

LAKEHAVEN UTILITY DISTRICT
King County, Washington

SPECIAL BUSINESS MEETING
January 14, 2008

A special meeting of the Board of Commissioners of the Lakehaven Utility District, King County, Washington, was held on January 14, 2008 at Lakehaven Center, 31531 First Avenue South, Federal Way, Washington 98003.

President Nowicki called the meeting to order at 12:00 p.m. and lead the flag salute. Members/officials present were as follows:

Ronald Nowicki	President of the Board
Charles Gibson	Vice President of the Board
Donald Miller	Commissioner
Don Perry	General Manager
John Bowman	Engineering/Water Manager
Steve Pritchett	General Counsel
Morgan Dennis	Director of Finance/Information System

COORESPONENCE

A handout entitled Lakehaven Utility District Rates and Capital Facilities Charges was provided for all attendees.

INFORMATION

Mr. Pritchett and Mr. Dennis introduced themselves and gave a brief overview of what they would be presenting at the meeting. Introductions from the Federal Way Chamber members attending the meeting were made as follows: Garrett Huffman of Master Builders, Merle Pfeifer of Sparks Car Care, Commissioner Gibson, Commissioner Nowicki, Commissioner Miller, Board Clerk Lisa Alexander, Annette Krantz of Weyerhaeuser, Andy Bylin of Weyerhaeuser, Paul Lymberis of Quadrant Homes, Tom Pierson of Federal Way Chamber, Susan Streifel of Woodstone, Rod Leland of Federal Way Public Schools, Gary Martindale of the Commons, Brett Thomas of Mountain Construction and Cary Roe from the City of Federal Way.

Rates

Mr. Dennis reported on the new rates and the goals for full system reinvestment. Mr. Dennis explained the different customer classes and how rates were allocated among them. Mr. Dennis also reviewed the Water and Sewer Bill Comparisons attached to the back of the handout showing rates of other local utilities. These comparisons reflect that Lakehaven's new rates are still significantly lower than other agencies. Mr. Pritchett reported that the comparison rates in the handout for the other agencies are 2007 rates, and that there was no data available yet for 2008 rates.

Capital Facilities Charge

Mr. Pritchett reported on Capital Facilities Charge (CFC). He commented that the District would be happy to meet individually with business owners who have questions directly related to their businesses. Mr. Pritchett gave an overview on the history of CFC's at the District and how they are calculated and allocated to customers. He informed the attendees that the District wants to help them be more familiar with the new CFC system. It is hoped that in upcoming billing cycles the customer bills will take current capacity figures and show customers what any excess capacity will cost in 2009. The District believes that this will also help in conserving water, as it gives the customers more of a reason to save water. The Board believes this to be a fair system to all customers, and they want to get the word out about this so customers are well informed. The Board would like to give every opportunity to meet with individuals as needed to discuss these rates and CFC's upon request.

The remainder of the meeting was left open for questions from those in attendance.

ADJOURNMENT

There being no further business to come before the Board, the meeting was adjourned at approximately 1:35 p.m.

President Nowicki

Yea

Nay

Abstain

ATTEST:



Vice President Gibson

Yea

Nay

Abstain

ABSENT

Secretary Stewart

Yea

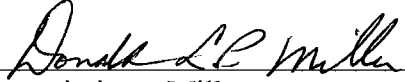
Nay

Abstain

Special Board Meeting

January 14, 2008

Page 3

<u>ABSENT</u>	<u>Yea</u>	<u>Nay</u>	<u>Abstain</u>
Commissioner Tweddle			
 Commissioner Miller	<input checked="" type="checkbox"/>		