

LAKEHAVEN UTILITY DISTRICT  
King County, Washington

REGULAR BUSINESS MEETING  
July 10, 2008

A regular meeting of the Board of Commissioners of the Lakehaven Utility District, King County, Washington, was held on July 10, 2008, at Lakehaven Center, 31531 First Avenue South, Federal Way, Washington 98003.

President Nowicki called the meeting to order at 6:00 p.m. and asked Commissioner Stewart 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

Commissioner Nowicki requested to have Information Item No. 2 heard before Action Item No. 4.

Upon motion of Commissioner Gibson, which was duly seconded by Commissioner Tweddle, the Board unanimously **approved** the agenda as amended above.

CONSENT AGENDA

Upon motion of Commissioner Miller, 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 6/30/08, 7/1/08, 7/2/08, 7/8/08, 7/9/08 and 7/10/08.

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

6/30/08 Voucher nos.13108-13113, total amount of \$2,086.09;  
7/1/08 Voucher nos. 13114-13156, total amount of \$139,988.08;  
7/8/08 Voucher nos. 13181-13194, total amount of \$1,111.00;  
7/9/08 Voucher nos. 13195-13263, total amount of \$86,683.39.

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

7/2/08 Voucher nos. 13157-13164, total amount of \$29,869.36;  
7/10/08 Voucher nos. 13264-13280, total amount of \$217,555.73.

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

7/2/08 Voucher nos. 13165, total amount of \$9,784.24.

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

Warrants: \$ 0.00  
Direct Deposits: \$ 181,741.84  
Benefit Warrants: \$ 127,490.59 (voucher nos. 13166-13180)  
Withholding/FICA \$ 77,181.53  
Total Amount of: \$ 386,413.96

**ACTION ITEMS**

**#1, 2008 Redondo WWTP Outfall Construction Project (07-486) Change Order:** John Bowman introduced Jason Vangilder from Cosmopolitan Engineering Group to report on the 2008 Redondo WWTP Outfall Construction Project (07-486) Change Order. Mr. Bowman reported that the District needed to move quickly on this change order, and he asked Mr. Vangilder to attend the meeting in the event the Board had additional questions on the two shoring systems. About \$60,000.00 of additional work is necessary to assure that the roadway does not get undermined during construction. Mr. Vangilder reported to the Board that the pipe they located was still 5 to 6 feet below sand level and they needed an excavator to dig and to locate the pipe. He gave the Board a brief overview of the necessary work to implement the alternative shoring system. He also mentioned to the Board that the engineering cost to proceed with this portion of the system in the amount of \$2,000.00 that was previously authorized would be incorporated into the \$60,000.00 amount and is not in addition to it. Mr. Perry commented that the contractor on this project is using their own engineer and it would be performed under their liability coverage.

Upon motion of Commissioner Miller, which was duly seconded by Commissioner Gibson, the Board unanimously **approved** the General Manager to execute the Change Order to the Construction Contract for a maximum of up to \$60,000.00.

**#2, System of Supervisory Oversight; Resolution No. 2008-1111:** Mr. Pritchett reported on the system of supervisory oversight and gave examples of how it would define decisions to hire, demote, promote and discipline decisions. He commented that this is the current practice now, but that having a written policy in place would create a formal process for these matters. After much discussion on this, it was the consensus of the Board to table the matter for tonight and look towards a more detailed oversight and draft resolution to implement a personnel policy for supervisory oversight.

### CITIZEN COMMENTS

Paul Davila attended the meeting to ask about access from his property to the City Park. He stated that he lives across from Mirror Lake and the District has gates that surround the pump station for wells 23 and 23A which block direct access to the City Park from his residence. He asked if this could be opened up to the public for access to the park from this direction. Commissioner Nowicki explained that this is a controlled area that is secured because of the public drinking water supply and that no public traffic is allowed due to security concerns and regulations. Mr. Davila thanked the Board for their time and the Board thanked Mr. Davila for coming in.

### ACTION ITEMS

**#3, Board Meeting Schedule:** Commissioner Nowicki reported that he will be out of town during the next regularly scheduled Board meeting on July 24<sup>th</sup>, and that Ms. Alexander and Mr. Bowman will also be gone on this date. Discussion was held if the next regular Board meeting should be cancelled or held. After a brief discussion on this matter, it was agreed to hold the next regular Board meeting on the scheduled date of July 24<sup>th</sup>.

### INFORMATION ITEMS

Commissioner Nowicki asked to hear Information Item #2, prior to Action Item #4.

**#2, Employee Recognition Program:** Lisa Alexander handed out a packet entitled Employee Recognition/Incentive Ideas to the Board and Staff for discussion. Commissioner Nowicki reported that the District does not currently have an employee recognition/incentive program in place. Ms. Alexander reviewed the handout she prepared that provided details of what other public utilities have for employee recognition/incentive programs. The handout also outlined some suggestions and ideas that the District may want to use for Lakehaven Utility District employees. Commissioner Gibson suggested that the General Manager and General Counsel review the various employee incentive/recognitions ideas and present a recognition/incentive program they think would work for District employees. Commissioner Miller suggested having awards for employees who further their education for District work purposes.

### ACTION ITEMS

**#4, Safety Luncheon Budget:** Commissioner Nowicki reported that he would like to see the budget for the safety luncheon increased to \$1,500.00. The next safety meeting is scheduled for August 14, 2008 at 11:30 a.m. The Board had a brief discussion on this matter.

Upon motion of Commissioner Miller, which was duly seconded by Commissioner Gibson, the Board unanimously **increased** the safety luncheon budget to \$1,500.00.

### INFORMATION ITEMS

**#1, Future Staffing Needs for Lakehaven Utility District:** Mr. Perry reported that the requested number of full-time employees (FTEs) to add in operations is 23. The Board and staff reviewed and discussed the attachments to this information item. Discussion was held on housing needs, overhead costs and impact on administrative staff. Further discussion was held on businesses that are leaving the area and unpaid leases and economy concerns. Mr. Perry stated he would go back over the spreadsheets and make changes and modifications to reflect immediate needs and future needs. The Board would like to have this matter presented again on an upcoming agenda as another information item.

### COMMITTEE REPORTS/COMMISSIONER COMMENTS

Commissioner Nowicki commented on the Washington State Quality Award (WSQA) Path to Performance Excellence brochure and asked the Board Clerk to make copies for the Board and staff to review. He also commented that the water quality report from Stan French looks good. He reported that next year the District will have the formatting of the quality report done by an outside printing company for costs savings.

Commissioner Gibson attended the Government Affairs meeting. He also attended the Economic Development meeting and learned of the many economic concerns. Discussion was held on construction projects in the area and the increase in cost to complete.

Commissioner Miller attended the safety meeting and they had a follow-up on the upgrading of safety requirements. The Safety Council is coordinating third party influences with them on this. Commissioner Miller commented that he is happy to report that the District's L & I premium is going down because of good safety practices.

### STAFF REPORTS

**General Counsel:** Mr. Pritchett reported further on developing an employee recognition/incentive program at the District. He introduced the District's new accounting supervisor, Edith Lemieux, who was in attendance at the meeting tonight.

He stated that he communicated with the attorney for Lloyd Company that there didn't seem to be an interest from our Board to pursue an appeal in lawsuit and that they would need to file their Notice of Appeal of the decision on or before July 23<sup>rd</sup>.

Mr. Pritchett reported that they met with the Union on Monday with the assigned PERC mediator and that the mediator spent much time with both the District and the Union to address matters. The District will meet again with the PERC mediator on July 22<sup>nd</sup> and, if something comes up, he will bring this before the Board at the next regular meeting on July 24<sup>th</sup>.

He announced that the annual administration luncheon will be held on July 30<sup>th</sup> and all the Commissioners and their spouses/significant others are welcome.

He reported that a District customer, who is the Treasurer of Madera West Homeowners Association, came in and met with him and Morgan. The current bill they received from the District showed the lease capacity charges, and based upon current consumption, they would be generating around \$4,000 in rental charges. The Treasurer was appreciative of the information the District provided to her. There is a concern that the billing doesn't show any sewer credit and this is what is generating the bill. John Bowman stated he can check into this. Mr. Dennis commented that this is one of the top 20 customers in this particular parcel and he will need to check further into this as well, with the assistance of Wes Hill.

Mr. Pritchett reported that there is diversity training scheduled in October, and that he would like to have the Board involved in this as well. The training is performed annually for one-half day.

**Engineering/Water Manager:** Mr. Bowman reported that the Well 21 filtration project has been tested and is removing 98% of the manganese. He commented that he is happy to have another well with iron and magnesium filtration in operation.

**General Manager:** Mr. Perry handed out a copy of a letter that Wastewater Operations is proposing to provide to citizens about reporting any odors they detect that are associated with Lakota's Treatment Plant maintenance project on the odorous air treatment system. The District will be mailing this letter out to citizens located within a mile around the Lakota Treatment Plant to comply with the PSCAA permit for the Lakota plant. The District will be mailing out a similar letter for citizens around the Redondo Treatment Plant when they take one of the sewer facilities off-line.

Mr. Perry reported that he offered tours of the Howard Hansen Dam to the four agencies that are part of the Liaison Committee. As soon as he gets more information from the other agencies, he will set a date for the tour.

Mr. Perry asked if there was an interest from the Board in attending the training in Emmitsburg next year at the end of August and first part of September. He reported there is only one opening for a Commissioner to attend and a separate training has to be gone through before attending this event.

ADJOURNMENT

There being no further business to come before the Board, the meeting was adjourned at approximately 8:30 p.m.

Charles Ki  
President Nowicki

<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Yea	Nay	Abstain

ATTEST:

Ronald Gibson  
Vice President Gibson

<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Yea	Nay	Abstain

Edward C. Stewart  
Secretary Stewart

<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Yea	Nay	Abstain

Beverly J. Tweddle  
Commissioner Tweddle

<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Yea	Nay	Abstain

Donald L. Miller  
Commissioner Miller

<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Yea	Nay	Abstain