



**Highline Water District
Workshop Minutes
June 27, 2006**

COMMISSIONERS PRESENT

Gerald R. Guite
Vince Koester
George Landon
Kathleen Quong-Vermeire

STAFF PRESENT

Matt Everett, General Manager
Thomas Keown, Manager, Construction/Operations
Debra Prior, Administrative Manager
Mary Fossos, Administrative Assistant

CONSULTANT PRESENT

None

ATTORNEY PRESENT

John Milne

Note: Strikeouts indicate absence

1. CALL TO ORDER

Commissioner Quong-Vermeire called the meeting to order at 4:00 p.m.

2. APPROVE AGENDA

Commissioner Landon moved to approve the Agenda. Commissioner Guite seconded and the motion carried unanimously.

3. LATECOMER POLICY CHANGES

John Milne, District Counsel, distributed a memo to staff and the Board of Commissioners alerting the District of the recent revisions to the Developer Extension Latecomer Reimbursement Statute EHB3192 (effective as of 6/7/06).

After discussion, Commissioner Landon made a motion for District Counsel to revise the District's current developer extension latecomer reimbursement agreement to include the addition of an "extension process" (extend the reimbursement time from ten years to fifteen), and the "updated contact information obligation" (requires the developer's obligation every two years to give the district updated contact information and, if they fail to do so, the district "may" keep latecomer payments; however, if a latecomer payment comes in after the two years (plus sixty days), the district will send a letter to the developer at the last given address advising of such and that if the district still doesn't hear from the developer within sixty days, the district will keep the cash). Commissioner Guite seconded and the motion carried unanimously.

4. SURPLUS DISTRICT PROPERTY – 174XX AMBAUM BLVD

John Milne, District Counsel, distributed a copy of RCW 57.08.016 Sale of Unnecessary Property Authorized-Additional Requirements for Sale of Realty to staff and the Board of Commissioners. The RCW states "...no real property of the district shall be sold for less than ninety percent of the value thereof as established by a written appraisal made not more than six months prior to the date of sale by three disinterested real estate brokers licensed under the laws of the state or professionally designated real estate appraisers as defined in RCW 74.46.020."

After discussion, Commissioner Landon made a motion for the General Manager to request three (3) "letters of opinion" from brokers to discuss wetland delineations of the property. Commissioner Guite seconded and the motion carried unanimously.

5. UPDATE ON DISTRICT LITIGATION (LARSON & PORT OF SEATTLE)

Larson: The Larson's filed a claim against the District in the amount of approximately \$92,000 after there property was flooded due to a main break. The District's counsel (James, Murphy, Lybeck)



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5. UPDATE ON DISTRICT LITIGATION (LARSON & PORT OF SEATTLE)

contends that the Claims Notice Procedure Statute was violated because the Larson's filed the claim too early. A motion to dismiss was denied. The District is waiting for a decision on the right-to-appeal.

Port of Seattle (POS): The Port is in the process of condemning property located at 15833 Pacific Highway S., Seatac, WA 98188. The District has a lien on said property in the amount of \$156.31. John Milne stated that the Port of Seattle should pay the District the amount owed in lieu of naming the District in the condemnation proceedings. If the amount owed is not paid, Debbie will contact the state auditor in writing on how to proceed.

6. MUNICIPAL WATER RIGHTS 1338 E 2S HB - LEGAL CHALLENGES

John Milne, District Counsel, informed the Board and staff that various tribes and environmental groups are challenging this bill as unconstitutional. The Washington State Attorney General must give an opinion by the end of July 2006.

7. DISTRICT INSURANCE RENEWAL

Matt recommended to the Board that the District stay with the Washington Government Entity Pool (WGEP) for at least one more year. Matt said the District has a good working relationship with the WGEP and they are in a very positive financial position.

After discussion, Commissioner Landon made a motion to retain the WGEP as the insurance provider for the District. Commissioner Quong-Vermeire seconded and the motion carried unanimously.

8. POTENTIAL DISTRICT MERGER(S)?

Matt asked the Board of Commissioners if they were interested in a potential merger with King County Water District No. 49 (KCWD). Commissioner Landon suggested District staff research the pros and cons for both entities. A motion was made and seconded to authorize the General Manager to prepare a letter to the Commissioners of KCWD No. 49 from the Highline Board of Commissioners. The motion carried unanimously.

9. TYEE WELL MAINTENANCE PROGRESS

During the redevelopment of the Tyee Well, the Contractor incurred the following additional costs due to unforeseen site conditions:

Description	Total Hours (\$200/Hour)	Amount
Extended Surge Development of Well No. 2	40	\$8,000.00
Fabrication of Fishing Tool/Removal of PVC Pipe from the Tyee Well	8	\$1,600.00
Additional Time for Neutralization of Chemistry from the Tyee Well	25	\$5,000.00
Total Additional Costs:		\$14,600.00
Original Contract Amount:		\$90,500.00
Revised Contract Amount:		\$105,100.00

Staff will bring a resolution to the Board at the 7/5/06 regular meeting for approval of this contract revision.



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10. OTHER

No other items were brought before the Board.

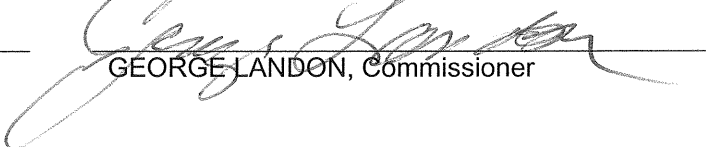
There being no further business of the District, Commissioner Quong-Vermeire adjourned the meeting at 5:18 p.m.

BOARD OF COMMISSIONERS


KATHLEEN QUONG-VERMEIRE, President


GERALD R. GUITTE, Secretary


VINCE KOESTER, Commissioner


GEORGE LANDON, Commissioner