

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

August 17, 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 August 18, 2009. Commissioners Don Ellis, Robert Peterson, and Trudy Rolla were present. Also present were Fanny Yee, General Manager; Dave Kaiser, Engineering Director; Al Nelson, Operations Director; Russ Porter Engineering Consultant, and Kelly Boswell, Executive Assistant. Bruce Gardiner arrived at 5:37.

(1). CHANGE TO AGENDA

(2). CONSENT AGENDA

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

(a). Minutes: Minutes of the August 3, 2009 Regular Board Meeting.

(b). Vouchers:

Fund:	Maintenance and Operation - Payroll
Fund Number:	11-406-0010
Voucher Nos:	104966 – 104973
Disbursement Amount:	\$93,847.69

Fund:	Maintenance and Operation
Fund Number:	11-406-0010
Voucher Nos.:	165032 - 165107
Disbursement Amount:	\$2,484,495.88

Fund:	Construction (Sewer) Fund
Fund Number:	11-406-3010
Voucher Nos.:	165108 - 165111
Disbursement Amount:	\$35,171.80

Fund:	Construction (Water) Fund
Fund Number:	11-406-3510
Voucher Nos.:	165112 - 165118
Disbursement Amount:	\$38,884.19

(c). Electronic Transfers

End of Month Payroll	\$155,882.51
Payroll Taxes	\$72,003.59

Commissioner Peterson seconded the motion. The motion passed unanimously.

(3). NEW BUSINESS

(a). Commissioners Request – Update on the Leak Adjustment Policy

Commissioner Wiggins requested from staff an update on the new Leak Adjustment Policy that was passed a few months prior to allow adjustments to ratepayers for above ground leaks. Staff reported to the Board the policy is no harder to implement than before and that there has been significant amounts of adjustment given to ratepayers that would have not received a credit under the previous policy. Commissioner Wiggins requested another update in a year's time. No motion was made. No action was taken.

(b). Small Works Project 2009 CIPP Sewer Rehabilitation (C850)

Commissioner Ellis motioned to authorize a change order to Michels Corporation in the amount of \$16,936 for the sewer rehabilitation project. Commissioner Rolla seconded the motion. The motion passed unanimously.

(4). OLD BUSINESS

Uninhabitable Properties Policy – Second Reading

After a long discussion on the Capital Depreciation Charge that is applied to ratepayers in the new policy. The Board directed staff to revise the example of how the charges will be applied in the policy. Commissioner Gardiner then moved the policy to a third and final reading at the next Board meeting. Commissioner Ellis seconded the motion. The motion passed unanimously.

(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). EXECUTIVE SESSION

Personnel Matters

At 6:25 p.m., the Board moved into Executive Session for four (4) minutes to discuss personnel matters pursuant to *RCW 42.30.110(1)(g)*.

Litigation Matters

At 6:29 p.m., the Board moved into Executive Session for twenty-seven (27) minutes to discuss legal matters pursuant to *RCW 42.30.110(1)(i)*.

(7). REGULAR SESSION – resumed

The meeting was adjourned at 6:58 p.m.

D.A. Ellis

D. Bruce Gardiner

Robert Peterson

Trudy C. Rolla

Margaret R. Wiggins