

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

December 7, 2009

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 Wiggins at 5:30 p.m. on December 7, 2009. Commissioners Bruce Gardiner, Robert Peterson and Trudy Rolla were present. Also present were Fanny Yee, General Manager; Jack Broyles, Finance Director; Alycien Cockbain, Human Resources Director; Dave Jones, Fleet and Facilities Director; Dave Kaiser, Engineering Director; Al Nelson, Operations Director; Steve Schommer, IT Director; Russ Porter, Engineering Consultant and Kelly Boswell, Executive Assistant. Commissioner Ellis had an excused absence.

(1). CHANGE TO AGENDA

(2). CONSENT AGENDA

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

(a). Minutes: Minutes of the November 16, 2009 Regular Board Meeting.

(b). Vouchers:

Fund:	Maintenance and Operation
Fund Number:	11-406-0010
Voucher Nos:	165589 – 165679
Disbursement Amount:	\$499,603.35

Fund:	Construction (Sewer) Fund
Fund Number:	11-406-3010
Voucher Nos.:	165680 - 165683
Disbursement Amount:	\$63,266.86

Fund:	Construction (Water) Fund
Fund Number:	11-406-3510
Voucher Nos.:	165684 - 165690
Disbursement Amount:	\$49,447.93

(c). Electronic Transfers

Mid-Month Payroll \$52,717.00

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

Resolution 2009-12-01

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 Evergreen Hospital Emerg Room Expansion development project that have been installed by Evergreen Hospital Medical Center, in the vicinity of NE 130 Lane / 120 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 \$5,408.50.

Resolution 2009-12-02

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 Evergreen Hospital Emerg Room Expansion development project that were installed by Evergreen Hospital Medical Center in the vicinity of NE 130 Lane / 120 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 \$90,252.40.

Commissioner Rolla seconded the motion. The motion passed unanimously.

(3). NEW BUSINESS

- (a). Resolution Repeal and Update Resolution 2009-12-04

Commissioner Gardiner moved to approve adding up to \$500 in award for the Employee(s) of the Year and repeal Resolution 2005-11-04. Resolution 2009-12-04 will be held over for signing at the next Board Meeting due to small grammatical errors. Commissioner Peterson seconded the motion. The motion passed unanimously.

- (b). Bentley Street Lighting Area 321 – Rescind Resolution 2008-06-06

Commissioner Rolla moved to rescind Resolution 2008-06-06 Lighting Area 321. This lighting area is served by the City of Bothell not Northshore Utility District. Commissioner Peterson seconded the motion. The motion passed unanimously.

- (c). Project Acceptance: Contract 2009-08; 175/08 Water Trench Failure Repair (C876)

Commissioner Gardiner moved to adopt Resolution 2009-12-03 accepted Contract 2009-08; 175/08 Water Trench Failure Repair as complete. Commissioner Rolla seconded the motion. The motion passed unanimously.

- (d). Project Acceptance: Contract 2009-06; 2009 Watermain Replacement Project Phase 2 (C846)

Commissioner Rolla moved to adopt Resolution 2009-12-05 accepted Contract 2009-06; 2009 Watermain Replacement Project Phase 2 as complete. Commissioner Gardiner seconded the motion. The motion passed unanimously.

- (e). Approval to Purchase one International Cab & Chassis and Vector Hxx Hydro Excavation Equipment – Resolution 2009-12-06

Commissioner Wiggins moved to adopt Resolution 2009-12-06 authorizing the purchase of a new Excavation Vehicle for the Operations Department in the amount of \$411,789.58. Commissioner Rolla seconded the motion. The motion passed unanimously.

- (f). Change to District Credit Cards

Staff informed the Board that the District would be switching District Visa cards to US Bank to receive an annual cash back reward. No motion was made. No action was taken.

- (g). King County Treasury and Cash Management Charges

Staff informed the Board that King County is changing the fees they are charging for treasury and cash management services. The district expects to save \$15,000 in 2010. No motion was made. No action was taken.

- (h). Department of Revenue Audit

Staff informed the Board of the recently concluded regular 5 year audit resulted in a state tax liability including interest in the amount of \$339,500. Corrective action by the district finance department has already been taken. No motion was made. No action was taken.

- (i). 2010 Budget – First Reading

After some discussion, the Commissioners requested a Study Session for the review of the 2010 Budget. The Session will take place in the first week of January. No motion was made. No action was taken.

(4). OLD BUSINESS

Possible Solution for Developers with New Construction/Vacant Properties Revisited – Originally Discussed on August 7, 2009.

The Board requested this topic to be brought back after new calculations on what the financial impact would be to the district if all the qualified customers took advantage of a proposed discount being considered. The Board directed staff to have a Resolution for the program ready for signing at the next Board meeting.

(5). STAFF REPORTS

(a). Engineering Report

Dave Kaiser presented the Engineering Report to the Board.

(b). Operation Report

Al Nelson presented the Operations Report to the Board.

(6). REGULAR SESSION - suspended

At 6:36 p.m., the regular session was suspended, at which time Russ Porter left the meeting.

(7). EXECUTIVE SESSION

Personnel Matters

At 6:37 p.m., the Board moved into Executive Session for two (2) minutes to discuss legal matters pursuant to *RCW 42.30.110(1)(g)*.

Litigation Matters

At 6:39 p.m., the Board moved into Executive Session for eleven (11) minutes to discuss legal matters pursuant to *RCW 42.30.110(1)(i)*.

(8). REGULAR SESSION – resumed

The meeting was adjourned at 6:50 p.m.

D.A. Ellis

D. Bruce Gardiner

Robert Peterson

Trudy C. Rolla

Margaret R. Wiggins