

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

July 17, 2023

A regular meeting of the Board of Commissioners of the Northshore Utility District was held remotely through video conferencing and in-person. The meeting was called to order by Commissioner Suzanne Greathouse, Board President at 5:30 p.m. on July 17, 2023, Commissioners Thomas Mortimer, Trudy Rolla, Bruce Gardiner, and Matt Breyse were present. Also present were Amanda Campbell, General Manager; Ethan Maiefski, Assistant General Manager, Stephen Dennehy, Engineering Director; Craig Schmollinger, Finance Director; Eric Delfel, Engineering Consultant, and Brenda Smith, Executive Assistant.

(1). CALL TO ORDER

(2). CHANGES TO THE AGENDA

Commissioner Greathouse called for changes to the agenda.

The scheduled Executive Session was removed from the agenda due to Legal Counsel being unable to attend the Board meeting to discuss current or potential litigation (RCW 42.30.110 (1)(i)).

Commissioner Breyse moved to approve changes to the agenda. Commissioner Gardiner seconded the motion which passed 5-0.

(3). PUBLIC

No public comments were received by Monday, July 17, 2023, as advertised on the District website.

(4). CONSENT AGENDA

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

(a). Minutes:

Regular Meeting Minutes for June 20, 2023, and July 3, 2023.

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

Resolution No. 2023-07-02

A RESOLUTION of the Northshore Utility District Board of Commissioners to accept the Developer Extension Agreement and construction of certain **Sewer and Water** system improvements for **Forbes Short Plat** development project that have been installed by **MSR Hidden Meadows #, LLC**, in the vicinity of **NE 203rd St., Kenmore** 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 **\$181,703.06** the sewer system improvements and **\$145,998.89** for the water system

improvements.

Commissioner Gardiner seconded the motion, which passed 5-0.

(5). OLD BUSINESS

There was no old business reported.

(6). NEW BUSINESS

(a). Sewer Repair Contract 2022-02 – Sewer Repair Project (C2102) – Change Order for Existing Soil Conditions

Contract 2022-02 – Sewer Repair Project, contains four separate schedules of work (including sales tax):

• Schedule A – 55 th Ave NE Sewer Repair	\$277,407.96
• Schedule B – Casa Juanita Sewer Replacement	\$215,374.88
• Schedule C – Lateral Rehabilitation	\$139,981.14
• Schedule D – 124 th Ave NE Manhole Adjustments	\$91,796.60
TOTAL AMOUNT	\$724,560.58

During construction of the new sewer main on Schedule A, soil conditions were encountered in 55th Ave NE that were not anticipated during design. The work included approximately 94' of sewer main and one manhole, which was estimated to take about 1-1/2 weeks to complete. Due to the differing site conditions, this work took approximately five weeks to complete.

In addition, due to the width of the roadway, getting traffic through the site was an issue. Staff and Gray and Osborne, Inc. have reviewed the construction claim from the contractor, WSB Excavation & Utilities, and recommend that a change order be issued for the completed work. Due to this change order request and the road reconstruction change order, in the amount of \$148,408, approved by the Board on June 20, 2023, \$475,000 will be transferred to the budget for this project from the Sewer Contingency budget.

Commissioner Mortimer requested information as to whether the District has a policy or a protocol when staff engage a GeoTechnician to evaluate these types of projects prior to the work beginning. Stephen Dennehy, Engineering Director, reported that an engineering analysis is typically completed for a project over 20 feet deep, and in the future a Geotech evaluation will be completed.

Commissioner Gardiner moved to authorize a change order to Contract 2022-02 to WSB Excavation & Utilities in the amount of \$294,664.43, including tax, to complete the sewer main installation associated with Schedule A of this contract and authorize the General Manager to execute the change order on behalf of the District. Commissioners Rolla seconded the motion, which passed 5-0.

(b). Authorization to Purchase Badger Water Meters

Staff is seeking authorization to purchase 144 Badger 1" water meters to replenish the Districts inventory. The total amount including tax is \$41,227.79.

Commissioner Gardiner moved to authorize the purchase of 144 Badger 1" water meters in the amount of \$41,227.79. Commissioners Breyse seconded the motion, which passed 5-0.

(7). DISCUSSION / INFORMATIONAL

(a). Request from AT&T to Re-negotiate Lease Terms

Staff was contacted to request renegotiation of a cellular tower lease at 84th Avenue NE in Kenmore. The noted site is unique as it does not house any District property but was retained for residual use following a previous property split. The referenced lease was executed in 2001 and had an initial five-year term, with four subsequent five-year extensions for a total potential lease period of 25-years (through October 31, 2026). The lease has monthly payments to the District that escalate 6% per year.

Staff reviewed multiple options and requested Board direction, with consideration that earlier in 2023, another cell tower leaseholder removed equipment from a District lease site, which effectively terminated the lease.

After thorough discussion regarding the various options present by Craig Schmollinger, Finance Director, the Board gave direction and approval for staff to re-negotiate with AT&T, to include an increase in the base monthly fee with a lower percentage escalator.

(8). REPORTS

(a). Finance Report

Craig Schmollinger, Finance Director, presented the Finance report to the Board.

Staff met with US Bank regarding the status of increasing the District credit card limit. There are reporting requirements needed to raise the current limit of the District's card, that aren't currently available. Finance Director Schmollinger presented two options to the Board; utilize the National Association of State Procurement Officials (NASPO) credit card or secure banking proposals to compare and bring back to the Board.

The Board gave direction for staff to take the time to research other banking options and bring back the proposals received.

(b). Maintenance and Operations Report (M&O)

Ethan Maiefski, Assistant General Manager presented the M&O report to the Board.

A customer phoned the District to express her appreciation of the service performed by Willie Anderson and his crew for assisting in a sewer backup. The customer wanted to pass on how helpful and friendly the crew was as they were working.

(c). General Manager Report

Amanda Campbell, General Manager (GM), presented the GM report to the Board.

Assistant General Manager – Ethan Maiefski's role as Assistant General Manager was effective July 16, 2023.

Staffing Update – Two positions (Maintenance & Operations Director and Water Quality Coordinator) will be posted within the week.

Salary Study Update – A Staff meeting was held on July 11, 2023, explaining the impacts of the Salary Study. Staff were very appreciative.

St Edwards Music in the Park Event – The City of Kenmore's Music in the Park event was a great success. Four staff members worked this event on Thursday, July 13, 2023 – Pat Sutherland, Ryan Helvey, Kyle Kellett and Jared Littlefield.

District Vending Machines – The District recently received new vending machines that take credit, debit, and apple cards. Historically the District has not charged for the use of housing these machines in our facility, which is inconsistent with common practice. Staff will be establishing an agreement with the vendor regarding commission and/or rent.

CPI Increase for 2024 – The 2024 CPI increase is anticipated to be 4.6%.

Verkada Plate Reader – The Verkada Plate Reader has been installed.

NEMCo – District staff will be assisting Chief Harden with the salary analysis for the Emergency Manager position for NEMCo.

Rate Analysis – A meeting has been scheduled with Karyn Johnson to discuss completing a proposal to work with the District for a multi-year outlook on District rates.

WACARES Program – The WACARES program is now in effect. If the Board has any questions they can contact Victoria Prescott, Senior HR Generalist.

(d). Stephen Dennehy, Engineering Director – Building A Remodel Project Update

Most of the framing work has been completed in the lobby. The seismic bracing on the east wall has also been started. The roof replacement portion of the remodel will begin in early August.

(e). Board of Commissioners Report

Commissioner Breyse will have an excused absence from the Board of Commissioner meetings to be held on August 7th and August 21st, 2023.

Commissioner Gardiner reported that the Washington Association of Water and Sewer Districts (WASWD) is hoping to have a Tribal Utility District join WASWD. Commissioner Mortimer has

extensive knowledge in this area and will reach out to Judi Gladstone, WASWD Executive Director.

Commissioner Mortimer reported that on behalf of Northshore Utility District he participated in the recent WWUC Water Right Committee meeting, relating to the Department of Ecology's revisions to the Municipal Water Law Policy 2030. The WWUC has significant concerns with elements of the revised policy.

(9). UPCOMING EVENTS

(a). Safety Training

The July Safety Training will be held on Wednesday, July 26, 2023, 8:00-9:00 a.m. The topic will be Back Safety & Physical Health.

(a). District Office Closure

District headquarters will be closed for a staff BBQ on July 26, 2023, from 11:30 a.m. to 12:30 p.m. The official end time of the BBQ is 1:00 p.m.

(c). National Night Out Event

The District will be hosting a booth at the City of Kenmore's National Night Out on Wednesday, August 2, 2023, from 3:00 p.m. to 7:00 p.m. This event is being held in conjunction with the Kenmore Farmer's Market.

(10). EXECUTIVE SESSION

No Executive Session was held.

The meeting was adjourned at 6:53 p.m.

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Commissioner Brysse
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Matthew J. Brysse

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Commissioner Gardiner
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D. Bruce Gardiner

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Suzanne Greathouse