

LAKEHAVEN UTILITY DISTRICT  
King County, Washington

REGULAR BUSINESS MEETING  
March 8, 2007

A regular meeting of the Board of Commissioners of the Lakehaven Utility District, King County, Washington, was held on March 8, 2007 at Lakehaven Center, 31531 First Avenue South, Federal Way, Washington, 98003.

Vice President Nowicki called the meeting to order at 6:00 p.m. and asked Commissioner Stewart to lead the flag salute. Members/officials present were as follows:

Ron Nowicki	Vice President of the Board
Chuck Gibson	Secretary of the Board
Ed Stewart	Commissioner
Beverly Tweddle	Commissioner
Don Perry	General Manager
John Bowman	Engineering/Water Manager
Steve Pritchett	General Counsel
Morgan Dennis	Director of Finance/Information System

Upon motion of Commissioner Tweddle, which was duly seconded by Commissioner Stewart, the Board unanimously excused Commissioner Miller from the meeting.

APPROVAL OF MINUTES

Upon motion of Commissioner Tweddle, which was duly seconded by Commissioner Gibson, the Board unanimously **adopted** the minutes of the Board meetings of February 6, 2007, February 28, 2007 and February 22, 2007 as presented.

APPROVAL OF AGENDA

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

CITIZENS COMMENTS

Bob Cooper, representing Lloyd Enterprises, was in the audience to speak about the District's boundary/service area lawsuit with Pierce County in the area where Lloyd's planned to build. He thanked the Board, Mr. Perry and Mr. Pritchett for all of their hard work in an attempt to ensure that the development would be served by the District, exclusively. His purpose for speaking was to encourage the Board and staff to move forward in the appeal process and to add his support and help in any way possible. Subsequent to Mr. Cooper's comments, Patricia Larson, a representative of the Land Lloyd Development, added the Board had the full support of her company as well.

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

1. Accounts Payable Vouchers and Payroll Transactions with the warrant dates of 2/26/07, 2/27/07, 2/28/07 and 3/08/07

**Maintenance Fund No. 11-333-0510**

2/26/07, voucher nos. 7832-7841, total amount of \$6,296.62;  
2/27/07, voucher nos. 7842-7951, total amount of \$391,613.99;  
2/26/07, voucher no. 7966, total amount of \$51,262.85.

**Construction Fund No. 11-333-3510**

2/28/07 voucher nos. 7952-7963, total amount of \$59,256.90.

**PWTF Well site & Emerg Power Fund No. 11-333-6020**

2/28/07 voucher no. 7964-7965, total amount of \$18,487.20.

**Payroll – Fund No. 11-333-0530 03/08/07**

Warrants:	\$	0.00
Direct Deposits:	\$	138,753.37
Benefit Warrants:	\$	126,463.32
		(voucher nos.7967-7982)
<u>Withholding/FICA</u>	\$	<u>54764.02</u>
<b>Total Amount of:</b>	<b>\$</b>	<b>319,980.71</b>

**ACTION ITEMS**

**#23, 2007 Water Inventory Supplies Contract:** Gene Yoder, the District's Manager of Field Operations, distributed a hand out that was a modification of material that was included in the agenda packets. He provided a brief history of this item and explained the reason for rebidding this contract. Mr. Yoder noted that staff had included unleaded fitting and supplies in this bid to determine if there was any benefit by using them. A discussion followed as to the best way to proceed that would be in the best interest of both the ratepayers and the District. Subsequent to the discussion, the Board considered this item.

Upon motion of Commissioner Gibson, which was duly seconded by Commissioner Tweddle, the Board unanimously **approved** acceptance of the low bid from each supplier and **authorized** the General Manager sign the contracts on behalf of the District. In addition, the Board encouraged Mr. Yoder to begin a pilot program to test the unleaded fittings to determine their durability.

### INFORMATION ITEMS

**#1, 2007-2008 Redondo Wastewater Treatment Plant Polymer Purchase Contract:** Mr. Perry introduced this item to the Board. Polymer is used at the Redondo Wastewater Treatment Plant to condition digested biosolids prior to dewatering, which results in a dryer product that is hauled away at a cost per wet ton. He stated that staff had tested a number of polymers and have determined that the product currently used is the most effective in dewatering the biosolids. Subsequent to the discussion, it was the consensus of the Board to consider this item at this meeting.

Upon motion of Commissioner Gibson, which was duly seconded by Commissioner Tweddle, the Board unanimously **amended** the agenda to add **Action Item #24, 2007-2008 Redondo Wastewater Treatment Plant Polymer Purchase Contract Approval.**

**Action Item #24, 2007-2008 Redondo Wastewater Treatment Plant Polymer Purchase Contract Approval:** Upon motion of Commissioner Gibson, which was duly seconded by Commissioner Tweddle, the Board unanimously **approved** the two year contract submitted by Mt. Hood Chemical Corporation in the amount of \$43,659.26 for the Redondo Wastewater Treatment Plant Polymer Purchase. It was noted that the contract included a review of the PPI each quarter to determine if there has been a 10% increase in the index, which would result in a cost adjustment.

### COMMITTEE REPORTS/COMMISSIONER COMMENTS

Commissioner Gibson reported he had met with Mr. Pritchett and he and Commissioner Stewart had both met with Mr. Perry to discuss their performance reviews. He stated they discussed actions for both managers to take in the coming year and noted the Personnel Committee planned to do some type of survey in early summer to determine if any movement has been made relative to the issues that had been discussed. In addition, Commissioner Gibson stated they had asked that Mr. Perry and Mr. Pritchett meet together to address some joint issues. He thanked both gentlemen for their cooperation during this process. Commissioner Gibson was then thanked by the Board members for the work he put into this project.

Commissioner Tweddle reported she had attended a Customer Service/IT Conference recently in Austin, Texas and provided a report to the Board on the conference.

Commissioner Nowicki also reported on a conference he had recently attended in Portland, Oregon and went on to review the things that he had learned while in attendance. He distributed some handouts that had been provided to conference attendees and included information about mission statements. He made note of a second handout and referred to meeting that had been scheduled with some selected staff and representatives of the Chamber of Commerce. Commissioner Nowicki then stated that he had also received some materials relating to management; more specifically, strategic planning. He stated that the Board will be

discussing strategic planning at the special meeting and would review the material he had received. He also noted they would be discussing rates and fees prior to the presentations that will be given by the two consultants that had been retained to assist the Board with these discussions. He also suggested that Board members review the District's mission statement.

#### STAFF REPORTS

**General Counsel:** Mr. Pritchett reported that the assumption bill that included the provision for an uncapped utility tax failed to make it out of its committee of origin and was dead. He also stated that he understood that the bill that would allow six year collective bargaining agreements had also died. Mr. Pritchett next reported that he had met with the new business agent for the IUOE bargaining unit the prior Tuesday. Together, they had selected three arbitrators to handle the three grievances in question. He added there would be a lag time of approximately two to three months to get the arbitrations scheduled.

**Engineering/Water Manager:** Mr. Bowman, the District's new Engineering/Water Manager, reported the District was currently receiving approximately 6 million gallons a day (MGD) of water from the Second Supply Pipeline and added they were using slightly over 8 MGD. He noted the remaining share of Lakehaven's water is being stored behind the Howard Hanson Dam and there will probably be available water during the summer. Next, Mr. Bowman reported staff had received letter from the Environmental Protection Agency (EPA), requesting Lakehaven perform a residual management survey, dealing with what the District does with backwash water from the treatment plants. He provided a brief explanation of this program and stated Mr. French, the District's Water Quality/Production Engineer, would be performing the survey. Lastly, Mr. Bowman stated that some staff had gone through training on a new data acquisition program that is run through the cell phone system to determine its feasibility. This program is called "Birdnest". He then explained how this program works.

**General Manager:** Mr. Perry stated he was completing a survey for the Department of Health, which is fairly lengthy. The information will be used to compile the needs of Washington State, which will be forwarded to the Environmental Protection Agency to determine expectation in various areas. The information will be used to present the needs of the State to congress. He next reported on another the new water efficiency rule and added staff would be meeting with the Board and public to comment on Lakehaven's conservation measures. Tim Osborne, one of the District's Project Engineers, is the lead on this project. He then briefly explained the purpose of this exercise. Lastly, Mr. Perry stated he had received letter from the City of Auburn requesting 5,000 acre feet of storage in OASIS. The significance of this item was discussed briefly.

#### EXECUTIVE SESSION/CLOSED SESSION

At approximately 7:14 p.m., the regular meeting was recessed in order to conduct an Executive Session to discuss Pending Litigation. It was stated that the Executive Session would

last until approximately 7:30 p.m. At approximately 7:25 p.m. the Executive Session was adjourned.

The Board then held a Closed Session for the purpose of discussing two grievance appeals. Subsequent to the discussion, the Closed Session was adjourned and the regular meeting was reconvened.

Upon motion of Commissioner Gibson, which was duly seconded by Commissioner Tweddle, the Board unanimously amended the agenda to add **Action Items # 25 and #26**, for the purpose of considering the two grievance appeals submitted on behalf of Tim Warford and Richard Fujimoto.

**Action Item #25, Grievance Appeal of Tim Warford:** Upon motion of Commissioner Gibson, which was duly seconded by Commissioner Tweddle, the Board unanimously **denied** the Step IV Grievance that was submitted to the Board on behalf of Tim Warford.

**Action Item #26, Grievance Appeal of Richard Fujimoto:** Upon motion of Commissioner Gibson, which was duly seconded by Commissioner Tweddle, the Board unanimously **denied** the Step IV Grievance appeal that was submitted to the Board on behalf of Richard Fujimoto.

ADJOURNMENT

There being no further business to come before the Board, the meeting was adjourned at approximately 7:45 p.m.

<u>ABSENT</u>			
_____ President Miller	<u>Yea</u>	<u>Nay</u>	<u>Abstain</u>

ATTEST:

_____ Vice President Nowicki	<u>Yea</u>	<u>Nay</u>	<u>Abstain</u>
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_____ Secretary Gibson	<u>Yea</u>	<u>Nay</u>	<u>Abstain</u>
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Commissioner Stewart

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Yea

\_\_\_\_\_  
Nay

\_\_\_\_\_  
Abstain

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Commissioner Twedde

\_\_\_\_\_  
Yea

\_\_\_\_\_  
Nay

\_\_\_\_\_  
Abstain