

LAKEHAVEN UTILITY DISTRICT
King County, Washington

REGULAR BUSINESS MEETING
September 11, 2008

A regular meeting of the Board of Commissioners of the Lakehaven Utility District, King County, Washington, was held on September 11, 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
Morgan Dennis	Director of Finance/Information System

It was noted that Mr. Pritchett was out of town and unable to attend the meeting tonight.

APPROVAL OF AGENDA

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

INFORMATION ITEMS

#1, 2008–2010 Lakota Polymer Contract: Mr. Cook reported he was bringing before the Board the 2008-2010 Lakota Polymer Contract. He stated that there are two types of polymer used at Lakota. One type is dry polymer used for thickening the waste activated sludge which goes to the digesters and the other type is emulsion polymer used to dewater the digested biosolids that are hauled out to Eastern Washington for land application. Four different brands of polymer were tested for performance factors and cost comparisons. Using Jar Tests and operation trials, it has been found that the polymer products from Polydyne provided the best performance. Polydyne's pricing is also the lowest, making their products the most cost effective. Previously, the District was buying the product at least once or twice per month and paying the regular going rate, so they took it out to bid. If buying the product in bulk, it is priced at a significantly lower rate. It is staff's recommendation that the Polydyne products be selected as a sole source purchase and that the District sign a three year contract with Polydyne in the amount of \$284,463.77, including tax, as shown in the attached Exhibit A.

Upon motion of Commissioner Tweddle, which was duly seconded by Commissioner Gibson, the Board unanimously **amended** the agenda to add **Action Item #1, 2008–2010 Lakota Polymer Contract; Approval.**

Action Item #1, 2008–2010 Lakota Polymer Contract; Approval: Upon motion of Commissioner Tweddle, which was duly seconded by Commissioner Gibson, the Board unanimously **approved** the contract with Polydyne in the amount of \$284,463.77, including tax, and authorized the General Manager to execute the 2008 – 2010 Lakota WWTP Polymer Purchase Contract.

#2, 2008-2010 Mechanical Engineering Consultant Selection: Mr. Perry reported that as the Board will recall, the Board approved the selection and ranking of various firms for the 2008 -2010 Mechanical Engineering Consultant Selection. The District attempted to negotiate the contract terms with the number one ranked firm, TetraTech, however, negotiations were unsuccessful due to several irreconcilable differences. The District then began negotiations with the number two ranked firm, Tres West Engineers, and was successful in agreeing to the terms and conditions of the contract. All of their references checked out very well and they had very good credentials. Staff recommends that the District use Tres West Engineers for the 2008 – 2010 Mechanical Engineering Consultant Selection. Commissioner Nowicki recused himself from this action, as he has worked with this firm in past.

Upon motion of Commissioner Miller, which was duly seconded by Commissioner Gibson, the Board, with Commissioners Stewart, Gibson, Miller and Tweddle voting in the affirmative and Commissioner Nowicki abstaining, **amended** the agenda to add **Action Item #2,**

Action Item #2, 2008-2010 Mechanical Engineering Consultant Selection: Upon Motion of Commissioner Miller, which was duly seconded by Commissioner Tweddle, the Board, with Commissioners Stewart, Gibson, Miller and Tweddle voting in the affirmative and Commissioner Nowicki abstaining, **approved** the 2008 -2010 Mechanical Engineering Consultant contract be awarded to Tres West Engineers in an amount not to exceed \$300,000.00, including sales tax.

#3, 2008-2010 On-call Architectural Services (07-540): Mr. Perry reported that the contract approval has consisted of a series of steps that began in May of 2008. A total of 4 firms responded to the District's SOQ solicitation. The Driftmier Architects were the number one ranked firm and the District has had success with this firm in the past. The District has budgeted \$150,000.00, or about \$50,000.00 per year, for on-call architectural services for the period ending December 31, 2010.

Upon motion of Commissioner Gibson, which was duly seconded by Commissioner Stewart, the Board unanimously **amended** the agenda to add **Action Item #3.**

Action Item #3, 2008-2010 On-call Architectural Services (07-540): Upon Motion of Commissioner Tweddle, which was duly seconded by Commissioner Miller, the Board unanimously approved a contract for 2008 – 2010 On-call Architectural Services with The Driftmier Architects for an amount not to exceed \$150,000.00, including tax.

COMMITTEE REPORTS/COMMISSIONER COMMENTS

Commissioner Nowicki attended the EMAC meeting.

Commissioner Miller attended the Safety meeting and noted that new safety suggestions are open throughout the District. Commissioner Miller commented that he attended the Finance Committee meeting and attended a make-up meeting for EMAC.

Commissioner Gibson attended the Government Liaison meeting on September 9th. Commissioner Gibson commented that Commissioner Freitas of South King Fire & Rescue urged everyone to attend the EMAC meetings and that these meetings are not limited to just the individuals attending the FEMA training at Emmetsburg.

Don Perry reported that there is a meeting on the Federal Way Fault at City Hall on September 23rd at 9:30 a.m.

STAFF REPORTS

Director of Finance/Information Systems: Mr. Dennis reported that he was preparing a Request for Purchase for a new digital recording system for the Board meetings and would also like to have wireless microphones installed for this system.

Mr. Dennis reported that he has been working on retro-calculations for the IUOE employees and hoped to have all payments in the payroll run next Tuesday. There is a little over \$100,000 in retro payments.

Mr. Dennis would like to start meeting to discuss budgeting. He commented that the Board should schedule at least one meeting that is dedicated entirely to budgeting.

Mr. Dennis reported that they discussed the leased capacity program at the Finance Committee meeting. They have been experiencing some challenges in implementing leased capacity charges to large commercial customers and the District has been working with the Commons on this because they are one of largest commercial properties affected by leased capacity charges. This program is complicated and there are many different exceptions and ways of calculating charges. Mr. Dennis believes that the best solution to this problem is to have a separate billing system for it. He believes he could write a separate system, but not by January 1, 2009. Discussion was held on usage and consumption calculations for meters tied to one or two particular parcels. Mr. Dennis commented that he is hoping to defer this charge until after 2010

to allow for more time for discussion and resolution. Commissioner Miller reported that he felt there were more problems with the leased capacity program for commercial customers than solutions at this point, and that he would like to be sure the program is set up properly so that all customers in the District are treated fairly. Mr. Dennis proposed keeping the message on the billing statements that this charge will be implemented in the future, but not necessarily in 2009. He further stated that he still has hope in keeping this in the billing system as is, but that he doesn't want these charges to be put in manually through customer service.

Engineering/Water Manager: Mr. Bowman reported that the District's ASR Well next to Lakehaven Center broke when the 24" casing was being pulled. The casing broke at a depth of 210 feet as the drilling company was trying to adjust it. He reported that the District had some permit schedule goals for OASIS, but with this kind of event he believes the permitting agency would understand if the schedule has slips. If the contractor is not able to successfully fix the problem, a re-drill will be requested.

Mr. Bowman reported that the flushing crew is up and running again and will be moving along Pacific Highway and southeasterly towards Edgewood.

General Manager: Mr. Perry reported that he attended a USEPA seminar in Seattle last week on climate change. The general guidance given at the seminar advised all to utilize ASR if possible, have a long term plan for reclaimed water in place, conserve and look at all facilities on the shoreline that maybe impacted by increasing sea levels. Mr. Perry reported that given the elevation of the District, we have few facilities at risk and that the District was pursuing these recommendations long before the conference. It was stated at the seminar that the Northwest is one of the best places located in this Country because it will not face the four (4)-foot water rise all the other areas in the nation will be facing. Mr. Perry stated this was an excellent seminar and others in the Coalition for Clean Water felt the same way.

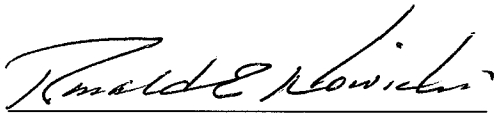
Discussion was held on the sharing of a building maintenance facility site with the City and School. Mr. Perry didn't feel at this point there is a compelling need for the District to share in this other than additional storage of fuel.

At the next regularly scheduled Board meeting, Commissioners Miller and Gibson will be out of town and unable to attend.

Commissioner Nowicki would like to discuss policies at a future meeting in October.

ADJOURNMENT


There being no further business to come before the Board, the meeting was adjourned at approximately 6:52 p.m.



President Nowicki

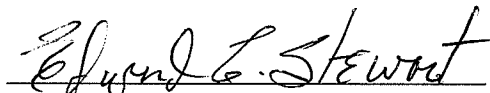
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Yea	Nay	Abstain

ATTEST:



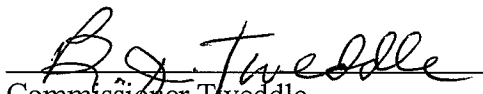
Vice President Gibson

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



Secretary Stewart

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



Commissioner Tweddle

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



Commissioner Miller

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