



Highline Water District Workshop Meeting Minutes July 24, 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, Inslee Best VISITORS Daryl Tapio, Olympic Development
Strikeouts indicate absence		

1. CALL TO ORDER

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

2. APPROVE AGENDA

Commissioner Johnson'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.

Minutes:	July 18, 2012 Regular Meeting				
WARRANTS					
Fund Name	Fund No.	Scheduled Payment Date	Voucher Numbers	TOTAL AMOUNT	
Maintenance	09-075-0010	07/30/12	15546 - 15562	\$ 36,400.28	
Construction	09-075-0030	07/30/12	901405 - 901408	\$ 18,819.66	
ELECTRONIC TRANSFER FUNDS					
Description	Fund No.	Period Ending	EFT Transfer Date	AMOUNT	
Dept of Revenue – B&O Taxes	09-075-0010	06/30/12	07/26/12	\$ 53,573.48	
CONSENT AGENDA RESOLUTIONS					
Item #	Resolution #	Description			
NONE					

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

4. PUBLIC INPUT

Daryl Tapio, Olympic Development, attended the meeting (see comments under Item 6 – General Facility Charge (GFC) and Local Facility Charge (LFC).



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5. RESOLUTIONS/MOTIONS

Resolution 12-7-24A authorizing the General Manager to amend the Highline Water District Code (HWDC), Chapter 6.04 Rates, Section 6.04.070 Local Facility Charge and Chapter 10.03, Developer Extension Policies, Section 10.03.050 Local Facility Charge, to incorporate a maximum Local Facility Charge cap of \$10,000 for any one (1) single-family residence or newly created lot with the provision that if property is subdivided in the future, a credit for paid square footage (SF) would be given and additional LFC would apply or enter into a Developer Extension (DE) with the District. Commissioner Guite's motion seconded by Commissioner Landon. After discussion, the motion carried unanimously.

Note: The District's legal counsel requested that staff prepare a resolution for this amendment to the HWDC (effective 7/24/12) and present the resolution at the August 1, 2012 Regular Board meeting for the Board of Commissioners' signatures.

6. GENERAL FACILITY CHARGE (GFC) AND LOCAL FACILITY CHARGE (LFC) Jeremy DelMar

Jeremy gave a PowerPoint presentation to the Board to discuss the current water connection charges. Jeremy explained the differences between the GFC and LFC and how Highline calculates the charges. Also included in the presentation, historic rates from 1995–2012, cost and policy comparisons with ten other local purveyors/jurisdictions in south King County.

Regarding the current policy, Jeremy presented five (5) options to the Board for their consideration: (1) Leave the current policy as is; (2) cap the LFC charge for any one single-family residence (SFR) or newly created lot with the following provision: If property subdivided in the future, credit for paid square footage would be given and additional LFC would apply or enter into a developer extension with the District; (3) eliminate the LFC completely; (4) Combine GFC/LFC (this would require hiring consultant for rate study); (5) Revert back to calculating LFC by lineal footage of main fronting property (this would require hiring a consultant for rate study).

Mr. Tapio distributed copies of his 7/23/12 letter he emailed to the HWD Board of Commissioners, Matt Everett, Jeremy DelMar, SW King County Elected Officials, Property Owners and Builders regarding Highline's Water Meter Fees for Infill Development for Single Family Homes. Mr. Tapio stated his opinion on the District's connection charges as follows: (1) very complex calculations; (2) costs are too variable and unpredictable; (3) go to a flat rate charge; (4) eliminate the local facility charge.

Action Taken: After discussion, the Board unanimously passed a motion to cap the local facility charge. Reference Item 5 – Resolution 12-7-24A.

7. 2ND QUARTER FINANCIALS (BUDGET VS. ACTUAL) Debbie Prior, Matt Everett

Debbie and Matt and reviewed the Second Quarter Budget vs. Actual and answered questions of the Board. Commissioner Quong-Vermeire asked Debbie to include an explanation in the financial statements that the street light revenue collected by Highline is paid to Puget Sound Energy.



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8. OTHER

Matt Everett

- 8.1 WASWD Board Meeting and Retreat (7/23/12) – Matt attended the meeting yesterday. The by-laws were distributed at the meeting. The following potential changes to the by-laws were discussed: (1) one vote per District in lieu of one vote per Commissioner; (2) vote for Board positions by mail in lieu of in person, as well as many other changes. The WASWD Board voted to raise capped District dues by 2%.

Matt informed the Board that his position as the WASWD Board Managers' Representative ends in September 2012. The Board was unanimous that Matt continue as the Managers' representative. Matt will bring up the Manager's Representative position at today's managers meeting at WD 90 to see if they want him to continue as the Manager Representative on the WASWD Board.

There being no further business of the District, President Koester concluded the meeting at 10:40 AM.

BOARD OF COMMISSIONERS

Vince Koester, President

Daniel Johnson, Secretary

Gerald R. Guite, Commissioner

George Landon, Commissioner

Kathleen Quong-Vermeire, Commissioner