

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

January 9, 2012

A regular meeting of the Board of Commissioners of Northshore Utility District was held at the District office and called to order by Commissioner Rolla at 5:30 p.m. on January 9, 2012. 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 Jones, Fleet & Facilities Director; Dave Kaiser, Engineering Director; Steve Schommer, IT Director; Ethan Maiefski, Utility Supervisor; Tom Zerkle and Russ Porter, Engineering Consultants and Kelly Boswell, Executive Assistant.

(1). SWEARING IN OF ELECTED OFFICERS

Re-elected Commissioners Bruce Gardiner and Trudy Rolla were sworn in for Positions Number 1 and 4 on the Northshore Utility Board of Commissioners.

(2). ELECTION OF 2012 BOARD OFFICERS

- (a). Commissioner Ellis nominated Commissioner Peterson as the 2012 Board President. Commissioner Gardiner seconded the nomination. The motion passed unanimously.
- (b). Commissioner Gardiner nominated Commissioner Ellis as the 2012 Board Secretary. Commissioner Peterson seconded the nomination. The motion passed unanimously.

Commissioner Rolla than turned the meeting over to the newly elected Board President.

(3). CHANGE TO AGENDA

Add items 5e and 5f

(4). CONSENT AGENDA

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

- (a). Minutes: Minutes of December 19, 2011 Regular Board Meeting

(b). Vouchers:

Fund: Maintenance and Operation
Fund Number: 11-406-0010
Voucher Nos.: 1639196 - 1639236
Disbursement Amount: \$227,659.42

Fund: Construction (Sewer) Fund
Fund Number: 11-406-3010
Voucher Nos.: 1639237 - 1639244
Disbursement Amount: \$270,545.09

Fund: Construction (Water) Fund
Fund Number: 11-406-3510
Voucher Nos.: 1639245 - 1639247
Disbursement Amount: \$9,400.29

(c). Electronic Transfers:

Mid-month Payroll \$60,836.88

Commissioner Ellis seconded the motion. The motion passed unanimously.

(5). NEW BUSINESS

(a). Repeal Resolution 2010-04-01 Side Sewer Specifications

Commissioner Gardiner moved to repeal Resolution 2010-04-01 Side Sewer Specifications. Commissioner Ellis seconded the motion. The motion passed unanimously.

(b). Project Acceptance; Contract 2011-01; 160/112 Sewer Project (C842)

Commissioner Rolla moved to adopt Resolution 2012-01-01 accepting Contract 2011-01; 160/112 Sewer Extension Project as complete. Commissioner Wiggins seconded the motion. The motion passed unanimously.

(c). Revised Voucher Approval Procedure – Information Only

Staff provided information on the new voucher approval procedure required by King County. No motion was made. No action was taken.

(d). General Manager Contract Approval Below 15K – Information Only

Information only item on a tire changing machine purchased by the Fleet Department and signed for on behalf of the District by the General Manager. Dave Jones answered questions about the price change from the Board. No motion was made. No action was taken.

(e). Commissioner Ellis Concerning the Cities Hydrant Maintenance Bills

Commissioner Ellis reported about a meeting with Dave Baker - the Mayor of the City of Kenmore. Commissioner Ellis was informed that the hydrant invoice, sent to the City of Kenmore near the end of 2011, has prompted the City Manager to contact other cities that the District also serves to suggest a takeover or assumption of the District. There is concern that this could potentially affect the District's ability to retain its key staff as its long-term viability as an employer may be questioned. Following a discussion, the consensus among the Commissioners is that the District invoiced for the hydrant costs in its effort to comply with the decision of the State Supreme Court in Lane vs. Seattle. The Board will address the staff's concern if and when it arises.

(f). Commissioner Wiggins Concerning Sewer Blockage to Customers

Commissioner Wiggins asked why staff would enter a customer's home to help with sewage cleanup after a private sewer line backup. Ethan Maiefski explained that the District tries to assist customers if asked by the homeowner to do so and that staff members are trained to handle hazardous wastewater spills. There was additional discussion on having the homeowner sign a Hold Harmless Agreement before entering the property. No motion was made. No action was taken.

(6). STAFF REPORT

(a). Operations Report

The Operations Report was presented to the Board.

(b). Engineering Report

The Engineering Report was presented to the Board.

At 6:15 p.m. Commissioner Ellis left the meeting.

At 6:20 p.m. all staff except Fanny Yee left the meeting and the Board took a five minute break.

(7). EXECUTIVE SESSION

Litigation Matters

At 6:20 p.m., the Board moved into Executive Session for 10 minutes to discuss potential litigation matters pursuant to *RCW 42.30.110(1)(i)*.

The Board dismissed Fanny Yee from the meeting.

Personnel Matters

At 6:30 p.m., the Board moved into Executive Session for 5 minutes to discuss personnel matters pursuant to *RCW 42.30.110(1)(g)*.

(8). REGULAR SESSION – resumed

The meeting was adjourned at 6:35 p.m.

D.A. Ellis

D. Bruce Gardiner

Robert Peterson

Trudy C. Rolla

Margaret R. Wiggins