

WATER DISTRICT 19
BOARD OF COMMISSIONERS MEETING
Thursday, August 16, 2018

REGULAR MEETING 5:30 PM

AGENDA: 5:33 PM to order

• VISITOR BUSINESS

- Jenny Bell – due to a move outside of the district, Jenny Bell can no longer serve as a district Commissioner – **Commissioners Powell** spoke about her being a heck of a catalyst for changes over the last couple of years at the district and all for the best. There has been some challenges on the way, forcing the board to think about the future. He has been very appreciative of all that she's done for the district. **Commissioner Zuckerman** also spoke about his appreciation of her insights and a pleasure to have worked with her. **General Manager McRae** also expressed appreciation for all her hard work. Jenny expressed her gratitude to General Manager McRae for jumping in and doing such a great job when the district needed new leadership and working with the foundation they've developed.
- Other Guests – Wayne Miller came to the meeting after **Commissioner Powell** spoke with him about the open seat. He gave a short summary of his experience and asked a few questions about what it means to be a Commissioner. **Commissioner Powell** had not had the opportunity to discuss with **Commissioner Zuckerman** on how to proceed yet but explained some of the issues facing the district in the next couple of years. Commissioner Zuckerman was delighted that someone had already expressed interest in the position and felt that the district has an obligation to make it known to the public that the position is open to anyone living within the district's boundaries. He's agreed to contact the Vashon Beachcomber with the notice of Commissioner Jenny Bell's departure.

• BOARD – ACTION REQUIRED

- Approval of minutes – Tuesday, July 10th, 2018 – **Commissioner Powell** made a Motion to approve the minutes as amended; **Commissioner Zuckerman** seconded. Motion passed unanimously.
- Approval of minutes – Tuesday, Special Meeting July 17th, 2018 – **Commissioner Zuckerman** made a Motion to approve the minutes as presented; **Commissioner Powell** seconded. Motion passed unanimously.
- Paradise Valley SMA Request – after further review from the Tuesday, July 10th, 2018 meeting, **Commissioner Zuckerman** made a Motion to direct General Manager McRae to send a notice to Apex Engineering declining Ms. Shirley Rogers request to manage Paradise Valley Water; **Commissioner Powell** seconded the Motion. Motion passed unanimously.
- VIFR Agreement – sign new agreement – **General Manager McRae** informed the Board that he had made a visit with the fire district's Chief Krimmert and Assistant Chief Bob Larsen and both are ecstatic to work with us and jointly agreed to use the district's preferred hydrants, and provide us with the volume of water used from their trucks. They will make it part of their procedures. In return, they would like to have the VIFR agreement signed by the Commissioners. The Board is in favor of signing with an added amendment that VIFR will in make a good faith estimate on water that is being used for training purposes. General Manager McRae will draft an amendment to add to the contract.
- Water Shares – waiting list discussion – **Commissioner Powell** made a proposal that the Board agree that given the current production volumes at the main well field, the district is obligated to not consider issuing any new water units for at least a year and a half and until the well field

rehabilitation has occurred. He also suggested that the water shares discussion be removed from the agenda.

- Resolution 1172 to close out Vashon Meadows Fund & transfer funds to Water District 19's Construction Fund account – The Vashon Meadows water system is now completely connected to Water District 19's mains. Vashon Meadows Fund is no longer required to maintain the old system. **Commissioner Powell** made a Motion to close Vashon Meadows Fund #090196020 and transfer the remaining funds into Water District 19's Construction Fund #090193010; **Commissioner Zuckerman** seconded the Motion. Motion passed unanimously.
- Call Special Meeting Date/Executive Session/other remedy/plan – for the purpose of appointing the vacancy left by Jenny Bell. **Commissioner Zuckerman** will contact the Vashon Beachcomber to announce the vacancy and request interested individuals to contact the district about the position.

• BOARD – DISCUSSION/TABLE/MORE INFORMATION

- CIP (Capital Improvement Projects) Review for Rate Analysis – Special Meeting requested by **General Manager McRae**. He would like to finish up what Katy Isaksen has accomplished. She provided a working model and will provide her final report. Also, there is a need to discuss how the district wants to move forward with distribution main replacements. Priorities are to find a replacement for Jenny Bell's vacancy first then work on the CIP adjustments, but continue to keep the water system plan moving forward. The finance section in the water system plan has not been edited and **Commissioner Zuckerman** asked for a road map with moving forward with plan completion. **General Manager McRae** indicated that the Operations staff are becoming more involved in the planning process, which he believes will produce a better plan. The Board scheduled a Special Meeting on September 6th, 2018 at 5:30 PM. Main focus to be the CIP.
- Isaksen Rate Analysis & Recommendation – next steps to be covered at the Special Meeting.

• OPERATIONS REPORT

- Monthly Operations Report – couple things, communication with the board, same reports sent to the Department of Health. Peak Demand Day was the highest in 5 years, with the consumption of 800,000 gallons of water. More than the peak day last year and all of the district's sources; both well and surface water. During peak days, Beall Creek is very important to the district.
- 107th leak – work was completed on Tuesday to patch a leak that serves the Mukai property and one other client. Given the decomposition of the pipe, its replacement will be added to the CIP for further discussion, as will 216th. Bradley Davidson will be testing for his WTPO 2 (water treatment plant operator) certificate in October, which will satisfy the terms of the BCA that is in place through January 2019. Keith Kassik is currently working on his WTPO 3, and Dominic Jovanovich is preparing for his WDM (water distribution manager) certificate, along with **General Manager McRae**.

• ADMINISTRATION REPORT

- Financial Update through July 2018 – revenue continues to be lower than this time last year (below budget) primarily due to the moratorium and the district not selling water shares. Admin costs down and field labor costs are close to budget. **Commissioner Zuckerman** requested additional financial information, comparing financial position to a year ago. He would also like to see a comparative balance sheet, and a breakdown of the 1.2 million in the fund accounts, plus a projection of expected revenues through the end of the year.
- PWTF accepting pre-engineering loan applications – information just came out in the last couple of weeks. **General Manager McRae** will be going through the paper work and will get more information out to the board members by the next meeting.

- **ADDITIONAL INFORMATION NEEDED** (move to September 20th meeting)
 - General Manager Performance feedback – **Commissioner Powell** would like **Commissioner Zuckerman** to assist. He has been working with General Manager McRae, criteria goals matrix, also good idea to have a periodic process, akin to a 360 degree, hearing from the people he works with, including other staff members. We will research additional information from the AWWA (America Water Works Association) regarding best practices for GM evaluations. **General Manager McRae** shared that he was spending a lot more time working with staff and analyzing the organizational structure. Sought personnel challenges. **Commissioner Powell** is working towards a September/October review, which would involve getting together with staff.
 - Revisit two meetings per month needs - schedule as needed.
 - Integrate the second copy into the agenda.

- **SIGN APPROVED MINUTES IN BOOK**

- **SIGN VOUCHERS**

- **Commissioner Powell** made a Motion to adjourn the meeting at 7:41 PM; **Commissioner Zuckerman** seconded the Motion.