



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

July 16, 2024

### **1. CALL TO ORDER**

The meeting was called to order at 3:00 p.m. by Board President Patricia Hale. All persons attended in person, except for any who joined by telephone as noted (\*).

#### **Commissioners Present**

Commissioner Patricia Hale, President  
Commissioner Ron Ricker, Vice President  
Commissioner Charlotte Haines, Secretary

#### **Staff and Consultants**

Diane Pottinger, District Manager  
Barb Shosten, Director of Finance  
Max Woody, Director Operations & Engineering  
Joe Bennett, District Counsel  
Toby Bigger,\* Senior Inspector

#### **Members of the Public**

Robert Gregg  
Mahesh Rathod  
Andrew Gregg\*

### **2. PUBLIC HEARING for Reimbursement Agreement with WZL Enterprises, LLC.**

Before starting the public hearing, Commissioner Hale asked the staff to summarize the reimbursement options and provide a recommendation. District Manager Pottinger stated that after the original public hearing in June, she worked with the developer on a revised bill of sale. The reimbursable portion of the revised bill of sale is \$ 931,625.73. After considering four different allocation options, District staff recommends a hybrid option: (1) engineering and hydrant costs allocated equally among the lots; (2) 40% of the remaining costs allocated based on front footage; and (3) 60% of the remaining costs allocated based on square footage.

Commissioner Hale opened the public hearing at 3:07 p.m.

- **Robert Gregg** represents the developer WZL Enterprises. He asked the District staff to clarify the precise reimbursable amount. Ms. Pottinger confirmed that the final number is \$931,625.73.
- **Mahesh Rathod** asked if he needs to pay the allocated reimbursement cost now. Ms. Pottinger replied that reimbursement is due upon redevelopment of the property that requires increased fire flow. She received a call from another property owner who had the same question, and she provided the same response.

Mr. Pottinger shared a written comment from the owner of lots 18 and 19. The owner preferred the District adopt the square footage allocation option.

Commissioner Hale closed the public hearing at 3:18 p.m.

3. **PUBLIC COMMENT** None.

4. **APPROVAL AND/OR ADJUSTMENTS TO AGENDA**

Upon motion by Commissioner Haines and second by Commissioner Ricker, the Board unanimously approved the agenda.

5. **APPROVAL OF MINUTES**

Upon motion by Commissioner Haines and second by Commissioner Ricker, the Board voted unanimously to approve the minutes of the July 2 regular meeting.

6. **APPROVAL OF VOUCHERS**

Commissioner Ricker moved to approve voucher numbers 7481-7497 and 120743-120778 in the amount of \$296,439.44 from the maintenance fund. Commissioner Haines seconded. Mr. Woody provided additional information about specific vouchers in response to Commissioner Hale's questions. The motion passed unanimously.

7. **OLD BUSINESS.**

- a. **Resolution 2024.06.16, accepting reimbursement agreement with WZL Enterprises LLC.** *ACTION:* Upon motion by Commissioner Haines and second by Commissioner Ricker, the Board unanimously adopted the resolution.
- b. **Fircrest Campus Projects.** Ms. Pottinger stated that the District is waiting for Department of Social and Health Services (DSHS) to provide the signed Water System Extension Agreement (WSEA) before presenting it to the Board.
- c. **Executive Session.** Upon motion by Commissioner Hale and second by Commissioner Haines, the Board voted unanimously to go into executive session for 10 minutes to discuss potential litigation with Mr. Bennett for 10 minutes. The executive session started at 3:34 p.m. and concluded at 3:39 p.m. The Board took no action.
- d. **CIP 2022-01 41<sup>st</sup> to Beach Drive Crossing Project.** Mr. Bennett stated that he provided the District's requested easement and a written proposal to the attorney for Sheridan Beach Community Club (SBCC) last week. He spoke with the attorney today and expected to receive a response by the end of this week. He will share the response with staff when it is received. Depending on the response, he may propose the Board President call a special meeting if the easement is ready for approval.

8. **NEW BUSINESS**

- a. **Resolution 2024.07.19, approving Interlocal Agreement for backup utility services with Highlands Utility District.** Ms. Pottinger provided background. *ACTION:* Upon motion by Commissioner Haines and second by Commissioner Ricker, the Board unanimously adopted the resolution.
- b. **Resolution 2024.07.22, approving one-year contract with ESRI.** Mr. Woody and Ms. Pottinger provided background. *ACTION:* Upon motion by Commissioner Haines and second by Commissioner Ricker, the Board unanimously adopted the resolution.
- c. **Resolution 2024.07.23, approving Amendment No. 8 to contract with SecurComputing for IT services.** *ACTION:* Upon motion by Commissioner Haines and second by Commissioner Hale, the Board unanimously adopted the resolution.
- d. **Resolution 2024.07.24, declaring property surplus.** Ms. Pottinger identified the five surplus items. *ACTION:* Upon motion by Commissioner Haines and second by

Commissioner Ricker, the Board unanimously adopted the resolution.

- e. **Resolution 2024.07.25**, approving Amendment No. 2 to Lease Agreement with Max Woody, one-year lease extension. Ms. Pottinger shared the background. ACTION: Upon motion by Commissioner Ricker and second by Commissioner Hale, the Board unanimously adopted the resolution

9. **DIRECTORS' AND MANAGER'S REPORTS**

a. **Director of Finance**

Ms. Shosten reported:

- The District is generally on budget through June.
- There are no new customer comments about the Monday through Thursday administrative office schedule. There has been no change in productivity.

b. **Director of Operations and Engineering**

Mr. Woody reported:

- He marked an employee's 34-year anniversary with the District.
- CIP 2024-02: The 3.7 MG reservoir roof is being pressure washed and repaired. Painting of the upper dome only will be completed this month.
- He responded to a customer question that Commissioner Hale shared. Mr. Woody encouraged customers to email him directly.

c. **District Manager**

Ms. Pottinger reported:

- She shared recent customer question.
- Mr. Woody is preparing a presentation on water system extension agreement for the next board meeting.
- She has been comparing latecomer agreement provisions with other municipal water providers.
- The North City Jazz Walk will be on August 13.

10. **LEGAL REPORT** None.

11. **COMMISSIONER REPORTS**

- Commissioner Ricker reported on last week's Seattle Public Utility (SPU) operating board meeting and contract negotiations.
- Commissioner Hale reported that the Shoreline light rail stations will have grand openings on Friday, August 30. The renovated Ridgecrest Park has reopened.

12. **WORDS FOR THE GOOD OF THE ORDER** None.

13. **NEXT MEETING**

- Regular meeting of Board of Commissioners, Tuesday, August 6, at 3:00 p.m.

14. **CONCLUSION**

Commissioner Hale concluded the meeting at 4:55 p.m.

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Commissioner Patricia M. Hale

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Commissioner Charlotte Haines

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Commissioner Ron Ricker