

LAKEHAVEN UTILITY DISTRICT
King County, Washington

REGULAR BUSINESS MEETING
September 27, 2007

A regular meeting of the Board of Commissioners of the Lakehaven Utility District, King County, Washington, was held on September 27, 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 asked Commissioner Nowicki to 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
John Bowman	Engineering/Water Manager
Steve Pritchett	General Counsel
Morgan Dennis	Director of Finance/Information System

APPROVAL OF AGENDA

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

CITIZENS COMMENTS

Paul Burton, phone number 206-560-9023, addressed the Board on the Developer Extension Agreement matter. He commented that the project is nearing an end and that several issues have come up. He explained that there were many people who were going to be "participating" parties under the agreement and that he is having problems collecting the balance owed from some of them. He stated that he would like to refund the portion of the monies paid from these "participating" parties and in turn have them considered "non-participating" parties. Mr. Pritchett explained to the Board that because Mr. Burton is having problems with "participating" property owners not paying him, he appears to want the District to collect the remaining balance from the "participating" property owners who aren't paying their full share. Mr. Pritchett expressed that this would put the District in a very difficult situation and the District shouldn't be involved with Mr. Burton's dispute with the property owners. Mr. Burton stated that what he is looking for is a way to change non-paying "participating" property owners to "non-participating" property owners under the Agreement. He further stated that he thought if they don't pay under the contract, that they are not participating in the project. Mr. Pritchett explained to Mr. Burton that the contract issues may not be so easily resolved. He further explained if the participant agrees to rescind the contract and acknowledges that they will pay a

latecomer, then that may change the agreement to allow the District to impose a latecomer for their share of the local facilities. Mr. Bowman and Mr. Pritchett wanted to clarify to the Board that any change in the status of a participant will not increase the District's share of the project costs on behalf of the non-participating property owner.

CORRESPONDENCE

A letter to Lakehaven Utility District customer, Qianshun Zheng, was presented to the Board for signature. Ms. Zheng is a landlord who put a lock on a District meter to shut off water to her tenant's home. The District came in and cut the lock off on two different occurrences. Ms. Zheng then put a bigger lock on it the third time and the District had to hire a locksmith to come out and remove the lock. At this point, the District imposed a tampering charge. Mr. Pritchett reported that under the Washington State Landlord Tenant Act, shutting off a tenant's water is prohibited. At this point, the District has only sought to collect from Ms. Zheng for one incident of tampering, not three. Mr. Pritchett is proposing a letter from the Board in response to her letter of September 7, 2007 to the Board. After discussion, the Board agreed with the response and actions of Customer Service representatives, and is in favor of signing the letter to Ms. Zheng.

Discussion was held about a letter from King County that required an extension of the Sewage Disposal Agreement to 2054. Mr. Pritchett stated that there was an amendment extending the Agreement to 2036 that he did not know existed as there was no record of it in the District files. King County provided the District with a copy of the amendment and the Agreement will remain in effect until 2036. Mr. Pritchett reported that he could follow-up with letter to King County letting them know that the District does not want to extend the Agreement beyond 2036. The Board requested that he do so.

CONSENT AGENDA

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

Accounts Payable Vouchers and Payroll Transactions with the warrant dates of 9/24/07, 9/26/07, 9/27/07 and 9/28/07.

Maintenance Fund No. 11-333-0510

9/26/07 Voucher no. 10102, total amount of \$61,790.59;
9/26/07 Voucher nos. 9943-9966, total amount of \$11,057.16;
9/27/07 Voucher nos. 9967-10082, total amount of \$492,368.39.

Construction Fund No. 11-333-3510

9/28/07 Voucher nos. 10083-10101, total amount of \$79,896.13.

