



MINUTES OF REGULAR MEETING OF THE BOARD OF COMMISSIONERS

November 19, 2019

EXECUTIVE SESSION

The meeting was opened in executive session, by Board President Ron Ricker at 2:00 p.m. per RCW 42.30.110 (1)(g) to conduct the District Manager's annual review. District Attorney Joe Bennet, the commissioners and District Manager Diane Pottinger were present. Ms. Pottinger was excused from the executive session at 2:10 p.m. The Board came out of executive session at 3:00 p.m.

The regular session was called to order at 3:00 p.m. by Board President, Ron Ricker in the 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
Amalia Mostrales, Finance Manager
Theresa Harrington, Executive Assistant
Joe Bennett, District Attorney

PUBLIC COMMENT

Customer Arthur Boruck was in attendance to discuss a high water bill at his property. He informed the Board that a neighbor had reported seeing water in the street near his house earlier this year. Meter data from his property indicated continuous usage had occurred at his property, but had now resolved. Mr. Boruck was given a leak adjustment form to fill out documenting what occurred. The form will be brought back to the Board for evaluation. The commissioners thanked Mr. Boruck for coming and he departed the meeting at 3:10 pm.

APPROVAL AND/OR ADJUSTMENTS TO AGENDA

Commissioner Hale motioned to approve the agenda. Commissioner Haines seconded the motion and the motion passed unanimously.

APPROVAL OF MINUTES

Commissioner Haines made a motion to approve the minutes from the November 5 regular meeting. Commissioner Hale seconded the motion. The motion passed and the commissioners signed the minutes.

APPROVAL OF VOUCHERS

Commissioner Haines moved to approve vouchers numbers 5620-5644 and 116171-116216 in the amount \$416,676.48 from the maintenance fund and vouchers number 457-459 in the amount of \$6,395.37 from the capital fund. Commissioner Hale seconded the motion, which passed unanimously. The commissioners signed the vouchers.

OLD BUSINESS

- a. At the last meeting, the commissioners discussed the proposed development of the Lewith property off 35th Ave NE in LFP which will require the addition of a fire hydrant on the water main in front of the property. The Northshore Fire Marshal is requiring the developer to add the single fire hydrant on the District's main. As this is a small project with only inspection costs, the commissioners and attorney agreed that a full WSEA would not be necessary. Instead the District could take a deposit for the inspection activities then refund the property owner once the new hydrant is installed and a bill of sale provided to the District for the fire hydrant. Commissioner Haines moved to accept a deposit for the addition of a fire hydrant required in the development of the property at 19055 35th Ave NE. Commissioner Hale seconded the motion and the motion passed. Ms. Pottinger agreed to

bring a resolution with a bill of sale to a Board meeting following installation of the fire hydrant before any refund is issued to the developer.

NEW BUSINESS

a. Potential Joint Meeting with Shoreline Fire Department

District Manager Diane Pottinger informed the Board that the Shoreline Fire Department has offered to host the annual joint meeting, January 16, 2020 at 5:00 pm. Commissioner Hale moved to add a special meeting to the Board calendar on January 16, 2020 at 5:00 pm at the Shoreline Fire Station for the joint meeting. Commissioner Haines seconded the motion and the motion passed.

b. 2018 Benchmark Survey Results

District Manager Diane Pottinger shared the results of the AWWA Utility Benchmarking Performance Indicators for Water Utilities 2019 (FY 18) Data Set. Ms. Pottinger discussed the categories where NCWD statistics varied from the national norms and averages. As this was the first year the District has participated in this program, Ms. Pottinger discussed some changes in the reporting that will be made going forward. Ms. Pottinger informed the Board that the District plans to participate in the program again next year and will continue to use the information gathered to document the District's best practices.

c. Cost of Service/Operating Budget Review

District Manager Diane Pottinger and Finance Manager Amalia Mostrales presented the proposed 2020-2022 Operating Budget and 2020-2032 Capital Improvement Plan. Actual and projected expenditures and income were discussed in detail and the commissioners asked questions and provided input. Ms. Pottinger will respond to information inquires and incorporate the commissioners' comments into the budget. The cost of services, revenue, rates and long term forecast will be presented to the Board at the December 3 meeting. The final budget will either be adopted at that meeting or the following regular Board meeting.

MANAGER REPORTS

a. Finance Manager

Finance Manager Amalia Mostrales reported that the annual audit is progressing. She expects the financial audit to be completed by November 22nd and the Accountability audit in December so as not to impact the District's reporting requirements to Moody's (due annually by November 23).

b. Project Status Report/Operation Manager

Operations Manager Denny Clouse reported on the various District projects. The water system improvements for the new Kellogg School onsite are progressing. Part of the improvements for this project include completing work off-site to make a connection on 22nd Ave NE for fire flow. This work will need to be complete prior to turning on water service to the school. Mr. Clouse also provided updates on the Evergreen Point Redmond project at 17563 15th Ave NE and the progress on the new fire station at 1410 NE 180th St. Finally, Mr. Clouse gave a progress report on the construction of the new maintenance facility. There are some issues regarding the exposed ceilings and visibility of wiring and duct work. Mr. Clouse continues to work with the builder to come up with aesthetically pleasing solutions to this issue. Faber Construction has provided Wagner Architects with updated plans for the maintenance building to ensure it will comply with Type 3 building requirements. These plans have been approved by Wagner Architects and are with the City for review. The additional time for changing the building from a Type 2 to a Type 3 building may have an impact on the overall construction timeline. Mr. Clouse will keep the Board updated if that should occur. Faber construction is currently setting the steel at the decant building. The District may be able to use the decant facility after this step is complete.

c. District Manager

District Manager Diane Pottinger shared an email from Kathy Curry, Wholesale Contracts Manager SPU requesting input on the EPA AWIA Risk and Resilience Assessment Workshop. The Board was supportive of participating in a workshop to discuss the assessment regionally. Ms. Pottinger also provided commissioners with proposed Board meeting and conference dates for 2020. The 2020 meeting schedule will be approved at the December 17 meeting. Ms. Pottinger also invited the Board to join Mr. Clouse and herself as they will look at furniture options for the new facility on Thursday.

COMMISSIONER REPORTS

Commissioner Haines reported on her attendance at the City of Shoreline Veterans Day Program.

Commissioner Hale reported on her attendance Shoreline Council of Neighborhoods meeting where the potential impact of the newly passed \$30 license tab fee initiative was discussed. She also reported on her attendance at the Section IV meeting as well as the NIMS training.

Commissioner Ricker had no report at this time.

Commissioner Hale request to be excused from the December 3 general meeting. Commissioner Haines motioned to excuse Commissioner Hale from the December 3 meeting. Commissioner Ricker seconded the motion and the motion passed.

LEGAL REPORT

District Attorney Joe Bennett reported on his attendance and presentation at the risk management pool meeting at the Brightwater facility on November 7th. Mr. Bennett also updated the Board on the status of the amicus brief on behalf of Alderwood Water and Wastewater District that he is preparing in support of Lakehaven Utility District against the City of Federal Way's imposition of excise taxes. Oral arguments at the State Supreme Court are scheduled for January 16, 2020.

ADJOURN

The meeting adjourned at 4:51 p.m.

The next regular meeting will be on Tuesday, December 3 at 3:00 p.m. in the District's administrative Office.

Ronald Ricker

Charlotte Haines

Patricia M. Hale