

The special meeting of December 15, 2011 was called to order at 3:05 p.m. Present were Commissioners Ron Ricker and Larry Schoonmaker, Stu Turner, District Manager; Diane Pottinger, Incoming District Manager; Denny Clouse, Operations Manager; Jaime Gray, Executive Assistant and Andy Maron, District Attorney.

NEW / OLD BUSINESS:

Mr. Jim Nelson of Martin, Nelson & Company and Cynthia Weed of K & L Gates presented information to the Board regarding the District's bond sale.

Commissioner Haines arrived at 3:15 p.m.

The following resolution was presented, discussed, moved by Commissioner Haines, seconded by Commissioner Schoonmaker and approved unanimously by the Board:

Resolution 2011.12.44: Providing for the Sale and Issuance of Water Revenue and Refunding Bonds of the District in the Principal Amount of \$9,865,000 to Make Capital Improvements to the Water System of the District and to Refund Certain Outstanding Revenue Bonds of the District; Providing for the Redemption of the Outstanding Bonds to be Refunded; Appointing of an Escrow Agent and Authorizing the Execution of an Escrow Agreement; Fixing the Date, Form, Terms, Maturities and Covenants of Said Bonds to be Issued; Provide for the Disposition of the Bond Proceeds; Approving a Preliminary Official Statement; Accepting the Offer of Martin Nelson & Company to Purchase Said Bonds; and Approving an Undertaking for Ongoing Disclosure.

Mr. Turner informed the Board that the City of Shoreline stated that they are not available to meet until January 2012 to discuss the District's Proposal. Mr. Turner recommended sending the letter directly the City Council. The Board asked Mr. Turner to call Julie Underwood at the City of Shoreline to see if there isn't a sooner time they could meet.

EXECUTIVE SESSION:

The Board entered into executive session to discuss personnel issues at 4:15 p.m. The Board returned to regular session at 4:31 p.m.

The Board discussed the franchise agreement with the City of Shoreline. The Board agreed to consider extending the franchise agreement for 90 days in order to give the City of Shoreline a reasonable time to review the District's Proposal.

NEXT MEETING: December 20, 2011

ADJOURN: The meeting adjourned at 4:38 p.m.

COMMISSIONERS