

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

May 19, 2008

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 Don Ellis at 6:00 p.m., on May 19, 2008. Commissioners Bruce Gardiner and Robert Peterson were present. Also present were Fanny Yee, General Manager; Dave Kaiser, Engineering Director; Al Nelson, Operations Director; Ken Enns, Engineering Consultant and Kelly Boswell, Executive Assistant. Trudy Rolla and Margaret Wiggins had excused absences.

(1). CHANGE TO AGENDA

Add 4c – General Manager Report

(2). CONSENT AGENDA

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

(a). Minutes: Minutes of the May 5, 2008 Regular Board Meeting and Special Meeting of April 17, 2008.

(b). Vouchers:

Fund:	Maintenance and Operation - Payroll
Fund Number:	11-406-0010
Voucher Nos:	104854 - 104861
Disbursement Amount:	\$104,168.63

Fund:	Maintenance and Operation
Fund Number:	11-406-0010
Voucher Nos.:	162760 - 162820
Disbursement Amount:	\$916,152.97

Fund:	Construction (Sewer) Fund
Fund Number:	11-406-3010
Voucher Nos.:	162821 - 162822
Disbursement Amount:	\$11,737.39

Fund:	Construction (Water) Fund
Fund Number:	11-406-3510
Voucher Nos.:	162823
Disbursement Amount:	\$209,789.96

(c). Electronic Transfers

End of Month Payroll	\$199,746.08
Payroll Taxes	\$ 97,275.14

Commissioner Peterson seconded the motion. It passed unanimously.

(3). NEW BUSINESS

(a). Authorization to Bid – Contract 2008-01 Annual Sewer and Water Extensions

Commissioner Gardiner motioned to authorize for staff to proceed with the bidding of Contract 2008-01. Commissioner Peterson seconded the motion. The motion passed unanimously.

(b). Emergency Side-sewer Replacement Project

Commissioner Peterson motioned to declare an emergency for a failed 6” sewer stub on the 18200 block of 58th Ave NE and to ratify the General Manager’s actions approving the project by authorizing the services to be preformed by Buno Construction in the amount of \$23,015.48 including tax. Commissioner Gardiner seconded the motion. The motion passed unanimously.

(c). Safety Manual Update – 1st Reading

The first reading of the updated Safety Manual was presented to the Board. No motion was made. No action was taken.

(d). Customer Request for Removal of Billing Charges due to Zero Usage

Customer Deborah Llavanos (account #304232) wrote a letter to the Board asking for an adjustment due to zero usage and for the fact that she has been living out of the State for a portion of the last three years. After reviewing her account history and letter, the Board directed staff to write her in response and deny her request for an adjustment based on her account history and District policy.

(4). STAFF REPORTS

(a). Operations Report

Al Nelson presented the Operations Report to the Board.

(b). Engineering Report

Dave Kaiser presented the Engineering Report to the Board.

(c). General Manager Report

Fanny Yee reported to the Board on the State Auditors preliminary 2007 findings.

(5). REGULAR SESSION - suspended

At which time, Ken Enns left the meeting.

(6). EXECUTIVE SESSION

District Matters

At 6:22 p.m., the Board moved into Executive Session for six (6) minutes to discuss personnel matters pursuant to *RCW 42.30.110(i)*.

After which time, Fanny Yee dismissed Dave Kaiser, Al Nelson and Kelly Boswell from the meeting.

Personnel Matters

At 6:28 p.m., the Board moved into Executive Session twelve (12) minutes to discuss personnel matters pursuant to *RCW 42.30.110(1)(g)*.

(7). REGULAR SESSION – resumed

At 6:40 p.m., the Board returned to regular session, at which time they discussed the following:

General Manager Pay

The General Manager's employment agreement with the District stipulates a review of her rate of pay at the beginning of each year. Following discussion, Commissioner Ellis motioned for a 5% adjustment for the General Manager retroactive to January 1, 2008. Commissioner Gardiner seconded. The motion passed unanimously.

One-time Payment to Unrepresented Employees

The District regularly updates its pay scales based on market survey with the start of each new Union contract. The last collective bargaining agreement with the Union expired on December 31, 2006. Due to the prolonged negotiations for a successor agreement, the District did not and could not update the pay scales for any employees in 2007. The Union has now agreed to the partial implementation of a successor agreement still under negotiation. As a part of the partial implementation, the represented employees will receive a signing bonus to make up for the lack of market adjustment in 2007. The Board desires the same for the unrepresented

employees. Following discussion, Commissioner Gardiner motioned for a one-time payment to all unrepresented employees equal to 3% of their respective 2007 wages. Commissioner Peterson seconded. The motion passed unanimously.

The meeting was adjourned at 6:42 p.m.

D.A. Ellis

D. Bruce Gardiner

Robert Peterson

Trudy C. Rolla

Margaret R. Wiggins