



MINUTES OF REGULAR MEETING OF THE BOARD OF COMMISSIONERS

June 19, 2018

The meeting was called to order at 3:03 pm.

North City Water District Board Room.

Commissioners Present

Commissioner Larry Schoonmaker
Commissioner Charlotte Haines
Commissioner Ron Ricker

Staff Present

Diane Pottinger, District Manager
Denny Clouse, Operations Manager
Amalia Mostrales, Assistant Financial Manager
Joe Bennett, District Attorney

PUBLIC COMMENT

Customer Virginia King was present and had no comments.

APPROVAL OF MINUTES

Commissioner Haines made a motion to approve the minutes from the June 5 regular meeting. Commissioner Ricker seconded the motion. The motion passed and the commissioners signed the meeting minutes.

APPROVAL OF VOUCHERS

Commissioner Haines made a motion to approve vouchers number 5042 - 5058 and 114731-114763 in the amount \$136,591.05 from the maintenance fund and vouchers number 341-344, in the amount of \$60,524.72 from the capital fund. Commissioner Ricker seconded the motion, which passed unanimously. The commissioners signed the vouchers.

OLD/NEW BUSINESS

a. 2018.06.14 Declaring Certain Property to be Surplus

Ms. Pottinger presented a resolution to have miscellaneous District assets to be surplus as they have exceeded their useful life. The Board reviewed the resolution. Commissioner Haines made a motion to approve the resolution, which was seconded by Commissioner Ricker, and approved by the Board. The Board and the District Attorney signed the resolution.

b. 2018.06.15 Approving WSEA with Arabella Apartments LLC

Operations Manager Denny Clouse presented the Board with a resolution to accept the WSEA with Arabella Apartments to develop the property immediately west of Arabella Apartments. The Board reviewed the resolution. Commissioner Ricker made a motion to approve the resolution, which was seconded by Commissioner Haines, and approved by the Board. The Board and District Attorney signed the resolution.

c. WSEAs with Shoreline School District

Ms. Pottinger presented a request by Deputy Superintendent, Marla Miller to modify the District's standard water system extension agreements, in particular the performance bond and property lien sections, with the School District. The proposed changes were presented and a lengthy discussion ensued. Following the discussion, Commissioner Schoonmaker asked if either of the Board members wanted to make a motion to accept the proposed changes and no motion was proposed. The Board gave direction to have the Manager contact the School District about their request. They also requested that she send an inquiry out via WASWD to find out if any other district had these sections in their developer extension agreements and if so, had they had a request to modify these sections by another government agency. They also would like to know if any other district had granted that request.

d. Maintenance Building Project

Operations Manager Denny Clouse reported on the bid opening that had occurred the prior day for Phase I of the Maintenance Building project. A total of 5 bids were received and opened on

Monday. Two additional firms had attended the required walk arounds but did not submit bids. Two addendums were developed as a result of the questions that were asked by the bidders, including changing the timing of the construction changing from 100 calendar days to 90 working days. The apparent low bid was \$2,012,499. Wagner was reviewing the apparent low bidder to determine if they were a responsible bid. Mr. Clouse indicated that he expected to hear back from the architect in the next couple days about the low bid and would like to add the award of Phase I New Maintenance Building project to the Friday, June 22 special meeting at 3:00 pm. The Board agreed.

e. Water System Plan – Proposed Special meeting June 22nd.

Ms. Pottinger confirmed that we would be reviewing the results of the hydraulic modeling at the special meeting on Friday, June 22.

MANAGER REPORTS

Assistant Finance Manager Amalia Mostrales reported that Financial Manager Barb Shosten has submitted the backup documentation to the State Auditor. She also reminded the Board that they will be having a \$3 increase in insurance premiums as of July 1, 2018.

Mr. Clouse reported on two potential new developments that may occur within the District's service area. One is at NE 189th Street and 5th Ave NE and is expected to have a 7 story structure with up to 95 units of studio and one bedroom apartments. A second project could potentially occur at 8th Ave NE and NE 165th Street with 16 homes. Both of these projects are located within the MUR 70 zones. The change in city zoning has created some unintended challenges for this type of development.

Ms. Pottinger discussed the finalizing of the District Code over the coming months with the Board and staff, then brought forth a couple questions. She shared what had been adopted to date and where the District was when they began the process of updating the code. Commissioner Ricker indicated he would like to see definitions regarding the number of meetings that can be held each year. Ms. Pottinger said that the definitions would be included in the final chapter of the code but we could review any specific wording between now and then.

Ms. Pottinger also shared her recent communications with Sound Transit and the status of the review comments for both the early work and regularly scheduled work of the Lynnwood Link. She shared with the Board the frustration the District has had to get the required fire flow identified for both stations and that the City and the Fire Department would be meeting on Monday to discuss. She also reported on receiving the Local Outstanding Civil Engineering Achievement Award from the Seattle Section of American Society of Civil Engineer at their June meeting. The plaque and one from the PNWS-AWWA section will be posted somewhere in the District lobby in the coming weeks.

Mr. Clouse followed up with his report of the ACE conference the prior week. He thought it was an outstanding conference and his experience with the one of the speakers as it relates to the valves in the North City/Denny Clouse Pump Station.

LEGAL REPORT

Mr. Bennett reported on his recent presentation to Section III of WASWD regarding the Supreme Court decision on the Culvert Case and the financial impacts on the State of Washington. It turned out to be a timely report as the final decision was received the day prior with a 4:4 decision.

COMMISSIONER REPORTS

Commissioner Ricker reminded the Board and staff of the new rates for incoming commissioners as of July 1, 2018 will be \$128 per meeting with an annual maximum. He also reported on the 2018 ACE conference and how much he enjoyed it, especially the presentations by Ann Arbor Michigan and their recent Cost of Service Study, the Public Officials breakfast and networking with other Commissioners. He also shared the recent decision by Sammamish Plateau Water to provide a low income option to reduce the base rate of water and sewer. The Board discussed their desire to look into the possibility of increasing the low income discount with next year's budget.

Commissioner Haines reported on the June meeting of the Shoreline Chamber of Commerce where Representative Kagi was the keynote speaker. Representative Kagi spoke of her 20 years in the legislature and what her next opportunities she will be following.

Commissioner Schoonmaker reported on his attendance at the recent Section IV meeting and how the topic of liens is something that is being questioned. In addition, he reported on the upcoming hearing where oral arguments will be heard on June 26th regarding the King County Franchise. He also spoke of the ACE conference.

ADJOURNMENT

The meeting concluded at 4:56 p.m.

A special meeting will be held on Friday, June 22nd at 3:00 p.m. at the North City Water District.

Larry Schoonmaker

Charlotte Haines

Ronald Ricker