

**KITSAP COUNTY SEWER DISTRICT NO. 7**  
**Minutes of Meeting**  
**January 12, 2012**

The meeting was called to order by President Sarah Lee at 7:03 p.m. Those in attendance were Commissioners Lee, Chris Dew and Roger Tielman; Engineer Mike Yuhl and Manager Colleen Yuhl.

The minutes of the December 8, 2011 meeting were approved.

Vouchers 12-1-1 through 12-1-10 were approved for payment.

**Financial Report** – Colleen Yuhl passed out the year end Financial Reports. Total Income from fees was pretty much right on budget. Projected income from Letters of Sewer Availability Reservation Fees was below projections by about \$2000. On the expense side, even with the unexpected tax bills, expenses were still \$4,000+ below income.

**Old Business**

1. President Sarah Lee administered the Oath of Office to newly re-elected Commissioners Roger Tielman and Christopher Dew.
2. Audit Results – Sarah Lee reported that she and Colleen Yuhl had attended an “Exit” conference with the State Auditors earlier in the day at their office in Port Orchard. There were no findings in the audit. Sarah Lee asked if they had any advice for small Districts such as ours. The auditors recommended that we always make sure that we have policies in place, in keeping with state laws, and that we keep good records. Since the District’s annual income is less than \$300,000 per year, they will recommend that the District submit annual reports to the State Auditor’s office, and there will be no need for a full accountability audit.
3. The Commissioners discussed the issue of whether the cost of the B & O tax levied by the State Department of Revenue should be passed on to the District’s customers. It was pointed out that the customers should be notified of any change in fees at least 60 days in advance. No decision was made at this time.
4. Sarah Lee pointed out that our Interlocal Agreement with the City of Bainbridge Island calls for a meeting with the City and the District at least once a year.

**New Business**

1. One of the items mentioned by the Auditor was the need to update the management contract. Chris Dew moved that the Commissioners adopt the new contract for management services with Yuhl & Associates. Seconded by Roger Tielman and passed unanimously.

2. One other item mentioned by the Auditor was that District did not have a resolution establishing their Late Fee Policy. Roger Tielman moved that Resolution 2012-1, establishing a policy for Late Fees and Interest on Past Due accounts be approved. Seconded by Chris Dew and passed unanimously.
  
3. Maggiora Boundary Line Adjustment – Mike Yuhl provided background on the portion of the Sales Agreement to buy the property at 9705 Evergreen was to initiate an application for a Boundary Line Adjustment to provide a larger setback from the house on Lot 23 and re-adjust the property lines on Lots 21 and 22 to make the lots more rectangular. Mr. Maggiora has requested that this be completed. Mike Yuhl has prepared the application and will be ready to submit it to the City of Bainbridge Island as soon as the application is approved and signed by Mr. Maggiora. He asked that the District Manager, Colleen Yuhl, be authorized to sign the application for the District. Roger Tielman moved that Resolution 2012-2, authorizing Colleen Yuhl to sign the BLA Application, be approved. Seconded by Chris Dew and passed unanimously.

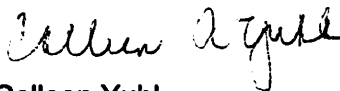
(The Yuhls left the meeting at 8:40 p.m. and remainder of the minutes was provided by Sarah Lee.)

4. Election of Officers – Sarah Lee moved to nominate Chris Dew for President. Seconded by Roger Tielman and passed unanimously.

The next meeting will be held on February 9, 2012 at 1948 Parkview Drive N.E.

The meeting was adjourned at 8:50 pm.

Respectfully submitted,

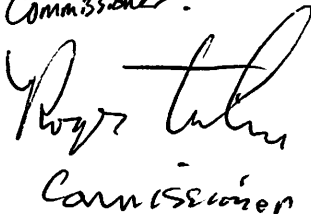


Colleen Yuhl

Sarah Lee



Commissioner



Commissioner