

WATER DISTRICT 19
BOARD OF COMMISSIONERS MEETING
Tuesday, October 23, 2018

SPECIAL MEETING 5:30 PM

Board President **Bob Powell** called the special meeting of the Water District 19 Board of Commissioners to order at 6:35 PM. Commissioners **Seth Zuckerman, Michael Weller** and General Manager **Jim McRae** were also present.

The Board discussed loss of Operator Bradley Davidson and contingencies to satisfy DOH requirements for staff certifications, including contract and/or part time operators, and accelerating General Manager McRae's certification with the expectation of it being received prior to the end of summer 2019. The Board discussed Commissioner Zuckerman's concerns that General Manager McRae has not provided comparative information on wages paid by other public entities on Vashon Island as requested. General Manager McRae agreed to expedite that study. Commissioner Powell stated his preference for good long-term staffing decisions even at short term expense and inconvenience, specifically by investing in island-based trainees, and temporary staff as needed, instead of focusing on recruiting and hiring already-qualified salaried staff from off-island.

The Board discussed the schedule for completing the Water System Plan (WSP) through final completion and adoption. Currently there is no narrative for Chapter 8 - Capital Improvement Plan (CIP) and Chapter 9 - Financial Analysis, both of which needs to be completed in a timely fashion. The Board's intent is to review the plan in its entirety, since the majority of the plan was written prior to Commissioners Zuckerman and Weller joining the board.

The Board discussed the projects and the merits of the current draft CIP and agreed to include the Bank Road main replacement project from 107th to 115th adding approximately \$1.4 million in additional main replacements. While this section only affects a few customers, the present temporary fix is inadequate and the Board felt that it could not be left out of a 10-year plan capital plan.

Motion:

Add the Bank Road – 2,850 feet main replacement to the CIP as part of the Group B projects, and group all of the projects by function and staff workload, and not necessarily by priority. Moved by **Commissioner Zuckerman**, seconded by **Commissioner Weller** and approved unanimously.

Motion:

Adopt a working hypothesis of a 20% rate increase for 2019, with the distribution between base rates, usage tiers, and customer classes to be defined at a later date. The delay in definition in part is to address concerns of rate impacts on low-income households as well as commercial agricultural customers. The intent of the board is a step increase to catch up, then progressively

declining rate increases in inflation-adjusted dollars in years 2-5 subject to the revenue requirements dictated by the CIP. Moved by **Commissioner Zuckerman**, seconded by **Commissioner Powell** and approved unanimously.

Commissioner Powell moved to conclude the meeting at 9:10 PM, **Commissioner Weller** seconded. Motion approved unanimously.