

**Ronald Wastewater District and City of Shoreline
Assumption Transition Committee of Elected Officials (CEO)
June 26, 2014, 9:00 - 10:30 am
Conference Room 104, Shoreline City Hall
17500 Midvale Avenue North**

Summary Meeting Notes

PRESENT: Commissioner Atkinson, Councilmember McConnell, Commissioner Ransom, and Councilmember Roberts

ABSENT: None

STAFF: Debbie Tarry, City Manager; John Norris, Assistant City Manager; Mark Relph, Public Works Director, Dan Repp, Utilities and Operations Manager, Michael Derrick, General Manager, Mark Gregg, District Accounting Manager

GUESTS: None

Welcome and Confirm Agenda

- The meeting began at 9:05 am with Commissioner Atkinson chairing the meeting. She asked the CEO to confirm the agenda and no changes were made.

Adoption of Draft Summary Notes of 6-5-14 CEO Meeting

- The summary notes from the 6-5-14 CEO meeting were approved unanimously.

Recap of Staff Meeting

- John Norris provided a recap of the staff meeting held on June 16th. Staff spent this meeting working on the work item priorities in the draft project charter and on an initial discussion of financial policies.
- It was noted that staff will be working on a project timeline/work break down of the project that aligns with the prioritized issues to consider noted in the project charter.
- Mr. Norris also mentioned that he hoped that the Transition Plan, which is the work product that the CEO will approve, will serve as a road map for how transition occurs. The Plan will also serve as a commitment document for both the City and RWD in regards to how issues will be addressed during the upcoming work phases.
- The work phases of the assumption were described as the City and RWD currently being in the Assumption Planning phase. Once planning is completed and the Transition Plan is accepted, the City and RWD will begin the Assumption Transition phase, which will last from Transition Plan adoption until actual assumption and District dissolution.

Finalize Draft Project Charter

- The CEO looked over the final draft version of the Project Charter and approved it.
- Special attention was provided to the proposed prioritized list of work issues in Section 1.3.2 of the Charter. John Norris read through the priority list to provide staff's reasoning for why the priorities were constructed in this way. The CEO agreed with this priority list and had no modifications. Councilmember Roberts asked if the priorities were 'set in stone', and the CEO and staff agreed that the Charter would be a working document and that the CEO could revisit the priority list if need be.

Review of Draft Financial Policies Issue Paper

- The CEO began their review of the Draft Financial Policies issue paper, which posed many policy questions for the CEO.
- The CEO agreed that this section of the Transition Plan should focus on District cash and debt, and wanted staff to bring back recommended policy language for the CEO to review. RWD currently has no debt.
- The CEO also agreed that it made sense for the District to conduct an updated Sewer Comprehensive Plan prior to assumption occurring in 2017. The last Comprehensive Plan was conducted in 2010, and six years is a pretty typical timeframe to update a Comp Plan. There was some discussion as to whether the Comprehensive Plan update should be more cursory or in-depth. Staff suggested that the Comp Plan be more in-depth, and that the City could support the District in doing the update during the Assumption Transition phase. This was identified as a potential "Interim Opportunity" to work on together prior to assumption.
- Councilmember Roberts asked RWD staff how complete the CIP list is from the 2010 Comprehensive Plan, and staff responded that it is somewhat complete. Councilmember Roberts also asked if staff could provide a map of all District facilities, and staff agreed that they would put this into the packet for the next CEO meeting. It was also suggested that the CEO and City staff may want to tour a lift station to get a sense of what they looked like. There was interest in holding a tour.
- There was also a discussion about how RWD members of the CEO and RWD staff should engage the entire CEO regarding District issues that may affect assumption or the City. It was noted by staff that the expectation is that these future discussions, if held, should be collaborative. It was also acknowledged by the CEO that until assumption occurs, RWD is a sovereign governmental entity that is beholden to its own Board and ratepayers. However, there was also an acknowledgement that what commitments RWD and the City make to the CEO and to each other will also be expected to be upheld.

Jurisdictional Items/Issues to Share

- Although this item was the last on the agenda, Commissioner Ransom brought up a few RWD issues that he wanted the CEO to discuss. This discussion occurred early in the meeting, after the discussion about the work item priorities in the Charter.
- Commissioner Ransom brought up the issue of contracted sewer treatment services from King County, and how the future contract might intersect with the assumption transition planning. It was agreed that this would be an item that the CEO would discuss in the near future.
- Commissioner Ransom also brought up the issue of placing solar panels on the RWD roof and at City Hall. There is a \$500,000 grant available for purchase and installation of the panels, and Commissioner Ransom stated that RWD needed to act quickly to be able to capitalize on this grant funding. Staff was concerned about the timing of this

discussion, given that the CEO will not be discussing facilities for quite a while and given that it is unknown what the plan is for the RWD building. Commissioner Ransom asked the CEO if Larry Owens could present information about the program and grant opportunity to the CEO at their next meeting. The CEO agreed that this was premature. It was then discussed that there could be a possibility to have Mr. Owens present at a future RWD Board meeting, but that would have to be a discussion between the RWD Board and District Manager.

- Finally, Commissioner Ransom also discussed an issue regarding side sewer projects that the District engages in.

The meeting adjourned at 10:40 am.

The next CEO meeting will be July 31 at 9:00 am.