

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

January 24, 2011

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 Rolla at 5:30 p.m. on January 24, 2011. Commissioners Don Ellis, Bruce Gardiner, Robert Peterson and Margaret Wiggins were present. Also present were Fanny Yee, General Manager; Jack Broyles Jr., Finance Director; Dave Kaiser, Engineering Director; Al Nelson, Operations Director; Russ Porter, Engineering Consultant; Kelly Boswell, Executive Assistant and Kinnon Williams, District Counsel.

**(1). CHANGE TO AGENDA**

Add 8a – Status of Fire Line Policy Project requested by Commissioner Wiggins

**(2). CONSENT AGENDA**

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

(a). Minutes: Minutes of the January 3, 2011 Regular Board Meeting

(b). Vouchers:

Fund:	Maintenance and Operation - Payroll
Fund Number:	11-406-0010
Voucher Nos:	105091 - 105097
Disbursement Amount:	\$103,178.38

Fund:	Maintenance and Operation
Fund Number:	11-406-0010
Voucher Nos.:	1637474 - 1637546
Disbursement Amount:	\$1,557,170.31

Fund:	Construction (Sewer) Fund
Fund Number:	11-406-3010
Voucher Nos.:	1637547 - 1637556
Disbursement Amount:	\$29,943.27

Fund:	Construction (Water) Fund
Fund Number:	11-406-3510
Voucher Nos.:	1637557 - 1637564

Disbursement Amount: \$10,334.26

(c). Electronic Transfers:

End of Month Payroll	\$168,338.60
Payroll Taxes	\$72,978.07

Commissioner Ellis seconded the motion. The motion passed unanimously.

**(3). NEW BUSINESS**

(a). Project Acceptance; Contract 2010-05; Water Main Replacement – Phase 2 (C876B) – Resolution 2011-01-03

Commissioner Ellis moved to adopt Resolution 2011-01-03 accepting Contract 2010-05; Water Main Replacement – Phase 2 (C867B) as complete. Commissioner Gardiner seconded the motion. The motion passed unanimously.

(b). Norway Hill Sewer Service Study – (C916) – Surveying and Topo Mapping

Commissioner Wiggins moved to approve a contract amendment with Duane Hartman & Associates, Inc. for Surveying and Topographic Mapping Services for the Norway Hill Sewer Service Study in an amount not to exceed \$31,058. Commissioner Ellis seconded the motion. The motion passed unanimously.

(c). Ratification of the General Managers Pre-Authorized Purchasing Limit

Commissioner Ellis moved to ratify the General Managers previous signing limit of \$10,000 to \$15,000. Commissioner Peterson seconded the motion. The motion passed 4 to 1 with Commissioner Gardiner voting No. The motion was passed with an amendment moved by Commissioner Ellis that all items over \$10,000 will need to come before the Board as an Information Only Agenda item. Commissioner Wiggins seconded the motion.

(d). Interlocal Agreement Between NUD and KCFD No 4 for fueling Services

The Board tabled the item until the next Board Meeting for additional information. The Board requested information on how much fuel the Fire District will be using and what our storage capacity is as well as the Districts usage of fuel with the generators and all vehicles. The Board also wants to make sure the District has enough fuel during emergency situations.

(e). Credit Card Limits – Policy No. Finance3 – Change in Monthly Purchasing Limit

Commissioner Peterson moved to approve Policy Finance3 increasing the monthly purchase limit of the Inventory & Procurement Clerk to \$5,000. Commissioner Gardiner seconded the motion. The motion passed unanimously.

(f). 2011 Utility Services Rates

The 2011 Utility Rate increase was discussed. After a long discussion Commissioner Rolla requested a Study Session be set for Monday January 31, 2011 at 5:30 pm to finalize the 2011 utility rates. No motion was made. No action was taken.

**(4). STAFF REPORT**

Operation Report

The Operations Report was presented to the Board.

Bryan Hampson from the City of Kenmore attended the meeting to answer any questions the Board had about the new fire protection systems that the City is requiring in all new single-family construction.

**(5). REGULAR SESSION – suspended due to time constraints of Kinnon Williams**

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

**(6). EXECUTIVE SESSION**

Potential Litigation

At 6:25 p.m., the Board moved into Executive Session for thirty (30) minutes to discuss legal matters pursuant to *RCW 42.30.110(1)(i)*.

**(7). REGULAR SESSION – resumed**

At 6:42 p.m. Kinnon Williams left the meeting.

**(8). DISCUSSION ITEMS**

(a). Fireline Policy

Commissioner Wiggins asked to have an update on the Fire Line Project that was conducted last year, specifically the status of the private fire hydrants in the District. The item was tabled for a future meeting so staff could gather information.

(b). Handbook Update

The General Manager informed the Board that staff was making changes to the Handbook and it would be coming in the near future for Board approval.

(c). Employee Committee – Recognition Program

The General Manager presented a proposed new Employee Recognition Program for the Board to review. The Board directed staff to have the new program as a Pilot Program. Staff will put into a Policy for approval at a later date.

(d). Retirement Party – Rick Williams – 35 Years of Service

Staff requested a donation from the Board for a gift to Rick Williams who is retiring on March 31, 2011 after serving the District for 35 years. Board directed staff to donate \$1,000 to Rick Williams in the form of a retirement gift.

(e). 2011 Pay Adjustment for the General Manager

Commissioner Ellis moved to approve a 1% pay increase for the General Manager for 2011 retroactive to January 1, 2011. Commissioner Gardiner seconded the motion. The motion passed unanimously.

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

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D.A. Ellis

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D. Bruce Gardiner

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Robert Peterson

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Trudy C. Rolla

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Margaret R. Wiggins