



**Highline Water District  
Regular Board Meeting Minutes  
May 18, 2016**

| <b>ATTENDEES</b>                   |  |                         |
|------------------------------------|--|-------------------------|
| <b>COMMISSIONERS</b>               | <b>HWD STAFF</b>                               | <b>HWD ATTORNEY(S)</b>  |
| Todd Fultz                         | Matt Everett, General Manager                  | John Milne, Inslee Best |
| Daniel Johnson                     | Jeremy DelMar, Engr./Operations Mgr.           |                         |
| Vince Koester                      | <del>Debra Prior, Administrative Manager</del> | <b>VISITORS</b>         |
| George Landon                      | Mary Fossos, Project Coordinator, CIPs         |                         |
| Kathleen Quong-Vermeire            |  |                         |
| <b>Strikeouts indicate absence</b> |  |                         |

**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 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:** April 26, 2016 Workshop

| <b>WARRANTS</b> |             |              |                 |               |
|-----------------|-------------|--------------|-----------------|---------------|
| Fund Name       | Fund No.    | Warrant Date | Vouchers        | AMOUNT        |
| Maintenance     | 09-075-0010 | 05/11/16     | 20012 - 20013   | \$ 5,218.08   |
| Maintenance     | 09-075-0010 | 05/19/16     | 20014 - 20053   | \$ 264,103.85 |
| Construction    | 09-075-3030 | 05/19/16     | 901862 - 901870 | \$ 825,392.71 |

| <b>ELECTRONIC TRANSFER FUNDS</b>           |             |               |                   |              |
|--|-------------|---------------|-------------------|--------------|
| Description                                | Fund No.    | Period Ending | EFT Transfer Date | AMOUNT       |
| Payroll Tax                                | 09-075-0010 | 05/06/16      | 05/18/16          | \$ 25,771.86 |
| Direct Deposit – Payroll                   | 09-075-0010 | 05/06/16      | 05/13/16          | \$ 65,573.56 |
| Dept of Retirement                         | 09-075-0010 | 05/06/16      | 06/15/16          | \$ 16,115.84 |
| Dept of Retirement - Deferred Compensation | 09-075-0010 | 05/06/16      | 05/13/16          | \$ 4,073.00  |
| Health Equity (KC-BEN96)                   | 09-075-0010 | 05/06/16      | 05/13/16          | \$ 256.96    |
| Health Equity (KC-BEN105)                  | 09-075-0010 | 05/06/16      | 05/13/16          | \$ 101.18    |
| HRA VEBA (KC-BEN60)                        | 09-075-0010 | 05/06/16      | 05/13/16          | \$ 6,147.12  |

| <b>CONSENT AGENDA RESOLUTIONS</b> |              |             |
|-----------------------------------|--------------|-------------|
| Item #                            | Resolution # | Description |
| None                              |              |             |

**4. PUBLIC INPUT**

No members of the public attended the meeting.



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**5. RESOLUTIONS/MOTIONS**

Resolution 16-5-18A declaring an emergency and waiving the formal competitive bidding requirements of RCW 39.04.280(1)(e); (2)(b) and (3) and further authorizing Amendment #2 to construction contract #16-50-02 with Streich Bros, Inc. relating to repairs at the Mansion Hill 2.5 mg reservoir. Motion duly made and seconded. After discussion, the motion carried unanimously.

Resolution 16-5-18B authorizing Amendment #1 to Contract 16-60-10 with Gray & Osborne, Inc. for Phase 2 Construction Management Services relating to Project 16-5 S 268th St Water Main Replacement and Brightwood Park Sewer Main Replacement. Motion duly made and seconded. After discussion, the motion carried unanimously.

Motion 16-5-18(1) - Reference Item 7 Executive Session.

**6. STAFF/COMMISSIONERS/ATTORNEY**

**Jeremy DelMar**

6.1 Water Main Break SW 200th St and 3rd Ave SW – Jeremy informed the Board of the water main break that occurred on Tuesday morning (5/17/16) in Normandy Park. The break was off SW 200th St & 3rd Ave SW. District crews made repairs to the 4" A.C. main. A *boil water advisory* was issued to the affected residents. The District should receive the sampling results on Thursday and if satisfactory, the boil water advisory would be lifted.

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

**Des Moines Utility Tax and Franchise**

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 9:30 a.m., Commissioner Koester advised the executive session would conclude at 9:50 a.m. At 9:50 a.m., the executive session was extended to 10:05, which was publicly announced. At 10:05 a.m., the executive session concluded and open public meeting reconvened.

Motion 16-5-18(1): Following discussion, Commissioner Johnson made the motion to authorize District staff to offer the payment of 6% of the District's net revenue to the City at agreed times during the term of a City franchise in lieu of a City utility (excise) tax on the District's revenues, conditioned on District staff being satisfied with all other terms and conditions in the proposed City franchise, including the cost allocation relocation provision. Commissioner Landon seconded the motion, which carried by a vote of 3-2, Commissioners Koester and Quong-Vermeire voting against the motion.

District staff will now continue negotiations of the terms and conditions of a franchise with Des Moines staff, and if tentative agreement is reached by District staff with City staff on the franchise terms, District staff will then report back to the Board and request approval of the franchise.



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

**BOARD OF COMMISSIONERS**

  
\_\_\_\_\_  
**Vince Koester**, President

  
\_\_\_\_\_  
**Todd Fultz**, Secretary

  
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**Daniel Johnson**, Commissioner

  
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**George Landon**, Commissioner

  
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**Kathleen Quong-Vermeire**, Commissioner