



## Highline Water District Regular Board Meeting Minutes November 4, 2015

| ATTENDEES  |  |   |
|--|--|---|
| <b>COMMISSIONERS</b><br>Todd Fultz<br>Daniel Johnson<br>Vince Koester<br><del>George Landon</del><br>Kathleen Quong-Vermeire | <b>HWD STAFF</b><br>Matt Everett, General Manager<br>Jeremy DeMar, Engineering/Ops. Manager<br><del>Debra Prior, Administrative Manager</del><br>Mary Fossos, Project Coordinator, CIPs<br>Sandi DeChon, Accounting Specialist, Lead | <b>HWD ATTORNEY(S)</b><br>John Milne, Inslee Best<br><br><b>VISITORS</b><br>Ken Kase, Midway Sewer District |
| Strikeouts indicate absence  |  |   |

### 1. CALL TO ORDER

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

### 2. APPROVE AGENDA

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

### 3. CONSENT AGENDA

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

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:** | October 27, 2015 Workshop

| WARRANTS                   |              |               |                   |        |           |
|----------------------------|--------------|---------------|-------------------|--------|-----------|
| Fund Name                  | Fund No.     | Warrant Date  | Vouchers          | AMOUNT |           |
| Maintenance                | 09-075-0010  | 11/05/15      | 19362 - 19378     | \$     | 55,145.68 |
| Construction               | 09-075-3030  | 11/05/15      | 901794 - 901795   | \$     | 15,540.60 |
| ELECTRONIC TRANSFER FUNDS  |              |               |                   |        |           |
| Description                | Fund No.     | Period Ending | EFT Transfer Date | AMOUNT |           |
| Payroll Tax                | 09-075-0010  | 10/23/15      | 11/04/15          | \$     | 24,913.83 |
| Direct Deposit – Payroll   | 09-075-0010  | 10/23/15      | 10/30/15          | \$     | 66,896.81 |
| Dept of Retirement         | 09-075-0010  | 10/23/15      | 11/13/15          | \$     | 15,525.18 |
| CONSENT AGENDA RESOLUTIONS |              |               |                   |        |           |
| Item #                     | Resolution # | Description   |                   |        |           |
| None                       |              |               |                   |        |           |



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**4. PUBLIC INPUT**

Ken Kase, General Manager, Midway Sewer District, attended the meeting.

**5. RESOLUTIONS/MOTIONS**

No resolutions were presented at the meeting.

Motion 15-11-4(1) duly made and seconded authorizing the District to maintain the status quo and pay 100% of the health insurance premiums in 2016 for employees and their dependents that subscribe to the Uniform Medical Plan-Classic or other less costly insurance plan offered by Washington State H.C.A. The employees will pay a portion for dependent(s) costs to those subscribing to the most expensive Group Health Classic Plan. After discussion, the motion carried unanimously.

Motion 15-11-4(2) duly made and seconded to excuse Commissioner Landon's absence for today's meeting. After discussion, the motion carried unanimously.

**6. STAFF/COMMISSIONERS/ATTORNEY**

**Sandi DeChon**

- 6.1 2016 H.C.A. Medical & Dental Insurance Plans – Sandi informed the Board of the Public Employee's Benefit Board (PEBB) Program's annual open enrollment (11/1/15 – 11/30/15) and reviewed the health plan options for 2016.

**Jeremy DelMar**

- 6.2 Project 13-1A Angle Lake AC Water Main Replacement – Kar-Vel Construction has installed 1,000 LF of main and removed 40 trees.

**Matt Everett**

- 6.3 Proposed City of Des Moines Utility Tax – The District used its call-out system to inform the ratepayers that the City of Des Moines was planning to impose a 16% utility tax on water and sewer bills at a public hearing on Thursday, October 29th at 7:00 pm and further asked the ratepayer to express their concern to the City Council through emails and/or speaking at the City's Public Hearing if they oppose this tax.



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**7. EXECUTIVE SESSION TO DISCUSS POTENTIAL LITIGATION UNDER RCW 42.30.110(1)(i) - CITY OF DES MOINES POTENTIAL UTILITY TAX**

Everett reported on his attendance at the October 29, 2015, Des Moines City Council meeting where the Council considered the adoption of a tax on the District's water rates. He advised the Council the District was opposed to the tax for the reasons set forth in Everett's October 27, 2015, letter to the City Manager. It is the District's position the tax will imposed financial hardship on the City's residents who are District ratepayers, the tax is regressive, the District would have difficulty in implementing the tax, District fire hydrant revenues could not be taxed, and the tax was likely unlawful. He reported the City Council at the October 29 meeting had deferred action on the proposed tax, and a meeting with City representatives to discuss the tax had been scheduled for the afternoon of November 4. He will report further to the Board regarding the meeting with the City representatives. He then requested an executive session to further discuss the proposed tax due to potential litigation.

Following discussion, on motion made, seconded and carried unanimously, Koester convened an executive session on that basis. Before the executive session commenced at 9:30 a.m., Koester advised the executive session would conclude at approximately 9:45 a.m. The Commissioners, Everett, DelMar, Milne and Ken Kase, the General Manager of Midway Sewer District, a sewer district that may also be subject to the City's proposed tax, then attended the executive session. At 9:45 a.m., the executive session was extended to 9:50 a.m., which was publicly announced. At 9:50 a.m., the executive session was extended to 10:15 a.m., which was publicly announced. At 10:15 a.m., the executive session concluded and open public meeting reconvened.

Following discussion, the Board authorized District staff and Commissioner Koester to meet with the City representatives to discuss the proposed tax and to report back to the Board.

**8. EXECUTIVE SESSION - LOCAL 32 OF THE UNITED ASSOCIATION OF JOURNEYMEN AND APPRENTICES OF THE PLUMBING AND PIPEFITTING INDUSTRY OF THE UNITED STATES AND CANADA - COLLECTIVE BARGAINING AGREEMENT NEGOTIATIONS UPDATE UNDER RCW 42.30.110(g)**

The General Manager asked the Board for an executive session to discuss the upcoming collective bargaining with Local 32 (United Association of Pipefitters & Plumbers).

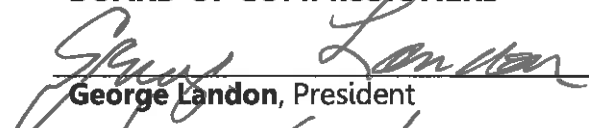
Secretary Koester convened the Executive Session at 10:20 a.m. to discuss the upcoming collective bargaining with Local 32 (United Association of Pipefitters & Plumbers). The Commissioners, Everett, DelMar, and Milne then attended the executive session. The General Manager advised that the executive session would conclude in approximately 15 minutes. At 10:35 a.m., the executive session concluded and the open public meeting reconvened. No action taken.




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There being no further business of the District, Secretary Koester concluded the meeting at 10:36 a.m.

**BOARD OF COMMISSIONERS**

  
George Landon, President

  
Vince Koester, Secretary

  
Todd Fultz, Commissioner

  
Daniel Johnson, Commissioner

  
Kathleen Quong-Vermeire, Commissioner