

**EAST WENATCHEE WATER DISTRICT
REGULAR BOARD MEETING**

January 6, 2010

The regular meeting of the Board of Commissioners of the East Wenatchee Water District was held in the District's Office at 692 Eastmont Avenue at 3:00 PM. Members present: Mike McCourt and Brian Egan. Commissioner Barnes is out of the country. Others present: Greg Brizendine, Randy Asplund, Jennifer Leonhardt, Dave Smith, Vince Johnston and Mike Arch. Guests included: Jim Davis, Joan Rosenthal, Fred Wiltse, Rich Cole, Debbie Egan, Cora Clark, Rick Thompson, and Jack McLaughlin (D. A. Davidson).

Commissioner Egan was sworn in with the Oath of Office by Commissioner McCourt.

Voucher No. 6104 to 6139 were presented in the amount of \$161,297.29. Commissioner Egan made a motion approving the vouchers. Commissioner McCourt seconded the motion.

Vince went over the plant report for December. There were five meters sold, bringing the total to 78 meters for the year. There were five service leaks.

Greg presented Resolution No. 608. This Resolution accepts the Clemons Subdivision (6th SE & S. Lyle) and Oakwood Homes (10th NE & N. Nile). Commissioner Egan made a motion approving the Resolution as written. Commissioner McCourt seconded the motion.

Jack McLaughlin went over the District's bond sale. Hugh Spitzer from Foster Pepper PLLC joined the meeting via telephone. There was a discussion. Jack noted that the District's bond rating is now an AA-. This is an excellent rating for a small utility District and reflects a well managed and financially sound utility. Foster Pepper PLLC prepared Resolution No. 609, which accepts the bond sale for the District. Commissioner Egan stated that he does not feel comfortable accepting the Resolution for the bond sale. Hugh and Jack explained the significance of not accepting the bond sale Resolution. While this was being discussed, Greg was trying to connect with Commissioner Barnes in Belize, but could not make a good connection. This matter is recessed until Commissioner Barnes is contacted and the Commissioners can meet to discuss the bond sale further. The meeting is recessed until Friday, January 9, 2010 at 9:00am, or such earlier time that can be called by the Board with notice.

Randy gave an update on the Baker Flats ULID. The roof has been poured on the reservoir. The contractor is removing the scaffolding. Randy said that the reservoir is scheduled to be put on line in March.

Mike Arch told the Commissioners that the Supreme Court Review denied review of the petition for the east unit annexation. Mike will look over everything and give a full report to the Commissioners on what this means for the east unit annexation at the next regular meeting.

Commissioner McCourt asked the guests if they had any questions. Fred Wiltse asked a few questions regarding the Baker Flats ULID and the agreement with Douglas County on the \$200,000. Greg did not recall that an agreement had been executed with Douglas County, but Fred had a copy of the agreement that Greg had given him last year through a PDA request. Fred pointed out that the agreement uses the word "grant". Greg will check into this agreement to verify whether it is a grant or a loan.

CONTINUATION OF MEETING January 7, 2010 AT 5:00PM.

While waiting for Commissioner Barnes to call in for Houston, TX, Greg and Randy went over the history, information and financing of the Baker Flats ULID. They also handed out an updated CIP list showing assumed projects that would be funded by the extra \$1 million from the bond sale. There was a discussion. At 5:55pm, Commissioner Barnes and Jack McLaughlin called into the meeting. The Commissioners went over their thoughts on the bond sale. Commissioner McCourt made a motion at yesterday's regular meeting, which still stands, approving Resolution No. 609 and any and all documents related to the bond sale. Commissioner Barnes seconded the motion. Motion carried unanimously.

The next regular meeting will be January 20, 2010 at 3:00pm. Commissioner McCourt made a motion to adjourn the meeting at 6:20pm. Commissioner Egan seconded the motion.

Mike McCourt, President

Brian Egan, Vice President

Terry Barnes, Secretary