

**MINUTES OF A REGULAR MEETING
OF THE BOARD OF COMMISSIONERS OF
NORTHSHORE UTILITY DISTRICT**

September 18, 2006

A regular meeting of the Board of Commissioners of the Northshore Utility District was held at the District office and called to order by Commissioner Bruce Gardiner at 6:02 p.m. on September 18, 2006. Commissioners Don Ellis, Trudy Rolla, and Margaret Wiggins were present. Also present were Fanny Yee, General Manager; Al Nelson, Operations Director; Mary O'Day, Finance Director; Stephen Dennehy, Sr. Engineer; Ken Enns, Engineering Consultant and Kelly Boswell, Executive Assistant. Commissioner Kinnon Williams had an excused absence.

(1). CHANGES TO THE AGENDA

None

(2). CONSENT AGENDA

Commissioner Rolla moved to approve the consent agenda consisting of the following:

- (a). Minutes: Minutes of the September 11, 2006 Regular Board Meeting.
- (b). Minutes: Minutes of the August 31, 2006 Special Board Meeting.

(c). Vouchers:

Fund:	Maintenance and Operation - Payroll
Fund Number:	11-406-0010
Voucher Nos.:	104660 - 104667
Disbursement Amount:	\$86,174.04

Fund:	Maintenance and Operation
Fund Number:	11-406-0010
Voucher Nos.:	159473 - 159560
Disbursement Amount:	\$765,105.34

Fund:	Construction (Sewer) Fund
Fund Number:	11-406-3010
Voucher Nos.:	159561 - 159562
Disbursement Amount:	\$2,400.54

Fund:	Construction (Water) Fund
Fund Number:	11-406-3510

Voucher Nos.: 159563
Disbursement Amount: \$120.90

(d). Electronic Transfers

End of Month Payroll \$142,981.87
Payroll Taxes \$67,264.34

Commissioner Wiggins seconded the motion. It passed unanimously.

(3). NEW BUSINESS

(a). Project Acceptance; Contract 2005-04; Misc. Sewer and Water Improvements – Resolution 2006-09-04

Commissioner Wiggins moved to adopt Resolution 2006-09-04 accepting Contract 2005-04 as completed.

Resolution 2006-09-04

A RESOLUTION of the Board of Commissioners of Northshore Utility District Accepting Contract 2005-04 as Complete

Commissioner Rolla seconded the motion. It passed unanimously.

(b). Project Acceptance; Contract 2006-03 ULID #115 Sewer Project – Resolution 2006-09-05

Commissioner Ellis moved to adopt Resolution 2006-9-05 accepting Contract 2006-03 as completed.

Resolution 2006-09-05

A RESOLUTION of the Board of Commissioners of Northshore Utility District Accepting Contract 2006-03 as Complete

Commissioner Rolla seconded the motion. It passed unanimously.

(c). First Reading; Finance 2 – Fixed Asset Policy

Finance Director O'Day, presented a first draft of the fixed asset policy for the Board to review. No motion was made. No action was taken.

(4). PUBLIC

Jeff Smyth of Smyth & Mason, attending the meeting on behalf of ratepayers Simeon and Monica Osborn, to address the Board on back charges posted to their account due to the Non-Residential status on their over 5,000 sq foot home. The Board informed Mr.

Smyth that the charges would stand on his clients account but the Board would be addressing the Olson's concerns before the next Rate Adjustment Hearing in February 2007. No motion was made. No action was taken.

(5). STAFF REPORTS

(a). Operations Report

Al Nelson presented the Operations Report to the Board.

(6). REGULAR SESSION - suspended

The regular session was suspended at 6:27 p.m., at which time Ken Enns and Stephen Dennehy left the meeting.

(7). EXECUTIVE SESSION

At 6:27 p.m., the Board adjourned into Executive Session for 12 minutes to discuss personnel matters, pursuant to *RCW 42.30.110(l)(g)*. The Board adjourned the Executive Session at 6:39 p.m.

(8). REGULAR SESSION – continued

At 6:39 p.m., the regular session resumed. The meeting was adjourned at 6:39 p.m.

D.A. Ellis

D. Bruce Gardiner

Trudy C. Rolla

Margaret R. Wiggins

Kinnon W. Williams