

LAKEHAVEN UTILITY DISTRICT
King County, Washington

REGULAR BUSINESS MEETING
May 10, 2007

A regular meeting of the Board of Commissioners of the Lakehaven Utility District, King County, Washington, was held on May 10, 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 led 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
John Bowman	Engineering/Water Manager
Steve Pritchett	General Counsel
Morgan Dennis	Director of Finance/Information System

APPROVAL OF MINUTES

Upon motion of Commissioner Nowicki, which was duly seconded by Commissioner Gibson, the Board, with Commissioner's Nowicki, Gibson, Stewart and Tweddle voting in the affirmative, and Commissioner Miller abstaining, unanimously **adopted** the minutes of the meeting of March 8, 2007 as presented.

APPROVAL OF AGENDA

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

CONSENT AGENDA

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

1. Accounts Payable Vouchers and Payroll Transactions with the warrant dates of 4/26/07, 5/8/07, 5/11/07, 5/14/07 and 5/15/07.
Maintenance Fund No. 11-333-0510
4/26/07 Voucher nos. 8587, total amount of \$57,051.42;
5/11/07 Voucher nos. 8604-8612, total amount of \$2,613.39;
5/14/07 Voucher nos. 8613-8720, total amount of \$367,944.59.

Construction Fund No. 11-333-3510

5/15/07 Voucher nos. 8721-8734, total amount of \$1,852,449.93.

Payroll – Fund No. 11-333-0530 05/08/07

Warrants:	\$	0.00
Direct Deposits:	\$	166,380.58
Benefit Warrants:	\$	133,311.95
(voucher nos. 8588-8603)		
Withholding/FICA	\$	69,677.95
Total Amount of:	\$	369,370.48

ACTION ITEMS

#32, Capital Facilities Charges – Mixed Use Aggregation: Mr. Pritchett indicated that this item had been discussed at a previous meeting and staff recommended a change to the current Fees and Charges Resolution as had been discussed.

Upon motion of Commissioner Nowicki, which was duly seconded by Commissioner Tweddle, the Board unanimously **approved** an amendment to the current Fees and Charges Resolution as recommended by staff.

#33, 2007 Sewer Trunk Rehabilitation 8th & 9th Avenue South Project – Award Construction Contract: Mr. Osborne, one of the District's Project Engineers, presented this item. The District received two (2) bids, out of the six (6) invitations sent to various contractors by the due date of April 27th, 2007. The lowest bid received was \$113,211.84 including tax. The low bid was offered by Michels Pipe Service of Salem, Oregon and reference checks were obtained for the low bidder.

Upon motion of Commissioner Tweddle, which was duly seconded by Commissioner Nowicki, the Board unanimously **approved** the contingent award of a construction contract to Michels Pipe Service of Salem, Oregon for the 2007 Sewer Trunk Rehabilitation 8th & 9th Ave. S. Project in the total amount of \$113,211.84, including tax, and **authorized** the General Manager to execute the contract on behalf of the District.

#34, Board Meeting Schedule: Mr. Pritchett indicated that the meeting of June 14th had been reserved to present the Conservation Poster Contest winners and no other business should be scheduled for that meeting. A discussion ensued relative to possible dates to reschedule the special meeting. Mr. Pritchett suggested bringing back some additional dates at the May 24th meeting for the Board to consider and the Board agreed.

INFORMATION ITEMS

#1, Unit 14 Replacement: Mr. Yoder, the District's Manager of Field Operations, reported that in their research, staff found a service body specification that was already written and bid from a vender in Riverside, California. The vender was contacted and it was agreed that an interlocal agreement would be created to purchase the service body and crane for Unit 14 from the local vender, Northend Truck and Equipment. A discussion followed and subsequent to the discussion, the Board decided to consider this item at this meeting.

Upon motion of Commissioner Tweddle, which was duly seconded by Commissioner Gibson, the Board unanimously **amended** the agenda to add **Action Item #35, Unit 14 Replacement; Purchase approval.**

Action Item #35, Unit 14 Replacement; Approval: Upon motion of Commissioner Gibson, which was duly seconded by Commissioner Tweddle, the Board unanimously **approved** the purchase and installation of a service body and crane for Unit 14 from Northend Truck and Equipment, Marysville, Washington, in the amount of \$72,219.21, including tax.

#2, 2008 Wastewater Comprehensive Plan – Consultant Contract: Mr. Bowman reported on the need to produce a new Comprehensive Wastewater System Plan and recommended that they contract again with PACE Engineers, Inc. The Board held discussion on whether they wished to contract with PACE again. They also discussed the possibility of using other consulting firms. Mr. Bowman explained to the Board the considerations made in recommending PACE, and that some amendments to the contract could be made to ensure a timely delivery. The Board discussed certain incentives that could be written into the contract to ensure deadlines would be met in a timely manner. During the discussion, Commissioner Nowicki suggested that the Board be provided with a copy of the engineer's schedule. Subsequent to the discussion, Mr. Perry indicated that staff would provide the Board with tasks orientated by chapters at the next Board meeting.

#3, 2007-2009 Caustic Soda Purchase - Award: The bid opening was held on April 24th, 2007 for supplying caustic soda which is used in the water system. The lone bid was from Northstar Chemical, Inc. which has previously provided deliveries for caustic soda. The bid amount of \$180,832.12 is an estimated total delivery cost for this product for the remainder of 2007 and all of 2008 and 2009.

Upon motion of Commissioner Tweddle, which was duly seconded by Commissioner Gibson, the Board unanimously **amended** the agenda to add **Action Item #36, 2007-2009 Caustic Soda Purchase - Award.**

Action Item #36, 2007-2009 Caustic Soda Purchase – Award. Upon motion of Commissioner Gibson, which was duly seconded by Commissioner Tweddle, the Board

unanimously awarded the 2007-2009 Caustic Soda Purchase to Northstar Chemical, Inc in the amount of \$180, 832.12.

STAFF REPORTS

General Counsel: Mr. Pritchett reported that he would be gone the next week, from Tuesday through Friday. He will be attending the Labor Relations Conference in Yakima, Washington. He added a special meeting had been scheduled for the tour of Howard Hanson Dam the next day. Mr. Pritchett further reported on a rate adjustment that will become effective in July for the Board members if the Governor signs the bill for the compensation increase.

Director of Finance/Information Systems: Mr. Dennis reported on the progress of the server room becoming a meeting conference room. He further reported that there would be no window added because of the permitting process for that.

Engineering/Water Manager: Mr. Bowman reported that hard hats and vests would be available for the next day's tour.

General Manager: Mr. Perry passed out information to the Board and reported on advertising costs for an ad about the District to appear in the Seattle & King County Book. It was the consensus of the Board to not participate in this advertisement as they felt there wasn't a need for this. Mr. Perry further reported about a one-third page ad in CEO magazine in July's issue regarding a layout about the City of Federal Way. A discussion followed about this publication being more community focused, less costly, and providing the opportunity to contribute to the wording of the ad. Subsequent to the discussion, it was the consensus of the Board to purchase a one-third page ad in CEO magazine.

Comment was made about a picture of Randy Koda, one of the District's maintenance staff, being placed on the front page of the Federal Way Mirror and the positive publicity for Lakehaven Utility District.

COMMITTEE REPORTS/COMMISSIONER COMMENTS

Commissioner Miller reported on the AWWA conference in Kennewick attended by himself and Mr. Perry. He stated it was an excellent conference and added he had the opportunity to meet with Commissioners from other states. He noted there were some issues with obtaining CEU's. The AWWA conference will be held in Vancouver, Washington next year.

Commissioners Gibson, Miller and Tweddle reported on the Economic Committee Meeting and how there are many projects going on in the area. Mr. Perry stated that the asphalt overlay project for the City will be completed very soon.

EXECUTIVE SESSION/CLOSED SESSION

At approximately 7:30 p.m., the regular meeting was recessed in order to conduct an Executive Session for the purpose of discussing potential litigation. It was stated that the Executive Session would last approximately 30 minutes. At approximately 8:00 p.m., the Executive Session was adjourned and the regular meeting was reconvened.

ADJOURNMENT

There being no further business to come before the Board, the meeting was adjourned at approximately 8:01 p.m.

 _____ President Miller	<input checked="" type="checkbox"/> _____ Yea	<input type="checkbox"/> _____ Nay	<input type="checkbox"/> _____ Abstain
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ATTEST:

 _____ Vice President Nowicki	<input checked="" type="checkbox"/> _____ Yea	<input type="checkbox"/> _____ Nay	<input type="checkbox"/> _____ Abstain
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_____ Secretary Gibson	<input type="checkbox"/> _____ Yea	<input type="checkbox"/> _____ Nay	<input type="checkbox"/> _____ Abstain
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 _____ Commissioner Stewart	<input checked="" type="checkbox"/> _____ Yea	<input type="checkbox"/> _____ Nay	<input type="checkbox"/> _____ Abstain
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 _____ Commissioner Tweddle	<input checked="" type="checkbox"/> _____ Yea	<input type="checkbox"/> _____ Nay	<input type="checkbox"/> _____ Abstain
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