

KING COUNTY WATER DISTRICT NO. 125
Meeting Minutes
Wednesday, December 13th, 2017

Commissioner Thornton called the meeting of the King County Water District No. 125 Board of Commissioners to order at 10:00 a.m. at the District Office located at 3460 S 148th ST STE 110, Tukwila, Washington.

Present:

Commissioners: Jerry Thornton, President, John Thompson, Secretary and Renea Blanchette, Commissioner

Staff: Shane Young, General Manager, Dylan Bailey Superintendent, Claudia Suseyi, Comptroller

Consultants: John Milne, District Counsel; Dave Hutley, PACE, consulting engineer

Agenda: The agenda was unanimously approved as written.

Minutes: Commissioner Blanchette made a motion to approve the minutes of the November 22, 2017 Board meeting as written. Commissioner Thompson seconded the motion, which carried unanimously. Commissioner Thompson made a motion to approve the minutes of the December 6, 2017 Special Board meeting as written. Commissioner Blanchette seconded the motion, which carried unanimously.

Vouchers: Maintenance vouchers numbered 28134-28163 in the amount of \$112,597.43, EFT vouchers numbers 2715-2722 and 28164-28167 in the amount of \$79,190.93, and payroll vouchers 2711-2714 in the amount of \$6,328.80 were presented for review. Commissioner Blanchette made a motion to approve the vouchers; the motion was seconded by Commissioner Thompson and was carried unanimously.

Consultant's Report:

King County Franchise: Milne reported that 20 water-sewer districts have joined the Inslee Best Joint Representation Group to oppose the proposed "Right-of-Way" rent that will be charged by King County to water, sewer, gas and electric utilities with facilities located in the County Right-of-Way. The Districts previously agreed to participate in cost sharing for pre-litigation efforts, and Milne reported the District Group now proposed to share the cost of litigation efforts to challenge the Right-of-Way charge. Milne requested the Board authorize participation in the projected litigation costs by authorizing funding not to exceed \$10,000 without the Board's prior approval. The District's franchise with King County expired in 1998. The District must submit an application for Right-of-Way Franchise with King County no later than December 31, 2017; if not, King County will not issue the District permits to work in County Right-of-Way. Milne recommended the District file an application with King County for a new franchise while noting in the application the District did not waive its right to challenge King County Ordinance No. 18403. Young stated the District had previously filed an application with King County and paid the appropriate application fee at that time but the County never responded. Following discussion, the Commissioners directed Staff to work with PACE Engineering and legal counsel to file the application of Right-of-Way Franchise with King County. Commissioner Thompson made a motion to approve participation in the Inslee Best Joint Representation Group to challenge the King County Right-of-Way rental charge at a cost to the District for legal fees and costs not to exceed \$10,000 without the District's prior approval; Inslee Best was also authorized to include the District as a named plaintiff in such litigation. The motion was seconded by Commissioner Blanchette, which carried unanimously.

Executive Session: Commissioner Thompson made a motion to convene an executive session to discuss potential litigation with counsel relating to damages to a District water main located on property at 14460 Des Moines Memorial Drive. Commissioner Blanchette seconded the motion, which carried unanimously. Commissioner Thornton advised the executive session would be concluded at approximately 10:35 am. The Commissioners, Young, Milne, Hutley, Bailey and Suseyi attended the executive session at 10:25 am. At 10:35 a.m., the executive session was concluded and open public meeting reconvened.

Following discussion, Commissioner Thompson made a motion directing Young and legal counsel to file a lawsuit for damages against the City of SeaTac, King County and the private owner of Des Moines Way Self Storage for damages incurred by the District related to a failed storm drainage system. Commissioner Blanchette seconded the motion, which was carried unanimously.

PACE Engineer's Report: Hutley presented the Board with a rate increase for PACE engineering services for the 2018 calendar year. Commissioner Thompson made a motion to approve the raise effective January 1, 2018. The motion was seconded by Commissioner Blanchette, which was carried unanimously.

Superintendent Report: Bailey reported on several repairs recently made by the crew, including replacing a fire hydrant that was struck by a U-Haul vehicle on International Blvd S. He mentioned the cost to replace the hydrant will be reimbursed to the District by the U-Haul's insurance provider.

Bailey gave a progress report on the Glacier Middle School Developer Extension.

Bailey reported water construction for the Gateway Developer Extension is scheduled for late December 2017.

General Manager Report: Young present the Board with the Resolution No. 17-12-13-484 for review and approval. Resolution 484 adopts new water rates for the District. The new rates are an increase of approximately 6% as proposed by FCSG in their rate study. Commissioner Thompson made a motion to approve resolution 17-12-13-484. Commissioner Blanchette seconded the motion, which carried unanimously.

Young reported the audit exit conference will take place at the January 24, 2018 Board meeting. State Auditor, Pat McCarthy will be in attendance to present the District with the State Auditor's Stewardship Award.

Young presented the Board with a draft memorandum of understanding for the District's new GIS position. The MOU will be signed by Teamsters Local 117 and forwarded to the Board of Commissioners for review and approval at a future meeting.

Young reported a field employee had requested a "Bring your child to work" day. Young noted he had contacted the District's insurance provider to see if there were any potential issues. It was noted that the event would be similar to a facility tour and would be treated as such by the WSRMP. Commissioner Blanchette made a motion to approve a "bring your child to work day". Commissioner Thompson seconded the motion, which carried unanimously.

Young updated the Board on the progress of the Water System Plan. Young noted that the District had received comments from the Washington State Department of Health and King County. Young added he hopes to have the Water System Plan finalized in early January 2018.

Young informed the Board that the 2018 Budget will be available for review by the January 24, 2018 meeting.

Young reported the District will continue to do an internal controls review once a year. Young added he plans to have the Internal Controls 2017 presentation ready for the December 26, 2017 special Board meeting.

Commissioner Thompson made a motion to approve the WASWD Retro Agreement. The motion was seconded by Commissioner Blanchette and carried unanimously.

Commissioner Thompson made a motion to cancel the December 27, 2017 regular meeting. Commissioner Blanchette seconded the motion, which carried unanimously. Commissioner Blanchette made a motion to hold a special Board meeting on December 26, 2017 at 10:00 am at the District office for all business that may come before the Board. Commissioner Thompson seconded the motion, which carried unanimously.

Adjournment: Commissioner Thornton made a motion to adjourn the meeting. The motion was seconded by Commissioner Blanchette and carried unanimously. The meeting was adjourned at 11:35 am.



Commissioner

Commissioner



Commissioner