



Highline Water District Regular Meeting Minutes April 17, 2013

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
Strikeouts indicate absence		

1. CALL TO ORDER

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

2. APPROVE AGENDA

Motion duly made and seconded to approve the Agenda as presented. 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:	April 1, 2013 Special Board Meeting				
WARRANTS					
Fund Name	Fund No.	Warrant Date	Vouchers	AMOUNT	
Maintenance	09-075-0030	04/18/13	16362 - 16418	\$ 113,218.53	
Construction	09-075-0010	04/18/13	901481 - 901483	\$ 26,067.44	
Maintenance	09-075-0010	04/05/13	302425	\$ 542.45	
ELECTRONIC TRANSFER FUNDS					
Fund Name	Fund No.	Period Ending	EFT Transfer Date	AMOUNT	
Payroll Tax	09-075-0010	03/29/13	04/10/13	\$ 24,298.25	
Payroll Tax	09-075-0010	04/12/13	04/24/13	\$ 24,132.74	
Direct Deposit – Payroll (KC-PAY47)	09-075-0010	03/29/13	04/05/13	\$ 63,453.18	
Direct Deposit – Payroll (KC-PAY47)	09-075-0010	04/12/13	04/19/13	\$ 63,022.79	
Dept of Retirement	09-075-0010	03/29/13	04/05/13	\$ 10,556.94	
Dept of Retirement	09-075-0010	04/12/13	04/19/13	\$ 10,540.52	
Dept of Retirement - Deferred Compensation	09-075-0010	03/29/13	04/05/13	\$ 3,036.50	
Dept of Retirement - Deferred Compensation	09-075-0010	04/12/13	04/19/13	\$ 3,036.50	
Health Equity (KC-BEN96)	09-075-0010	03/29/13	04/05/13	\$ 187.00	
Health Equity (KC-BEN96)	09-075-0010	04/12/13	04/19/13	\$ 187.00	
Health Equity (KC-BEN105)	09-075-0010	03/29/13	04/05/13	\$ 73.40	
Health Equity (KC-BEN105)	09-075-0010	04/12/13	04/19/13	\$ 73.40	
Health Equity (KC-BEN106)	09-075-0010	03/29/13	04/05/13	\$ 37.00	
Health Equity (KC-BEN106)	09-075-0010	04/12/13	04/19/13	\$ 37.00	
HRA VEBA (KC-BEN60)	09-075-0010	03/29/13	04/05/13	\$ 3,417.00	
CONSENT AGENDA RESOLUTIONS					
Item #	Resolution #	Description			
3.1	13-4-17D	Resolution accepting developer extension as complete (Segale Bldg 101)			



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Motion duly made and seconded to approve the Consent Agenda as presented. The motion carried unanimously.

4. PUBLIC INPUT

No members of the public attended the meeting.

5. RESOLUTIONS/MOTIONS

Resolution 13-4-17A awarding construction contract to T Barger Dirtworks, LLC, for Project 12-3 S 188th St Water Main Replacement. Motion to award contract duly made and seconded. After discussion, the motion carried unanimously.

Resolution 13-4-17B authorizing Amendment #1 to PACE Engineers, Inc. Contract #12-60-13 for Project 12-3 S 188th St Water Main Replacement. Motion to authorize Amendment #1 duly made and seconded. After discussion, the motion carried unanimously.

Resolution 13-4-17C authorizing payment to King County for Sewage Treatment Capacity Charge for the McMicken Heights Treatment Plant. Motion to authorize payment of \$62,657.97 duly made and seconded. After discussion, the motion carried unanimously.

Motion 13-4-17(1) to authorize payment of \$1,000.00 to King County Special Purpose Districts Growth Management Planning Council (GMPC), Regional Water Quality Committee (RWQC) and Metropolitan Water Pollution Abatement Advisory Committee (MWPAAC) for participation of 2013-2014 staffing services. Motion to authorize payment of \$1,000.00 duly made and seconded. After discussion, the motion carried unanimously.

Motion 13-4-17(2) to authorize the General Manager to hire consulting firm (FCS Group) to conduct a connection charge study which supersedes Motion 12-9-5(1). Motion to authorize study of connection charges duly made and seconded. After discussion, the motion carried unanimously. *Reference Item 6.5.*

6. STAFF/COMMISSIONERS/ATTORNEY

Jeremy DelMar

- 6.1 Proposed Service/Hydrant Installation Contract – Jeremy proposed using one contract (draft copy presented to the Board) for water service connections and fire hydrant installations. The District prepares a time-and-materials estimate for the service requested. The Developer pays deposit (estimated amount). If the connection charges are greater than the estimated amount, a contract would allow the District to lien property if the developer does not pay remaining balance owed. The Board and staff will discuss further at a future Board meeting.

Debbie Prior

- 6.2 King County Investment Pool (KCIP) – Debbie received an email (3/26/13) from the KCIP stating that the District has recovered an additional \$4,753 from the *Rhinebridge* impaired investment. The total amount recovered from *Rhinebridge* to-date is \$20,800.



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6. STAFF/COMMISSIONERS/ATTORNEY

- 6.3 2013 1st Quarter Financial Statements – Debbie will email the 2013 1st quarter financial statements to the Commissioners for review and comments. The Commissioners and staff will discuss at the 4/23/13 Workshop meeting.

Matt Everett

- 6.4 Hydrant Bill (SHB-1512) - The house bill was passed by the senate and on its way to the Governor's desk. The end result is that special purpose water districts will continue to fund hydrants out of water rates as they have historically always done.

6.5 FCS Group Connection Charge Study

Matt discussed with the Board his observations from the Presentation on connection charges at the WASWD Spring Conference. From the presentation, connection charges should be simple, easy to explain and defensible. Matt stated that he believes the current connection charges are defensible, but it can be difficult for staff to explain to customers how the charges are determined. Through discussions with some consultants at the conference, there is a trend to shift to a combined system development charge (SDC) for systems that are more built-out, like HWD. For systems that are expanding, other methodologies like the GFC/LFC charges may be more applicable. Connection charges vary significantly throughout the area and are specific to needs of the individual jurisdiction. The state statute does not differentiate between GFC and LFC charges. Discussion ensued.

Matt and Jeremy explained that according to our current methodology, there are approximately \$22.4M in distribution assets that are recovered through the LFC charge. Based on our current LFC rate, the District would not completely recover those costs before some of these assets would need replacement if they are based solely on the revenue recovered through LFCs. Combining the GFC and LFC into one SDC based on meter size will provide additional revenue to recover these costs. Jeremy explained that if the Board desires to change to a SDC, he would like to update the Developer Extension standards at the same time.

Matt requested FCS Group, a financial rate consultant, to prepare a scope and budget to determine the feasibility of combining GFC and LFC into one SDC and update the figures based on current financial numbers. Their estimate for the services is approximately \$13,610. Matt explained that he is authorized to execute the contract; however, per Motion 12-9-5(1), the Board's direction was to look at this until the update of the WSP scheduled to begin in 2014. Matt requested the Board rescind the motion and authorize him to execute a contract with FCS Group to explore these options. Action Taken: Reference Motion 13-4-17(2).

- 6.6 Boundary Issues – Matt and Jeremy met today with the City of Kent (Tim LaPorte, Public Works Director, Brad Lake, Public Works Operations Manager, Dave Brock, Utility Engineer IV and Kevin Swinford, Field Supervisor, to discuss boundary disputes. Matt will direct Teya to exchange maps with Dave Brock. The City also stated that they are interested in selling wholesale water to the District in the future. Matt will update the Board on the status of continuing water service boundary discussions.



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6. STAFF/COMMISSIONERS/ATTORNEY

- 6.7 HWD Customer Service Survey Responses – The District received comments from two customers commending customer service and a member of the field crew for their kind, attentive service.

There being no further business of the District, President Johnson concluded the meeting at 5:00 p.m.

BOARD OF COMMISSIONERS

Daniel Johnson, President

Kathleen Quong-Vermeire, Secretary

Gerald R. Guite, Commissioner

Vince Koester, Commissioner

George Landon, Commissioner