



MINUTES OF SPECIAL MEETING OF THE BOARD OF COMMISSIONERS

July 20, 2021

The meeting was called to order at 2:00 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 (via phone)
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. No members of the public were present on the call.

EXECUIVE SESSION

The Board went into executive session at 2:01 p.m. for 15 minutes for the purpose of considering a real estate mater per RCW 42.30.110(c) and for the purpose of discussing pending or potential litigation with legal counsel per RCW 42.30.110 (1)(i). The commissioners, Mr. Bennett, Ms. Pottinger and Mr. Clouse were present. The executive session ended at 2:16 p.m.

After a brief recess, the meeting resumed in open session at 2:19 p.m.

APPROVAL AND/OR ADJUSTMENTS TO AGENDA

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

APPROVAL OF MINUTES

Commissioner Haines made a motion to approve the July 6 regular meeting minutes as presented. Commissioner Ricker seconded the motion and the motion passed unanimously.

Commissioner Haines made a motion to approve the July 9 special meeting minutes as presented. Commissioner Hale seconded the motion and the motion passed unanimously.

APPROVAL OF VOUCHERS

District Manager Diane Pottinger presented the vouchers which were reviewed by Commissioner Ricker on Friday and submitted to King County in accordance with the emergency voucher approval procedures set forth in Resolution 2020.04.17. Commissioner Ricker moved to approve vouchers numbers 6316-6330 and 117814-117848 in the amount \$270,924.96 from the maintenance fund and voucher numbers 641-643 in the amount of \$3,301.83 from the capital fund Commissioner Haines seconded the motion. The motion passed unanimously.

OLD BUSINESS

a. Resolution 2020.03.15 Declaring an Emergency Due to COVID-19; Authorizing and Ratifying Emergency Measures to Ensure Uninterrupted Water Service by the District During COIVD-19 - Discussion

As Washington State begins lifting COVID-19 recommendations and regulations, the Board and staff revisited the resolution passed at the onset of the COVID-19 crisis which authorized emergency measures for District operations. Board and staff agreed that the District is not yet ready fully return to pre-pandemic operating procedures, but that it is time to begin the process of a slow and incremental return to normal operations. After careful discussion the Board requested that staff prepare for the Board's consideration operating procedures during this transitional time.

b. Resolution 2021.07.21 Rescinding Resolutions 2020.04.17 and 2021.02.05

The District passed resolution 2020.04.17 and 2021.02.05 to change the District's voucher approval process during the COVID-19 emergency to meet King County's COVID emergency accounts payable timeline and procedures. Ms. Pottinger reported that King County has resumed its normal payable schedule. Therefore, the District can rescind the above resolutions and return to normal voucher approval processes. Commissioner Haines made a motion to approve resolution 2021.07.21, rescinding Resolutions 2020.04.17 and 2021.02.05. The motion was seconded by Commissioner Ricker then passed unanimously.

c. SPU's 2020 Facility Charge Revenue Report

District Manager Pottinger continued the discussion from last meeting on Seattle Public Utilities facility charges. Ms. Pottinger provided details on the North City Water District ERU's and facility charges paid to SPU since 2012 when there were changes to the SPU contract. The Board reviewed and discussed the data presented. Ms. Pottinger indicated that SPU has requested monthly reports and remittance of facility charges moving forward, which will require the District to adjust its internal process to provide monthly remittance.

NEW BUSINESS

a. 2021.07.22 Approving Contract with DEA to Provide Survey, Design, Outreach, Permit and Construction Services For Water Main On 25th Ave NE

Mr. Clouse presented the resolution to approve the contract with David Evans & Associates (DEA) to provide survey, design, outreach, permit and construction services for the water main replacement on 25th Avenue NE which will be on the small works roster, like another project that DEA is currently doing for the District. Commissioner Ricker made a motion to approve the resolution. The motion was seconded by Commissioner Haines then passed unanimously.

b. 2021.07.23 Approving Amendment #3 to the Contract with Wagner Construction of Phase 3 of the Maintenance Facility Building Construction

Mr. Clouse present a resolution to approve amendment #3 of contract with Wagner Construction for the final phase of construction of the new maintenance facility. This amendment provides for the completion of enclosing the final bays on the site. Commissioner Hale made a motion to approve the resolution. The motion was seconded by Commissioner Haines then passed unanimously.

c. Director of Finance Recruiting Status

District Manager Diane Pottinger updated the Board on the status of the hiring process for the open Director of Finance position. There were a total of 31 applicants. Of those, five candidates were interviewed via MS Teams by District Manager Diane Pottinger, Operations Manager Denny Clouse and Lynne Danielson the retired General Manager of Olympic View Water and Sewer. Two of these candidates have been selected for second interviews and will be coming in this. Ms. Pottinger and Mr. Clouse will conduct the interviews and expect to make an offer soon.

d. Long-Term Care Insurance

District Manager Diane Pottinger provided the Board with a possible opt-out long-term care insurance plan to offer District employees. The plan is offered by Allstate through Gallagher insurance brokers, the company that administers the District's VEBA plan. At least five employees must be interested in the plan in order for the District to participate. This plan would be an alternative to the state's new mandatory long term care insurance plan that will go into effect in 2022. Employees who wish to opt out of the state plan must have an alternative plan in place by November 1, 2021. Ms. Pottinger plans to share this information with staff at the next staff meeting.

e. District's Proposed 90th Birthday

District Manager Diane Pottinger shared a memo for the District's communication consultant with ideas on how to celebrate the District's 90th birthday. The proposal includes developing a decade by decade timeline of important District milestones to be shared as a blog on the District website and in the District newsletter. The commissioners supported these ideas. Due to COVID no public celebrations are planned at this time, but perhaps that would be a possibility next year.

f. The Puget Sound Emergency Radio Network (PSERN) agreements for emergency communications

District Manager Diane Pottinger provided the Board with several possible proposals for the District's participation in the PSERN program. Ms. Pottinger indicated that the District would be an ideal site for one of the PSERN regional communication poles. Participation in this program could be mutually

beneficial to both the District and the regional emergency communication program. The commissioners agreed and Ms. Pottinger will follow up and send proposal to PSERN for including a site at the new Maintenance Facility.

g. Salary and Benefit survey report & draft mid-year wage Resolution for consideration

Ms. Pottinger shared the final report from Trupp HR with the results and recommendations of the salary and benefits survey. The Board discussed the results and recommendations and reviewed possible salary adjustment scenarios based on these recommendations. Before deciding on a final action, the commissioners requested a more detailed budget presentation, as well as the raw data received during the survey to make a more informed decision on the appropriate salary adjustments. Ms. Pottinger will bring the requested information to the next meeting.

MANAGER REPORTS

a. Finance Manager

None at this time.

b. Project Status Report/Operation Manager

Operation Manager Denny Clouse reported on several current development projects. He attended a pre-construction meeting with a developer planning a 170 unit assisted living facility at the southern portion of the Anderson House property site. He also reported that the District will not be able to complete the water improvements for the project on Ballinger and 15th Ave NE until construction is completed. In addition, Mr. Clouse reported that he has met with several developers for some smaller projects throughout the District. Mr. Clouse also updated the Board on progress of the Sound Transit project. Sound Transit will be placing a modular home on the property at NE 152nd St. and 3rd Ave NE, the site of the True Jesus Church. The modular home will be an ADU and did not require a separate water service for the ADU. Mr. Clouse also informed the Board that divers are scheduled to replace the PAX mixer in the 3.7 MG reservoir on this Friday. Lastly, Mr. Clouse reported that Fircrest is working with BHC and DEA to complete a water system plan. The District is supporting Fircrest in these efforts by providing information and guidance.

c. District Manager

Ms. Pottinger reported that she and Mr. Clouse will meet with the District's engineering consultant regarding the Emergency Response Plan between July 28 and 30. They will also attend the SPU wholesale contract workshop on July 29 at 2:00 pm as one of the main topics will be wholesale meters. Additionally, Ms. Pottinger will be organizing a meeting with representatives from the Operating Board medium group utilities this week to discuss a unified approach to the wholesale contract negotiation process. Finally, Ms. Pottinger reminded the Board of several upcoming events. The staff and commissioner monthly emergency preparation meeting will be Wednesday, July 21. SPU Operating Board will meet on August 5. Finally, the District will have an all-staff lunch at the new maintenance facility on August 25 in celebration of the District's 90th Birthday.

COMMISSIONER REPORTS

Commissioner Haines had no report at this time.

Commissioner Ricker reported on his attendance at the WASWD Section IV meeting.

Commissioner Hale reported that she also attended the WASWD Section IV meeting as well as the Shoreline Chamber Luncheon which was held in person at Richmond Beach Park. She will be on vacation from August 4-14.

LEGAL REPORT

District Attorney Joe Bennett reported that June 19th (Juneteenth) is now an official state holiday.

Commissioner Hale concluded the meeting at 4:45 p.m.

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

Patricia M. Hale

Ron Ricker

Charlotte Haines