



MINUTES OF REGULAR MEETING OF THE BOARD OF COMMISSIONERS

June 20, 2017

The meeting was called to order at 3:00 pm

North City Water District Board Room

Commissioners Present

Commissioner Ron Ricker

Commissioner Larry Schoonmaker

Commissioner Charlotte Haines

Staff Present

Diane Pottinger, District Manager

Barb Shosten, Finance Manager

Denny Clouse, Operations Manager

Theresa Harrington, Executive Assistant

Joe Bennett, District Attorney

An amended Agenda was handed out at the beginning of the meeting which added **Water Usage at 16530 Bothell Way NE** under **OLD/NEW BUSINESS**.

PUBLIC COMMENT

Members of the public present at the meeting:

Roger Ricks – Developer from Redmond, WA

Mr. Ricks came to hear the connection charge study presentation and expressed his opinion that the District's current connection charge is too high.

Aaron M. Laing– Attorney from Schwabe, Williamson

Mr. Laing stated his opinion that the District's connection charge for high density development is disproportionately high. He commended the District for its response to his client's concerns, including cooperation during public records requests and by conducting a comprehensive connection charge study. He was eager to hear the results of the connection charge study in the upcoming presentation.

Virginia King, Patty Hale and Pam Hamre - District Customers

Ms. King and Ms. Hale had no comment. Ms. Hamre came to discuss her water usage scheduled for later in the agenda.

Jim Koontz – Executive Director of Washington Association of Sewer and Water Districts was also in attendance and provided reporting on legislative issues with potential impact to water districts.

APPROVAL OF MINUTES

Commissioner Haines made a motion to approve the minutes from the June 6th regular meeting and Commissioner Schoonmaker seconded the motion. The motion passed unanimously and the Board signed the meeting minutes.

APPROVAL OF VOUCHERS

Commissioner Schoonmaker made a motion to approve vouchers number 4635-4650 and voucher numbers 113731-113774 in the amount \$222,742.27 from the maintenance fund and vouchers 253-254, in the amount of \$1,350.14 from the capital fund. Commissioner Haines seconded the motion, which passed unanimously. The Board signed the vouchers.

OLD/NEW BUSINESS

a. Water Usage at 16530 Bothell Way NE

At the last Board meeting, Ms. Hambe came to contest the high water bill at her property. The meter at her property was removed and tested by a third party and deemed fully functional. At that meeting, it was agreed that the original meter would be reinstalled at the above mentioned property and read daily to verify current water consumption. Mr. Clouse reported that in the period between June 7th and June 19th 0.67 unites of water passed through the meter. At this rate, usage for a bi-monthly billing cycle would be approximately 3 units. This is consistent with the average use at this property prior to the unusually high usage period between January – March 2017. Mr. Clouse reported that this indicates whatever event caused high volumes of water to flow through the meter during that time has stopped. Commissioner Schoonmaker commented that it appears that this was an internal leakage of unknown nature. As it appears the situation has been resolved, the District is able to do a leak adjustment at this time to help mitigate the high water bill which resulted from this event. In addition, a payment plan can be created to handle the remainder of the amount owed. Ms. Hambe expressed her concern about preventing such situations in the future.

Mr. Clouse agreed to meet with her and show her how to check her meter to determine if there is a leak and to bring her information on leak detection and water savings.

Ms. Hambe left the meeting.

b. Fix-A-Leak Challenge Update

Theresa Harrington, Executive Assistant reported on the annual Fix-A-Leak Challenge program. It was a successful year. Fifty-seven classrooms participated in the challenge. A record high 14 classrooms achieved 100% participation. A prize drawing was held at the May 20th Shoreline STEM Fair and five prizes were awarded.

1st Prize \$500 in School Supplies	Ms. Jo Lindblad 3rd Kings
2nd Prize \$300 in School Supplies	Ms. Kelly Chacon Kindergarten Kings
3rd \$100 in School Supplies	Ms. Sarita Benson 6th Brookside
4th Prize Pizza Party for Class	Ms. Julia Gonzalez Kindergarten Kings
5th Prize Pizza Party for Class	Ms. Denise Peters 4th Meridian

The winning classrooms were very grateful for the prizes.

Ms. Harrington shared with the Board some input from teachers on the prize structure. The Shoreline School District is changing its nutritional guidelines and pizza parties may not be an option for next year. The Board will revisit the program and prize structure for next year later in the summer.

c. 2016 Regional Water Conservation Report

Ms. Pottinger shared copies of the SPU 2016 Regional Water Conservation Report with the Board.

d. Connection Charge Study

Finance Manager Barb Shosten shared a power-point presentation on the recently completed connection charge study. The presentation provided historical context for the existing charge structure and examined the original assumptions and methodologies used to arrive at the connection charge. The presentation concluded with a proposal for some adjustments to the existing assumptions used to calculate the connection charge, while still maintaining the original theoretical basis for a two-part connection charge that takes into account fire flow needs and capacity separately. The end result produces a more equitable connection charge for all types of development while effectively recovering the costs of such development on the water system. Both Mr. Ricks and Mr. Laing commented about the analysis and positive relationship they had working with District staff over the past many months.

The entire presentation will be posted on the North City Water District website. Ms. Shosten can provide more information if requested. The Board will have a Special Meeting on June 27th at 3:00pm. It will be an open study session and an opportunity to discuss and ask questions about the proposals outlined in the presentation. The Board will vote on the proposed changes at the July 5th regular meeting.

Commission Schoonmaker motioned that a Special Meeting be held on June 27th at 3:00pm for the purpose of a study session on the connection charge. Commissioner Haines seconded the motion and motion passed unanimously.

MANAGERS REPORT

Finance Manger Barb Shosten had no further report at this time.

Operations Manager Denny Clouse reported on some proposed changes to Mr. Ricks development plans. These changes may impact the final connection charge fees. Mr. Clouse also reported that the reservoir adjacent the North City pump station, was chlorinated and filled last Saturday. He shared photos with the Board. Finally, Mr. Clouse reported on the ACE National Conference he attended in Philadelphia June 10-16th. Overall it was a good conference. He attended an interesting session on Federal grants where participants were able to share their frustrations in the intense reporting and record

keeping required for these funds. He reported that some of the sessions did not match their descriptions which was frustrating.

District Manager Diane Pottinger thanked Ms. Shosten for her hard work on the connection charge study. This project has occupied much of their time for the past weeks. She also reported that Operations Manger Denny Clouse and she would be meeting with Sound Transit tomorrow to go over plans for water infrastructure needs for the new Lynnwood Link with the intent to bring the planning documents up to 60% completion. Looking ahead, the District will be conducting a hydraulic model, a twelve year capital improvement plan and Comprehensive Water System Plan by the end of the year. The Board will see a contract for the hydraulic modeling at an upcoming board meeting.

Ms. Pottinger updated the Board on progress on the new maintenance facility. The City of Shoreline will hold a public meeting on the special use permit for the new maintenance facility on August 1st at 6:00 pm at the City Hall. In addition, Ms. Pottinger is working on lot line adjustments for the property.

As instructed by the Board at the last meeting, Ms. Pottinger attended the Snohomish County Boundary Review Board meeting, but due to time constraints was unable to make comment. The meeting will be continued this week and Ms. Pottinger will make comments at that time.

In other business, Ms. Pottinger had lunch with RH2 to discuss a grant they received for a pilot program that would help with communications during an earthquake. She expects to follow up this discussion at the next board meeting. Finally, Ms. Pottinger told the Board that Jim Koontz, Executive Director of WASWD asked for Board input on lobbyist needs for the organization.

LEGAL REPORT

Mr. Bennett commended the District staff on their excellent presentation, and found staff's approach to be a model of talent, thoughtfulness and transparency.

Mr. Bennett also reported on a State Supreme Court decision regarding the use of executive sessions for the discussion of selling property. The decision narrowly construed the executive session for consideration of the minimum price to sell or lease real property.

COMMISSIONERS REPORT

Commissioner Schoonmaker reported on his attendance at the Shoreline City Council Meetings. The city council voted in an amendment stating they will delay the take-over of Ronald Wastewater by 2-4 years. He also reported on his attendance at the Ronald Wastewater Board Meeting, the Snohomish County Boundary Review Board Meeting, the Kenmore City Council Meeting and the Shoreline Chamber of Commerce Meeting.

Commissioner Haines reported on her attendance at ACE National Conference in Philadelphia June 10 – 15th.

Commissioner Ricker also reported on his attendance at the ACE National Conference. He attended several very helpful sessions.

Jim Koontz, Executive Director of WASWD shared his thoughts on the legislative session. New revenue forecasts were not as optimistic as hoped for which may put the Public Works Trust fund in jeopardy. In addition, he reminded everyone to be mindful of adherence to the open meetings act rules.

ADJOURNMENT

The meeting was adjourned at 5:26 pm.

The next Special Meeting is Tuesday, June 27th at 3:00 pm at the North City Water District.

Ronald Ricker

Larry Schoonmaker

Charlotte Haines