



Highline Water District Board Workshop Minutes January 26, 2016

ATTENDEES		
COMMISSIONERS Todd Fultz Daniel Johnson Vince Koester George Landon Kathleen Quong-Vermeire	HWD STAFF Matt Everett, General Manager Jeremy DelMar, Engr./Operations Mgr. Debra Prior, Administrative Manager Mary Fossos, Project Coordinator, CIPs	HWD ATTORNEY(S) John Milne, Inslee Best VISITORS Angie Sanchez Virnoche, Principle, FCS Group Sergey Tarasov, Project Manager, FCS Group Lara Kammereck, Carollo Engineers
Strikeouts indicate absence		

1. CALL TO ORDER

President 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.

3. CONSENT AGENDA

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

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: January 6, 2016 Regular Meeting

WARRANTS				
Fund Name	Fund No.	Warrant Date	Vouchers	AMOUNT
Maintenance	09-075-0010	01/28/16	19637 - 19670	\$ 83,415.18
Construction	09-075-3030	01/28/16	901819 - 901822	\$ 7,331.20
Maintenance - Payroll	09-075-0010	01/22/16	302536 - 302536	\$ 3,480.60

ELECTRONIC TRANSFER FUNDS				
Description	Fund No.	Period Ending	EFT Transfer Date	AMOUNT
Payroll Tax	09-075-0010	01/15/16	01/13/16	\$ 24,590.83
Direct Deposit – Payroll	09-075-0010	01/15/16	01/22/16	\$ 58,231.65
Dept of Retirement	09-075-0010	01/15/16	02/12/16	\$ 15,746.27
Dept of Retirement - Deferred Compensation	09-075-0010	01/15/16	01/22/16	\$ 3,762.00
Health Equity (KC-BEN96)	09-075-0010	01/15/16	01/22/16	\$ 256.96
Health Equity (KC-BEN105)	09-075-0010	01/15/16	01/22/16	\$ 101.18
HRA VEBA (KC-BEN60)	09-075-0010	01/15/16	01/22/16	\$ 6,147.12
Dept of Revenue - B&O Tax	09-075-0010	12/31/15	01/26/16	\$ 41,870.97

CONSENT AGENDA RESOLUTIONS

Item #	Resolution #	Description
None		

4. PUBLIC INPUT

No members of the public attended the meeting.



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5. RESOLUTIONS/MOTIONS

Motion 16-1-26(1) made by Commissioner Johnson to authorize District staff and the attorney to negotiate a franchise with City of Des Moines staff addressing terms and conditions acceptable to the District, including a fee payment by the District to the City in consideration of the City not imposing a tax on the District's revenues during the term of the franchise. Commissioner Fultz seconded the motion, which carried unanimously. The Board also authorized and directed the General Manager to contact and invite the other water-sewer districts providing utility service within Des Moines to join Highline in possible franchise discussions with Des Moines. The Board also authorized the District's attorney to contact the Des Moines City Attorney to advise of the District's interest in discussing a franchise with the City. Reference Item No. 7 Executive Session.

6. WATER COST OF SERVICE RATE STUDY & GFC UPDATE (FCS GROUP)

Angie Sanchez Virnoche, Principle and Sergey Tarasov, Project Manager

At the request of the District, Angie Sanchez Virnoche, Principle, and Sergey Tarasov, Project Manager, FCS Group, gave a PowerPoint presentation on the finance chapter of the Water System Plan. The following items were reviewed:

- Overview of Rate Study Process; ▪ General Facilities Charge Update; ▪ Revenue Requirement;
- Cost of Service; ▪ Fire Allocation Options. Discussion ensued. No action taken.

Lara Kammereck, PE, PMP, Carollo Engineers, also attended the meeting. Ms. Kammereck will give a presentation on the draft 2016 Water System Comprehensive Plan at the 2/23/16 Board Workshop.

7. EXECUTIVE SESSION - POTENTIAL LITIGATION UNDER RCW 42.30.110(1)(i)

Discuss City of Des Moines Utility Tax and Franchise Agreement

District staff requested an executive session to discuss potential litigation pursuant to RCW 42.30.110 (1)(i) relating to a possible City of Des Moines utility tax and franchise. On motion duly made, seconded and carried unanimously, an executive session was convened on that basis. The Commissioners, District staff and Milne then attended the executive session. Before convening the executive session at 9:45 a.m., Commissioner Koester advised the executive session would conclude at 10:00 a.m. At 10:00 a.m., the executive session was extended to 10:10 a.m., which was publicly announced. At 10:10 a.m., the executive session concluded and open public meeting reconvened. Action Taken: Reference Motion 16-1-26(1).

8. OTHER

8.1 Jeremy DelMar

Jeremy informed the Board that the District's stolen service truck (#69) was recovered.

8.2 Matt Everett

SeaTac Franchise Meeting - Matt informed the Board that a meeting has been arranged with seven utility districts operating within the City of SeaTac to be held on February 9, 2016 at Valley View Sewer District.



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There being no further business of the District, President Koester concluded the meeting at 10:15 a.m.

BOARD OF COMMISSIONERS



Vince Koester, President



Todd Fultz, Secretary



Daniel Johnson, Commissioner



George Landon, Commissioner



Kathleen Quong-Vermeire, Commissioner