

LAKEHAVEN UTILITY DISTRICT
King County, Washington

REGULAR BUSINESS MEETING
June 22, 2006

A regular meeting of the Board of Commissioners of the Lakehaven Utility District, King County, Washington, was held on June 22, 2006 at Lakehaven Center, 31531 First Avenue South, Federal Way, Washington, 98003.

President Tweddle opened the meeting at 6:00 p.m. and asked Commissioner Jovanovich to lead in the flag salute. Members/officials present were as follows:

Beverly Tweddle	President of the Board
Don Miller	Vice President of the Board
Tom Jovanovich	Secretary of the Board
Ed Stewart	Commissioner
Don Perry	General Manager
Steve Pritchett	General Counsel
Morgan Dennis	Director of Finance/Information System

APPROVAL OF MINUTES

Upon motion of Commissioner Miller which was duly seconded by Commissioner Jovanovich, the Board unanimously **adopted** the minutes of the June 8, 2006 Board meeting as presented.

APPROVAL OF AGENDA

Upon motion of Commissioner Jovanovich, which was duly seconded by Commissioner Stewart, the Board unanimously **approved** the evening's agenda as presented.

CITIZENS COMMENTS

Kevin Morris addressed the Board and indicated he was a representative of the group involved in the off-leash dog park at French Lake Park and located next to Lakehaven Center. He began by thanking the District for watering the grass in the park. He then spoke about the issue at hand, which was the impending decision which the council of the City of Federal Way would be making related to keeping the park as an off-leash dog park. He asked the Board to consider recommending it remain as such, if they had any influence over the decision. He expressed his wishes and the desire of the group he represents and explained what that group had planned for the park, if it remains off-leash. Subsequent to the discussion, the Board thanked Mr. Morris for expressing his concerns as well as for the work he and his group had done at the park.

Andy Wilt, the District's recently hired Project Engineer, was at the meeting and introduced himself to the Board. The Board welcomed Mr. Wilt to the District.

CONSENT ITEMS

1. Accounts Payable Vouchers and Payroll Transactions with the warrant dates of 6/13/06, 6/14/06, 6/15/06, 6/28/06, 6/29/06 and 6/30/06

Upon motion of Commissioner Miller, which was duly seconded by Commissioner Stewart, the Board unanimously **approved** the Consent Items as presented.

ACTION ITEMS

#61, 26th Avenue South & South 300th Street Sewer Rehabilitation – Award Construction Contract: Mr. Perry stated this project had been bid last year on a larger scope, which had included both pipeline and manhole rehabilitation work. Bids had been rejected as they had exceeded the engineer's estimate, and staff investigated different ways to approach the project. It was rebid this month for the pipeline rehabilitation work only, and two bids were received. Staff recommended award to the apparent low bidder and it was noted the references for this bidder were checked and were found acceptable.

Upon motion of Commissioner Jovanovich, which was duly seconded by Commissioner Stewart, the Board unanimously **approved** the contingent award of a construction contract to Michels Corporation of Salem, Oregon for the 26th Avenue South and South 300th Street Sewer Rehabilitation project in the total amount of \$59,751.87, including sales tax, and **authorized** the General Manager to executed the contract on behalf of the District.

#62, Schedule Special Meeting, 6-29-06: Commissioner Tweddle indicated that two of the three candidates that the Board planned to interview would be unable to attend the June 22nd meeting and she proposed scheduling a special meeting for June 29th in order to conduct the interviews. Subsequent to a discussion, the Board considered this item.

Upon motion of Commissioner Jovanovich, which was duly seconded by Commissioner Miller, the Board unanimously **approved** scheduling a special meeting for Thursday, June 29th, 2006 at 6:00 p.m. at Lakehaven Center for the purpose of interviewing candidates for the Commissioner position recently vacated by Dick Mayer.

INFORMATION ITEM

#1, On-Call Sewer Design Engineering Contract – Change Order #1: Mr. Perry also presented this item to the Board and briefly explained the issue as noted in the summary statement of the agenda bill. The original contract amount was set by the three projects noted on the agenda bill and since that time, an emergency project, at a cost of \$35,000, had to be

completed by April 26th. He went on to explain the reasons for the change order and reviewed the projects that are in need of funding and that would complete this change order. As this item was for information, it will be considered by the Board at the next regular meeting.

#2, Sewer Use Rules Update: Mr. Perry explained the reasons for this update, which had been mandated by federal regulation. He indicated the updates were administrative in nature and affected none of the District's processes. This item will be considered at the next meeting as well.

COMMITTEE REPORTS/COMMISSIONER COMMENTS

Commissioner Stewart reported on the National American Water Works Association conference he had recently attended in Texas and noted he felt that by attending, he had gained some knowledge by speaking with some of the vendors about their products. He went on to discuss some of the newest items available. Commissioner Miller stated he thought a meeting should be held soon for Finance, Engineering and MIS and added he felt the various committees should meet and report back to the Board. A brief discussion then followed relative to the status of the sludge dryer. Commissioner Tweddle then reported she had worked with Linda Kochmar and Jean Gardiner on the conservation garden and invited anyone interested to drop by and view the garden; it has been pruned and new plantings were recently put in along with the general clean up that was completed.

STAFF REPORTS

GENERAL COUNSEL: Mr. Pritchett reported the District had an opportunity to purchase a large piece of Plexiglas to be installed in the Customer Service area, if the Board felt it necessary and beneficial. After some discussion, it was determined this would be unnecessary to install at this time. He then reported that he and Mr. Ross had spent some time on issues with the new Wal-Mart retail facility relating to easements. He then stated that the Adelaide Beach Sewer project continued to be an issue, but added there might be a proposal before the Board soon to assist this project by an easement condemnation action. A discussion followed relative to this item; it was noted that the Board felt it was important to help as many property owners as possible.

DIRECTOR OF FINANCE AND INFORMATION SYSTEMS: Mr. Dennis informed the Board that staff would be bringing a potential purchase to the Board in the near future and went on to explain the reason for the purchase. Development Services uses a large copier/scanner in their work and the current equipment has to be replaced. He noted that this is a critical piece of equipment and staff would prefer to spend the money now and get a quality machine. He went on to discuss the cost of the equipment and the benefits between leasing and purchasing. Mr. Dennis then reported that the first test print of the water/sewer bills to the vendor would take place the following day. He added staff hoped to begin the outsourcing of the bill printing in July.

GENERAL MANAGER: Mr. Perry reported the permits for the OASIS project were received so this project can begin to move forward. He then provided some details to the process that will be occurring soon.

ADJOURNMENT

There being no further business to come before the Board, the meeting was adjourned at approximately 7:15 p.m.

President Tweddle

Yea

Nay

Abstain

ATTEST:

Vice President Miller

Yea

Nay

Abstain

Secretary Jovanovich

Yea

Nay

Abstain

Commissioner Stewart

Yea

Nay

Abstain