

LAKEHAVEN UTILITY DISTRICT
King County, Washington

REGULAR BUSINESS MEETING
January 22, 2009

A regular meeting of the Board of Commissioners of the Lakehaven Utility District, King County, Washington, was held on January 22, 2009 at Lakehaven Center, 31531 First Avenue South, Federal Way, Washington 98003.

President Gibson 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:

Charles Gibson	President of the Board
Edward Stewart	Vice President of the Board
Donald Miller	Commissioner
Ronald Nowicki	Commissioner
Don Perry	General Manager
John Bowman	Engineering/Water Manager
Steve Pritchett	General Counsel

Upon motion of Commissioner Nowicki, which was duly seconded by Commissioner Miller, the Board unanimously **excused** Commissioner Tweddle from the meeting.

APPROVAL OF MINUTES

Upon motion of Commissioner Miller, which was duly seconded by Commissioner Nowicki, the Board unanimously **adopted** the minutes of the meeting of December 11, 2009 as presented.

APPROVAL OF AGENDA

Chris McCalib requested to add Action Item #1 Lakota Wastewater Treatment Plant Digester Mixer Upgrades Purchase to the agenda. Commissioner Nowicki requested to add Action Item #2 Washington Association of Sewer and Water Districts (WASWD) Membership to the agenda.

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

CITIZEN COMMENTS

Mr. Charles Garner of 29811 Marine View Drive SW, Federal Way, WA was in attendance and expressed his desire to acquire records concerning water run-off near his property. Mr. Pritchett informed him that District is now and has always been subject to the Public Records Act, and that he could request records from the District by filling out a Public

Records Request form. Mr. Pritchett notified him that Lisa Alexander is the District's Public Records Officer and that this information is also available on the District's website. Mr. Garner mentioned the ULID 52 project and water run off from the upper half of the properties down to the lower half of properties near his residence. Mr. Garner showed a picture of the water run off and what he considered to be effluent from leaking septic systems that is coming out of a culvert from across the street. He reported that he is trying to find out who is responsible for this. He mentioned that he was allowing the contractor performing the water main replacement in ULID 52 to use his property to store equipment. Mr. Garner showed a map of the area he is referring to and pointed out what he believes shows the gravity flow and a test well on the map. Mr. Garner questioned the damage to the road and wanted to know if the District would be repaving it. Mr. Garner asked if the District could grant an emergency order to allow for installation of sewer mains in the middle of the road. He stated that there would be 12 houses that would immediately join in and would pay for this. He asked if there was any possibility of the District considering this, or if they would have to go through the CIP program. Mr. Bowman reported that development staff indicated that the properties to the north were not in the ULID area when it was formed. Mr. Pritchett reported he recalled certain property owners directly adjacent to the ULID objecting to participation. It was noted that under FHA regulations, if these property owners ever sold or refinanced their homes, then they may have to connect to the sewers. Mr. Garner asked about a test well and if any contaminants were ever found. Commissioner Gibson suggested that Mr. Garner contact the King County Department of Health and let them know of his concerns that septic systems are contaminating the water run off coming out of the main. Mr. Garner stated he called the Department of Health and that he cannot get anyone to come and check on this. Commissioner Gibson advised him to call the King County Department of Health again and ask for Pete von Reichbauer. Mr. Garner commented that he would like to get copies of the engineering plans that Williams and Roth should have drafted for cost estimates to bring in sewers. Commissioner Gibson suggested that in addition to contacting the Health Department, the property owners could ban together and come to the District and request sewers. Mr. Pritchett suggested that a Developer Extension Agreement might work well for this. Mr. Bowman discussed grinder pumps and how the properties would get service. Mr. Garner stated he would be in Pete von Reichbauer's office tomorrow and thanked the Board for their time. Mr. Perry gave Mr. Garner his business card to contact him with any further questions.

CONSENT AGENDA

The Commissioners asked for clarification on a couple of the consent agenda vouchers.

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

1. Accounts Payable Vouchers and Payroll Transactions with the warrant dates of 1/13/09, 1/14/09, 1/15/09, 1/20/09, 1/21/09, 1/22/09, and 1/23/09.

Maintenance Fund No. 11-333-0510

1/13/09 Voucher nos. 15265 & 15266, total amount of \$263.42;
1/14/09 Voucher nos. 15267-15384, total amount of \$425,993.50;
1/20/09 Voucher nos. 15409 & 15410, total amount of \$342.76;
1/21/09 Voucher nos. 15411-15473, total amount of \$286,327.04.

Construction Fund No. 11-333-3510

1/15/09 Voucher nos. 15385-15406, total amount of \$606,623.67;
1/22/09 Voucher nos. 15474-15485, total amount of \$86,830.90.

Redondo Outfall Fund No. 11-333-6040

1/15/09 Voucher nos. 15407 & 15408, total amount of \$34,084.61;
1/22/09 Voucher no. 15486, total amount of \$1,512.11.

Payroll – Fund No. 11-333-0530 1/23/09

Warrants: \$ 5,102.32
Direct Deposits: \$ 196,519.55
Benefit Warrants: \$ 73,062.48
(voucher nos. 15487-15500)
Withholding/FICA \$ 86,764.35
Total Amount of: \$ 361,448.70

ACTION ITEMS

#1, Lakota Wastewater Treatment Plant Digester Mixer Upgrades Purchase: Chris McCalib handed out Action Item No. 1 and reported that the summary statement for this action item is very similar to the information item that was brought before the Board at the last meeting. In reviewing the summary page, he commented that at the last Board meeting, the Board wanted to be better informed of what the cost and time frames would be, and how everything would be coordinated. Mr. McCalib reported that this statement summarizes the Lakota Treatment Plant solids capacity issues. Phase One of the project would be upgrading the solids digestion tank mixing system. Phase Two would involve upgrading the equipment for the solids thickening/Dissolved Air Floatation Thickener (DAFT) system. This phase cannot be completed until after the digester mixing system improvements have been completed. Phase Three is the dewatering upgrades that would be completed after the other improvements are made to match the solids system demands. The estimated cost difference of 1.6 million to 3.2 million for Phase One of the project is due to project cost varying pending unknown hazardous classification determination from building code officials and digester cover replacement options. The cover option determination depends on corrosion issues and inspection recommendations. He is hoping to have a determination back from the City in the next couple of weeks after their walk through. Mr. McCalib mentioned that the question was raised on cost and durability of mixing system impellers at the last meeting. He reported that the cost of the replacement impeller is \$1,484.00

and the life expectancy average was around 5 years, depending on grit content of the liquid. Discussion was held on reasons to upgrade the Plant versus building a new digester. An upgrade would allow the plant to run for another 10-15 years as opposed to having to rebuild the other side of the plant. Mr. McCalib reported that staff is requesting that the Board approve this Action Item in the amount \$216,144.55 for the purchase of the digester mixing equipment from Vaughn Company Inc.

Upon motion of Commissioner Stewart, which was duly seconded by Commissioner Nowicki, the Board unanimously **approved** the contract with Vaughn Company Inc. in the amount of \$216,144.55 for the purchase of the digester mixing equipment and authorized the General Manager to sign the contract.

#2, Washington Association of Sewer and Water Districts (WASWD) Membership: Commissioner Nowicki attended the WASWD meeting and reported that there are a number of legislative issues being presented to the State that will affect utility districts. He believes it is time to join the other utility districts in the area to work on legislative issues and other community interests together. Commissioner Nowicki gave several examples of how joining the WASWD would benefit the District. Mr. Pritchett commented that he would like to be involved in the WASWD Legislative Committee and that there is a group of attorneys representing districts that meet periodically to discuss issues of interest to water/sewer districts. Mr. Perry commented that by joining the Association it would allow mutual aid throughout the state in the event of an emergency, and that he thinks it is worthwhile as well to be in this membership. Further discussion was held on the many benefits in being involved in this association. Commissioner Nowicki reported that he will be a representative for the District.

Upon motion of Commissioner Miller, which was duly seconded by Commissioner Nowicki, the Board, with Commissioners Nowicki, Miller and Gibson voting in the affirmative and Commissioner Stewart voting in the negative, **approved** of joining the Washington Association of Sewer and Water Districts (WASWD) and paying the membership fee in the amount of \$17,816.24.

INFORMATION ITEMS

#1, Federal Way Community Garden – Senior Center: Mr. Pritchett reported that the District was contacted by a group of volunteers who are creating a community garden at the Senior Center to grow vegetables, fruit, herbs and flowers to give to the area Food Banks and to low-income Seniors. The group is requesting a grant of \$2,000.00 for water conservation items for the garden. Staff recommends that the Board give a grant of \$2,000.00 from the District's Water Conservation Budget to provide a drip irrigation system and compost for the community garden at the Senior Center. He wanted to get the Board's feedback on this. The Board believed providing the grant of \$2,000.00 for the community garden was in the District's best interests.

#2, Uniform Contract 2009-2011. Mr. Yoder reported that the current contract with Unifirst will expire at the end of March 2009. To comply with the union contract and in the best interest of the District, Field Operations requested to bid the uniform contract for another 3-year period. Bids were received and reviewed to determine the lowest cost, while keeping in mind level of service. Out of the three bidders, Aramark was determined to be the lowest responsive bidder. It is staff's recommendation to accept the low bid of \$81,639.99, including tax, plus an additional 5% contingency for a total of \$85,721.99. The contingency is for undetermined repairs, replacements, size adjustments and set-up fee for new employees that may occur over the 3-year period.

Upon motion of Commissioner Nowicki, which was duly seconded by Commissioner Miller, the Board unanimously **amended** the agenda to add **Action Item #3; Uniform Contract 2009-2011; Approval.**

Action Item #3, Uniform Contract 2009-2011; Approval: Upon motion of Commissioner Miller, which was duly seconded by Commissioner Nowicki, the Board unanimously **approved** the Uniform Contract for 2009-2011 to Aramark in the amount of \$81,639.99, including tax, plus an additional 5% contingency, for a total of \$85,721.99.

#3. Computer Maintenance Management System (CMMS). Mr. Yoder reported that the last time he approached the Board about the CMMS project, the Board asked him to bring it back before them in a phased approach. He has broken the CMMS project down into 6 phases and has attached a spreadsheet to this Information Item that shows the different phases with an exact cost for Pace, the CMMS consultant, in Phase I and an estimated cost for the remainder of the phases. Commissioner Miller asked if the District would need to hire someone to coordinate this. Mr. Yoder reported that for the first phase of the project, there is a commitment to have the District's Application Specialist, Devin Cupp, assist in the implementation of the plan. For the remainder of the phases, he does not have a commitment yet and this would need to be addressed. Discussion was held on whether the District would need someone in-house to coordinate the system or if the District could contract this service out. The Board expressed some concern about not staffing this position in-house. Mr. Perry commented that at the next level, it would be detailed who would handle this in the first phases and who would handle it long-term. Mr. Yoder gave examples of the many time saving features this system would bring to the District. Mr. Yoder requested that the Board approve Phase 1 of this project so he can do a site assessment and exact cost for the rest of the phases can be obtained. The Board asked that he bring this matter back before them as an Action Item at the next Board meeting.

#4, Public Records Act Training. Because of the late hour and the need to review reports, it was decided to have the Public Records Act Training presented at the next Board meeting. A brief discussion was held on public records requests.

COMMITTEE REPORTS/COMMISSIONER COMMENTS

Commissioner Miller mentioned that the Board Clerk provided copies of the Public Disclosure forms to all Board members and that these needed to be completed by April 15th.

Commissioner Nowicki reported that he attended the South Sound Chamber of Commerce Legislative Coalition meeting and gave the Board Clerk the 2009 State Legislative Priorities handout to copy for the Board and Staff. He also attended the Federal Way Economic Development Committee meeting. He attended the WSWAD meeting on Monday and will give an update at the next Board meeting on their legislative committee.

Commissioner Miller attending the Personnel Committee meeting and will be attending the Accident Review meeting next week.

Commissioner Gibson reported that the Personnel Committee met and staff is working on an employee Rewards program for years of service. He stressed the importance of performance evaluations and encouraged staff to tighten up the performance evaluations system. He reported that the Chamber of Commerce Olympia Day is January 29th and that he would be attending this. He will also be attending the Commissioners Workshop Saturday morning.

STAFF REPORTS

General Counsel: Mr. Pritchett reported that he has a meeting tomorrow in Bellevue with a group of attorneys who represent other water and sewer districts to discuss the Lane case and how it could impact local water/sewer districts. He has a meeting next week with Mr. Dennis and Ed Novak to provide input on how the CFC cap rent might affect the School District. He also reported to the Board that Blair Burroughs has retired from practice and all wished him well.

Engineering/Water Manager: Mr. Bowman reported on the District's need to obtain a sanitary sewer easement over a small portion of property located on the east side of Steel Lake in Federal Way. The sewer line is already through the middle of the property and the District is asking for access from the road to that line. The District has an easement to be on the property already from years back. He wanted to bring this matter before the Board because the next step would be to consider condemnation of the easement. The cost would be less than a few thousand dollars for evaluation of the easement. Mr. Bowman said he believed this is the most logical location to tie into the sewer system and it would only require an easement area of approximately 10' x 10'. The District has written to the property owner informing her that it would like to secure an easement and compensate her for this, but there has been no response from the property owner. It is staff's recommendation that we move to a condemnation of the easement. Discussion was held on the cost for condemnation and whether the District would front this cost or the developer. Mr. Bowman reported that if the District were to seek condemnation, it would be presented as an information item to the Board. The developer would pay the cost for this and the District would condemn the easement. Mr. Perry said his recommendation would be to get

the money up front from the Developer for this. Mr. Bowman will follow-up on the matter and bring it back before the Board.

He mentioned that Well 23 had failed during an electrical surge. The price estimate for replacing the equipment is around \$100,000.00. The electrical cable is starting to fray and the motor itself is completely fried.

The pump and motor for Well 33 has been placed in the hole and only needs to have power ran to it to become operational. The Redondo Outfall was repaired and the Board should see a copy of the Lakota Outfall Feasibility Report before next Board meeting.

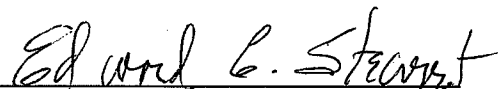
General Manager: Mr. Perry reported that Commissioner Nowicki left a copy of the Chamber of Commerce write-up and he has provided copies for the Board to review. He would ask the Board to read it and if they would like to add anything to it, to please let him know. He received a request from the City of Federal Way for the District to draft a letter of support for the new on-ramp off of 312th. He proposed that he draft the letter and have Mr. Pritchett review it and then have the Board President review and sign. The Board stated they would support such a letter.

ADJOURNMENT

There being no further business to come before the Board, the meeting was adjourned at approximately 8:54 p.m.

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

 _____ Vice President Stewart	<input checked="" type="checkbox"/> Yea	<input type="checkbox"/> Nay	<input type="checkbox"/> Abstain
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<u>ABSENT</u> _____ Secretary Tweddle	<input type="checkbox"/> Yea	<input type="checkbox"/> Nay	<input type="checkbox"/> Abstain
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Ronald L. Miller
Commissioner Miller

✓
Yea

Nay

Abstain

Ronald E. Nowicki
Commissioner Nowicki

✓
Yea

Nay

Abstain