



MINUTES OF REGULAR MEETING OF THE BOARD OF COMMISSIONERS

January 4, 2022

The meeting was called to order at 3:01 p.m. by Board President Patricia Hale. The meeting was held in a hybrid format. Commissioners and staff had the option to attend in person or by call in. Members of the public were invited to attend via conference call.

Commissioners Participating

Commissioner Patricia Hale, President
Commissioner Ron Ricker, Vice President
Commissioner Charlotte Haines, Secretary

Staff Participating

Diane Pottinger, District Manager
Max Woody, Director of Operations/Engineering
Kern Maresca, Director of Finance
Theresa Harrington, Executive Assistant
Joe Bennett, District Attorney

PUBLIC COMMENT

Members of the public were invited to participate by telephone conference call. The dial-in number was posted at the drive-up window at the District administrative offices and posted with the agenda on the District website. Denny and Cheri Clouse were present.

OATH OF OFFICE

District Attorney Joe Bennett administered the oath of office to Commissioner Haines. Staff and commissioners congratulated her on her re-election.

ELECTION OF OFFICES

Commissioner Haines made a motion to retain the same slate of officers for 2022:

- Commissioner Hale as President,
- Commissioner Ricker as Vice President
- Commissioner Haines as Secretary

Commissioner Ricker seconded the motion and the motion passed unanimously.

APPROVAL AND/OR ADJUSTMENTS TO AGENDA

Commissioner Ricker moved to approve the agenda as presented. Commissioner Haines seconded the motion. The motion passed unanimously.

APPROVAL OF MINUTES

Commissioner Haines motioned approve the minutes from the December 21 regular meeting. Commissioner Ricker seconded the motion and the motion passed unanimously. The Commissioners signed the minutes.

APPROVAL OF VOUCHERS

Commissioner Haines moved to approve vouchers numbers 6503-6519 and 118267-118312 in the amount \$205,160.13 from the maintenance fund and vouchers number 680-683 in the amount of \$4,013.66 from the capital fund. Staff and commissioners discussed the vouchers. Commissioner Ricker seconded the motion, which passed unanimously. The commissioners signed the vouchers.

OLD BUSINESS

None at this time

NEW BUSINESS

a. Conflict of Interest – Commissioners

As stipulated in the Commissioner Handbook, each commissioner is required to complete a conflict-of-interest form annually. The commissioners reviewed and signed the forms. Conflict of interest forms will be retained in the commissioner files.

b. Recognition of the outgoing Operations Manager

The Board presented outgoing Operations Manager Denny Clouse with a plaque acknowledging his years of outstanding service to the District.

c. Seattle Operating Board 2022 Meetings

District Manager Diane Pottinger provided the Board with the Seattle Public Utilities meeting schedule and work plan for 2022. In addition to the regular Operating Board meetings, there will also be several special sessions scheduled to review the proposed capital improvement projects and complete the wholesale contract negotiations.

d. Confirmation of hourly rates adjusting SecurComputing contract rate increase 3% and Sindelar Communication increase \$5/hr.

The District currently has a consulting contract with SecurComputing for IT services and Sindelar Communication for communications and public relations services. Both contractors submitted memos indicating rate increases for 2022. After discussion, the Board requested that staff draft resolutions to approve the proposed rate increases and bring them to the next board meeting.

e. Resolution 2022.01.01 Authorizing the Sale of District Owned Real Properties (KC Parcels 5589900020, 5589900030 and 5589900035)

District Manager Diane Pottinger presented a resolution to authorize the sale of the three parcels that comprised the old maintenance facility. Commissioner Ricker made a motion to approve the resolution. Commissioner Haines seconded the motion, which then passed unanimously. The Board and District Attorney signed the resolution.

f. Resolution 2022.01.02 Acknowledging Completion of the WSEA for Shoreline Fire Department and Acceptance of the Bill of Sale and Easement

District Manager Diane Pottinger presented a resolution to acknowledge the completion of the WSEA with Shoreline Fire Department. Commissioner Ricker made a motion to approve the resolution. Commissioner Haines seconded the motion, which then passed unanimously. The Board and District Attorney signed the resolution.

g. Retainage Return for WSEA 2018.08.19 Shoreline Fire - Voucher No. 118313

Commissioner Haines moved to approve voucher number 118313 in the amount \$3,670.18 from the maintenance fund. This vouchers is the return of the remaining deposit for WSEA 2018.08.19. Commissioner Ricker seconded the motion and the motion passed unanimously. The commissioners signed the voucher.

h. Resolution 2022.01.03 Amending NCWD Code Appendix 4A Regarding Technical Specifications

Director of Operations and Engineering Max Woody and District Manager Diane Pottinger presented a resolution to update one section of the Districts Technical Specifications (Appendix 4A of the NCWD Code) as recommended by one of the District's consultants. Commissioner Hale made a motion to approve the resolution. Commissioner Ricker seconded the motion, which then passed unanimously. The Board and District Attorney signed the resolution.

i. Resolution 2022.01.04 Approving a Water System Agreement with ION 149th LLC

Director of Operations and Engineering Max Woody presented a resolution to approve a WSEA with ION 149th LLC for the development of a new multi-family apartment building. Commissioner Ricker made a motion to approve the resolution. Commissioner Haines seconded the motion, which then passed unanimously. The Board and District Attorney signed the resolution.

j. Fircrest School – Water System Comprehensive Plan

Director of Operation and Engineering Max Woody updated the Board on the Water System Comprehensive Planning process at Fircrest School. Consultants working with Fircrest on their water system planning will be conducting a fire flow analysis as part of their hydraulic modeling effort. There will need to be a high level of collaboration between North City Water District and Fircrest during this process. Mr. Woody and the District filed crew will be working with Fircrest and their consultant over the following weeks on this project.

k. Water Rights Applications – Statement of Intent

District Manger Diane Pottinger informed the Board that the District received a Statement of Intent Letter from the Department of Ecology regarding the District's Water Right Application

No. S1-27534 filed July 21, 1994. The Department of Ecology is requiring a comprehensive mitigation plan for the application to stay active. The Board reviewed the letter and after discussion Commissioner Ricker moved that the Board hold a study session on this topic. Commissioner Haines seconded the motion and the motion passed unanimously. The study session will be scheduled after the District Manager gathers additional information.

MANAGER REPORTS

a. Director of Finance

Director of Finance Kern Maresca provided the Board an update on several items.

- **Inventory** - Mr. Maresca and the Director of Operations and Engineering Max Woody along with staff member Mike Oberstadt completed the year-end inventory on Monday. Mr. Maresca commended the Operations team for the organization of inventory items which made the count go quickly.
- **Audit** - The Washington State Auditor's office has completed the District's financial and accountability audits. They would like to conduct the audit exit interview with the Board on February 1st. Commissioner Hale made a motion to hold a special meeting of the board at 2:00 p.m. on February 1st for this purpose. Commissioner Haines seconded the motion which passed unanimously. The regular meeting will start at 3:00p.m. following the special meeting.
- **WACares Act Premium Collection** – The WACares Act premiums collection will go into effect on January 1, 2022. District Attorney Joe Bennet updated the Board on the status of this program. There has been confusing messaging from the governor's office around the premium collection timeline and employer responsibilities over the past few weeks. The legislature will be reviewing the program during this session which may lead to changes in the program. The uncertainty around this program is creating challenges for employers. Mr. Bennett suggested the District encourage their state senator to request an Attorney General's opinion on the topic. Commissioner Ricker made a motion for District Manager to write a letter to Senator Frockt requesting an Attorney General's opinion on employer premium collection for the WACares program. Commissioner Haines seconded the motion which passed unanimously. District Manager Diane Pottinger will send the request.
- **Resumption of Shut-offs and Late Fees** - The District will be reinstating the imposition of late fees and shut-offs as of January 1, 2022. The first possible date for shut offs is January 25th. There are currently about 60 customers with past due balances that put them in jeopardy of shut-off. District staff has contacted all customers in arrears and are working with them to find financial assistance and/or make pay arrangements in order to avoid shut-offs.

b. Project Status Report/ Director of Operations and Engineering

Director of Operations and Engineering Max Woody updated the Board District projects.

- **CIP 2021.02 - 8" Water Main Replacement on 25th AVE NE**
The RFP for this project will be sent to the firms on the District's small works roster January 12th. Bids will be due on January 26th and the project will be awarded at the February 1st Board meeting.
- **Developer Projects:** The District just entered into a WSEA with ION 149th for the development of a multi-family apartment building.

There are also several other projects in the pre-construction phase:

- 160 unit multi-family housing at 148th and 5th Avenue
- 233 unit multi-family housing at 17712 14th Avenue
- 104 townhome units between 152nd – 155th and 6th – 8th Avenue NE
- 8 townhome units at 20313 14th Avenue.

Lastly, Mr. Woody commended the field crew for excellent work during the recent freezing weather and snow storm. The crew worked quickly to provide snow removal and de-icing to ensure safe

access to both the administration building as well as the maintenance facility. Additionally, they responded quickly to efficiently repair a main break on 165th this morning.

DISTRICT MANAGER

District Manager Diane Pottinger updated the Board on several items.

- **Emergency Response Plan** – The District’s Emergency Response Plan was certified December 30, 2021, meeting the required deadline. The Operations team will be conducting monthly exercises to practice and document emergency procedures that will become appendices to the plan which will be adopted at the end of the year.
- **Fircrest Campus Project** – Ms. Pottinger reported on her attendance at a legislative meeting regarding the Fircrest campus masterplan.
- **District Bond Counsel** – The firm Martin Nelson, which has provided the District with advice and counsel for bond issuance for a number of years, has announced it will be closing.

COMMISSIONER REPORTS

Commissioner Ricker had no report at this time.

Commissioner Haines had no report at this time.

Commissioner Hale reported on her attendance at the Shoreline City Council meeting. The council elected a new mayor and deputy mayor. Additionally, there was a discussion about resurrecting plans for traffic revisions on 175th street.

EXECUTIVE SESSION

The Board went into executive session for 10 minutes at 5:26 p.m. to discuss the performance evaluation of a District employee per RCW 42.30.110(1) (g). The commissioners, District Manager and Mr. Bennett were present. The executive session concluded at 5:36 p.m.

The meeting went into a short recess and resumed for public session at 5:37 p.m.

BOARD ACTION ON EXECUTIVE COMMITTEE DISCUSSION

Commissioner Hale made motioned to schedule a special meeting on January 18th at 2:00 p.m. for the purpose of conducting the District Manager’s annual review in executive session pursuant to RCW 42.30.110(1) (g), and to add an executive session for this purpose to the agenda for the special meeting called for February 1st at 2:00 p.m. after the audit exit interview. Commissioner Haines seconded the motion and the motion passed unanimously. The regular meeting of the Board will follow both special meetings at 3:00 p.m. as scheduled.

Commissioner Hale concluded the meeting at 5:49 p.m.

The next special meeting of the Board will be on Tuesday, January 18, 2022, at 2:00 p.m. in a hybrid remote/in-person format. The regular meeting of the Board will follow at 3:00 p.m.

Patricia M. Hale

Ron Ricker

Charlotte Haines