

Port Ludlow Drainage District

Post Office Box 65261

Port Ludlow 98365

Minutes of the 12th Regularly Scheduled Meeting
10 AM, 19 December, 2001

Call to order and Approval of Minutes:

The 12th regularly scheduled meeting of the Port Ludlow Drainage District (PLDD) was called to order by the Chairman Walt Cairns with the first order of business was approval of the Minutes of the 14 November 2001 regularly scheduled meeting and the 30 November 2001 special meeting. Minor wording was changed on the 14 November meeting minutes. The minutes then were approved as amended. Minutes of the 30 November special meeting were approved as written.

Expenses:

The PLDD Commissioners approved Drainage District expenses that have accrued from 14 November to 19 December 2001 for the total amount of \$4341.46. A breakdown of this total is shown below:

Voucher Number	Amount	Item Description
01-057	\$146.29	Commissioner Walter Cairns
01-058	\$3381.66	Gray and Osborne Inc.
01-059	\$433.85	Ludlow Maintenance Commission
01-060	\$140.00	Commissioner William Wilke
01-061	\$138.52	Olga Wilson (Pay Roll)
01-062	\$22.96	Bank of America
01-063	\$78.18	Vicki Thayer

Public Forum

No one in the audience requested to speak on any Drainage District subject at this meeting.

Old Business:

1. Barry Baker, Gray and Osborne, Inc., reported that more errors have been found in the assessment roll data. New data was received from the Jefferson County Auditor's Office. This data needs to be incorporated in the assessment database developed by the Gray and Osborne, Inc. Commissioner Cairns urged Mr. Baker to make sure that assessment rolls name LMC as a sole owner of the Greenbelts within the PLDD

boundaries. PLDD assessment rolls have to be submitted to the county in January 2002.

2. The PLDD Commissioner received a letter from Robert and Vivian Weater who claim to have corrected their drainage problems and feel that they do not have to be a part of the PLDD and therefore should be excused from paying PLDD assessment. The Commissioners will respond to this letter in writing.
3. Discussions were held pertaining to the Election of Commissioners in February 2002. As of December 19, 2001, one position was still opened. The Commissioners realize that the County has legal authority to appoint a Commissioner in case there are no candidates registered for the position in question. The Commissioners continue to consult with Donna Eldridge, Jefferson County Auditor, on the Commissioners Election issues.
4. Discussions were held pertaining to Area 7 Drainage Detention Basin transfer of drainage easements to the PLDD. Mr. Baker informed the Commissioners that his firm has prepared legal descriptions of the easements in question. These documents have been since sent to Mr. Burroughs, PLDD legal counsel, who is working on preparing of the paperwork necessary to complete the transaction.
5. Discussions were held pertaining to obtaining of a short-term loan from American Marine Bank. Daniel Gottlieb, Gottlieb, Fisher and Andrews, PLLC, attended this meeting. On behalf of his bond firm Mr. Gottlieb familiarized Commissioners with a resolution, recorded as PLDD Resolution #7, authorizing the incurrence of indebtedness and the issuance of a revenue anticipation note of the District in the principle amount not to exceed \$30,000 to establish a line of credit to provide funds for operational expenditures of the District pending the receipt of District assessments; providing for the date, denomination, form, registration, maturity, interest rate, terms, and covenants of such note; creating a note fund; and providing for the delivery of such note to American Marine Bank in exchange for such line of credit. Following further discussion, a motion was made to accept this resolution. Motion carried. This resolution was recorded PLDD Resolution #7. The funds of this loan will be available 2 January, 2002.
6. A motion was made to contract Gottlieb, Fisher and Andrews, PLLC bond firm to provide legal services leading to obtaining by the PLDD of a previously discussed short-term loan from American Marine Bank, providing that PLDD will pay the firm a \$2,000 bond fee plus expenses. Motion carried.
7. A motion was made, recorded as PLDD Resolution #5, placing the District into obligation to repay a six-year interest free loan in the amount of up to \$50,000 issued by the Department of Public Works. Motion carried.

8. A motion was made, recorded as PLDD Resolution #6, placing the District into obligation to repay a five-year loan in the amount of up to \$80,000 at 0,5% interest issued by the Department of Ecology. Motion carried.
9. PLDD Commissioners discussed proposed Scope of Work for Comprehensive Watershed and Drainage Plan. The Commissioners have sent two letters to the Jefferson County asking for County's participation in financing this project, which would undoubtedly benefit both PLDD and the County. The Commissioners have not yet received any response from the County. Mr. Baker notified the Commissioners that an amendment to an existing general services contract between Gray and Osborne, Inc. and the PLDD is necessary to start the work on the Comprehensive Plan. The contract will cover all tasks approved in the Scope of Work with an exception of the aerial survey. Commissioners instructed Mr. Baker to prepare the amendment discussed and submit it for their consideration by Friday, December 21, 2001.
10. The Commissioners discussed the status of drainage easement description work. Mr. Burroughs was provided with the legal descriptions of the previously discussed easements.
11. Commissioners discussed a letter from the LMC asking that PLDD pays a \$200 fee for use of LMC meeting rooms, and other items such as use of copy machine, bulletin board space, telephone, etc. Following discussion, making a decision on this issue was deferred until that time when new Commissioners elected in February 2002 take over PLDD operations.
12. This meeting was attended by the Jefferson County Auditor, Judy Morris, who informed the Commissioners that the County had agreed to absorb the \$16,000 charge to the District intended to pay for the software required to incorporate PLDD assessment data into the taxes database. She also informed the PLDD Commissioners that the Jefferson County Commissioners decided to re-negotiate the terms and conditions of the start up loan issued to the PLDD by the County. They have lowered the interest of the loan in question to 2.3% and increased repayment time to seven years. The PLDD Commissioners will adopt the necessary resolution reflecting these changes in the loan terms at the regular January meeting. Mr. Baker was asked to redo the 2002 PLDD budget to reflect the proposed changes.

New Business:

The discussion of drainage facilities included in Port Ludlow Associates (PLA) improved properties within the PLDD was canceled due to the absence of PLA representative Mr. McCarry.

The next regularly scheduled meeting of the Drainage District will be held on 9 January 2002.

The 19 December 2001 meeting adjourned at 11:45 AM.

Respectively Submitted:

Approved:

Approved:

Richard Regan
Drainage District
Secretary

Walt Cairns
Drainage District
Chairman

Bill Wilke
Drainage District
Treasurer