



**Highline Water District
Workshop Minutes
February 24, 2009**

COMMISSIONERS PRESENT

Gerald R. Guite
Vince Koester
George Landon
Kathleen Quong-Vermeire
Daniel Johnson

CONSULTANT PRESENT

Chris Kelsey, P.E., Kennedy/Jenks

STAFF PRESENT

Matt Everett, General Manager
Debra Prior, Administrative Manager
Mary Fossos, Project Coordinator, CIPs

ATTORNEY PRESENT

John Milne

Note: Strikeouts indicate absence

1. **CALL TO ORDER** President Johnson
President Johnson called the meeting to order at 9:00 AM.

2. **APPROVE AGENDA** President Johnson
Commissioner Landon's motion to approve the agenda as presented was seconded by Commissioner Guite and carried unanimously.

3. **KENNEDY/JENKS ENGINEERING SERVICES PRESENTATION**
Chris Kelsey, P.E., Kennedy/Jenks
Chris Kelsey reviewed the following key items:
Shifted Focus
 - Capital Costs, Operational Costs and Infrastructure Replacement Costs
 - District Wells
 - Seattle Public Utilities
 - Lakehaven Utility District**Scope Elements – Alternatives Analysis**
 - Initial Evaluation of 3 Sources
 - Capital facilities necessary for Lakehaven – costs developed.
 - Operation costs include power, chemicals, maintenance, labor.
 - Develop infrastructure facility replacement cost.
 - Analyze Select Improvements at Des Moines WTP
 - Fluoridation, chlorine system conversion, backup power.
 - Portfolio Analysis
 - Spreadsheet-based tool.
 - Document in an Evaluation Report**Scope Elements – Wheeling to Tukwila/CWA?**
 - Rate Setting Review
 - Updated capital facilities program from recent Water System Plan.
 - Add capital projects to support the preferred portfolio.
 - Structure modification necessary?
 - Wholesaling Evaluation - Tukwila
 - Develop capital/operational costs for intertie.
 - Develop infrastructure replacement cost for shared facilities.



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- Document in a technical memorandum.

Project Assumptions

- Evaluation report would not qualify as a project report for any design facility.
- Key data readily available in organized format from the District.
- Full code review of Des Moines WTP not included.
- No water quality or hydraulic modeling.
- Future purchased water cost escalation based on best available information.

After discussion with staff and the Commissioners, President Johnson thanked Mr. Kelsey for his presentation.

4. RESOLUTIONS/MOTIONS

Item #	Resolution #	Description of Resolution/Motion	Presenter(s)
4.1	09-2-24A	Resolution awarding consultant contract #09-50-06 to Kennedy/Jenks Consultants for Source of Supply Alternatives & Design Services. Commissioner Landon's motion to approve was seconded by Commissioner Guite. After discussion, the motion carried unanimously.	Matt Everett

5. LANE VS. CITY OF SEATTLE (HYDRANT BILLING ISSUE)

John Milne, Inslee, Best, Doezie & Ryder, P.S.

The General Manager and the attorney reported to the Board on a recent decision by the Washington State Supreme Court where the Court had confirmed that the City of Seattle could not recover the costs of fire hydrants which were part of Seattle's water system from its retail water customers. Rather, Seattle was required to pay for fire hydrants out of its general fund. In the Lane case, Seattle had imposed a tax on its water utility, SPU, to pay for fire hydrants and had also billed cities where Seattle maintained water facilities. The Court had upheld the utility tax and the billings to the cities involved in the case. The General Manager and the attorney will further review the decision and advise whether the case decision has any application to water districts.

6. OTHER

Commissioner Quong-Vermeire

Kathleen said the WASWD Board passed a Code of Ethics without having a legal opinion regarding conflicts of interests.

Kathleen attended the Washington WARN Conference in Denver, Colorado. Kathleen said Washington is one of only two states that have not implemented WARN.

Kathleen informed the Board and staff that House Bill 2249 was introduced at the Regular Legislative Session on 2/18/09. The ACT relates to modifying local government revenue options in 2 counties with a population of one million five hundred thousand or 3 more; amending RCW 82.14.415, 82.14.030, 84.55.050, and 82.14.450; 4 reenacting and



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amending RCW 82.46.035; adding a new section to chapter 5 35.21 RCW; adding a new section to chapter 35A.82 RCW; adding a new 6 section to chapter 43.09 RCW; adding a new chapter to Title 36 RCW; 7 creating a new section; and providing expiration dates.

Matt Everett

Angle Lake Manor Association – Matt and Jim Hay (Robinson, Noble & Saltbush) met with the homeowners to explain why the McMicken Heights Groundwater Treatment Facility will not have any impact on Angle Lake water levels.

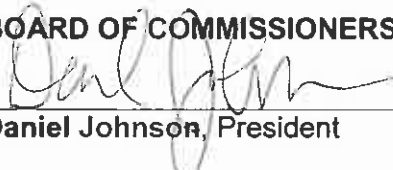
Project 07-1 490 Zone Water System Improvements – Buno Construction, LLC, was the low and responsible bidder. A resolution to award the construction contract to Buno will go before the Board at the 3/4/09 Board meeting.

Debbie Prior

Debbie informed the Board that Barak restored internet access to their thin clients.

There being no further business of the District, President Johnson adjourned the meeting at 11:20 a.m.

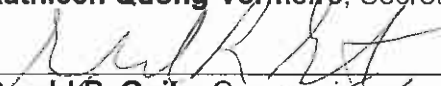
BOARD OF COMMISSIONERS




Daniel Johnson, President



Kathleen Quong-Vermeire, Secretary



Gerald R. Guite, Commissioner



Vince Koester, Commissioner



George Landon, Commissioner