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**MINUTES OF A REGULAR MEETING OF
THE BOARD OF COMMISSIONERS OF
RONALD WASTEWATER DISTRICT**

May 13, 2014

A regular meeting of the Board of Commissioners of Ronald Wastewater District was convened at the District office at 5:30 p.m. on Tuesday, May 13, 2014 by Board President Ransom. In attendance were Commissioners Gretchen Atkinson, Brian Carroll, Arnold Lind, Robert Ransom and George Webster. Also present were General Manager Michael Derrick, Maintenance Manager George Dicks, Accounting Manager Mark Gregg, District Engineer Scott Christensen and District Counsel Joe Bennett. Members of the public present: Daniel Repp.

PUBLIC COMMENT:

None.

ADMINISTRATIVE

Additions/Adjustments to Agenda?

Commissioner Atkinson requested an addition of a Bylaws Subcommittee Report as Item #7. Mr. Derrick and Mr. Bennett each requested an executive session to discuss pending and potential litigation at the end of the meeting.

Handouts.

1. Historical RCE Data by Participant from MWPAAC.
2. Article from *New York Magazine* regarding public toilets.

Minutes of the Board Meeting of April 22, 2014, Final: The Board reviewed minutes for the regular meeting of April 22, 2014. Upon motion by Commissioner Atkinson and second by Commissioner Webster the Board voted 5-0 to approve the minutes of the April 22 regular meeting.

1. Vouchers. Mr. Derrick presented and the Board considered vouchers in the aggregate amount of \$475,421.49 broken down as follows: (a) AP Vouchers #0140310 through #0140337 in the amount of \$433,516.63; (b) ACH payroll vouchers of \$30,184.49; and (c) Payroll taxes of \$11,720.37. Upon a motion by Commissioner Lind and second by Commissioner Carroll the Board approved all of the vouchers presented by a vote of 5-0.

2. Project Status Update. Mr. Christensen presented his status report on pending projects for May 9, 2014. Highlights included:

a. City of Shoreline Aurora Ave Project: Phase 3B – 192nd to 205th. District side sewers are being reconstructed. In response to Commissioner Ransom's question, Mr. Repp stated that City's project is scheduled to be completed next year. In response to Commissioner Webster's question, Mr. Christensen explained his role and the District's responsibilities when a City project impacts District sewer lines. The role is primarily reviewing the work of the City's contractor.

b. Carlyle Hall Road: Chimney inspections of two homes were completed and found no damage. Project was completed on April 15. Warranty inspection is due on 11 months.

c. Basin 21. No update. District counsel working on letter.

d. 152nd St. Star Apartments Developer Inspection. Project ready to start in May.

e. Ridgecrest #1 O&M CIP. Interwest is working on punchlist items.

f. Ridgecrest #2 O&M CIP. Budget Sewer is proceeding with construction.

g. Innis Arden STP. No update. District counsel working on letter.

h. Lift Station #3. The preliminary cost estimate is \$260,000.

3. Lift Station #1 Forcemain: Update on Meeting with City. Mr. Dicks shared his memorandum and discussed his recent meeting with the City that Mr. Christensen also attended. According to City staff, replacement of the forcemain would require permits from the State Department of Fisheries. Mr. Christensen discussed the possible costs.

ACTION: Commissioner Webster moved to continue the collection of information by meeting with the Fisheries and/or any other agencies that may have an impact. Commissioner Ransom seconded the motion. The motion passed unanimously by a vote of 5-0.

4. Lift Station #3 Rehabilitation. In response to commissioner concerns and questions, Mr. Dicks prepared a more detailed proposal for replacing the current pneumatic injector pump system with a grinder pump system along with associated electrical and mechanical components. Physical alteration of the existing wet well would also be necessary. He compared the costs of repairs to all of the other District lift stations. LS-3 has had the highest non-maintenance repair costs of all District lift stations. The commissioners asked questions and explored alternatives. Mr. Christensen explained the project cost and

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the approximate useful life of a pump station is 25 years before it needs to be rehabilitated. It will take a year from Board approval to completion of construction.

ACTION: Commissioner Webster moved to table consideration until the first meeting of June. Commissioner Ransom seconded. Commissioner Webster stated that the lift station is operable and the replacement is not a critical need. Commissioner Ransom stated that the cost is high compared to the reserves. Commissioner Lind stated that the cost would not get cheaper by waiting four weeks. Voting AYE: Ransom, Atkinson and Webster. Voting NO: Carroll and Lind. The motion to table passed by a vote of 3-2. Commissioners Carroll and Webster want to talk to the homeowner near LS-3.

5. District Participation in Community Events. Mr. Derrick presented a memorandum detailing the District's participation in local community events including Solar Fest, Jazz Walk, and Celebrate Shoreline. This already in the budget and no action is needed.

6. Formation of Assumption Subcommittee. Commissioner Webster moved that the District form a subcommittee of the President and Secretary of the Board to meet with the Shoreline City Council subcommittee on assumption. City and District staff would participate as needed. Mr. Derrick reported on his recent communications with Debbie Tarry regarding staff coordination when City and District staff meet to discuss assumption. Commissioner Carroll asked that the motion be clarified to take into account staff meetings as well. Commissioner Webster declined to modify his motion. Commissioner Ransom stated that the purpose is so that the District should be present and participate in City assumption discussions. Commissioner Webster stated that the subcommittee would not make any decisions but report back to the full board. Mr. Derrick wanted to be sure that it was still OK for he and other District staff to meet with City staff and electeds. Commissioner Carroll discussed the difficulties of integrating two cultures and sets of skills in an assumption and that staff discussions might be chilled by elected participation in meetings.

ACTION:

MOTION: Commissioner Webster restated his motion as follows: Create a Board Subcommittee on Assumption Coordination, to meet the Shoreline City Council assumption subcommittee. The District Board subcommittee will consist of the President and Secretary. The Board subcommittee will not take any action but attend meetings and report back to the full board. The formation of the Board subcommittee will not impact meetings between City and District staff relating to assumption coordination.

Commissioner Ransom seconded the motion. Voting AYE: Ransom, Atkinson and Webster. Voting NO: Carroll and Lind. The motion passed by a vote of 3-2.

7. Bylaws Subcommittee Report. Commissioner Atkinson reported on the subcommittee's recent meeting. They reviewed nine examples from other special districts and WASWD, as well as the District's resolution. Mr. Bennett will prepare a first draft based on input at the subcommittee meeting. The next subcommittee meeting will be on May 28. Commissioner Carroll talked about the need for a user acknowledgment agreement for the soon-to-be issued laptops. Mr. Bennett asked for input on whether and to what extent the Board should have consent agenda items. Commissioner Ransom stated that the superior court decided on the public vote and the RCW 35.13A question last Friday and the court stated clearly that pursuant to the law of 35.13A, the public vote was denied.

LEGAL REPORT

None.

PERSONNEL

None.

MAINTENANCE REPORT

Mr. Dicks discussed his April maintenance report. Utility locates, pipeline cleaning and building maintenance comprised the majority of the work this month. Eighteen sewer permits and 14 certificates of sewer availability were issued in April. Commissioner Webster asked about the frequency of FOG inspections on Fridays.

COMMISSIONERS' COMMENTS AND REPORTS

None.

GENERAL MANAGER'S REPORT

Mr. Derrick stated that there will be a SEPA public hearing at the June 10 Board meeting for upsizing pipes.

TOPICS FOR FUTURE DISCUSSION/CITY REPORT

None.

EXECUTIVE SESSION

Mr. Derrick requested an executive session for 15 minutes to discuss with legal counsel the pending litigation with the Department of Revenue. Mr. Bennett requested an additional 5 minutes of executive session to discuss potential litigation and liability exposure with respect to the District's computer tablet program.

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Upon motion by Commissioner Lind and second by Commissioner Carroll, the Board voted 5-0 to go into executive session for 20 minutes to discuss pending and potential litigation pursuant to RCW 42.30.110(1)(i). The Board went into executive session at 6:45 p.m. Upon motion by Commissioner Carroll and second by Commissioner Atkinson, the Board voted 5-0 to extend for 5 minutes. At 7:10 p.m., the Board came out of executive session and went back into open session.

ACTION: Commissioner Carroll moved that the Board approve the settlement of the District's appeal of the Department of Revenue decision, based on a draft settlement agreement prepared by DOR. Commissioner Atkinson seconded the motion. **Discussion:** Commissioner Ransom stated that he is uncomfortable with 18.45% as the rate. Commissioner Webster stated that settlement avoids risk and expense of a trial. Commissioner Carroll agreed and stated further that settlement will save substantial staff time. Mr. Gregg stated that settlement avoids risk and saves both time and expense. Commissioner Ransom called for a vote and the commissioners passed the motion unanimously by a vote of 5-0. Mr. Derrick will notify the District's special counsel, Scott Edwards.

CONCLUSION

There being no further business, President Ransom concluded the meeting at 7:13 p.m.

APPROVED in open meeting this ____ day of May, 2014.

Robert L. Ransom, President
Commissioner, Position 1

Gretchen Atkinson, Secretary
Commissioner, Position 2

Brian T. Carroll,
Commissioner, Position 3

George R. Webster, Vice President
Commissioner, Position 4

Arnold H. Lind,
Commissioner, Position 5