



Highline Water District Regular Board Meeting Minutes June 20, 2012

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

1. CALL TO ORDER

President Koester called the meeting to order at 4:00 p.m.

2. APPROVE AGENDA

Commissioner Guite's motion to approve the Agenda as presented seconded by Commissioner Landon. 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.

Minutes:	June 6, 2012 Regular Meeting				
WARRANTS					
Fund Name	Fund No.	Scheduled Payment Date	Voucher Numbers		TOTAL AMOUNT
Maintenance	09-075-0010	06/14/12	15400	15401	\$ 5,298.27
Maintenance	09-075-0010	06/25/12	15402	15456	\$ 2,375,807.05
Construction	09-075-0030	06/25/12	901391	901397	\$ 30,496.45
ELECTRONIC TRANSFER FUNDS					
Description	Fund No.	Period Ending	EFT Transfer Date	AMOUNT	
Payroll Tax	09-075-0010	06/08/12	06/20/12	\$ 21,050.40	
Direct Deposit – Payroll (KC-PAY47)	09-075-0010	06/08/12	06/15/12	\$ 61,011.66	
Dept of Retirement	09-075-0010	06/08/12	07/13/12	\$ 9,941.18	
Dept of Retirement – Deferred Compensation	09-075-0010	06/08/12	06/15/12	\$ 2,768.00	
Health Equity (KC-BEN96)	09-075-0010	06/08/12	06/15/12	\$ 189.00	
HRA-VEBA (KC-BEN60)	09-075-0010	06/08/12	06/15/12	\$ 2,073.50	
CONSENT AGENDA RESOLUTIONS					
Item #	Resolution #	Description			
NONE					

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



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4. PUBLIC INPUT

Daryl Tapio, Olympic Development (arrived at 4:07 p.m.)

Mr. Tapio requested to address the Board regarding Highline's General Facility Charges (GFC) and Local Facility Charges (LFC). Mr. Tapio stated that he has been building homes in the southwest King County area for approximately 17 years. Mr. Tapio provided documentation of connection charges from other local jurisdictions. Mr. Tapio questioned Highline's variable LFC charges (calculated on sq. footage) in lieu of a pre-determined amount.

After discussion with Mr. Tapio and staff, the Board agreed to discuss the District's current policy for General and Local Facility charges at a future Board Workshop meeting. The District Engineer told Mr. Tapio that he would contact him with the date of the meeting.

President Koester thanked Mr. Tapio for his time.

5. RESOLUTIONS/MOTIONS

- 5.1 Resolution 12-6-20A authorizing developer extension agreement (ST Multi 2, LLC – a.k.a. Belvedere Apartments. Commissioner Johnson's motion to approve seconded by Commissioner Landon. After discussion, the motion carried unanimously.
- 5.2 Resolution 12-6-20B authorizing Release of Easements (Caterair International, Inc. #9205191269) and Marriott Corporation #7903220810 and #7903220811). Commissioner Quong-Vermeire's motion to approve seconded by Commissioner Landon. After discussion, the motion carried unanimously
- 5.3 Motion 12-6-20(1) amending the Workshop minutes of 4/24/12 to restate Motion 12-4-24(2) for clarification. Commissioner Landon's motion approving the minutes "as corrected", seconded by Commissioner Guite. After discussion, the motion carried unanimously.
- 5.4 Motion 12-6-20(2) to deny a reduction in a \$1,000 fine levied against Les Russell Construction for water theft that occurred on June 13, 2012. Commissioner Quong-Vermeire's motion seconded by Commissioner Landon. After discussion, the motion carried unanimously. Reference Item 6.3.



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6. STAFF/COMMISSIONERS/ATTORNEY

Jeremy DelMar

- 6.1 Request for Proposals - Small Site Asphalt & Concrete Patching Maintenance Contract – The bids are due on 6/27/12. Jeremy informed the Board that he would present a resolution to award the contract at the 7/2/2012 Special Board meeting.
- 6.2 Project 07-2 McMicken Heights Well & Treatment Plant Update – (1) Contractor installing media in the filter vessel; (2) Testing and startup of treatment plant will occur the week of 6/25/12; (3) Treatment plant scheduled to be operational by the end of June; (4) Landscaping ongoing, complete next week; (5) Small fluoride spill occurred last week; (6) District received source approval from the Department of Health; (7) Staff authorized Change Order No. 3 (\$13,188) for additional security fencing around the wellhead and chain link fencing at the front gate.

Matt Everett

- 6.3 6/13/12 Hydrant Water Theft – District personnel were informed by a customer that an employee of Les Russell Construction was taking water from a hydrant at S 162nd Street without a meter. The customer submitted photos of the incident to the District. The incident required District crews to flush the main.

The employee of Les Russell Construction sent an email on 6/15/12 to the General Manager and the Board apologizing for taking water from the District's hydrant and requested consideration for a reduction of the \$1,000 fine.

Action Taken: Reference Motion 12-6-20(2).

- 6.4 City of Kent –Land Use & Planning Board Public Hearing – 6/11/12 – In reference to the City of Kent's 2011 Water System Plan F#CPA-2008-3(R1)1, Public Works Operation Manager Brad Lake entered a letter for the record from Highline Water District (HWD) dated June 8, 2012 commenting on their retail water service area and requesting correction of "South 248th Place" to "South 284th Place".
- 6.5 HWD Conservation Poster Calendar Contest – Staff distributed the calendars to the Commissioners. The students whose posters were selected to be part of the District's 2013 conservation calendar were awarded with a calendar, a Certificate of Achievement and a gift card to a local bookstore.



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- 6.6 General Manager Vacation – Matt reminded the Board that he would be on vacation the week of June 25 – 29, 2012.

John Milne, Attorney, Inslee Best

- 6.7 Milne reported on the efforts by some cities to impose utility taxes on the revenues of water-sewer districts. He provided the commissioners and staff with an example ordinance by the City of Shoreline imposing a utility tax on gross income from water distribution and sewerage operation, but exempting utilities with a city franchise requiring a fee payment from the tax. However, the Washington Supreme Court had determined in the *King County v. City of Algona* case in 1984 that cities did not have statutory authority to impose a utility tax on another municipality. He advised it was his understanding the State Association was reviewing the issue to determine whether to pursue legislation expressly prohibiting utility taxes, or, if cities continued to pursue legislation expressly authorizing the tax, to agree not to oppose the city legislation in exchange for legislation requiring a vote on a city assumption proposal.

Milne also reported on the status of issues relating to fire hydrants and whether water districts were required to bill general governments for the cost to provide and maintain hydrants as addressed in the *Lane v. Seattle* Supreme Court case. He advised that several districts had agreed in city franchises to be responsible for hydrant costs in consideration of the city agreeing not to assume the district, to provide a water facility relocation cost allocation schedule and other consideration. He cited the example of the franchise Lakehaven Utility District had entered into with the City of Federal Way. He also advised he was participating in an attorney group through the Washington Water Utilities Council which was reviewing hydrant issues and possible legislation to allow the recovery of hydrant costs through retail rates and preserve the protection of the public duty doctrine which provided immunity from negligence claims relating to fire suppression activities. He and the General Manager will keep the Board further advised.



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There being no further business of the District, President Koester concluded the meeting at 5:24 PM.

BOARD OF COMMISSIONERS



Vince Koester, President



Daniel Johnson, Secretary



Gerald R. Guite, Commissioner



George Landon, Commissioner

Kathleen Quong-Vermeire, Commissioner