



## MINUTES OF REGULAR MEETING OF THE BOARD OF COMMISSIONERS

December 18, 2018

The meeting was called to order at 1:45 p.m.

North City Water District Board Room

### **Commissioners Present**

Commissioner Charlotte Haines  
Commissioner Ron Ricker

### **Staff Present**

Diane Pottinger, District Manager  
Amalia Mostrales, Assistant Financial Manager  
Theresa Harrington, Executive Assistant  
Joe Bennett, District Attorney

### **EXECUTIVE SESSION**

The meeting was called to order at 1:45 p.m. and the Board entered into executive session for 30 minutes to discuss the District Manager performance review with Mr. Bennett pursuant to RCW 42.30.110(1)(g). The executive session concluded at 2:14 p.m. The Board meeting resumed in open session at 2:15 p.m.

### **AUDIT EXIT INTERVIEW**

Wendy Choy, Audit Manager and Alex Beherndt, Assistant Audit Manager of the State Auditor's Office were in attendance to conduct the audit exit conference. They presented the audit reports and audit highlights. North City Water District received a clean audit. They expect the audit will be published by the beginning of next week. The Board thanked the auditors and they departed at 2:34 p.m. The Board went into recess at 2:34 p.m. Regular session resumed at 3:01 p.m.

### **PUBLIC COMMENT**

None.

### **APPROVAL OF THE AGENDA**

District Manager Diane Pottinger made a recommendation to amend the agenda. She asked to table items 9(a) Resolution 2018.12.42 Relating to the Establishment of an Engineering Roster and 9(b) 2018.12.43 Relating to the Establishment of a Small Works Roster until the January 2, 2019 regular meeting. In addition, Mr. Bennet requested that an executive session, with Ms. Pottinger, be added to the end of the agenda to complete the performance review of the District Manager pursuant to RCW 42.30.110(1)(g).

Commissioner Ricker made a motion to amend the agenda as recommended. Commissioner Haines seconded the motion and the motion passed.

### **APPROVAL OF MINUTES**

Commissioner Ricker made a motion to approve the minutes from the December 4 regular meeting and the December 7 special meeting. Commissioner Haines seconded the motion. The motion to approve minutes passed and the commissioners signed the minutes.

### **APPROVAL OF VOUCHERS**

Commissioner Ricker made a motion to approve vouchers number 5247-5262 and 115230-115271 in the amount \$216,762.31 from the maintenance fund and voucher numbers 385-387 in the amount of \$59,405.24 from the capital fund. Commissioner Haines seconded the motion, which passed unanimously. The commissioners signed the vouchers.

### **OLD BUSINESS**

#### **a. Resolution 2018.12.39 Fire Flow Update**

Ms. Pottinger reported that BHC, the engineering firm who conducts the District's fire flow analysis, has requested a fee adjustment for their fire flow analysis rates from \$500 to \$600/analysis. They provided documentation justifying their additional costs. The District adds an additional \$50 to cover staff time for each fire flow analysis. Thus, the total fire flow analysis would increase from \$550 to \$650 per fire flow analysis. Commissioner Ricker 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.

**b. Resolution 2018.12.40 Two year Operating Budget, Wage Matrix and 2019-2030 Capital Improvement Program**

District Manager Diane Pottinger presented the 2019-2020 Operating Budget, Wage Matrix and 2019-2030 Capital Budget to the Board for approval which had been discussed the prior two board meetings. Commissioner Ricker 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.

**c. Resolution 2018.12.41 Amending Appendix 3a of the NCWD Code**

District Manager Diane Pottinger presented a revised copy of resolution 2018.12. 41 for the Board to review. The copy included in the Board packet did not reference the most current revision of this appendix. The new draft includes the correct references. Ms. Pottinger highlighted the fees and charges that are updated by this resolution. Commissioner Ricker 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.

**NEW BUSINESS**

**a. Resolution 2018.12.42 Relating to the Establishment of a Small Works Roster**

Tabled until January 2 regular meeting.

**b. Resolution 2018.12.43 Relating to the Establishment of an Engineering Roster**

Tabled until January 2 regular meeting.

**c. Resolution 2018.12.44 Authorizing the Promotion of Amalia Mostrales as Finance Manager**

District Manager Diane Pottinger presented a resolution to authorize the promotion of Amalia Mostrales to Finance Manager starting January 1. Ms. Mostrales will be filling the vacancy created by Finance Manager Barb Shosten's retirement on February 28, 2019. Commissioner Ricker 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. Resolution 2018.12.45 Setting the Board Meeting Dates and Times for 2019**

District Manager Diane Pottinger presented a resolution setting the regular meeting dates for the Board for 2019. Meetings will be held on the first and third Tuesday of each month at 3:00 p.m. with the exception of the second meeting in April and the second meeting in September. Those meetings will be held on the third Monday of the month to accommodate the Commissioners travel to WASWD spring and fall conferences. In addition, the first meeting of the year will be held on Wednesday, January 2 due to the New Year holiday. Commissioner Ricker 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.

**MANAGERS REPORT**

**a. Finance Manager**

Assistant Finance Manager Amalia Mostrales presented the Board with information on the impact to North City Water District of the upcoming implementation of the Washington State Paid Family and Medical Leave Program. The Board discussed the new law. Because the District has fewer than 50 employees, they will not be required to contribute the employer share of the premium (currently .3667% of 4% of Goss Wages). Discussion ensued on how the District would cover the required employee share of the premium (currently .633% of 4% of Gross Wages). This portion could be deducted from employee paychecks or it could be covered in full or part by the District. After a lengthy discussion the Board tabled the decision until the January 2<sup>nd</sup> regular meeting so more research could be done on the topic. The total cost for the employee portion of the premium would be approximately \$3,600. Ms. Mostrales also reported that the contract with Accela for web payment will be updated as Accela is changing the company they work with to process automated clearing house (ACH) payments. The contract will also be updated to provide for larger limits on daily and monthly transaction to keep up with the current volume of online payment.

**b. Project Status Report**

**c. Operation Managers Report**

District Manager Diane Pottinger reported on behalf of Operations Manager Denny Clouse who could not be in attendance. Ms. Pottinger reported that she and Mr. Clouse are in the process of closing our several WSEA's. Gathering the easement documentation and Bill of Sale is the final step to closing out several developer projects and they hope to have that completed shortly. Ms. Pottinger also reported on the status of the final stages of the site work for the new maintenance

facility. The paving is being done this week. Due to all the heavy rain, a second Baker tank will be required to filter run off from the site. Ms. Pottinger also shared a thank you card from the neighbors on NE 158<sup>th</sup> Street thanking the District and the contractor for minimizing the construction impact to their properties.

Ms. Pottinger and Mr. Clouse continue working on the review comments on the Phase II building plans for the new maintenance facility. Wagner Architects is working on addressing some permitting challenges related to the metal buildings. Ms. Pottinger is hopeful that these issues will be resolved shortly and that review comments will be incorporated by the end of the year in the plans and specifications. Once these items are complete, the project will go out to bid.

Lastly, Ms. Pottinger shared an email from a customer thanking the District for the festive holiday tree decoration on top of the water tank.

**d. District Manager Report**

Ms. Pottinger informed the Board that the District's IT consultant, SecurComputing, has requested an update to their contract. Ms. Pottinger expects to bring a new contract to the Board for approval at an upcoming board meeting. Ms. Pottinger also reported on her attendance at the recent King County Hazard Mitigation Planning meeting discussing risks in King County. In other District business, Ms. Pottinger reported that four residents have submitted applications for the vacant commissioner position. Deadline for applications is December 28. In January, the Board will review applications and interview candidates with the goal of filling the position by the January 15 regular meeting. Ms. Pottinger has confirmed the special joint meeting with the Fire Department on January 29. They are still coordinating the start time for the meeting, which will be confirmed at the January 2 regular meeting. Lastly, Ms. Pottinger reported that she has met with Sound Transit and they have requested the District's comments on plans by December 28.

**COMMISSIONER REPORTS**

Commissioner Ricker reported on his attendance at several WASWD committee meetings.

Commissioner Haines reported on her attendance at the Shoreline City Council reception for outgoing Councilmember Jesse Solomon and the Shoreline Chamber of Commerce meeting.

**LEGAL REPORT**

District Attorney Joe Bennett reported that he will be presenting at the WASWD Commissioner Workshop on January 26. The topic will be conflicts of interest. Mr. Bennett also informed the Board that his contract is up for renewal at the beginning of the year.

**EXECUTIVE SESSION**

The Board entered into executive session at 4:42 p.m. for 15 minutes to discuss the District Manager performance review with Mr. Bennett and Ms. Pottinger, pursuant to RCW 42.30.110(1)(g). The Board returned to regular session at 4:45 p.m. The commissioners directed the District Attorney to bring forth a resolution to the next Board meeting for the 2019 District Manager's salary to be increased by 5% to \$155,000. The meeting was then adjourned at 4:46 pm

The next regular meeting will be Wednesday, January 2 at 3:00 p.m. at the District's Administrative Offices.

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Charlotte Haines

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Ronald Ricker

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Position 2: Vacant