

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

January 25, 2010

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 Gardiner at 5:30 p.m. on January 25, 2010. Commissioners Don Ellis, Robert Peterson, Trudy Rolla and Margaret Wiggins were present. Also present were Fanny Yee, General Manager; Jack Broyles Jr., Finance Director; Dave Jones, Fleet & Facilities Director, Al Nelson, Operations Director; Steve Schommer, IT Director; Stephen Dennehy, Sr. Engineer; Russ Porter, Engineering Consultant; and Kelly Boswell, Executive Assistant.

(1). CHANGE TO AGENDA

(2). CONSENT AGENDA

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

(a). Minutes: Minutes of the January 4, 2010 Regular Board Meeting
Minutes of the January 6, 2010 Special Board Meeting

(b). Vouchers:

Fund: Maintenance and Operation - Payroll
Fund Number: 11-406-0010
Voucher Nos: 105006 - 105012
Disbursement Amount: \$94,063.11

Fund: Maintenance and Operation
Fund Number: 11-406-0010
Voucher Nos.: 165815 - 165873
Disbursement Amount: \$1,711,065.80

Fund: Construction (Sewer) Fund
Fund Number: 11-406-3010
Voucher Nos.: 165874 - 165878
Disbursement Amount: \$15,197.75

Fund: Construction (Water) Fund
Fund Number: 11-406-3510
Voucher Nos.: 165879 - 165882
Disbursement Amount: \$13,088.14

(c). Electronic Transfers:

End of Month Payroll	\$161,795.58
Payroll Taxes	\$74,010.36

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

Resolution 2010-01-03

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 Robert Frost Elementary 2008 development project that were installed by Lake Washington School District 414 in the vicinity of NE 140 St / 118 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 \$207,867.20.

Resolution 2010-01-04

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 Robert Frost Elementary 2008 development project that have been installed by Lake Washington School District 414, in the vicinity of NE 140 St / 118 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 \$94,111.26.

Commissioner Rolla seconded the motion. The motion passed unanimously.

(3). NEW BUSINESS

(a). 2010 Operating Budget

Commissioner Ellis moved to approve the 2010 Operating Budget. Commissioner Wiggins seconded the motion. The motion passed unanimously.

(b). Transferring of Funds

Commissioner Wiggins moved to adopt Resolution 2010-01-02 authorizing an interfund loan transfer of \$1,500.000 from the Utility Maintenance Fund to the 2003 Bond Fund. Commissioner Ellis seconded the motion. The motion passed unanimously.

(c). Upgrade of Existing Video Recording System at NUD

Commissioner Ellis moved to authorize an expenditure of \$134,334.01 to Reliable Security for the upgrade of the existing Districts video recording system.

Commissioner Rolla seconded the motion. The motion passed unanimously.

(d). Water Service Shut-Off Trends 2007 through 2009

Staff presented information to the Board on District shut-off trends from 2007 through 2009. Commissioner Wiggins also added information from Highline Water District on their shutoff history and the Commissioner's Workshop on rates that she attended. No motions were made. No action was taken.

(e). ULID 66 Sewer Bypass (C818D)

Commissioner Ellis moved to authorize a contract amendment to Cornerstone Geotechnical in the amount of \$12,042 to complete the ULID 66 Sewer Bypass Drilling Services Phase 1. Commissioner Rolla seconded the motion. The motion passed unanimously.

(f). Authorize to Bid - Contract 2009-04 Westhill Standpipe VA Improvements

Commissioner Ellis moved to authorize staff to proceed with the bidding of Contract 2009-04. Commissioner Peterson seconded the motion. The motion passed unanimously.

(g). Contract 2010-01; 155/79 Sewer & Water Improvements (C825)

Commissioner Rolla moved to authorize staff to proceed with the bidding of Contract 2010-01. Commissioner Peterson seconded the motion. The motion passed 4-1 with Commissioner Wiggins voting no on the grounds that it was an excessive subsidy for only 20 potential connections.

(h). Juanita Drive Water Main Replacement – Denny Creek Crossing

Commissioner Ellis moved to authorize a contract amendment to RH2 in the amount of \$14,700 to complete the geotechnical investigation. Commissioner Wiggins seconded the motion. The motion passed unanimously.

(i). Headquarters HVAC Replacement

Commissioner Ellis moved to authorize a contract amendment to Gray & Osborne in the amount of \$44,550 for design services for the Headquarters HVAC Replacement Project. Commissioner Gardiner seconded the motion. The motion passed unanimously.

(4). OLD BUSINESS

Sewer Relief Program

Resolution 2010-01-05 was approved by the Board with Commissioner Wiggins abstained due to several questions about wording but agreed the rate relief should start immediately.

Resolution 2010-01-05

A RESOLUTION of the Board of Commissioners of Northshore Utility District to provide temporary relief for Builders and Developers with unsold and unoccupied newly constructed residential units.

Commissioner Gardiner left the meeting at 6:15 p.m.

(5). STAFF REPORT

(a) Operation Report

The Operations Report was presented to the Board.

(b) Engineering Report

The Engineering Report was presented to the Board.

(c) General Manager Report

A Report on the Snohomish River Water Authority meeting of 1/26/2010 was presented to the Board.

(6). REGULAR SESSION – suspended

At 6:35 p.m., the regular session was suspended, at which time Russ Porter and Stephen Dennehy left the meeting.

(7). EXECUTIVE SESSION

Litigation Matters

At 6:35 p.m., the Board moved into Executive Session for thirty three (33) minutes to discuss legal matters pursuant to *RCW 42.30.110(1)(i)*.

(8). REGULAR SESSION – resumed

The meeting was adjourned at 7:08 p.m.

D.A. Ellis

D. Bruce Gardiner

Robert Peterson

Trudy C. Rolla

Margaret R. Wiggins