

LAKEHAVEN UTILITY DISTRICT  
King County, Washington

REGULAR BUSINESS MEETING  
March 12, 2009

A regular meeting of the Board of Commissioners of the Lakehaven Utility District, King County, Washington, was held on March 12, 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 Nowicki 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
Morgan Dennis	Director of Finance/Information System

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 Nowicki, which was duly seconded by Commissioner Stewart, the Board unanimously **adopted** the minutes of the special board meeting of February 18, 2009 as presented.

APPROVAL OF AGENDA

Commissioner Nowicki requested to add information item #3, Board Meeting Schedule, to discuss the board meeting schedule in April. Commissioner Gibson requested to add information #4, Fiscal Summary for 2009 Year-to-Date.

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

CORRESPONDENCE

Commissioner Gibson provided the Board with information on the Town Hall Meeting with Senator Eide tomorrow at 3:00 p.m.

CITIZEN COMMENTS

Mr. Charles Garner reported that the water main installation is going well. He asked who the District uses for testing of pharmaceutical levels in the water. Mr. Bowman commented that he would ask the District's water quality department for contact information on this. The Board thanked Mr. Garner for his comments.

CONSENT AGENDA

Commission Nowicki thanked Mr. Dennis for the enhanced detailed descriptions on the vouchers. Discussion was held on purchase orders and line items.

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

1. Amendment to Rate Resolution; Resolution No. 2009-1123.
2. Accounts Payable Vouchers and Payroll Transactions with the warrant dates of 2/26/09, 3/3/09, 3/4/09, 3/5/09, 3/9/09, 3/11/09, and 3/12/09.

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

2/26/09 Voucher no. 15872, total amount of \$57,472.79;  
3/3/09 Voucher nos. 15873-15874, total amount of \$4,819.69;  
3/4/09 Voucher nos. 15875-15935, total amount of \$107,588.53;  
3/11/09 Voucher nos. 15964-16018, total amount of \$104,688.98.

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

3/5/09 Voucher nos. 15936-15948, total amount of \$117,913.58;  
3/12/09 Voucher nos. 16019-16034, total amount of \$333,441.14.

**Payroll – Fund No. 11-333-0530 03/09/09**

Warrants: \$ 0.00  
Direct Deposits: \$ 173,060.61  
Benefit Warrants: \$ 140,380.67  
(voucher nos. 15949-15963)  
Withholding/FICA \$ 72,781.61  
Total Amount of: \$ 386,222.89

ACTION ITEMS

As it was not 6:30 p.m. yet, Action Item #2 was heard prior to Action Item #1.

**#2, OASIS Phase I: 2009-2010 Robinson, Noble & Saltbush Contract:** Mr. Bowman provided the Board and staff with an updated colored spreadsheet for OASIS Phase I-II Costs. He commented that at the last Board meeting he was asked to give a cost matrix. The matrix is broken into Phase I and Phase II. Tim Osborne reviewed the spreadsheet with the Board. Mr. Osborne reported that he contacted the Department of Ecology (DOE) about handling this project in phases and he hasn't heard confirmation back from them yet. Mr. Osborne reviewed the Project Cost Estimates in Exhibit A with the Board. It was the consensus of the Board that they would like to delay the project and extend it out into the future.

**#1, Street Lighting System Establishment – 7<sup>th</sup> Place Southwest; Public Hearing at 6:30 p.m.; Resolution No. 2009-1121:**

Commissioner Gibson recessed the regular meeting and opened the public hearing for the purpose of hearing testimony from the public regarding the street lighting proposal for 7<sup>th</sup> Place Southwest. Hearing no testimony, Commissioner Gibson adjourned the public hearing and reconvened the regular meeting.

Upon motion of Commissioner Miller, which was duly seconded by Commissioner Nowicki, the Board unanimously **adopted** Resolution No. 2009-1121 establishing a street lighting system for 7<sup>th</sup> Place Southwest and setting an effective day for the provision of street lighting services as April 11, 2009.

**#2, OASIS Phase I: 2009-2010 Robinson, Noble & Saltbush Contract:** (con't.) Mr. Bowman commented on the two year contract for 2009-2010. Mr. Bowman also pointed out that the transmission mains identified in the Project Summary, Item C, Transmission Piping for Phase II, would likely get pushed out further as well.

Upon motion of Commissioner Nowicki, which was duly seconded by Commissioner Miller, the Board unanimously **approved** OASIS Phase I 2009-2010 Robinson, Noble & Saltbush Contract and authorized the General Manager to sign the contract in the amount of \$460,732.00.

**#3, 2009 Pressure Reducing Valve Station #19 – Bid Award:** In 2001, the District removed Pressure Reducing Valve (PRV) station #19 as part of a city road improvement project. This project will reinstall PRV #19 in an easement within the Common's property and re-establish emergency water supply transmission capacity between the District's 578 pressure zone and 538 pressure zone. Wes Hill reported that the District received 5 bids for the project on February 27, 2008. The low bidder was Wm. Dickson Company of Tacoma, Washington, with a bid amount of \$56,850.16, including tax. This bid was 25% less than the Engineering estimate for this project. Staff recommends that the Board approve this bid award and authorize the General Manager to execute the contract with Wm. Dickson Company in the amount of \$56,850.16, including tax.

Upon motion of Commissioner Stewart, which was duly seconded by Commissioner Miller, the Board unanimously **approved** the contract with Wm. Dickson Company in the amount of \$56,850.16, including tax, and authorized the General Manager to sign said contract.

**#4, Sewer & Water Agency Mutual Aid Agreement; Resolution No. 2009-1122:** Mr. Perry requested that the Board approve Resolution 2009-1122 to allow for execution of a Sewer & Water Agency Mutual Aid Agreement. In the event we have a major disaster, the District can call upon other agencies for assistance and expedite our ability to access services. Commissioner Miller asked how this would affect the other agencies that we currently have emergency aid with. Mr. Perry commented that it would not affect emergency aid with other agencies as assistance is provided upon mutual agreement and as resources allow. Commissioner Nowicki discussed the meeting he attended today for EMAC training and held a brief discussion on the benefits of mutual aid. Further discussion was held on the benefits of being members of the Washington Association of Sewer and Water Districts (WASWD).

Upon motion of Commissioner Miller, which was duly seconded by Commissioner Stewart, the Board unanimously **adopted** Resolution No. 2009-1122 and authorized the General Manager to execute the Sewer & Water Agency Mutual Aid Agreement.

#### INFORMATION ITEMS

**#1, On-Call Contract:** Gene Yoder reported on the large maintenance items and utilization of the previous underground on-call repair contract. There were six bids received and Johansen Excavating Inc. came in as the lowest bidder at \$54.59/hr. Staff is recommending that the Board consider allowing the General Manager to enter a not-to-exceed contract for \$200,000.00 for a two-year period with Johansen Excavating Inc. for this type of work. The Board asked to have this put on the next Board agenda as a consent item.

**#2, Employee Recognition Program:** Lisa Alexander presented the employee recognition program (REWARDS Program) to the Board to recognize employees for their outstanding performance and years of service with the District. The Board asked that she includes an estimated breakdown for vacation compensation and bring this matter back before the Board as an information item at next board meeting.

**#3, Board Meeting Schedule:** Discussion was held on upcoming vacation and conference schedules in April. Commissioner Gibson suggested cancelling the regular Board meetings on April 9<sup>th</sup> and 23<sup>rd</sup> and setting Special Board meetings on April 16<sup>th</sup> and 30<sup>th</sup>. The Board asked that this be put on the next Board agenda as a consent item.

**#4, Fiscal Summary for 2009 Year-to-Date:** Commissioner Gibson asked Mr. Dennis to put together a 2009 Year to Date Financial Summary information spreadsheet. Mr. Dennis handed out the spreadsheet to the Board and staff and reviewed all four sections of it. Commissioner Gibson commented that it would be helpful to know where the District is on

expenditures. Discussion was held on on-call contracts. Discussion was also held on the Second Supply filtration project and when the District would start contributing to this project. The Board thanked Mr. Dennis for the financial summary.

#### COMMITTEE REPORTS/COMMISSIONER COMMENTS

Commissioner Miller reported that he attended the Safety and EMAC meetings. He commented that they viewed an earthquake film put on by the Red Cross and found it to be very interesting.

Commissioner Nowicki reported that he also attended the EMAC meeting today. He commented on the new utility tax bill that would allow counties and cities to collect a utility tax on the gross receipts of utility Districts. Mr. Pritchett commented that he believes this bill did not pass the House and is dead. Further discussion was held on various bills before the legislature.

Commissioner Gibson reported that he attended the Government Affairs and Legislative Committee meetings. He further reported that he emailed Representative Skip Priest and cc'd others informing them that Lakehaven Utility District was opposed to these utility bills.

#### STAFF REPORTS

**General Counsel:** Mr. Pritchett prepared a letter for the Board to sign to Senators Murray and Cantwell and Congressman Adam Smith regarding the Voluntary Employee Beneficiary Association (VEBA) Plan. Mr. Pritchett reported on plan distributions and plan benefit distributions to heirs. Mr. Dennis and he will be attending a meeting on Thursday, March 19<sup>th</sup>, in Redmond to hear a presentation on the Lane v. Seattle case.

Commissioner Nowicki suggested that an information item be added to the next Board agenda that addresses Commissioner Tweddle and her position on the Board.

**Director of Finance/Information Systems:** Mr. Dennis reported that the web payment plan has been working well and will ultimately be a cost saver for the District. He reviewed some quick calculations on the REWARDS program with the Board and staff.


**Engineering/Water Manager:** Mr. Bowman reported he will be meeting with the City of Federal Way on March 27<sup>th</sup> about the franchise that stems from the fire hydrant issue. He also shared information received from the Department of Health with regard to chemical security for water systems.

**General Manager:** Mr. Perry reported he received another request for access on District property from another stream group. He asked the Board if they would like him to give the same response as he gave the other folks requesting access on the Redondo creek. This group is requesting access to stream features on or near three of our sites. The Board directed Mr. Perry to

respectfully decline the request. Mr. Perry provided the Board with a draft letter to the City of Auburn for the sale of water and various conditions involved. He asked the Board to review the letter and get back to him with their thoughts.

ADJOURNMENT

There being no further business to come before the Board, the meeting was adjourned at approximately 8:08 p.m.

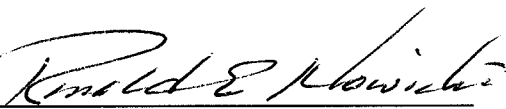
 _____ President Gibson	<input checked="" type="checkbox"/> Yea	<input type="checkbox"/> Nay	<input type="checkbox"/> Abstain
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ATTEST:

 _____ 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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 _____ Commissioner Miller	<input checked="" type="checkbox"/> Yea	<input type="checkbox"/> Nay	<input type="checkbox"/> Abstain
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 _____ Commissioner Nowicki	<input checked="" type="checkbox"/> Yea	<input type="checkbox"/> Nay	<input type="checkbox"/> Abstain
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