

KITSAP COUNTY SEWER DISTRICT NO. 7
Minutes of Meeting
June 14, 2012

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

The April 2012 and May 2012 minutes were approved.

Vouchers 12-6-1 through 12-6-12 were approved for payment.

Financial Report – Colleen Yuhl passed out the financial reports for May 2012.

Old Business

1. **Sewage Spill/Government Agency Update** – There was considerable discussion regarding the letter received from the Department Ecology outlining the requirements of the affected agencies with respect to continued monitoring of the wetlands. It was concluded that the District should request to negotiate a reduction in the requirements laid out by the City of Bainbridge Island.
2. **Insurance Claim** – Colleen Yuhl reported that a claim has been filed with the Water & Sewer Risk Management Pool. There is nothing further to report on that at this time.
3. **Tank Repair Options** – Mike Yuhl reported on the various options for repairing the tank. He and Bob Thurston have been in contact with suppliers of various products. His preferred method is to go out to bids for a contract to place 6" of concrete in the bottom of the tank and then apply cold tar epoxy. This would provide a repair to buy time until such time as the District could construct a concrete tank. He will also ask Bob Thurston to keep the level of sludge in this tank as low as possible.

Roger Tielman moved that the District Engineer be authorized to put out bids to: (1) place concrete in the bottom of the tank; (2) patch the existing tank; and (3) re-coat the existing tank. Motion seconded by Sarah Lee and carried unanimously.

4. **Funding Request Status** – The District has passed the Threshold Determination for funding from the Public Works Trust Fund. The financial and other information requested by the PWTF has been prepared and will be mailed prior to the June 20th deadline for the next step.
5. **BLA Status** – The Boundary Line Adjustment for the property at 9705 Evergreen has been approved by the City. Adams & Goldsworthy will prepare the drawings needed to file with the County, and survey the new property corners.

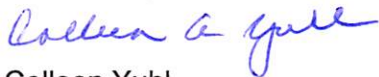
New Business

1. Funding/Fee Workshop – Colleen Yuhl presented a written report on the Fiscal Policy and Rate Design Workshop that she attended on June 6th, sponsored by the Washington Association of Sewer & Water Districts. She briefly discussed some of the highlights of the workshop and how they relate to the District.
2. Rate Structure Review – In order to do a realistic review of future rates, several tasks need to be completed. Colleen Yuhl will prepare a chart of projected income and expenses as a basis for the operating budget. An inventory of plant assets should be prepared and a projection of what items may need repair or replacement in future years. The Commissioners agreed to have a study session to begin work on this project.
3. Future District Needs – Mike Yuhl indicated that he is working on a paper which lays out the future needs of the District.

The next regular meeting of Kitsap County Sewer District No. 7 will be held at 7 p.m. on Thursday, July 12, 2012 at 1948 Parkview Drive N.E.

The meeting was adjourned at 9:15 p.m.

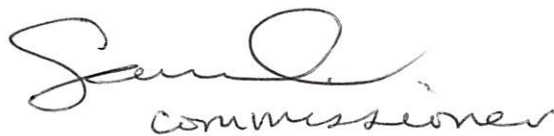
Respectfully submitted,



Colleen Yuhl
District Manager



Commissioner



Commissioner