



## Highline Water District Regular Board Meeting Minutes January 18, 2017

<b>ATTENDEES</b>			(Strikeouts indicate absence)
<b>COMMISSIONERS</b>	<b>HWD STAFF</b>	<b>HWD ATTORNEY(S)</b>	
Todd Fultz	Matt Everett, General Manager	John Milne, Inslce Best	
Daniel Johnson	Jeremy DelMar, Engr./Operations Mgr.	<b>CONSULTANTS</b>	
Vince Koester	Debra Prior, Administrative Manager	<u>Washington State Auditors</u>	
George Landon	Mary Fossos, Project Coordinator, CIPs	Brandi Breaux, Audit Lead	
Kathleen Quong-Vermeire		Janise Hansen, Assistant State Auditor	

**1. CALL TO ORDER**

President Fultz 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.

<b>Minutes:</b>	January 4, 2017 Board Meeting				
<b>WARRANTS</b>					
<b>Fund Name</b>	<b>Fund No.</b>	<b>Warrant Date</b>	<b>Vouchers</b>	<b>AMOUNT</b>	
Maintenance	09-075-0010	01/10/17	20844 - 20844	\$ 10,522.47	
Maintenance	09-075-0010	01/19/17	20845 - 20906	\$ 154,014.06	
Construction	09-075-3030	01/19/17	901966 - 901969	\$ 97,330.28	
<b>ELECTRONIC TRANSFER FUNDS</b>					
<b>Description</b>	<b>Fund No.</b>	<b>Period Ending</b>	<b>EFT Transfer Date</b>	<b>AMOUNT</b>	
Payroll Tax	09-075-0010	12/30/16	01/11/17	\$ 32,180.70	
Direct Deposit – Payroll	09-075-0010	12/30/16	01/06/17	\$ 70,649.91	
Dept of Retirement	09-075-0010	12/30/16	01/13/17	\$ 16,663.06	
Dept of Retirement - Deferred Compensation	09-075-0010	12/30/16	01/06/17	\$ 4,137.00	
Health Equity (KC-BEN96)	09-075-0010	12/30/16	01/06/17	\$ 264.58	
Health Equity (KC-BEN105)	09-075-0010	12/30/16	01/06/17	\$ 111.08	
HRA VEBA (KC-BEN60)	09-075-0010	12/30/16	01/06/17	\$ 5,637.10	
Dept of Licensing - Dyed Diesel Fuel Tax	09-075-0010	12/31/16	01/06/17	\$ 366.91	
Dept of Labor & Industries	09-075-0010	12/31/16	01/27/17	\$ 8,652.06	
<b>CONSENT AGENDA RESOLUTIONS</b>					
<b>Item #</b>	<b>Resolution #</b>	<b>Description</b>			
3.1	17-1-18A	Accept Developer Extension As Complete (Des Moines Creek Business Park – Phase 3 Warehouses)			

**3A. WASHINGTON STATE AUDIT EXIT CONFERENCE**

Brandi Breaux, Lead Auditor and Janise Hansen, Assistant State Auditor, attended the exit conference. Ms. Hansen distributed a recap of the audit for the fiscal year 2015. Ms. Breaux and Ms. Hansen discussed the following:

Accountability Audit for 2015: • Procurement (bidding/prevaling wage); • Payments/Expenditures (travel); and Pensionable Wages and Contributions to the Washington State Department of Retirement Systems.

Financial Statements Audit Report for 2015: • Management Discussion and Analysis; • Statement of Net Position; • Statement of Revenues, Expenses and Changes in Net Position; • Statement of Cash



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**3A. WASHINGTON STATE AUDIT EXIT CONFERENCE**

Flows; • Notes to Financial Statements; and the District's Implementation of Governmental Accounting Standards Board *Statement No. 68, Accounting and Financial Reporting for Pensions* - an amendment of *GASB Statement No. 27* and *Statement No. 71, Pension Transition for Contributions Made Subsequent to the Measurement Date* - an amendment of *GASB Statement No. 68*.

There were no uncorrected misstatements in the audited financial statements and no material misstatements in the financial statements corrected by management during the audit. Ms. Hansen and Ms. Breaux were pleased to report that there were no exit items and that they appreciated the District's commitment to transparency and accountability.

**4. PUBLIC INPUT**

No members of the public attended the meeting.

**5. RESOLUTIONS**

Resolution 17-1-18A accepting the Des Moines Creek Business Park – Phase 3 Warehouses developer extension as complete. This resolution was adopted under the consent agenda.

Resolution 17-1-18B authorizing Amendment-1 to Contract #16-60-09 with RH2 Engineering, Inc. for Phase 2 Design, Permitting Assistance and Services during Bidding relating to Project 16-2 Pump Station No. 8 (Crestview). Motion duly made and seconded. After discussion, the motion carried unanimously.

Resolution 17-1-18C authorizing an agreement with CliftonLarsonAllen LLP, for accounting services. Motion duly made and seconded. After discussion, the motion carried unanimously.

**6. COMMISSIONERS/STAFF/ATTORNEY**

**Jeremy Delmar**

6.1 City of Des Moines Road Project - S 223rd St (from Marine View Drive to 24th Ave S - The District received a letter from the City asking if the District would be interested in partnering on this road project. Jeremy said the District has approximately 1,200± LF of AC main in conflict within the project area. The City's project will be designed in 2017 with construction scheduled for 2018. Jeremy recommended the District replace the AC main and work with the City on this project. Jeremy will update the Board at a future meeting.

**Debbie Prior**

6.2 2017 Mileage Rate – The maximum state mileage rate reimbursement is 53.5 cents per mile effective January 1 to December 31, 2017.

6.3 Commissioners Code of Ethics Policy – The Commissioners will be provided with a copy of the Ethics Policy for their annual review at the 1/24/17 Board Workshop.

**Matt Everett**

6.4 WASWD "Information Gathering" Related to King County Franchise Ordinance 2016-0521  
WASWD staff informed members that a minimum of fifteen (15) Districts are willing to participate. The fees and costs to provide the Legal Services shall be split pro-rata between the Districts for a not-to-exceed amount of \$2,300.



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**6. COMMISSIONERS/STAFF/ATTORNEY**

- 6.5 HWD & Midway Facilities Tour/Meeting with Jim Kuntz, WASWD Executive Director – Matt will contact Ken Kase (Midway) and Jim Kuntz (WASWD) to confirm the date of February 9, 2017. Commissioners' Fultz and Koester plan to attend.
- 6.6 Normandy Park Franchise Agreement – Matt, Jeremy and the District's legal counsel are working on a draft agreement to discuss with the Board at the 1/24/17 Workshop.
- 6.7 WASWD Survey – Enhancing Member Services – The Board was in agreement that WASWD should not spend the excess reserve funds at this time. Matt will email Jim Kuntz, WASWD Executive Director, expressing the Boards' opinion.

There being no further business of the District, President Fultz concluded the meeting at 9:57 a.m.

**BOARD OF COMMISSIONERS**

  
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**Todd Fultz, President**

  
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**Daniel Johnson, Secretary**

  
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**Vince Koester, Commissioner**

  
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**George Landon, Commissioner**

  
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**Kathleen Quong-Vermeire, Commissioner**