



MINUTES OF REGULAR MEETING OF THE BOARD OF COMMISSIONERS

May 21, 2019

The meeting was called to order at 3:00 p.m.

North City Water District Board Room

Commissioners Present

Commissioner Ron Ricker
Commissioner Charlotte Haines
Commissioner Patricia Hale

Staff Present

Diane Pottinger, District Manager
Denny Clouse, Operations Manager
Theresa Harrington, Executive Assistant
Joe Bennett, District Attorney

PUBLIC COMMENT

None

APPROVAL AND/OR ADJUSTMENTS TO AGENDA

District Manager Diane Pottinger provided the Board with and amended agenda with the addition of resolution 2019.05.20 - Approving a WSEA with Evergreen Point Redmond LLC under section 7a. Commissioner Hale motioned to approve the amended agenda. Commissioner Haines seconded the motion and the motion passed.

APPROVAL OF MINUTES

Commissioner Hale suggested an edit to clarify the discussion of the North City Water District's low-income program. Executive Assistant Theresa Harrington provided the commissioners with the corrected minutes for review. Commissioner Hale moved to approve the corrected minutes from the May 7th regular meeting. Commissioner Haines seconded the motion. The motion passed and the commissioners signed the minutes.

APPROVAL OF VOUCHERS

Commissioner Hale moved to approve vouchers numbers 5410-5423 and 115669-115703 in the amount \$214,881.03 from the maintenance fund and voucher numbers 423-424 in the amount of \$40,668.84 from the capital fund. Commissioner Haines seconded the motion, which passed unanimously. The commissioners signed the vouchers.

OLD BUSINESS

a. AMI Agreement with Sensus

District Manager Diane Pottinger presented a proposed agreement with Sensus to provide real-time meter read information with a fixed based site on the 3.7 MG reservoir. The real-time meter read information has an additional option, which was not part of the proposal, for customers to have online access to usage information. To make the system operational, there would be a one-time capital expense required to install the antenna to provide the reads and an annual ongoing fee for the software and maintenance. The proposed system would not work for all of the District's meters as they are today. The MXUs would require updating for approximately 1000-1500 meters. The costs for the MXUs were not included in the proposal but would be an additional \$125 capital cost per account plus staff time to install the meters. The Board of Commissioners reviewed and discussed the proposed agreement. All were in agreement that this technology would be a value added to the District and ratepayers but requested more information on potential impacts to budget and rates. A decision on the proposal was tabled until the end of the meeting.

b. 2019.05.17 Completion of the WSEA with Ballinger Storage Partners

District Manager Diane Pottinger provided the Board with the Attachment B (Signed Latecomer Agreement), which was inadvertently omitted from the packet. Operations Manager Denny Close presented the resolution to acknowledge the WSEA with Ballinger Storage Partners and accept the bill of sale. Commissioner Haines made a motion to approve the resolution, which was seconded by Commissioner Hale and approved by the Board. The Board and District Attorney signed the resolution. After passing the resolution, a discussion ensued regarding latecomer agreements and District processes to calculate appropriate latecomer charges. The Board agreed that a further discussion of the issue would be needed. District Attorney Joe Bennet agreed to work with the District Manager to review the statute and clarify District procedures.

c. 2019.05.18 Authorizing the Sale of Real Property located at the Intersection of 185th and 5th Avenue NE

District Attorney Joe Bennet summarized the negotiations with Sound Transit which resulted in the purchase and sale agreement presented with the resolution. The Board reviewed the resolution. Commissioner Hale 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.

d. 2019.05.19 Amending District Code for the low-income rate reduction

District Manager Diane Pottinger presented a resolution to increase the low-income discount rate to 24% of the base rate. The Board reviewed the resolution and discussed the program including eligibility requirements. Commissioner Hale requested that a review of the low-income program eligibility requirements be added to a future meeting agenda for further discussion. Commissioner Hale 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.

e. Liened properties status

District Manager Diane Pottinger updated the Board on the current status of a single customer with a lien on his property due to shut off. The Board discussed a possible change to the policy regarding pulling meters from properties that have been shut off due to non-payment. Currently, if meters remain, the customer accrues the base meter fee each month, adding to the balance owed to restore service. District Attorney Joe Bennett agreed to work with District Manager Diane Pottinger to propose changes to the code to that would allow meters to be removed in these cases. Ms. Pottinger also agreed to bring back the status of all the liens at the next board meeting.

NEW BUSINESS

a. 2019.05.20 Approving a WSEA with Evergreen Point Redmond LLC

Operations Manager Denny Clouse presented a resolution to approve a WSEA with Evergreen Point Redmond LLC for water service improvements required for the construction of a 122 unit apartment building at 15th and 177th. The Board reviewed the resolution. Commissioner Haines made a motion to approve the resolution, which was seconded by Commissioner Hale and approved by the Board. The Board and District Attorney signed the resolution.

MANAGERS' AND CONSULTANT REPORTS

a. Finance Manager

Finance Manager Amalia Mostrales was not in attendance. In her absence, District Manager Diane Pottinger reported on the hiring process for a new Accounting Specialist. A total of 96 applications were received. Phone interviews were extended to 12 people. Ms. Mostrales and Ms. Pottinger conducted in person interviews with 5 people and extended an offer to Ms. Jennifer Tucker. Ms. Tucker accepted the offer and will start on May 29th.

b. Project Status/Operations Manager Report

Operations Manager Denny Clouse updated the Board on the construction of the new maintenance facility. There will be a pre-construction meeting with Faber Construction and Wagner Architects on Friday. Construction should begin soon after. Mr. Clouse also reported upcoming pre-applications meetings with the City of Shoreline.

c. District Manager

District Manager Diane Pottinger updated the Board on the WSEA with Sound Transit regarding construction of light rail stations in the District and required water system improvements. Sound Transit has put down a \$121,000 deposit toward labor and materials. Ms. Pottinger informed the project manager that, before any work can begin, Sound Transit needs to pay 50% of the connection charge up front as is specified in the contract. Current connection charges are estimated at 1.1 million dollars. The District reviewed Sound Transit plans and suggested possible redesigns that could reduce connection charges to \$698,000. Sound Transit was eager to review the design ideas with their architect and contractors. Ms. Pottinger asked the Board if the District would consider hosting a Shoreline Chamber of Commerce Event. The Board indicated they would like to discuss it at the next meeting. Finally, Ms. Pottinger informed the Board that she would have a draft of the CCR and newsletter to them this week for review.

COMMISSIONER REPORTS

Commissioner Haines reported on her attendance at the Operating Board Meeting

Commissioner Hale reported on her attendance at the Shoreline Chamber of Commerce luncheon. There was an interesting presentation on communications. In addition, a member of the City of Shoreline Arts Department presented on the Piano Time program. This program places artistically decorated pianos in public places during the month of July. Commissioner Hale expressed interest in North City Water District hosting a piano which would be decorated with a water or watershed theme. The idea was met with enthusiasm. Finally, Commissioner Hale reported that the old Walgreen's on 15th will be converted to a Veterinarian Surgery Clinic and that they are interested in being a Jazz Walk Venue this year.

Commissioner Ricker reported on his attendance at the WASWD Board of Directors Meeting. The budget and new legislative agenda were discussed. He also shared with commissioners an evaluation form that WASWD Board is using for their Executive Director performance review and suggested it could be used as a template to create a District Manager performance review form to be used at NCWD.

LEGAL REPORT

District Attorney Joe Bennett reported that he would be attending the WASWD attorney luncheon in Bellevue on Wednesday.

EXECUTIVE SESSION

The Board entered into executive session for 10 minutes at 4:47 p.m. for the purpose of discussing a real estate matter with Mr. Bennett pursuant to RCW 42.30.110 (1)(b) or (1)(c). The Board voted unanimously to extend the executive session for five minutes until 5:03 p.m. The meeting returned to regular session.

The Board returned to the tabled discussion of the Sensus proposal. As there were still issues to resolve, the Board asked to table the decision until the next regular meeting.

The May 14th special meeting to discuss District communications, public education and public outreach was canceled due to a conflict. Commissioner Hale motioned to reschedule the special meeting to discuss communications, public education and public outreach to Wednesday, May 29th at 3:00 p.m. Commissioner Haines seconded the motion and the motions passed.

The meeting was adjourned at 5:17 p.m.

The next special meeting will be on Wednesday, May 29 at 3:00 p.m. at the District's Administrative Offices.

The next regular meeting will be on Tuesday, June 4th at 3:00 p.m. at the Districts Administrative Offices.

Ronald Ricker

Charlotte Haines

Patricia M. Hale