

LAKEHAVEN UTILITY DISTRICT
King County, Washington

REGULAR BUSINESS MEETING
September 25, 2008

A regular meeting of the Board of Commissioners of the Lakehaven Utility District, King County, Washington, was held on September 25, 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 led the flag salute. Members/officials present were as follows:

Ronald Nowicki	President of the Board
Edward Stewart	Secretary of the Board
Beverly Tweddle	Commissioner
Don Perry	General Manager
John Bowman	Engineering/Water Manager
Steve Pritchett	General Counsel
Morgan Dennis	Director of Finance/Information System

Upon motion of Commissioner Tweddle, which was duly seconded by Commissioner Stewart, the Board unanimously **excused** Commissioners Gibson and Miller from the evening's meeting.

APPROVAL OF MINUTES

Upon motion of Commissioner Tweddle, which was duly seconded by Commissioner Stewart, the Board unanimously **adopted** the minutes of the August 28, 2008 and September 11, 2008 meetings as presented.

APPROVAL OF AGENDA

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

CORRESPONDENCE

Commissioner Nowicki mentioned that he received information on an AWC training being held on December 2, 2008 in Lakewood, Washington, on Open Government and What Local Government Officials Need to Know About Washington's Public Records Act and Open Public Meetings Act.

CONSENT AGENDA

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

1. Accounts Payable Vouchers and Payroll Transactions with the warrant dates of 9/2/08, 9/3/08, 9/4/08, 9/8/08, 9/9/08, 9/10/08, 9/11/08, 9/16/08, 9/17/08, 9/18/08, 9/23/08, 9/24/08, and 9/25/08.

Maintenance Fund No. 11-333-0510

9/2/08 Voucher nos.13849-13850, total amount of \$236.98;
9/3/08 Voucher nos. 13851-13905, total amount of \$99,201.14;
9/9/08 Voucher nos. 13936-13945, total amount of \$2,591.37;
9/10/08 Voucher nos. 13946-13982, total amount of \$55,783.50;
9/16/08 Voucher no. 13989, total amount of \$167.00;
9/17/08 Voucher nos. 13990-14055, total amount of \$158,649.04;
9/23/08 Voucher nos. 14095-14099, total amount of \$943.21;
9/24/08 Voucher nos. 14100-14156, total amount of \$408,297.51.

Construction Fund No. 11-333-3510

9/4/08 Voucher nos. 13906-13920, total amount of \$142,192.39;
9/11/08 Voucher nos. 13983-13988, total amount of \$55,783.50;
9/18/08 Voucher nos. 14056-14080, total amount of \$814,010.08;
9/25/08 Voucher nos. 14157-14168 total amount of \$220,876.48.

PWTF Redondo Outfall Fund No. 11-333-6040

None

Payroll – Fund No. 11-333-0530 09/8/08 and 09/23/08

Warrants: \$ 570.31/\$3,460.67
Direct Deposits: \$ 171,051.37/\$245,762.42
Benefit Warrants: \$ 134,497.43/\$87,039.36
(voucher nos. 13921-13935 & 14081-14094)
Withholding/FICA \$ 71,454.89/\$119,539.22
Total Amount of: \$ 377,574.00/\$455,801.67

ACTION ITEMS

#1, 2008 – 2010 Certified Land Services Contract Approval CO #1: Mr. Osborne recommends approval of Change Order No. 1 authorizing an increase in the contract from \$25,000 to \$50,000 because of unforeseen projects. When staff put this contract together in 2008, they didn't anticipate any sewer projects would be associated; just water. Staff anticipates that it will continue to utilize this contract for the projects shown in Exhibit C of the agenda.

Contingency funds are also proposed for additional unanticipated projects that may occur during the term of the contract. Funds for this contract do not represent new capital improvement project costs, only allocation of funds already budgeted within the capital improvement projects. The Board commented that they appreciated this matter being brought before them for approval.

Upon motion of Commissioner Stewart, which was duly seconded by Commissioner Tweddle, the Board unanimously **approved** the Change Order #1 to the 2008 – 2009 Certified Land Services Contract in the amount of \$25,000.00, with sales tax and authorized the General Manager to execute it on behalf of the District.

INFORMATION ITEMS

#1, 2008 Exterior Water Tank Cleaning Project: Mr. Bowman reported that Stan French is the Project Manager and Pete Hupperten is the Purchasing Coordinator on the 2008 Exterior Water Tank Cleaning Project. Both Mr. French and Mr. Hupperten were unavailable to present this matter before the Board tonight so he is presenting in their place. Staff developed specifications for the external cleaning and repairs of four water tanks and bids were mailed out on August 26, 2008. Bids were opened on September 19, 2008 and the lowest qualified responsive bidder, Long Painting Company of Kent, Washington, submitted a proposal at a cost of \$59,356.59, including sales tax. Long Painting Company has done business with the District in the past and the District was very happy with their service.

Due to the need to complete this project before the weather changes, staff would ask that the Board accepts the bids as competitive and move this to an Action Item, accepting the proposal from Long Painting Company.

Upon motion of Commissioner Tweddle, which was duly seconded by Commissioner Stewart, the Board unanimously **amended** the agenda to add **Action Item #2, 2008 Exterior Water Tank Cleaning Project; Approval.**

Action Item #2, 2008 Water Tank Cleaning Project; Approval: Upon motion of Commissioner Tweddle, which was duly seconded by Commissioner Stewart, the Board unanimously **approved** and accepted the proposal from Long Painting Company in the amount of \$59,356.59, including sales tax, for the 2008 Exterior Water Tank Cleaning Project and authorized the General Manager to execute a small works contract for this purpose.

COMMITTEE REPORTS/COMMISSIONER COMMENTS

Commissioner Nowicki attended the Association of Sewer and Water Districts fall conference last week in Spokane. He provided copies of a cover sheet on “Local Government That Works...without taxes” to the Board and staff that he received at the conference. He commented that the conference had very few sessions, but each of the sessions were very informative and he thought it was a good conference over all.

Commissioner Tweddle reported that she was unable to attend the conference in Chelan last week.

STAFF REPORTS

General Counsel: Mr. Pritchett reported that he received a letter and phone call from AT&T concerning their interest in renegotiating rent on 51st Avenue tank. The District has always denied these requests in the past and no one has ever cancelled their lease. The lease with AT & T is approximately 4 years old at this time and there is approximately another 16 years before the end of its term. There are provisions in the lease agreement that allows them to terminate their lease earlier with proper notice to the District. He wanted to make the Board aware of AT&T's request in the event they felt differently about renegotiating the lease.

He reported that he had contact with the ASFCME Union representative and a meeting has been tentatively set for October 8, 2008 to go over ground rules and schedule future meeting dates for negotiations. There will be no proposals presented at this initial meeting. He will update the Board at the meeting on October 9th on how this initial meeting went.

He further reported that the District has been approached by Mr. Michael Stanley to inquire if the District would have an interest in contributing to the Federal Way Community Garden. Mr. Stanley is the Project Manager and is contacting individuals and organizations in the Federal Way area for contributions. The Federal Way Senior Center on 352nd Street has dedicated space for the community garden. The garden will consist of various herbs, vegetables and fruit trees to help feed low-income and disadvantaged seniors. His initial reaction to this request is if it will help promote water conservation, the District may be interested. If the Board has an interest, he can provide information on the project to them. Discussion was held on the location of the garden and conservation interest if the District were to contribute a low irrigation watering system for the garden. Commissioner Nowicki commented that this could possibly be a good item to turn into the EPA on conservation goals.

Mr. Pritchett has Public Records Act training on the pending items list. He would like to set this on the agenda for the last meeting in October or first meeting in November. The training will last approximately one hour.

Director of Finance/Information Systems: Mr. Dennis would like to schedule a Board meeting devoted solely to budgeting. Discussion was held on tentative dates and times and the need to check with Commissioners Miller and Gibson on this as well. Commissioner Nowicki set a special meeting on October 7, 2008 at 1:00 p.m. to discuss budgeting for rates, CIP, and staffing needs, pending the availability of Commissioners Miller and Gibson.

<u>Edward C. Stewart</u> Secretary Stewart	<u>✓</u> Yea	<u> </u> Nay	<u> </u> Abstain
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<u>Doreen J. Tweddle</u> Commissioner Tweddle	<u>✓</u> Yea	<u> </u> Nay	<u> </u> Abstain
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<u>ABSENT</u> Commissioner Miller	<u> </u> Yea	<u> </u> Nay	<u> </u> Abstain
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