ATTENDEES

(Sloteouts indicate absence)

COMMISSIONERS
Todd Fultz
Daniel Johnson
Vince Koester
George Landon
Kathleen Quong-Vermeire

HWD STAFF
Matt Everett, General Manager
Jeremy DelMar, Engr./Operations Mgr.
Debra Prior, Administrative Manager
Mary Fossos, Project Coordinator, CIPs

HWD ATTORNEY(S)
John Mine, Insee Best

CONSULTANTS
PUBLIC
Dick Swaab

1. CALL TO ORDER
   President Johnson called the meeting to order at 9:00 a.m.

2. APPROVE AGENDA
   Motion duly made and seconded to approve the Agenda as presented. The motion carried unanimously.

3. CONSENT AGENDA
   Motion duly made and seconded to approve the Consent Agenda as presented. The motion carried unanimously.

   Minutes: July 3, 2018 Special Meeting

<table>
<thead>
<tr>
<th>Warrants</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fund Name</td>
</tr>
<tr>
<td>-----------</td>
</tr>
<tr>
<td>Maintenance</td>
</tr>
<tr>
<td>Maintenance</td>
</tr>
<tr>
<td>Construction</td>
</tr>
</tbody>
</table>

   ELECTRONIC FUNDS TRANSFER

<table>
<thead>
<tr>
<th>Description</th>
<th>Fund No.</th>
<th>Period Ending</th>
<th>EFT Transfer Date</th>
<th>AMOUNT</th>
</tr>
</thead>
<tbody>
<tr>
<td>Payroll Tax</td>
<td>09-075-0010</td>
<td>06/29/18</td>
<td>07/11/18</td>
<td>$28,549.77</td>
</tr>
<tr>
<td>Direct Deposit – Payroll</td>
<td>09-075-0010</td>
<td>06/29/18</td>
<td>07/06/18</td>
<td>$76,983.78</td>
</tr>
<tr>
<td>Dept of Retirement</td>
<td>09-075-0010</td>
<td>06/29/18</td>
<td>07/13/18</td>
<td>$21,310.63</td>
</tr>
<tr>
<td>Dept of Retirement - Deferred Compensation</td>
<td>09-075-0010</td>
<td>06/29/18</td>
<td>07/06/18</td>
<td>$3,947.50</td>
</tr>
<tr>
<td>Health Equity (KC-BEN96)</td>
<td>09-075-0010</td>
<td>06/29/18</td>
<td>07/06/18</td>
<td>$267.94</td>
</tr>
<tr>
<td>Health Equity (KC-BEN105)</td>
<td>09-075-0010</td>
<td>06/29/18</td>
<td>07/06/18</td>
<td>$121.91</td>
</tr>
<tr>
<td>HRA VEB (KC-BEN50)</td>
<td>09-075-0010</td>
<td>06/29/18</td>
<td>07/06/18</td>
<td>$6,157.74</td>
</tr>
<tr>
<td>Dept of Revenue - Leasehold Tax</td>
<td>09-075-0010</td>
<td>06/30/18</td>
<td>07/27/18</td>
<td>$338.38</td>
</tr>
<tr>
<td>Dept of Licensing - Dyed Diesel User Tax</td>
<td>09-075-0010</td>
<td>06/30/18</td>
<td>07/05/18</td>
<td>$344.77</td>
</tr>
</tbody>
</table>

   CONSENT AGENDA RESOLUTIONS

<table>
<thead>
<tr>
<th>Item #</th>
<th>Resolution #</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>3.1</td>
<td>18-7-18A</td>
<td>Resolution accepting an extension to the Water District system (Des Moines Creek Business Park IV)</td>
</tr>
</tbody>
</table>

4. PUBLIC INPUT
   Customer Dick Swaab attended the meeting.

5. RESOLUTIONS/MOTIONS
   Resolution 18-7-18A accepting an extension to the Water District system (Des Moines Creek Business Park IV). This resolution was accepted under the Consent Agenda.

   Resolution 18-7-18B appointing Auditing Officers (Matt Everett, Debbie Prior, and Jeremy DelMar). Motion duly made and seconded. After discussion, the motion carried unanimously.
5. RESOLUTIONS/MOTIONS
Resolution **18-7-18C** authorizing surplus of 2004 Ford Explorer. Motion duly made and seconded. After discussion, the motion carried unanimously.

Resolution **18-7-18D** authorizing waiving competitive bidding requirements of RCW 57.08.050 for purchasing equipment involving special facilities and market conditions relating to Project 18-4 McMicken Well Repair and authorizing the General Manager to purchase the replacement equipment at the McMicken Well. Motion duly made and seconded. After discussion, the motion carried unanimously.

6. STAFF/COMMISSIONERS/ATTORNEY
Jeremy DelMar
6.1 City of Tukwila Intertie – The District’s year-to-date water loss is in excess of 20%. We speculate a faulty P.R.V. and meter with the Tukwila Intertie is the culprit causing water to flow from Highline to Tukwila. Tukwila has been selling more water than purchasing from SPU since December 2017. The City and the District have shut off their feeds. District staff will replace the meter and repair the faulty P.R.V.

Matt and Jeremy will meet with the City of Tukwila next week to discuss the water loss and potential revisions to the current intertie agreement.

Matt Everett
6.2 King County Lawsuit (Opposition to Ordinance 18403) – The hearing is scheduled on July 27th (11:00 am) at the King County Courthouse in Seattle.

6.3 Kent Franchise – The District has reached a verbal agreement with the City of Kent. Matt will report to the Board any future updates from the City.

6.4 Janus v. AFSCME – Matt, Debbie, and Jeremy will participate in a webinar today to determine how the Supreme Court’s ruling on Janus v. AFSCME will impact the District and the employees that are members of Local 32.

Kathleen Quong-Vermeire
6.5 Commissioner Quong-Vermeire requested the General Manager contact candidates in the 33rd District to see if they were interested in touring the District’s facilities.

Vince Koester
6.6 Commissioner Koester informed the Board and staff that he will not be attending the 8/1/18 Board meeting.
There being no further business of the District, President Johnson concluded the meeting at 9:42 a.m.

BOARD OF COMMISSIONERS

Daniel Johnson, President

Kathleen Quong-Vermeire, Secretary

Todd Fultz, Commissioner

Vince Koester, Commissioner

George Landon, Commissioner