

LAKEHAVEN UTILITY DISTRICT  
King County, Washington

REGULAR BUSINESS MEETING  
October 11, 2007

A regular meeting of the Board of Commissioners of the Lakehaven Utility District, King County, Washington, was held on October 11, 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 Tweddle 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

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

It was noted that Mr. Dennis was not in attendance.

APPROVAL OF MINUTES

Upon motion of Commissioner Tweddle, which was duly seconded by Commissioner Gibson, the Board unanimously **adopted** the minutes of the September 13, 2007 and September 27, 2007 meetings as amended and presented.

APPROVAL OF AGENDA

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

CORRESPONDENCE

Commissioner Nowicki handed out a proposed Commissioner's Corner article for the District's Newsletter to Board members and staff for their review and comment.

CONSENT AGENDA

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

Accounts Payable Vouchers and Payroll Transactions with the warrant dates of 10/9/07, 10/12/07, 10/15/07 and 10/16/07.

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

10/12/07 Voucher nos. 10117-10129, total amount of \$2,089.31;  
10/15/07 Voucher nos. 10130-10246, total amount of \$352,069.44.

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

10/16/07 Voucher nos. 10247-10280, total amount of \$415,732.96.

**PWTF Redondo Outfall Fund No. 11-333-6040**

None

<u>Payroll – Fund No. 11-333-0530</u>	<u>10/09/07</u>
Warrants:	\$ 0.00
Direct Deposits:	\$ 166,323.89
Benefit Warrants:	\$ 142,849.04
	(voucher nos. 10103-10116)
<u>Withholding/FICA</u>	<u>\$ 68,360.41</u>
<b>Total Amount of:</b>	<b>\$ 377,533.34</b>

ACTION ITEMS

**#60, Pandemic Influenza Response Plan:** Mr. Perry noted to the Board that he expanded the one page memorandum to four pages. He reviewed the changes in the Plan with the Board and staff and gave explanations of the plan's content. The Board asked how often the Plan would be reviewed and updated, if necessary. Mr. Perry stated the EMAC Plan is reviewed and updated as necessary quarterly. He also reported that the Plan will be updated immediately if a contact person changes his/her position or terminates employment with the District.

Upon motion of Commissioner Gibson, which was duly seconded by Commissioner Tweddle, the Board unanimously **approved** the Pandemic Influenza Response Plan for Lakehaven Utility District.

INFORMATION ITEMS

**#1, Neuros Blower Proposal:** Mr. McCalib handed out a colored pamphlet on Turbo Blowers to the Board for review. He reported that some of figures in the agenda item were recently modified because of the timely manner in which Puget Sound Energy submitted their current figures. Mr. McCalib explained that the Lakota Plan currently utilizes four positive displacement Roots Blowers to provide air to the activated sludge aeration basins. Two 350 horsepower (HP) units provide air for normal operations and two 250 HP units are on standby.

Only the two 250 HP units are hooked up to essential power. Current plant loading requires the output of a 350 HP blower to meet process air demands. Normal operation is one 350 HP unit to supply all of the secondary process air. This proposal would include replacing one Roots 250 HP positive displacement blower (one of the standby units) with a new single stage centrifugal blower. The unit to be replaced has been in service nearly seventeen (17) years. The estimated cost to rebuild the existing unit is approximately \$17,000, plus shipping and tax. The total is approximately \$30,000.00 from the factory. The latest blower rebuild of one 350 HP unit was performed by Northwest Industrial for \$13,000.00 and no noticeable increase in air output was achieved after the rebuild was completed.

Mr. McCalib reported that the proposed new equipment is a Neuros NX-300 single stage centrifugal 300 HP blower. This blower is a new technology that achieves higher air throughput with lower power costs than any other existing blower technology. The Neuros NX-300 would supply all of the plant's low pressure process aeration requirements and save the District from running a 350 HP Roots Unit. The Neuros NX-300 puts out the same air with 50 less HP. Besides the power savings, this would give the District a blower meeting the process demands and also be on essential power to run in the event of commercial power outages. The existing 250 HP units that are on essential power are not independently adequate to provide process air for normal operations. The power savings calculations and cost comparisons to other industrial units of like in kind have been provided and are outlined in Exhibits A and B of information item #1. Mr. McCalib also added that the installation of this unit can be done in-house if needed, and that it only takes one-half hour to start up. The Board inquired if there were any maintenance records for this unit. Mr. McCalib reported that because the unit is a new technology, the longest installation of one of these units is 5 years. He further reported that even if the unit only had a useful life of 5 years, it would pay for itself twice because of the energy cost savings. Exhibit A shows an energy savings alone of \$57,395 per year. The Conservation Grant from Puget Sound Energy (Exhibit B) indicates that Puget Sound Energy will fund 50% of the cost of the Neuros NX-300 unit. The District's rate of pay back with this 50% utility contribution would be 2.17 years. Mr. McCalib stated that staff is currently drafting specifications to advertise for purchase of this equipment, and that he is presenting this to the Board only as an information item until he has acquired precise costs and specifications. He also stated that the District would be bidding the project to only purchase the unit and that a price for installation wouldn't be necessary. Mr. McCalib also suggested that the District design into the Contract a 30-day trial period.

Commissioner Nowicki commented that he went to Renton to see one of these units operate and was quite impressed with what he saw. There was discussion held on start-up noise and maintenance of the unit. The Board thanked Mr. McCalib for his presentation.

**#2, Easement Encroachment 27425 42<sup>nd</sup> Avenue South:** Mr. Pritchett reported that the District received an easement for a sanitary sewer line that was constructed in 1980 to serve a home at 27425 42<sup>nd</sup> Avenue South under ULID #41A. The home was recently remodeled and a roof overhang was located directly over the District's sanitary sewer easement. The District notified the owners of the encroachment, and indicated that an encroachment agreement may be

an acceptable alternative to removal of the overhang. Under the encroachment agreement, the homeowners will be required to allow District access to the sewer facilities when needed, and any expense for damage to the overhang or landscaping would be the homeowner's responsibility. With the Board's approval, the encroachment would be allowed to remain under the terms of the signed Amendment to Real Property Easement. Mr. Pritchett is requesting that the Board approve the signing of the amendment.

Upon motion of Commissioner Tweddle, which was duly seconded by Commissioner Gibson, the Board unanimously **amended** the agenda to add **Action Item #67, Easement Encroachment 27425 42<sup>nd</sup> Avenue South.**

**Action Item #67, Easement Encroachment 27425 42<sup>nd</sup> Avenue South:** Upon motion of Commissioner Tweddle, which was duly seconded by Commissioner Gibson, the Board unanimously **approved** the easement encroachment upon the parties' signing of the Amendment to Real Property Easement.

#### COMMITTEE REPORTS/COMMISSIONER COMMENTS

Commissioner Nowicki announced a Lakota plant tour will take place on October 30, 2007 at 11:00 a.m. Commissioner Nowicki will provide lunch. He also mentioned that the Board Operations meeting is scheduled for October 31, 2007 at 9:00 a.m. Commissioner Gibson has this date on his calendar as back up in the event Commissioner Tweddle cannot attend.

Commissioner Gibson attended the Economic Development Committee meeting this morning. He will provide the Board copies of handouts he received at the meeting. He reported that the District will have a new employee at City Hall by the first of December.

The Accident Review Board met to review a pedestrian accident. This is in the insurance company hands and will be dealt with in a timely manner.

#### STAFF REPORTS

**General Counsel:** Mr. Pritchett reported on the Washington State Association of Municipal Attorneys Conference he attended in Yakima last week. He felt it was a good conference and that it provided some useful information. He commented on one of the conference topics, "Open Government: Open Meetings and Public Records", and a proposal that will go to the Legislature during the upcoming session to require that executive sessions be tape recorded. Discussion was held on the problems that could arise as a result of this and how it would affect public records. Mr. Pritchett discussed tampering charges and thought this may be something to include in the current news letter. He reported that the union negotiation's first meeting is on Monday, October 15<sup>th</sup> and they would be meeting here to talk about preliminary ground rules. Mr. Pritchett updated the Board on the current status of pending grievance filings

and that he will be meeting with Cary Roe of the City of Federal Way to discuss Capital Facilities Charges at Celebration Park next week.

**Director of Finance/Information Systems:** Mr. Pritchett reported for Mr. Dennis that there will be an audit exit conference on November 8, 2007 at 3:00 p.m. He also reported that a contractor will be doing asbestos abatement in the administrative building next week.

**Engineering/Water Manager:** Mr. Bowman reported that the water quality from the second supply line is a lot better since the increase in rainfall. Tacoma is back to utilizing it and the District is looking to start taking water again on Monday. Discussion was held on the filtering process and how it all takes place. Mr. Bowman reported that he met earlier today with the Hylebos Wetlands Committee. Mr. Bowman spoke with the City of Federal Way's storm water agent, Paul Bucich, about storm water permit issues and inspections and potential coordination with the City and the District on similar issues. Mr. Bowman stated he received in yesterday's mail some water right permit changes that had been approved. These permit requests to DOE were made some 4 years ago and the District has finally gotten a positive response.

Commissioner Tweddle asked Mr. Bowman if the District received all the necessary information from Paul Burton yet. Mr. Bowman reported that he did received some partial invoice information from Mr. Burton and that development services sent a response back stating the District needed more detail behind it. Mr. Pritchett suggested that we meet with Mr. Burton once again, a no cost meeting, to talk about final documents that Mr. Burton still needs to submit. Mr. Bowman stated he will have Wes Hill contact Mr. Burton by phone once again before scheduling a meeting. Commissioner Nowicki commented that he didn't see Lakota Outfall on the pending agenda items and wanted to know where the District is on the study. Mr. Bowman reported that he has received the first study on this and will provide copies to the Board.

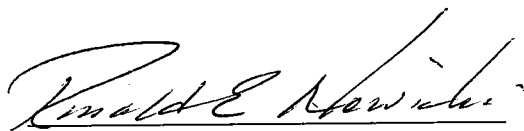
**General Manager:** Mr. Perry reported on the safety meeting and that he thought it to be a very good meeting. The Emergency Management Action Committee is meeting at the District on November 14, 2007 at 10:00 and will be visiting the Washington State EOC at Camp Murray. Any one wishing to attend can contact Linda Kochmar for information. Mr. Perry provided the Board members a handout describing connection charge revenue and how it dropped off after March and has stayed relatively low since then.

ADJOURNMENT

There being no further business to come before the Board, the meeting was adjourned at approximately 8:34 p.m.

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

ATTEST:

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