

MINUTES OF THE REGULAR MEETING OF THE BOARD
OF COMMISSIONERS OF VALLEY VIEW SEWER DISTRICT
February 7, 2017

President McCaslin called the meeting to order at 5:30 p.m. In attendance were Commissioners McCaslin, Carter and West, Manager Dick, Assistant Manager LaRue, Finance Officer Onih, and District Engineers Kirk Utley with PACE Engineers and John Hendron with RH2 Engineers and Attorney Eric Frimodt with Inslee Best.

ROLL CALL:

VISITORS:

MINUTES/AGENDA:

The minutes of January 17, 2016 Regular Board Meeting were approved as corrected.

CONSIDERATION OF MATTERS BROUGHT BEFORE THE BOARD:

FINANCE:

Delinquent Accounts: The Board reviewed 18 accounts, which were previously approved for foreclosure and have been paid current. The Board also reviewed 11 delinquent accounts for approval to send the accounts to the attorney for collection. After discussion the Board made a motion which was seconded and passed to approve sending the 11 delinquent accounts to the attorney for collection.

Foreclosure Accounts: Mr. Dick informed the Board that account 05-060558-00 has received the Default and Judgement and is proceeding towards a Sherriff's Sale.

ATTORNEY:

Inslee Best Doezie Ryder Rates: Mr. Frimodt informed the Board that the current rate agreement with Inslee Best expired in 2015 and billing rates have remained the same since its expiration. Mr. Frimodt presented the proposed 2017 and 2018 rate structure for those Inslee Best Attorneys the District uses frequently. The Board made a motion, which was seconded and passed, to approve the 2017 and 2018 Inslee Best Doezie Ryder rate schedule.

King County Franchise Ordinance: Mr. Frimodt discussed the District's previous franchise agreement with the County and the efforts made to date to enter into a new franchise agreement. Mr. Frimodt summarized the recent King County Franchise Ordinance passed by King County Council and the opposition and options that are being pursued by local public agencies and private utilities that have assets in the right-of-way (ROW). Mr. Frimodt commented that Inslee Best is currently representing 21 other public agencies that have partnered together to review their legal options to

oppose the new Franchise Ordinance. A Partners Group meeting has been tentatively rescheduled to February 23, 2017 and a second meeting for attorneys only with PSE representation planned to review their position. Mr. Frimodt added that if the District participates in the Partners Group, the hourly cost for representation would be divided 22 ways. The Board made a motion, which was seconded and passed, to approve having Inslee Best represent the District as part of the Local Partners Group. President McCaslin signed the approved agreement for legal services.

ENGINEERING:

PACE and RH2 gave the following reports.

PACE

Tukwila Village:

Phase 1: No change.

Phase 2: No change.

SRF Hilltop & Military Road South:

Hilltop: The design work is complete and currently waiting for permit comments from the City of Burien.

Military Rd. S.: Plans are ready to be submitted to the City of SeaTac for the ROW permit.

S 136th St Sewer Extension: Mr. Uteley reported that revised plans for the re-bid will be ready shortly.

8th Ave S Sewer Extension: No change.

RH2

Tukwila 42nd Ave S Reconstruction –Wastewater Bypass: Mr. Hendron reported that the City is still planning to advertise the project for bids in May 2017.

The Loop Sewer Design (SRF Funded): Mr. Hendron reported the wetland delineation has been performed on the new alignments and that the topographic survey is underway. Mr. Hendron added permission from WSDOT is expected this week for boring three sites on the WSDOT ROW.

S 136th St Easement Extension: Mr. Hendron reported the letter of substantial completion has been provided to Hoffman Construction and commented that project completion will occur in March when grass seeding can occur.

ULID 49: The Board reviewed a draft schedule for the project, presented by Mr. Hendron.

Bravern Short Plat: No change.

MANAGER REPORT:

ULID 49 Financing: Manager Dick proposed that the District self-fund ULID 49 project costs rather than issuing a ULID bond. The estimated project cost is \$282,000, which would be secured by assessments levied against the properties. The Board discussed options for setting the interest rate for property owners in the ULID to finance their assessments. After consideration of recent bond issue interest rates, and the interest rate currently being collected on District Investments with the King County Investment Pool, the Board proposed setting the ULID 49 Assessment Financing Interest Rate at three (3) percent. This is a proposed interest rate, subject to possible change at the time of the Final Assessment Role Hearing after construction is complete.

The Loop – Tukwila Meeting: The Board reviewed a draft Power Point Presentation prepared for the Tukwila City Council Committee of the Whole presentation on Monday February 13, 2017. Additional edits were suggested by the Board of Commissioners.

Manager Succession Planning: Manager Dick presented a proposal which will have Assistant Manager LaRue take over as District Manager in June or July of 2017, at which point current Manager Dick will move into a permanent part-time position as a Project Manager to manage all aspects of the State Revolving Fund Projects. In his new proposed capacity as a Project Manager, Mr. Dick would be an hourly employee and would work 2-3 days a week. The Board discussed the proposal and requested to have some additional information prepared for their review at the next meeting when this proposal will be discussed further. In particular, the Board asked for an update on Mr. LaRue's training and coursework, a review of a previously presented document detailing tasks completed, and tasks scheduled for completion as part of the succession planning process, and a General Manager Job Description.

The Regular Board Meeting was recessed at 6:29 p.m. to accommodate the ULID #49 Formation Hearing.

The ULID #49 Formation Hearing adjourned at 8:00 p.m. and the Regular Board Meeting reconvened at 8:02 p.m.

CITIZEN'S ADVISORY COMMITTEE (CAC):

MISCELLANEOUS:

Public Official Liability Coverage: Mr. Dick informed the Board that the District maintains Public Errors and Omissions Coverage of \$20,000,000 as liability coverage for Board Members. As long as Commissioners are performing in the scope of their duties as a

Commissioner, and as long as they are acting on behalf of the District, their actions are covered by this liability insurance. Mr. Dick stated that he will arrange to have someone from Enduris attend a future Board Meeting to discuss District Insurance Coverage, and trends in the industry.

WASWD L&I Retro Program Meeting: Commissioner West reported on a WASWD L&I Retro Program Meeting he had attended. The Sewer and Water District Retro Program is in the top 5% of the 100 Group Retro Programs still in existence in the State.

MWPAAC: Commissioner Carter reported on the January 25, 2017 Regular MWPAAC Meeting, and on February 2, 2017 Subcommittee Meetings.

RESOLUTIONS: None.


CONTRACTS: None.

VOUCHERS:

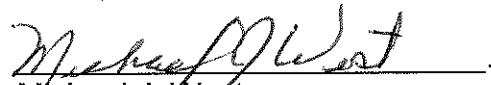
The Board approved Maintenance Fund Vouchers #34101 to #34155 and online payments in the amount of \$269,270.68 and Construction Fund Vouchers #2396 in the amount of \$25,159.22.

EXECUTIVE SESSION: NONE.

The Regular Meeting adjourned at 8:12 p.m.



Deborah McCaslin
President



Michael J. West
Vice-President



Pam Carter
Secretary