



MINUTES OF REGULAR MEETING OF THE BOARD OF COMMISSIONERS

May 18, 2021

The meeting was called to order at 3:03 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
Denny Clouse, Operations Manager
Theresa Harrington, Executive Asst.
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. No members of the public were present on the call.

APPROVAL AND/OR ADJUSTMENTS TO AGENDA

An amended agenda was distributed with two additional items. Item 5a. -adding two vouchers for approval and item 7c. adding a discussion on the selection of a consultant to assist the District with the marketing and sale of surplus property. Commissioner Ricker made a motion to approve the amended agenda as presented. Commissioner Haines seconded the motion and the motion passed.

APPROVAL OF MINUTES

Commissioner Haines made a motion to approve the minutes for the May 4 regular meeting
Commissioner Ricker seconded the motion. The motion passed.

APPROVAL OF VOUCHERS

District Manager Diane Pottinger presented the vouchers which were reviewed by Commissioner Hale on Friday and submitted to King County in accordance with the emergency voucher approval procedures set forth in Resolution 2020.04.17. Ms. Pottinger also presented two additional vouchers for consideration (voucher # 117672-117673). Commissioner Haines moved to approve vouchers numbers 6252-6268 and 117636-117673 in the amount \$180,414.87 from the maintenance fund and voucher numbers 628-631 in the amount of \$15, 937.71 from the capital fund. The commissioners discussed several vouchers with staff who answered their questions. Commissioner Hale seconded the motion. The motion passed.

OLD BUSINESS

a. Salary and Compensation Survey

District Manager Diane Pottinger updated the Board on the status of the District's salary and compensation survey project. The District's consultant, Trupp HR, distributed the survey to 14 water providers in the Puget Sound. They received 12 responses and will be compiling the results into a report for commissioner review. Commissioner Haines made a motion to add a review of the results of the salary and compensation study to the agenda for the May 25, 2021 special meeting scheduled for 12:00pm. Commissioner Hale seconded the motion and the motion passed unanimously.

b. COVID-19 Updates

District Manager Diane Pottinger updated the Board on the impact of COVID-19 on past due accounts. The District currently has 109 customers past due with an average balance of \$510. This is a significantly higher number of past due accounts compared to February 2019. Ms. Pottinger reported that the Washington Association of Sewer and Water Districts (WASWD) is currently working with the Governor's Office on developing guidelines for utilities on how to best support customers and to improve repayment compliance as regular billing practices are reinstated. A guidance document is expected soon that will help clarify best practices and

expectations for utilities statewide once the shut off and late fee moratorium lifts. Ms. Pottinger also shared a final version of the proposed North City Water District COVID-19 Vaccination Policy and Policy Acknowledgement form. The Board reviewed the proposal. Commissioner Hale made a motion to accept the COVID-19 Vaccination Policy and Acknowledgement Form. Commissioner Haines seconded the motion and the motion passed. Due to the time sensitive nature of this policy, Commissioner Hale made a motion to add the adoption of this policy to the agenda for the May 25, 2021 special meeting. Commissioner Ricker seconded the motion and the motion passed unanimously.

c. Consulting Services Contract

Ms. Pottinger presented the Board with the final version of the updated consulting services contract. Commissioner Haines made a motion to approve the form contract as presented. Commissioner Ricker seconded the motion and the motion passed unanimously.

NEW BUSINESS

a. 2021.05.14 Retaining RH2 Engineers to update the District's Emergency Response Plan (CIP 2021-08)

District Manager Diane Pottinger reported that after a review the qualifications of the firms on the Districts Engineering Services Roster, two firms were found to have the experience necessary to assist with this project. Ms. Pottinger solicited proposals from both and RH2 was selected for the project. Ms. Pottinger presented a resolution to retain RH2 to assist the District in completing their Emergency Response Plan. Commissioner Haines made a motion to approve the resolution. The motion was seconded by Commissioner Ricker then passed unanimously.

b. First Quarter Financial Update and Review of Financial Statements

The Finance Manager position is currently vacant. District Manger Diane Pottinger reported that she will be handling the Finance Manager duties until the position is filled. Ms. Pottinger presented the Board with a comparison of the actual income and expenses compared to the adopted budget and a copy of the completed 2020 financial statements for review and discussion. The Board reviewed the documents and thanked Ms. Pottinger for the update.

c. Selection of a Real Estate Brokerage Consultant

In April, the District published a RFQ for real estate brokerage services to help market and sell the old maintenance facility properties. Three responses were received. Ms. Pottinger and Mr. Clouse reviewed and scored each proposal. The two top proposals were presented to the Board. The Board reviewed and discussed the proposals. Commissioner Ricker moved to select ORION Real Estate to provide brokerage services to the District. Commissioner Haines seconded the motion and the motion passed unanimously.

MANAGER REPORTS

a. Finance Manager

None at this time.

b. Project Status Report/Operation Manager

Mr. Clouse reported on the status of several open Water System Extension Agreements that are close to completion.

- **Shoreline Fire Department** – work is complete, waiting on final documentation.
- **Shoreline School District projects**– work is complete, waiting on final documentation.
- **Shoreline Assemblage** – This project is ready to close out.
- **Evergreen Point** – This project is ready to close out
- **Quinn by Vintage** – This project has been paused by the developer.
- **Buddha Jewel** – The water services work is complete, but they are not ready for hook up.
- **Sound Transit** – The District is waiting for up to date plans from Sound Transit before they can proceed.

Mr. Clouse also updated the Board on several ongoing capital projects.

- **CIP 2021.03 – Water Service Replacements on 30th Ave NE** - The District's contractor, David Evans and Associates (DEA), has begun work on the project. This project requires right of entry permits from nine homeowners in order to lay the service lines. DEA has obtained 4 of the 9 permits and will be going door to door to speak with the homeowners who have not yet responded.

- **CIP 2021.04 - Beach Drive Creek Crossing** – KPG, the District’s engineering consultant, has provided the District with two possible approaches for the project. Mr. Clouse reported that he has been in contact with the City of Lake Forest Park to discuss the permitting and requirements for the project and is awaiting their reply. After hearing back from the City, the District will be able to choose the most beneficial approach for the project.
- **CIP 2021.05 - 200th Ave Water Main** – BHC, the District’s engineering consultant has provided a scope of work for the project. Mr. Clouse will bring a resolution to approve the contract and scope of work to the June 1st meeting.
- **CIP 2021.01 - 2.0 MG Reservoir Improvement Project**, Murraysmith the District’s engineering contractor, has provided a scope of work for the project. Mr. Clouse will bring a resolution to approve the contract and scope of work to the June 1st meeting.

Lastly, Mr. Clouse reported that the District is in the process of painting some of its hydrants as a part of routine maintenance. The painting process involves blasting and sanding to remove old built up paint. As older paint can contain traces of lead and the District has sent hydrant paint samples to an independent lab for analysis. Once results are in, the District will take any and all necessary abatement protocol to ensure safe repainting of hydrants.

c. District Manager

District Manager Pottinger updated the Board on the following:

- Washington State Long Term Care Act – Ms. Pottinger reported that Washington State has passed a new law mandating public long-term care (LTC) benefits for Washington residents. The Long-Term Care Act will be paid for by a 0.58% tax on employee wages. Under current law, employees will have one opportunity to opt out of this tax by having a long-term care insurance policy in place by November 1st, 2021. At the WASWD General Manager’s meeting this topic was discussed in detail. There may be an opportunity for districts to offer an option to employees with a program similar to the retrospective rating program.
- Ms. Pottinger reported that she will not be in attendance at the SPU CIP Workshop on Wed. May 19th at 10:00a.m. Commissioners are invited to attend.
- Ms. Pottinger informed the Board that the WASWD Government Relations Committee voted to move the establishment of the legislative agenda to August for adoption in September at the WASWD Fall Conference. Any input for the legislative agenda needs to be received by August.
- Lastly, Ms. Pottinger reported that she has contacted a local venue to hold a retirement event for Operation Manager Denny Clouse on November 5.

COMMISSIONER REPORTS

Commissioner Haines reported that the North City Business Association has decided to cancel the Jazz Walk this year in light of the COVID-19 emergency. They hope to hold the event again in 2022. She also reported on the Senior Center’s Drive Thru Dinner fundraisers held the second Friday of each month. Lastly, she reported on her attendance at the SPU Operating Board Meeting.

Commissioner Ricker had no report at this time.

Commissioner Hale reported on her attendance at the Shoreline Chamber of Commerce meeting. There was a discussion of proposed changes to the city’s building codes. She also reported on her attendance at the Section IV meeting. Jim Nelson presented on the impact of Covid-19 on the bond market. Lastly, Commissioner Hale reported that at the moment, WASWD is planning to hold the fall conference in person at the Great Wolf Lodge.

LEGAL REPORT

There was no legal report at this time.

Commissioner Hale concluded the meeting at 4:59 p.m.

The next special meeting of the Board will be on Tuesday, May 25, 2021 at 12:00 p.m. in a hybrid remote/in-person format.

The next regular meeting of the Board will be on Tuesday, June 1, 2021 at 3:00 p.m. in a hybrid remote/in-person format.

Patricia M. Hale

Ron Ricker

Charlotte Haines