

APPROVED

Port Ludlow Drainage District (PLDD) September 11, 2025 Board of Commissioners Meeting #0341 Zoom/In Person Meeting Minutes

1. CALL TO ORDER: Chair Michael Nilssen called the regularly scheduled meeting to order at 10:00 a.m.

2. ROLL CALL:

Commissioner 3 Michael Nilssen, Chair, Commissioner 1 Ron Mountain Vice Chair, and Commissioner 2 Dean Cole were present, along with Leigh Christianson, District Administrative Coordinator. Also in attendance was Stacy Clear from Gray and Osborne.

3. Commissioner Communications

Commissioner Cole reported that he followed up on the complaint from 103 Cascade Lane and informed her that the district could not assist her with this complaint as it was more of a legal issue.

Commissioner Nilssen was told Port Ludlow Associates (PLA) will be abandoning their corporate office and the trailer park, a 34.46-acre parcel, parcel # 821172002, 70 Breaker Lane for a 50 to 60 residential development.. Commissioner Nilssen has made a call into Cliff O'Brien, PLA Development Manager, for further clarification.

4. Public Comments:

A comment was received via email that there had been confusion between Ludlow Maintenance Commission and Port Ludlow Association (PLA) language on the agenda. Commissioner Nilssen explained the difference to the District Administrator.

5. Agenda Approval: Commissioner Cole moved to approve the agenda as presented. Commissioner Nilssen seconded and the motion carried.

6. Consent Agenda:

Voucher Summary: Voucher numbers V25-104 through V25-112 for a total of \$3,906.15; \$1,004.15 for payroll, \$11.00 for supplies, and \$2,891.00 for services. Commissioner Nilssen reminded Christianson that the reimbursement requests need to be signed by the requester and approved by the Chair or Vice Chair ahead of the meeting.

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Commissioner Cole moved to approve the minutes and the voucher summary, Commissioner Mountain seconded, all approved, motion carried.

7. Old Business

Election Updates: the timeline for critical dates needs to be reviewed, such as filing deadlines, and what the county needs from the district in order to proceed. Much of that information is already on the website. The letter that goes out to the district members could be sent out on a postcard using bulk mail instead of stuffing an envelope and adding first class postage, which could prove to save considerable costs. Christianson will research the best cost. Christianson has the list of property owners in the district and Christianson will verify their voter status with the State of Washington and submit to the elections department by November 1. Christianson will review the letter with Commissioner Cole that will go out to residents prior to the election date. An election team will be needed to preside over the election as was done during the previous election. Election Department will draft an interlocal agreement for their costs in providing services.

Website and Maps: Commissioner Mountain has been unavailable due to family issues to contact Stacy Clear from Gray and Osborne regarding the maps and website. Some recommendations have already been incorporated on the website and Commissioner Nilssen and Administrative Coordinator Christianson have been working on a draft update of the website, and it is not ready to go live yet. Christianson will get a copy of the draft web page to Commissioner Mountain and Stacy Clear for their review and recommendations.

The main priority of the web updates in the next few months is to focus on the election information and 2026 budget approval.

8. New Business

2026 Budget: Commissioner Nilssen had a meeting with Stacey Clear of Gray and Osborne regarding the development of the budget and has distributed a draft copy of to all commissioners. Commissioner Cole had questions regarding some costs with the yard maintenance, and what had been budgeted but had not been expensed. Commissioner Nilssen had noted that there were about four accounts that are like that, and although it is prudent to have funds for these budgeted items but looking back at five years of activity they haven't been used. Omitting those budgeted expenses could result in about \$24,000 in savings. A more detailed review of the budget will be completed at the October Public Hearing and the November Commissioner meeting.

Resolution 2025-001 regarding Commissioner Compensation: Commissioner Nilssen contacted the attorney as to the proper language and he also contact MRSC. The attorney stated that if the resolution was signed now, only those newly elected Commissioners would be eligible for the increase; those sitting commissioners would have to wait until they were re-elected.

PLDD Rate Assessment System. Jim Pearson, retired from Jefferson County Public Works, joined the meeting on Zoom to discuss the rate system that he was involved in implementing for the district in 1995. He noted that Gray and Osborne had also helped

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to develop the rate system. The system comes from the district, then is reviewed by County Engineer, then to the County Commissioner for a public hearing and approval. It is important to make sure the system doesn't favor or disadvantage one group of property owners over another. The first assessment system was based on square footage and impervious surfaces, as is done now. One group of owners pointed out some inconsistencies that came out at the County hearing and some changes were made based on that discussion. The annual assessment has remained the same system for the last 25 years, size of the lot and the amount of impervious surfaces. The Port Ludlow development was created prior to there being regulations regarding stormwater management, and Mr. Pearson noted that he appreciated the district coming together to manage these problems of runoff and also appreciates the partnership with the district and the county and the commissioners' dedication to the district.

Questions were raised regarding the Chimacum Drainage District and what system they would be using. The district looks at how to allocate the assessment between property owners which is reviewed by the county every four years. Their assessment model looks more like an elevation model, where properties that are lower in elevation and adjacent to the creek would be assessed at a different rate than those of a higher elevation. Stacey Clear added that through her job at Gray and Osborne, she has worked with three different drainage districts in Snohomish County. Some are based on dollar per acre, and some depend on where they are located near the levee. The more complicated the property the more complicated the assessment.

9. Financial Reports:

Financial Reports – Nilssen: Commissioner Nilssen reviewed the financial reports. He noted that the investment income at 4.3% interest is being deposited back into the PLDD Investment pool. He noted that the annual assessment income deposits will increase as district ratepayers pay the second half of their 2025 assessments.

Commissioner Cole asked if there are additional housing developments within the district, how will that be reflected in the budget. Commissioner Nilssen stated with more residential or commercial development the annual assessment would be shared with all the property owners and there should be no additional increase to any property owner. The annual assessment would be distributed with the additional lot owners. Consideration of those new developments: the district engineers would need to make sure the water was draining off the property appropriately, which could add additional maintenance on the district's behalf.

Nilssen stated that he received a letter from the IRS saying our taxes had not been received, however our check was endorsed and deposited by them. He sent a registered letter to them and has not received a reply.

- 10. Administrator Report:** Christianson is focused on getting that voter roll to the Elections department by November 1. She will update all with the timeline. Commissioner business cards were received and distributed to all. A second post office key was being talked about. But the post office says we have two keys (Commissioner Cole has one) but the

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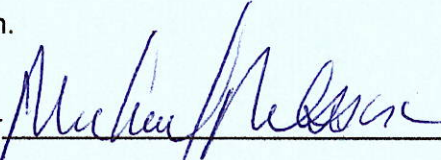
second key is missing. The post office can open the box for us without a key with proper identification.

11. Signing of the Documents was completed in person this month.

12. Meeting Adjournment.

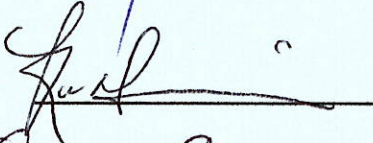
The meeting was adjourned at 11:10 am.

Commissioner 3, Michael Nilssen, Chair



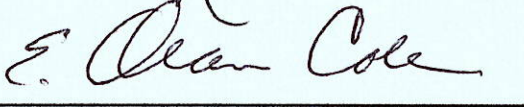
Date 10/9/25

Commissioner 1, Ron Mountain, Vice Chair



Date 9 Oct 25

Commissioner 2, Dean Cole



Date 10/9/25

The Port Ludlow Drainage District (PLDD) posts minutes and meeting recordings on its website.