to the employees are included in the District expenses.

Commissioner Sheldon asks why Powell and Seiler is very high. He inquires whether they are doing a great deal of work cleaning up messes.

General Manger responds that John Powell has been working hard to catch up on work that did not get done because of the recent staff turnover. There have been mistakes going back to fall 2011 that need correction. John Powell is working with the Washington State Auditor's Office to identify irregular activities, and that report will be complete soon.

Commissioner Sheldon asks about the Enduris insurance.

General Manager reports that the insurance rate increased 12% this year over last year. The primary reason for the increase is the experience factor. Ongoing litigation loss or property claims are the primary antecedents to the increase.

Commissioner Brake asks why Nick Morrison's pay was increased so much.

General Manger states that Nick has been promoted to the Treatment Plant Operator position. Nick is starting at the lowest tier for that position, but it still resulted in a significant pay increase.

Commissioner Sheldon moves to approve the Districts expenses of \$135,913.49.

Commissioner Brake seconds the motion.

Motion passes unanimously.

General Manger will provide a summary sheet that clearly identifies all of the District expenses.

V. Discussion Items:

A. Website Update

General Manager provides an interactive website update. The website will be launched the first of September.

VI. General Mangers Report

General Manager reviews the operations report as prepared by Nick Morrison and Bob Hunt.

General Manager reviews his written report.

Commissioner Brake asks that the General Manager report on the time and cost of processing public documents requests. The General Manager has over 29 hours in finding and copying requested documents.

General Manager reports that former employees, Tami Herman, Jenny Sheldon, Tia Crisifulli and Jason Crisifulli, filed a complaint with the Pacific County Sheriff in June of 2012 claiming that William Neal, North Beach Water District General Manager, had perpetrated the theft of a North Beach Water District water meter, fraudulently filled out public records, and misappropriated North Beach Water District funds. The final report of the investigating Deputy (Jason Kangas) was released, concluding, *"I found the accusations of theft of a water meter, misappropriation of funds, and fraudulently filling out public records to be unfounded."*

General Manager reports that he spent a day with Washington State auditors at the office. The results of the audit will be forwarded to the District when complete. Preliminary comments from the auditors indicate that they are not overly concerned about the accusations being made against the Board and the General Manager.

Commissioner Brake asks about the tentative schedule for the Public Hearing for the Drinking Water loan.

General Manager states that the Public Hearing will not take place until the loan documents are ready for signature. That will be sometime after the September 2012 regular meeting.

VII. Public Comment

Glenn Ripley asks if Public Comments are still limited to water quality or billing issues.

Commissioner Brake tells Mr. Ripley that the limitation was not in place for this meeting.

VIII. Board Member Comments

Commissioner Brake asks, "Can we have a Board Packet that can be picked up at the District Office on Friday before the meeting?"

Commissioner Sheldon asks about getting a District-owned portable computer for Commissioner use.

It was agreed that the commissioners would each receive a personal computer for District business use.

IX. Future Agenda Items

Commissioner Brake suggested the Board review the credit card payments policies.

Commissioner Brake moves to reduce the executive session from 50 to 20 minutes.

Commissioner Sheldon seconds the motion.

Motion passes unanimously.

X. Executive Session – Review the performance of a Public employee (RCW 42.30.110 (g))

Enter – 8:20 p.m.

Exit – 8:40 p.m.

Resumed at – 8:40 p.m.

Exit at – 8:50 p.m.

XI. Report on Executive Session

None

XII. Adjournment

Commissioner Williams declares the meeting adjourned at 8:50 p.m.



Brian Sheldon, Commissioner Position #1



Gwen Brake, Commissioner Position #2



Brian Sheldon, Commissioner Position #3



Respectfully submitted for review and approval, as prepared by:



William Neal, General Manager

Bear witness to reference the Commissioner's signatures above, does hereby approve this set of Minutes to become an Official Record of the North Beach Water District on:

Date: 9/17/2012