

LAKEHAVEN UTILITY DISTRICT
King County, Washington

SPECIAL BUSINESS MEETING
May 6, 2008

A special meeting of the Board of Commissioners of the Lakehaven Utility District, King County, Washington, was held on May 6, 2008, at Lakehaven Center, 31531 First Avenue South, Federal Way, Washington 98003.

President Nowicki called the meeting to order at 1:00 p.m. and asked Commissioner Gibson to lead the flag salute. Members/officials present were as follows:

Ronald Nowicki	President of the Board
Charles Gibson	Vice President of the Board
Edward Stewart	Secretary of the Board
Beverly Tweddle	Commissioner
Donald Miller	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 Miller, which was duly seconded by Commissioner Gibson, the Board unanimously **approved** the afternoon's agenda as presented.

ACTION ITEMS

#1, Well #17 Generator Installation: Mr. Howard Moreland reported that he completed the reference checks on the two lowest bidders, and that he doesn't feel the lowest bidder, Northwest Electric, is qualified to perform the type of work and/or scale of work that is required for the Well #17 Generator project. The second lowest bidder was RTB Contracting. RTB Contracting provided four references that were called and interviewed. RTB Contracting has installed nearly two hundred generators for the four client references that they provided, and their clients had very favorable recommendations for the firm's work that was performed. Based on the information gathered from the reference checks, Mr. Moreland cannot recommend the lowest bidder, Northwest Electric, as a qualified bidder for the project. Mr. Moreland would recommend that the Board award the contract to RTB Contracting as the lowest, qualified bidder.

Upon motion of Commissioner Miller, which was duly seconded by Commissioner Tweddle, the Board unanimously **approved** to award the contract to the second lowest bidder, RTB Contracting, as the lowest, qualified bidder in the amount of \$126,262.43, including tax.

INFORMATION ITEMS

#1, Transition Planning and Future Staff Needs for Operations: Mr. Perry reported on the transition planning and future staffing needs in Operations. He commented that three to four years ago the Board inquired about transition planning and, at that time, he generated a memorandum to the Board. Mr. Perry said the Board will hear from various operation heads on the needs they have in their departments. Mr. Perry made further comment on anticipated retirement dates for employees in management positions and likely candidates who could fill these positions upon retirement. Mr. Perry touched briefly on the pertinent areas and then referred to head managers on their recommendations.

Mr. Bowman presented to the Board the Engineering and Water Operations' 10-Year Staffing Projection Chart for the Board to view on screen. The Commissioners commented that they would like hard copies of the screen presentation. Mr. Perry commented that he would provide hard copies to the Board. During the presentation, Commissioner Nowicki asked about the impact this would have on Administration. Mr. Pritchett reported that he will have a better idea of the impact this will have on Administration once a determination has been made on the number of new hires in Operations. Mr. Pritchett commented that he was concerned with the impact this would have on office space and labor costs. Mr. Bowman further reported on staffing needs in Engineering and Water Operations and reviewed the chart with the Board.

Mr. McCalib presented and reviewed the Wastewater Operations 10-year Staffing Projection Chart with the Board.

Mr. Haase presented and reviewed the Organizational Chart for Field Operations with the Board.

Commissioner Miller asked for a list from each department for 2008/2009 of their immediate staffing needs and hard copies of the organization charts used in the presentation this afternoon.

STAFF REPORTS

General Counsel: Mr. Pritchett reported the Board will see a copy of a letter received from the City of Auburn asking to collect utility taxes from residents. Other local utility districts received this same letter. Mr. Pritchett will write a responsive letter to the City of Auburn stating they have no authority under existing law to tax the services provided by the District and we will not collect these taxes.

Engineering/Water Manager: Mr. Bowman reported that staff has sent out a certified letter to a resident who is illegally connected to the water system through another property owner's service. Apparently, the previous owner sold his home and the new owner is cutting off the other property owner that was being served water off this service line. The letter asks for the

property owner to come in and apply for water service within a week. If the customer does not bring in the application and pay for the water service by the end of month, crews will be sent out to disconnect service. The new owner also needs an easement from the old owner to get temporary service. Mr. Bowman wanted to make the Board aware of this because it is not often that the District will go out and cut people off from service.

General Manager: Mr. Perry reported that the Department of Ecology will be awarding Redondo Treatment Plant a Certificate in next few months for meeting all its NPDES permit requirements for 2007.

ADJOURNMENT

There being no further business to come before the Board, the meeting was adjourned at approximately 3:45 p.m.

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

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