

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

October 6, 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 Trudy Rolla at 6:01 p.m. on October 6, 2008. Commissioners Don Ellis, Bruce Gardiner, Robert Peterson and Margaret Wiggins were present. Also present were Fanny Yee, General Manager; Alycien Cockbain; Human Resources Director; Dave Kaiser, Engineering Director; Al Nelson, Operations Director; Ken Enns, Engineering Consultant and Kelly Boswell, Executive Assistant.

(1). CHANGE TO THE AGENDA

Add 3g, 3h, 4a, and 5b

(2). CONSENT AGENDA

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

(a). Minutes: Minutes of the September 15, 2008 Regular Board Meeting.

(b). Vouchers:

| | |
|----------------------|---------------------------|
| Fund: | Maintenance and Operation |
| Fund Number: | 11-406-0010 |
| Voucher Nos.: | 163415 - 163497 |
| Disbursement Amount: | \$722,091.47 |

| | |
|----------------------|---------------------------|
| Fund: | Construction (Sewer) Fund |
| Fund Number: | 11-406-3010 |
| Voucher Nos.: | 163488 - 163497 |
| Disbursement Amount: | \$722,091.47 |

| | |
|----------------------|---------------------------|
| Fund: | Construction (Water) Fund |
| Fund Number: | 11-406-3510 |
| Voucher Nos.: | 163498 - 163501 |
| Disbursement Amount: | \$43,766.01 |

(c). Electronic Transfers

Mid-month Payroll \$49,775.00

- (d). Board Acceptance of Developer Extension Projects and Transfer of Owner Bill of Sale

Resolution 2008-10-02

A RESOLUTION of the Northshore Utility District Board of Commissioners to accept the Developer Extension Agreement and construction of certain sewer system improvements for the Finn Hill Subdivision development project that have been installed by S & S Custom Construction Co., in the vicinity of NE 133 St / 72 Ave NE as complete; and to accept the transfer of ownership of these improvements from the developer to Northshore Utility District by Bill Of Sale in the amount of \$23,461.81.

Resolution 2008-10-03

A RESOLUTION of the Northshore Utility District Board of Commissioners to accept the Developer Extension Agreement and construction of certain water system improvements for the Finn Hill Subdivision development project that were installed by S & S Custom Construction Co. in the vicinity of NE 133 St / 72 Ave NE as complete; and to accept the transfer of ownership of these improvements from the developer to Northshore Utility District by Bill Of Sale in the amount of \$33,867.31.

Commissioner Peterson seconded the motion. The motion passed unanimously.

(3). NEW BUSINESS

- (a). Customer Navaluna Request for Leak Adjustment

Customer Navaluna is requesting a one-time adjustment to his bill. He received a large increase in water consumption with no apparent leak that could be detected. The Board directed staff to provide additional information before making a decision and bring it back to the Board at the October 20th meeting. No motion was made. No action was taken.

- (b). Project Acceptance: Small Works Project; CIPP Rehabilitation

Commissioner Wiggins moved to adopt Resolution 2008-10-01 accepting Small Works Project; CIPP Rehabilitation as complete. Commissioner Ellis seconded the motion. The motion passed unanimously.

(c). Proposed Sewage Lift Station 21 and Sewer Service to 129/72 Area (C750)

Commissioner Gardiner motioned to authorize the execution of a professional services agreement with RH2 Engineering in the amount of \$36,000 to complete the preliminary design, geotechnical investigations and permitting requirements for the proposed Lift Station No. 21. Commissioner Wiggins seconded the motion. The motion passed unanimously.

(d). 116/98 Water Main Replacement (C826) Surveying and Topo Mapping

Commissioner Gardiner motioned to approve a Change Order with Duane Hartman & Associates, Inc. for surveying and topographic mapping services for the 116/98 Water Main Replacement Project in an amount not to exceed \$18,500. Commissioner Ellis seconded the motion. The motion passed unanimously.

(e). Holmes Point Drive Gravity Sewer Extension and Lift Station No. 10 Removal

Commissioner Wiggins moved to authorize an amendment to the existing Gary & Osborne design budget by increasing the existing budget in the amount of \$20,741.31 in order to complete the design and permitting for the Homes Point Drive Gravity Sewer Extension and Sewer Lift Station No. 10 Removal. Commissioner Ellis seconded the motion. The motion passed unanimously.

(f). Letter from the Board to Condominium Residents

The District has been compiling addresses of all the condominium owners in the District to send out informational mailings. The Board reviewed the letter for the introductory mailing and gave their comment to staff. No motion was made. No action was taken.

(g). Snohomish County Franchise Agreement

Commissioner Gardiner moved to authorize the General Manager to sign the 15-year Franchise Agreement with Snohomish County. Commissioner Ellis seconded the motion. The motion passed unanimously.

(h). Development Extension Financing

Discussed the economic issues the District is facing with Developer Extensions having services connected to the system but are not in use due to the development slow-down. District Council will be drafting a Policy to bring to the Board at a meeting in the near future. No motion was made. No action was taken.

(4). OLD BUSINESS

(a). City of Kirkland Franchise Agreement

The General Manager informed the Board that the City of Kirkland will be passing the Franchise Agreement at their meeting on October 21, 2008. No Motion was made. No action was taken.

(5). DISCUSSION ITEM

(a). Commissioner's Request

Commissioner Wiggins would like to see the Board President and Secretary titles changed. It was discussed and for legal reason the titles need to stand as is. No motion was made. No action was taken.

(6). 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.

(7). REGULAR SESSION - suspended

At 7:00 p.m., the regular session was suspended. At which time, Ken Enns left the meeting. The Board took a two (2) minute break.

(8). EXECUTIVE SESSION

Legal Matters

At 7:02 p.m., the Board moved into Executive Session for thirteen (13) minutes to discuss legal matters pursuant to *RCW 42.30.110(1)(i)*.

Personnel Matters

At 7:15 p.m., the Board moved into Executive Session three (3) minutes to discuss personnel matters pursuant to *RCW 42.30.110(1)(g)*.

Litigation Matters

At 7:18 p.m., the Board moved into Executive Session for five (5) minutes to discuss legal matters pursuant to *RCW 42.30.110(1)(i)*.

(9). REGULAR SESSION – continued

The meeting was adjourned at 7:23 p.m.

D.A. Ellis

D. Bruce Gardiner

Robert S. Peterson

Trudy C. Rolla

Margaret R. Wiggins