

DRAFT 01/08/2026 minutes

Port Ludlow Drainage District (PLDD)

January 8, 2026

Board of Commissioners Meeting #0345

Zoom/In Person Meeting Minutes

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

2. ROLL CALL:

Commissioner 3 Michael Nilssen, Chair, was in attendance along with Commissioner 2 Dean Cole, comprising a quorum. Also present was Leigh Christianson, District Administrative Coordinator and Stacey Clear from Gray and Osborne was present via Zoom. No other people were in attendance in person or on Zoom.

Commissioner Nilssen requested that, going forward, there should be a section on the agenda to approve the agenda. He also wanted to amend the agenda to add the Yard Dogs and Gray and Osborne contracts to the discussion, and, at the end of the meeting, to add a brief discussion on the future of the Port Ludlow Drainage District. All agreed.

3. Commissioner Communications

Commissioner Cole reported no relevant commissioner communications. Commissioner Nilssen reported that he received communication from the State Auditor Office (SAO) offering their SAO Navigator newsletter. He encouraged all to sign up for the newsletter.

Public Comments:

No public comments were heard.

4. Consent Agenda:

Commissioner Cole moved to approve the consent agenda of the previous month's minutes and the vouchers as presented. Commissioner Cole moved to approve the consent agenda; Commissioner Nilssen seconded and the motion carried.

Voucher Summary:

Last month listed: 5.b. Voucher Summary: V-001 through V26-011 in the amount of **\$4,810.07**; \$1,286.05 payroll, \$2,526.90 services, and Q4 employment taxes \$997.12

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5. Old Business

2026 Election Updates: No candidates filed for the position by the December 12, 2025, deadline. Commissioner Cole added that the district members he spoke with were not interested in serving the district. Commissioner Nilssen echoed the same results. The district will need to continue to look for volunteers and the County Commissioners can make the appointment. Christianson noted that she updated the district website with information regarding the open position.

8. New Business

Port Ludlow Associates (PLA): Regarding new residential development on 70 Breaker Lane, parcel #821172002: Commissioner Nilssen noted that he did not have any additional communication with PLA regarding this except with Cliff O'Brien (Director of Construction at West Harbor Homes). It has been a couple of months with no communication with Diana Smeland. He will continue to keep abreast of the situation but will wait to see what the PLA plans are. He will update the Commissioners as needed. Two avenues have been discussed to amend the district boundary: going through the State Boundary Review board or having an Interlocal Agreement with the PLA regarding the boundary change.

Gray and Osborne agreements:

Gray and Osborne: Gray and Osborne's contract was submitted by Stacey Clear, and no substantial increases were noted. All were glad that G&O would continue with the district.

Yard Dogs: Commissioner Cole spoke with Russ Lowery of Yard Dogs and he stated that Lowry had asked previously for a 3% COLA increase in the 2026 contract. Christianson looked at the old contract and did not see the agreed 3% COLA so drafted one at 2.8% (Social Security COLA) but will draft a new contract with the approved 3% COLA noted. Commissioner Cole also noted that he wanted a walkthrough of the district inventory with Russ and Stacey to note the status of each project and if there were any hot spots. Russ thought that there were no troubling issues. Kerri Sidebottom, the previous G&O representative, had examined the outfalls a year or two previously. Stacey recommends walking through the infrastructure every other year, with Yard Dogs as needed. Any hot spots could be reviewed annually. Commissioner Cole hoped that this could be done all in one day in January or February. The district inventory list was reviewed. Commissioner Nilssen noted there would be additional charges by G&O and Yard Dogs for their additional services and the budget could handle it. Christianson will add this item to the administrative calendar. Commissioner Cole also noted that reviewing and updating the inventory would help with the Comprehensive Plan and let the district rate payers know that the commissioners are being proactive in maintaining the district's inventory.

Commissioner Nilssen moved to approve the Gray and Osborne Contract and the Yard Dog contract with a 3% COLA. Commissioner Cole seconded, all approved. No change with Sea Wings and the attorney's offices for their 2026 rates, and Falge Bookkeeping will increase an additional \$25 and their letter of engagement will be reviewed next month.

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9. Financial Reports:

Financial Reports – Nilssen: Commissioner Nilssen had reviewed the financial reports that had been emailed to the commissioners earlier and he feels the district is in good shape. To recap the year 2025: started out the year with \$56,500 and ended with \$65K. Investments started with \$148K and ended with \$150K and all the interest earned being deposited back into the investment pool with interest around 4%. \$85,900 gross receipts from the county, disbursements of \$75K. The financial statements were in order also and came in under budget on most expenses. He felt the district was doing well. For 2027 he anticipates making some budgeted line-item modifications and looking at possibly having the annual assessment reduced.

10. Administrator Report:

Christianson noted that Stacey had suggested a minor edit to the December minutes in sample language for the ILA agreement. It was reviewed and all agreed to re-approve the minutes with that change.

Commissioner Cole asked Stacey about all the increased rain. Stacey thought the atmospheric rivers were due to climate change. The EPA recommended that all agencies anticipate 10% fluctuations. Nilssen noted that, when he did a recent drive through after the recent big rains, the retention pond and outfalls were all functioning perfectly. Both commissioners noted no complaints from residents. Stacey noted that rainy season is October through May, groundwater is at its least in September/October, then at its highest during April and May. September is a great time to do maintenance.

Christianson reviewed with the commissioners the administrative calendar month by month and changes were made. Currently we pay a monthly fee for our Zoom cloud recordings, those could be included in the yearly subscription fee. Commissioner Cole suggested that time be put aside, maybe in June, to go down in the Beach Club basement and clear out some of the old files and to look into the storage fees. Most documents are stored in the cloud.

Christianson asked about her status, contract or employee. She started in June of 2024, had a salary increase in January, 2025, and a performance review should be done on an annual basis. (June or January?) This will be on the next agenda.

Future of the District: Discussion ensued. There was a concern about not having a third commissioner coming forward to participate with the management of the district. Years ago, the previous Commissioners had asked the Jefferson County Commissioners to dissolve the district; however, Jefferson County Commissioners did not approve that dissolution. Commissioner Nilssen thought to explore other ways of managing the district.. He suggested an executive session with Commissioner Cole and the District's attorney to look at possibilities. Commissioner Cole noted his condo may be up for sale and may need to move out of the district, and Commissioner Nilssen will not run again in 2028. There were concerns about what would happen to the district without local governance.

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Christianson noted that an article could be placed in the local newspapers about the current situation. In the meantime, Nilssen suggested that he and Commissioner Cole speak with residents and rate payers about the situation and seek participation. This will be on February's agenda and should an executive meeting be required, proper notification will be posted.

Commissioner Nilssen noted he will attend the February Meeting via zoom.

Signing of the Documents was completed in person and via Esign this month.

12. Meeting Adjournment.

The meeting was adjourned at 11:43am.

Commissioner 1, Michael Nilssen, Chair _____ Date _____

Commissioner 2, Dean Cole _____ Date _____

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