



## Highline Water District Regular Board Meeting Minutes December 5, 2012

ATTENDEES		
<b>COMMISSIONERS</b> Gerald R. Guite Daniel Johnson Vince Koester George Landon Kathleen Quong-Vermeire	<b>HWD STAFF</b> Matt Everett, General Manager Jeremy DelMar, Engineering/Operations Mgr. Debra Prior, Administrative Manager Mary Fossos, Project Coordinator, CIPs	<b>HWD ATTORNEY(S)</b> John Milne, Inslee Best  <b>VISITORS</b>
Strikeouts indicate absence		

**1. CALL TO ORDER**

President Koester called the meeting to order at 9:00 a.m.

**2. APPROVE AGENDA**

Commissioner Quong-Vermeire's motion to approve the Agenda as presented seconded by Commissioner Guite. The motion carried unanimously.

**3. CONSENT AGENDA**

*Consent Agenda items are considered to be routine and non-controversial and are generally approved as a group with one motion. Any Commissioner may remove any item from the Consent Agenda for separate discussion and action. Vouchers audited and certified by the auditing officer as required by RCW 42.24.080, and those expense reimbursement claims certified as required by RCW 42.24.080 have been recorded on a listing which was made available to the Board of Commissioners.*

<b>Minutes:</b>	November 21, 2012 Regular Meeting; November 27, 2012 Workshop Meeting				
WARRANTS					
Fund Name	Fund No.	Scheduled Payment Date	Voucher Numbers		TOTAL AMOUNT
Maintenance	09-075-0030	12/10/12	15930 - 15961		\$ 116,633.14
Construction	09-075-0010	12/10/12	901444 - 901449		\$ 38,134.01
Maintenance - Payroll	09-075-0030	12/07/12	302419 - 302423		\$ 5,404.56
ELECTRONIC FUNDS TRANSFERS					
Description	Fund No.	Period Ending	EFT Transfer Date	TOTAL AMOUNT	
Payroll Tax	09-075-0010	11/30/12	12/12/12	\$ 11,478.07	
Payroll Tax	09-075-0010	11/23/12	12/05/12	\$ 22,197.02	
Direct Deposit – Payroll (KC-PAY47)	09-075-0010	11/30/12	12/07/12	\$ 16,085.08	
Direct Deposit – Payroll (KC-PAY47)	09-075-0010	11/23/12	11/30/12	\$ 68,496.54	
Dept of Retirement	09-075-0010	11/30/12	01/15/13	\$ 201.63	
Dept of Retirement	09-075-0010	11/23/12	12/14/12	\$ 10,459.82	
CONSENT AGENDA RESOLUTIONS					
Item #	Resolution #	Description			
NONE					

Commissioner Quong-Vermeire's motion to approve the Consent Agenda as presented seconded by Commissioner Guite. The motion carried unanimously.

**4. PUBLIC INPUT**

No members of the public attended the meeting.



**Highline Water District  
Regular Board Meeting Minutes  
December 5, 2012**

**5. RESOLUTIONS/MOTIONS**

Resolution 12-12-5A adopting the 2013 Operating Budget. Commissioner Quong-Vermeire's motion to approve seconded by Commissioner Guite. After discussion, the motion carried unanimously.

Resolution 12-12-5B adopting the 2013 Capital Improvement Program. Commissioner Quong-Vermeire's motion to approve seconded by Commissioner Guite. After discussion, the motion carried unanimously.

Motion 12-12-5C adopting the 2013 Goals and Objectives. Commissioner Quong-Vermeire's motion to approve seconded by Commissioner Guite. After discussion, the motion carried unanimously.

**6. STAFF/COMMISSIONERS/ATTORNEY**

**John Milne**

- 6.1 City Utility Tax Update – Milne informed the Board and staff that the Chelan County Public Utilities District (PUD) has been paying utility taxes to the City of Wenatchee (City) since 1964. The PUD stopped paying the utility taxes and was sued by the City. The Superior Court judge ruled that the City lacked express statutory authority to impose a utility tax on the PUD and therefore the tax was unlawful. The City appealed to the Court of Appeals.

Milne recommended that WASWD file an amicus brief with the Court of Appeals on behalf of its members supporting the Superior Court ruling and the PUD. Milne advised he will continue to monitor the litigation and update the Board.

- 6.2 WA Fire Protection, Payment and Liability Security Working Group (Fire PALS) – Who Pays for Fire Hydrants?

*Fire PALS Background:*

*Recent decisions of the Washington State Supreme Court, including Lane vs. City of Seattle and City of Bonney Lake vs. City of Tacoma have left important unresolved questions about who pays for fire hydrants, what costs may be recovered, and the mechanism or process that may be used for cost recovery. These decisions have prompted water interests statewide to establish and implement a fire protection outreach effort to address possible solutions heading into the 2013 Legislative Session.*

*The Washington Water Utilities Council (WWUC) convened a Fire Hydrant Task Force that created a list of potential solutions. The WWUC welcomed Cascade Water Alliance's involvement to lead a working group called FirePALS to gather stakeholders interested in the outcome to review, present, and discuss potential legislative solutions for the upcoming Session.*



**Highline Water District  
Regular Board Meeting Minutes  
December 5, 2012**

**6. STAFF/COMMISSIONERS/ATTORNEY**

Milne distributed and commented on the most recent version of the Fire PALS proposed legislation relating to fire suppression water facilities and services provided by municipal and other water purveyors. The proposed legislation would clarify that purveyors like the District have the authority to recover the cost of fire hydrants and other fire suppression facilities from customer rates. Milne advised the WWUC would consider the proposed legislation at its meeting to be held on December 7, 2012, and it was his understanding the WWUC would approve the proposed legislation for submission and sponsorship in the 2013 legislative session. He and the General Manager will keep the Board further advised on the matter.

**Jeremy DelMar**

6.3 Project 06-1 Southcenter Parkway Extension – The road is now open. Staff will present resolutions at the 12/19/12 Board meeting to relinquish several existing easements. Segale Properties will provide the required new easements.

**Debbie Prior**

6.4 Human Resources Round Table Meeting – Highline will be hosting a human resources round table on Thursday, December 6th (11:00 am to 1:00 pm). The topics for discussion are: (1) 2013 Affordable Health Care Act; (2) Changes in response to initiatives on marijuana and same-sex marriage; (3) Attendance; (4) 360 degree performance reviews.

**Matt Everett**

6.5 Washington State for Intrastate Water/Wastewater Agency Response Network (WA Warn) Conference Call – 12/4/12 @ 11:00 AM – Matt participated in the conference call. Dave Brown was elected chair for the WA Warn. Discussion focused on ways to fund the WA Warn website.

**7. EXECUTIVE SESSION - GENERAL MANAGER PERFORMANCE REVIEW**

*RCW 42.30.110(g) - To evaluate the qualifications of an applicant for public employment or to review the performance of a public employee. However, subject to RCW 42.30.140(4), discussion by a governing body of salaries, wages, and other conditions of employment to be generally applied within the agency shall occur in a meeting open to the public, and when a governing body elects to take final action hiring, setting the salary of an individual employee or class of employees, or discharging or disciplining an employee, that action shall be taken in a meeting open to the public.*


President Koester requested an executive session to undertake an annual performance review of the General Manager. On motion made, seconded and carried unanimously, the Board convened an executive session on that basis. Before convening the executive session at 9:47 a.m., President Koester advised the executive session would be concluded at approximately 10:05 a.m. The commissioners and counsel then attended the executive session. At 10:00 a.m., the General Manager was invited to join the executive session. At 10:05 a.m., the executive session was concluded and open public meeting was reconvened. The Board then authorized President Koester to provide the General Manager with a letter on behalf of the Board for his personnel file commending his performance.



**Highline Water District  
Regular Board Meeting Minutes  
December 5, 2012**

There being no further business of the District, President Koester concluded the meeting at 10:07 a.m.

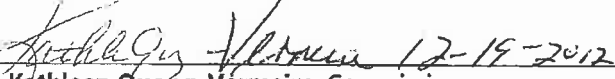
**BOARD OF COMMISSIONERS**

  
\_\_\_\_\_  
Vince Koester, President

  
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Daniel Johnson, Secretary

  
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Gerald R. Guite, Commissioner

  
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George Landon, Commissioner

  
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Kathleen Quong-Vermeire, Commissioner