

**BOARD OF COMMISSIONERS**

**SPECIAL MEETING**

**June 22, 2005**

***MINUTES***

**1. CALL TO ORDER:**

The special joint meeting of the Olympus Terrace Sewer District and the Mukilteo Water District Boards of Commissioners was held in the office of the Mukilteo Water District on June 22, 2005, at 6:05 p.m. The meeting was called to order by OTSD Commissioner Zabell and MWD Commissioner Johnson. Present at the meeting were OTSD Commissioners Dave Zabell, and Richard Andrews; MWD Commissioners Mike Johnson, and Bill Allison. Jeffrey Nelson, a Commissioner on both Boards, was also in attendance. OTSD General Manager Patrick Sorensen, MWD General Manager Daniel Hammer, and Dave Findlay of Financial Consulting Solutions Group, Inc. were present as well.

**2. OTSD – MWD COMMISSIONERS DISCUSSION WITH CONSULTANT FROM FCSG, REGARDING A STUDY WORK PLAN ASSOCIATED WITH THE POTENTIAL MERGER/CONSOLIDATION OF BOTH THE SEWER & WATER DISTRICTS.**

Dave Findlay of Financial Consulting Solutions Group, Inc. made a presentation for the Boards and the attending public. Findlay began by explaining options and definitions. He then outlined the items that will be evaluated to help the Boards determine whether or not to move forward and which option may be the most beneficial to the ratepayers. The Commissioners asked questions then opened the floor for questions from the public and the employees of both districts.

Mr. John Carpenter, a member of the attending public, mentioned he understood there was an overlapping of district boundaries, but asked if there were any extraneous parts of one district outside the other district. MWD General Manager Daniel Hammer answered that the water district had customers east of Paine Field in the City of Everett and Snohomish County that OTSD does not service, which is approximately 30% to 40 % of their revenue.

Roger Darling, OTSD Field Operations Manager asked if a merger/consolidation would make it easier for the City of Mukilteo to orchestrate a “take-over” of the utility. The gist of Findlays’ response was that since the City of Mukilteo is not in the water or sewer business, they would have to go to a public vote before getting into the utility business; then try to assume the District and that being one district versus two doesn’t necessarily make it easier for that to happen.

A work session with employees was suggested to be held in July depending on vacation schedules. Commissioner Zabell encouraged all employees to take advantage of the employee meetings and the

confidentiality offered by Dave Findlay, and thanked all in attendance. Commissioner Johnson extended his thanks to the Commissioners, employees and public for attending. He also stressed the importance that the employees are up front and honest about their concerns during the evaluation process.

**3. MEETING ADJOURNED:**

A motion was made to adjourn the OTSD special meeting. It was seconded and approved. Meeting was adjourned at 6:55 p.m.

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David Zabell  
President

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Richard G. Andrews  
Vice President

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Jeff A. Nelson  
Secretary