



## **MINUTES OF REGULAR MEETING OF THE BOARD OF COMMISSIONERS**

December 3, 2019

The meeting 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

### **Staff Present**

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

### **PUBLIC COMMENT**

None

### **APPROVAL AND/OR ADJUSTMENTS TO AGENDA**

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

### **APPROVAL OF MINUTES**

District Manager Diane Pottinger identified two minor typographical errors in the draft minutes. Commissioner Haines made a motion to approve the minutes from the November 19 regular meeting as corrected. Commissioner Ricker seconded the motion. The motion passed and the commissioners signed the corrected minutes.

### **APPROVAL OF VOUCHERS**

Commissioner Haines moved to approve vouchers numbers 5645- 5662 and 116217-116232 in the amount \$94,477.59 from the maintenance fund and vouchers number 460-463 in the amount of \$329,141.01 from the capital fund. Commissioner Ricker seconded the motion, which passed unanimously. The commissioners signed the vouchers.

### **OLD BUSINESS**

None at this time.

### **NEW BUSINESS**

#### **a. Cost of Service Rate Review Part II**

District Manager Diane Pottinger and Financial Manager Amalia Mostrales presented to the Board on the District's cost of service rate review, revenue requirements, 2020 proposed rates and long term rate forecast. The commissioners asked questions and provided input. Ms. Pottinger will provide the Board with the information requested and will bring the finalized budget at rates to the Board for final review and possible approval at the December 17<sup>th</sup> meeting.

#### **b. Pre-Hazardous Mitigation Grant Application**

The District has applied for a FEMA grant to help fund the proposed Sheridan Beach Seismic Watermain Improvements. Varius Inc. was contracted by the District to provide both an analysis of the costs and benefits of the project and study area, which accompanied the grant application. District Manager Diane Pottinger provided a draft of this report for the Board. The grant application was submitted on December 2<sup>nd</sup> and the District should hear the results by August. The commissioners were supportive of the application.

#### **c. Proposed Reform Legislation**

District Manager Diane Pottinger shared a memo for Judi Gladstone, Executive Director of WASWD requesting input on a proposed bill that would impact special purpose districts. Representative Gerry Pollet hosted a meeting in Olympia last week in which he rolled out concepts for a bill to be introduced in the 2020 legislative session. The bill would limit commissioner terms to four years and revise financial accountability laws for districts. The Board discussed the bill and provided input that Ms. Pottinger will share with Ms. Gladstone.

**MANAGER REPORTS**

**a. Finance Manager**

Finance Manager Amalia Mostrales reported that the field-work for the 2018 financial and accountability audits are complete. The auditors will be finishing up the final reports off site in the next few weeks. The auditors have requested an exit interview on December 17<sup>th</sup> at 2:00 p.m. Commissioner Haines moved for a special meeting at 2:00 p.m. on December 17<sup>th</sup> for the purpose of participating in the audit exit interview. Commissioner Ricker seconded the motion and the motion passed. The regular meeting of the Board will commence at 3:00 p.m. on December 17<sup>th</sup>.

**b. Project Status Report/Operation Manager**

Operations Manager Denny Clouse updated the Board on current district projects. The work at Kellogg School is progressing. Pressure testing is being done this week. Mr. Clouse reported on a main in the Sheridan Beach area that it turns out does not cross under McAleer Creek. He surmised that a main break occurred in this area sometime in the past and the water main was terminated on each side of the creek instead of repairing the main in the creek. The capped pipes will be noted on the District GIS. He also reported that the District has received the estimated fees for hydrant installation that is part of the proposed development of the Lewith property off 35th Ave NE. Installation will happen soon and a bill of sale will be brought back to the Board for approval. Finally, Mr. Clouse reported on the progress on the new maintenance facility. The District is still waiting for the City to issue a permit on the new plans. If the permit is issued by Thursday, the concrete pour should occur next week. The generator for the facility arrived last week but was damaged in delivery. A new generator will need to be ordered to replace the damaged one.

**c. District Manager**

District Manager Diane Pottinger reported on her attendance along with Commissioner Haines, at the Fircrest stakeholders meeting held in Seattle on Monday, December 2 and reminded the Board that Senator Frockt will be touring the new maintenance building site on Thursday December 5<sup>th</sup> at 9:30 a.m. Commissioners Ricker and Haines will be in attendance.

**COMMISSIONER REPORTS**

Commissioner Haines reported on her attendance at the Fircrest stakeholders meeting on Monday, December 2<sup>nd</sup>.

Commissioner Ricker reported on WASWD committee meetings.

**LEGAL REPORT**

District Attorney Joe Bennett reported that he has filed his amicus brief on behalf of Alderwood Water and Wastewater District in support of Lakehaven Utility District against the City of Federal Way's imposition of utility excise taxes. Additional briefs in support were filed by the WASWD and the Rental Housing Association. Oral arguments at the State Supreme Court are scheduled for January 16, 2020.

**ADJOURN**

The meeting adjourned at 5:12 p.m.

There are two upcoming special meetings; Friday, December 13<sup>th</sup> at 7:30 p.m. in Everett and Tuesday, December 17<sup>th</sup> at 2:00 p.m.

The next regular meeting will be Tuesday, January 7<sup>th</sup>, 2019 at 3:00 p.m.

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Ronald Ricker

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Charlotte Haines

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Patricia M. Hale