

LAKEHAVEN UTILITY DISTRICT  
King County, Washington

REGULAR BUSINESS MEETING  
April 12, 2007

A regular meeting of the Board of Commissioners of the Lakehaven Utility District, King County, Washington, was held on April 12, 2007 at Lakehaven Center, 31531 First Avenue South, Federal Way, Washington, 98003.

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

Don Miller	President of the Board
Ron Nowicki	Vice President of the Board
Chuck Gibson	Secretary of the Board
Ed Stewart	Commissioner
Beverly Tweddle	Commissioner
Don Perry	General Manager
Steve Pritchett	General Counsel

APPROVAL OF AGENDA

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

CONSENT AGENDA

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

1. Accounts Payable Vouchers and Payroll Transactions with the warrant dates of 4/12/07, 4/13/07 and 4/16/07

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

4/12/07, voucher nos. 8298-8309, total amount of \$5,762.61;

4/13/07, voucher nos. 8310-8427, total amount of \$242,692.42.

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

4/16/07, voucher nos. 8428-8438, total amount of \$86,167.44.

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

4/16/07, voucher nos. 8439-8440, total amount of \$720.16.

2. Special Meeting of April 19; rescheduling this meeting to April 19<sup>th</sup> at 1:30 p.m. and schedule a special meeting for May 3, 2007 at 1:30 p.m.

### ACTION ITEMS

**#28, Dapp – Appeal of Sewer Stub Charges:** Mr. Pritchett briefly reviewed this issue as it had been discussed in past meetings. He referred to the letter Mr. Dapp wrote to the District to appeal what he felt were extra charges, which he felt he should not be required to pay. A discussion followed about this project and the concerns expressed by Mr. Dapp. The procedures and costs that were tracked by staff for this project were also discussed to enable the Board to consider this item further. Subsequent to the discussion, the Board addressed this item.

Upon motion of Commissioner Gibson, which was duly seconded by Commissioner Nowicki, the Board unanimously **approved** keeping the charge as calculated for the two parcels owned by Raymond Dapp for the sewer project located in the Lakota Beach area.

### INFORMATION ITEMS

**#1, On-Call Contract:** Mr. Yoder, the District's Manager of Field Operations, stated that Field Operations and Purchasing had worked together to develop specifications for an on-call contract that would enable District staff to accomplish work such as main replacements, emergency repairs, control panel change-outs, etc., without having to go through the lengthy bidding process, which would not only save time, but would also ensure that the District remain in compliance with state law and District policy. In addition, staff is currently required to declare an emergency before contacting a contractor to make repairs in emergency situations. Mr. Yoder also indicated that there are several new hires on staff and it takes time to get them up to speed so they can help balance out the workload by being flexible enough to work in different areas. By having an on-call contractor on board, staff would be able to keep up with the current workload as well as have more flexibility to adequately train new staff. He noted this contract is very similar to force account work, unit price for equipment and labor are up front, and prices for materials are percentage over cost. He reported one successful bid was received by Northwest Cascade and it included electrical, underground water and sewer. The contract included prevailing wages for all of the equipment that is necessary for the work and small tools were all included in the labor rate. A discussion followed regarding the need for such a contract and how it would benefit the District and its ratepayers. 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 Nowicki, the Board unanimously **amended** the agenda to add **Action Item #29, On-Call Contract; Approval.**

**Action Item #29, On-Call Contract; Approval:** Upon motion of Commissioner Nowicki, which was duly seconded by Commissioner Gibson, the Board unanimously **approved** an On-Call Contract with Northwest Cascade for an amount not to exceed \$200,000.

### COMMITTEE REPORTS/COMMISSIONER COMMENTS

Commissioner Miller noted a discussion was held during one of the committee meetings he had recently attended relating to a District employee taking a one ton truck to his home during the time he was assigned to be on "On-Call" status. A discussion followed and Mr. Yoder explained the procedures that are followed.

Commissioner Gibson stated he had attended the Chamber of Commerce Economic and Government Affairs Committee meetings recently and reported at both meetings the District was thanked for placing a District employee at City Hall. He added that in addition, he felt the Executive Administrator of the Chamber had done a nice job of thanking Lakehaven as well and for working with them. He next reported that there is \$300,000 and possible \$500,000 available to put towards removing the sea lettuce out of the Sound. He added that there may be some money to help the residents in the area have it removed from the beach. Lastly, Commissioner Gibson reported that he observed a District truck at his neighbor's house recently to turn off the water for non-payment. His neighbor was out of the area and contractors were there. Commissioner Gibson reported he had paid the bill for his neighbor so the contractors could continue their work and he added the Customer Service staff had been very nice and helpful.

Commissioner Stewart reported on the recent Safety and EMAC committee meetings he had attended. It was noted that fire extinguisher training had been scheduled in June.

Commissioner Nowicki spoke about a document he had provided to Board members earlier in the evening, which included "Possible Strategic Goals for 2007". He went on to review the contents of the document and asked the Board to consider the proposed goals. He added he felt that Commissioners Gibson and Tweddle had done a good job on the performance reviews for the General Manager and General Counsel and had set goals.

### STAFF REPORTS

**General Counsel:** Mr. Pritchett reported that several months ago someone had impersonated himself as a Lakehaven employee and had tried to enter a customer's residence by telling them he had to check something inside. A similar type of incident had happened the prior day; someone had posed as a contractor and had attempted to gain access to a residence. In addition, it had been reported by three customers that they had been contacted by someone indicating they were a representative of Lakehaven and were asking for updated credit card information. Mr. Pritchett stated another press release had been prepared and submitted for publication as staff felt it was critical that the information get out as soon as possible. Next, Mr. Pritchett stated he had spoken to Jean Gardiner, the District's Customer Service Manager earlier in the week regarding a Board presentation. About one to one and a half years ago, she came to a Board meeting and explained the duties of Customer Service staff. He noted that if the new Board members were interested, staff would like to have her back. Both Commissioners suggested the two of them meet with Ms. Gardiner during the day in the Administration Building

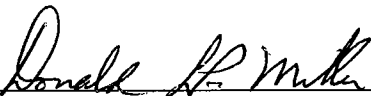
Conference room. Mr. Pritchett next stated that Mr. Dennis had provided Board members with a copy of the current debt schedule. He added that this document includes a great deal of information and went on to discuss the graphs that were included in the information and what they meant. He next reviewed the request from the owner of the Commons Shopping Mall that had been discussed at a prior meeting regarding the request for consideration of an adjustment in ERU's for the property. Mr. Pritchett stated he would like to bring this issue to the Board at the next meeting, due to the requestor's schedule. Mr. Pritchett then stated he had reported staff had selected a person to replace Linda Mogensen; however, this person had since declined the offer. He then stated he had contacted a person who had worked with him prior to him joining the District and told her about the position and she is considering applying for the position. Mr. Pritchett then reported he had recently received a letter from the attorney for the IUOE Bargaining unit. The letter was a request for a large amount of information regarding the Speaks arbitration. He went on to discuss the information. He then reported that the IUOE union had filed two Unfair Labor Practice (ULP) documents last fall with the Public Employees Relations Committee (PERC). The union had failed to provide a statement of facts with each filing so District staff was unaware of the topic of each issue. One of the filings was dismissed and the other was answered and Mr. Pritchett explained the reasons. He then reported he had received a letter from PERC earlier in the day that indicated a hearing date had been scheduled. From the PERC letter, he had discovered that the subject of one of the issues was regarding retro active pay, which related to a grievance filed in 2006 about the District requiring employees go to a District Physician for physicals. Apparently, a ULP had been filed, but District staff had been unaware of the subject. Mr. Perry added that on November 16, 2006, he had provided the bargaining agent the process in which these things would be handled in the future, which was the procedure that was consistent with the collective bargaining agreement.

**General Manager:** Mr. Perry reported he had received a phone call from staff at King County indicating that the District's Comprehensive Water System Plan was scheduled to appear in front of the UTRC next Wednesday. He next reported staff continues to work on the outfall project as well as work with staff from the Department of Ecology on the contract with them. He added he hoped to bring the contract to the Board toward the end of May. He went on to discuss his preferences on the contracts and project start date. He then stated he would address a tour of the SSP headworks at a meeting he would be attending the next day. He then reported that the District had once again begun to receive SSP water. Lastly, Mr. Perry reported that the District's water consumption had been down during the week of spring break for the local schools.

Commissioner Miller reported he had spoken with Stan French, the District's Water Quality/Production Engineer, earlier in the day regarding the dirty water calls that the District receives. He noted that one is able to see the areas of construction by looking at the locations from which the calls are received. He added that this issue will be addressed in his Commissioner Corner article. He stated that Mr. French is ready and happy to talk to anyone about any of the calls that are received.

ADJOURNMENT

There being no further business to come before the Board, the meeting was adjourned at approximately 7:35 p.m.

  
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President Miller

\_\_\_\_\_  
Yea                                              
Nay                      Abstain

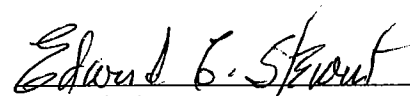
ATTEST:

  
\_\_\_\_\_  
Vice President Nowicki

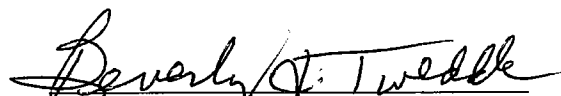
\_\_\_\_\_  
Yea                                              
Nay                      Abstain

\_\_\_\_\_  
Secretary Gibson

\_\_\_\_\_  
Yea                                              
Nay                      Abstain

  
\_\_\_\_\_  
Commissioner Stewart

\_\_\_\_\_  
Yea                                              
Nay                      Abstain

  
\_\_\_\_\_  
Commissioner Tweddle

\_\_\_\_\_  
Yea                                              
Nay                      Abstain