

MINUTES
KING CO WATER DISTRICT 125
Wednesday, July 18, 2001

1. Call to order

The open public meeting was called to order at 4:00 PM at the District office.

Present were:	President	Gary Johnson
	Secretary	John Thompson
	Commissioner	Mike Hihn
	Engineer:	Bob Stanton
	Staff:	Ann Wilson
	Staff:	Russ Austin
	GUESTS:	Guillemette Regan
		Chris Potter

2. MINUTES/VOUCHERS APPROVED

Motion made, seconded and carried to approve the minutes of July 18, 2001 written. Vouchers audited and certified by the auditing officer by RCW 42.040.080 and that reimbursement certified by RCW 42.040.090 have been made available to the Board of Commissioners. Motion made, seconded and carried to approve Vouchers 15719 – 15813* in the amount of \$198,095.80.

3. GUESTS/SEATTLE PUBLIC UTILITIES CONTRACT

The Commissioners, staff and consultants having reviewed ~~Version 15 (5/14/01)~~ of the proposed Full Requirements Contract seek clarification and further discussion of seven items in the contract. There was a lengthy discussion on the points in question. (See attached) In conclusion of the discussions, it was decided to have SPU meet with the District's consulting engineer, Bob Stanton.

4. Attorney

Steve Moen will prepare a resolution rescinding the District's intertie agreement with Water District 49 as it is not being used.

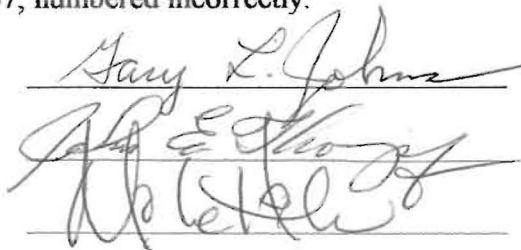
5. Resolution 335/Adopting Water Shortage Contingency Plan

Resolution 335, A Resolution adopting a water shortage contingency Plan and superceding the previous water shortage contingency plan dated May 1994.

6. Adjournment/Next meeting

The next meeting will be August 9, 2001. By motion made, seconded and approved.

* There are no vouchers for numbers 15749 – 15767, numbered incorrectly.



LAW OFFICES

SHAFER, MOEN & BRYAN, P.S.

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July 12, 2001

Seattle Public Utilities
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VIA FAX: (206) 684-4631

Att'n: Guillemette Regan, Regional Policy Mgr.

RE: Water Purveyor Full Requirements Contracts
Our Client: Waster District No. 125

Dear Ms. Regan:

The commissioners, staff and consultants of Water District No. 125 have reviewed Version 15 (5/14/01) of the proposed Full Requirements Contract. We look forward to meeting with SPU officials to discuss the contract and its impact upon Water District No. 125. The board next meets on **WEDNESDAY, JULY 18, 2001 at 4:00 p.m.** In anticipation of such a meeting, and in response to your transmittal E-Mail of 5/14/01, we ask that you note the following items on which we seek clarification or further discussion:

- §III C 4 (p. 13 of v15): Payment and Indemnity (for interconnections requested by Seattle) - we assume this means paid "by Seattle" and suggest the addition of such language.
- ➔ §IV E 10 (b) (p. 25 of v15): We would appreciate further explanation of the "transition growth surcharge" as described in sub-section 10(b).
- §VIII (pp.29-30 of v15): Contract Amendments - We assume "this contract" in the second line refers to amendments to "any Full Requirements Contracts in effect between Seattle and any water utility" and suggest the addition of such language.
- §X E (p. 32 of v15) [typo on third line: "e"]
- §X J (p. 33 of v15): Force Majeur - shouldn't this provision be applied to "any party's performance," rather than just "Seattle's performance?"
- ➔ EXHIBIT II (p.37 of v15): Minimum Hydraulic Gradient of Water Supplied - our consulting engineers want to be sure that the information in this exhibit has been carefully checked for accuracy before the commissioners sign the contract.
- EXHIBIT IV (p. 39 of v15): Operating Board Structure - In §1(e) the word "otherwise" on the sixth line seems unnecessary and potentially confusing; and we would suggest omitting it. Then there appears to be an inconsistency between §1(a)'s "tie-breaker as needed" provision and §1(e)'s non-voting restriction on the seventh board member. If the intent is to give the seventh member tie-breaking voting power, shouldn't language stating that be added to §1(e)? Has the legality of delegating such voting power to a non-elected official been researched?

If you are able to attend the commissioners' July 18 meeting, we can have this on the agenda for consideration of contract approval.

Very truly yours,

STEVE PAUL MOEN

SPM:ps
cc: Water Dist. 125
R. Stanton, P.E.