

LAKEHAVEN UTILITY DISTRICT
King County, Washington

REGULAR BUSINESS MEETING
January 28, 2010

A regular meeting of the Board of Commissioners of the Lakehaven Utility District, King County, Washington, was held on January 28, 2010 at Lakehaven Center, 31531 First Avenue South, Federal Way, Washington 98003.

President Miller 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:

Donald Miller	President of the Board
Ronald Nowicki	Vice President of the Board
Leonard Englund	Secretary
Charles Gibson	Commissioner
Edward Stewart	Commissioner
Don Perry	General Manager
John Bowman	Engineering/Water Manager
Steve Pritchett	General Counsel
Morgan Dennis	Director of Finance/Information System

ROLL CALL – Swearing in of Commissioner Nowicki.

Mr. Pritchett administered the oath of office for Commissioner Ronald Nowicki, Position No. 5. Commissioner Nowicki signed the Oath of Office and received a Certificate of Election.

APPROVAL OF AGENDA

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

CITIZEN COMMENTS

Walt Johnson, President of the Board of Directors of Twin Cedars Association, introduced himself and Bob Jones, Finance Director of Twin Cedars Association, to the Board and staff. Mr. Johnson stated he wanted to address the Board on the matter of leased capacity charges. He reported that he would like a definition of what a leased capacity charge is, how many years it is carried, and how the cost was calculated for Twin Cedars Mobile Home Park. Mr. Johnson also expressed concern about what type of notification was given to customers. Mr. Pritchett responded and gave explanations to his questions. Mr. Pritchett also commented that notification to customers was given in Lakehaven Utility District Newsletters and as notations on bills previously sent to them over the past year. Discussion was held on water system CFC credits and how these are calculated. Mr. Pritchett offered to meet with Mr. Johnson to discuss this matter further. Mr. Dennis reported that the auto payment on their account had been

suspended and that no late payments or shut-off notices would apply to their account until this matter is resolved. The Board thanked them for attending the meeting and addressing the matter.

CORRESPONDENCE

Commissioner Miller thanked staff for the flyer on rate comparisons and notice of the rate increases.

Commissioner Miller reported that he received a call from Don Wright of the South King County Regional Water Authority asking him if the Board would consider joining their association on an affiliate basis. Discussion was held and the Board would like to review information on affiliate incentives and other information about this association. Commissioner Miller reported he will follow-up with Mr. Wright and have him send the requested information.

CONSENT ITEMS

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

Accounts Payable Vouchers and Payroll Transactions with the warrant dates of 1/20/10, 1/21/10, 1/26/10, 1/27/10, and 1/28/10.

Maintenance Fund No. 11-333-0510

1/20/10 Voucher nos. 19523-19583, total amount of \$298,963.78;
1/27/10 Voucher nos. 19602-19648, total amount of \$91,807.30.

Construction Fund No. 11-333-3510

1/21/10 Voucher nos. 19584-19587, total amount of \$71,465.31;
1/28/10 Voucher nos. 19649-19657, total amount of \$35,442.27.

Payroll – Fund No. 11-333-0530 01/26/10

Warrants: \$ 535.30
Direct Deposits: \$ 200,466.81
Benefit Warrants: \$ 57,526.98
(voucher nos. 19588-19601)
Withholding/FICA \$ 84,154.55
Total Amount of: \$ 342,683.64

INFORMATION ITEMS

#1, Board Procedures/Code of Ethics: Steve Pritchett reported that one of the Board members submitted comments in the Board Procedures as shown in the agenda packet. Commissioner Englund recommended that executive and closed sessions shown on the agendas

cite the RCW subsection exemption. Mr. Pritchett commented that he agrees with including this addition and that it is an excellent practice. Mr. Pritchett handed out a copy of proposed additional language to Section 8(v) in the Rules of Board Procedures that addresses that Board Committees retain no authority independent of the Board. This language is currently included in the Committee Assignments page in the Board Agenda books. He recommended that this language also be codified in the Rules of Procedure.

Upon motion of Commissioner Englund, which was duly seconded by Commissioner Gibson, the Board unanimously **amended** the agenda to add **Action Item #1, Approval of Rules of Procedure (Resolution No. 2010-1150) and Code of Ethics (Resolution No. 2010-1151)** as revised.

Action Item #1, Rules of Procedure and Code of Ethics as revised; Approval: Upon motion of Commissioner Englund, which was duly seconded by Commissioner Nowicki, the Board unanimously **adopted** Resolution No. 2010-1150 and Resolution No. 2010-1151.

#2, Open Public Meetings Act Training: Steve Pritchett gave a presentation on the Open Public Meetings Act.

COMMITTEE REPORTS/COMMISSIONER COMMENTS

Commissioner Englund reported on the WASWD Commissioner's Workshop that Commissioner Gibson and he attended and on the Washington Coalition for Open Government workshop that he attended. He commented that he found both of these workshops to be very interesting and informative. He also attended the Personnel Committee meeting.

Commissioner Nowicki reported that the Green River Community College will be holding its annual Water Conservation event this spring and urged other Board members to attend the event this year. He reported on the WASWD Section 4 meeting and commented that Morgan Dennis would be attending the next Board of Directors and Finance meeting with him. He reported on the MWPAAC meeting that he attended yesterday, and commented that he would like to have Commissioner Englund attend future MWPAAC meetings as well. He commented that he will provide the Board Clerk with information from MWPAAC to copy and distribute to the Board and staff. He encouraged the other Board members to attend the WASWD Section 4 meetings and WASWD Board meetings. He commented that he can provide information on Brightwater tunnel tours to other Board members if they are interested.

Commissioner Gibson reported he attended the WASWD Commissioner's workshop and Government Liaison Committee meeting. Discussion was held on the District's participation in upcoming City events.

STAFF REPORTS

General Counsel: Mr. Pritchett reported that staff and he met with Mr. Davidson and his attorney on the side sewer matter. Mr. Davidson had previously requested to speak with the Board at the next meeting, but he received a letter from Mr. Davidson today that proposes a possible resolution. He will keep the Board informed on this matter. He reported on the WASWD Legislative Committee meeting he attended today and on the discussion held about the proposed House Bill 3179 concerning a utility tax. He commented that he is still communicating with the City on the Franchise Agreement.

Director of Finance/Information Systems: Mr. Dennis reported on the State Auditors Report that came out. He also reported on a payroll problem relating to the direct deposits sent to employees' accounts. Lastly, he reported that there is a meeting scheduled tomorrow afternoon with other staff to discuss some of the leased capacity issues.

Engineering/Water Manager: Mr. Bowman reported on Well 36M and that the Contractor is working with the District on getting the well drilled correctly. Mr. Bowman reported that he went to Kent and met with the King County Water Utility Group, which is attempting to change some of King County's policies identified in their Comprehensive Plan. He also reported on the Water Production Report and that the annual report was very close to what was projected.

General Manager: Mr. Perry reported on the meetings that Mr. Pritchett and he have been attending on the joint maintenance facilities. Mr. Perry handed out a copy of the letter from Mr. Barovic and Certified Land Services' response to it. He asked the Board to review the letters and offer guidance on whether to pursue condemnation. Mr. Pritchett commented that there is a large disparity in valuation and that the District will most likely need to pursue condemnation.

Commissioner Miller announced that he would like the General Manager and General Counsel evaluations filled out, and to include an executive session for this on the February 11th Board agenda.

Upon motion of Commissioner Gibson, which was duly seconded by Commissioner Nowicki, the Board unanimously **extended** the meeting.

CLOSED SESSION

At approximately 9:00 p.m., the regular meeting was recessed in order to conduct a closed session pursuant to RCW 42.30.140(4b) for the purpose of discussing a Step IV Grievance. It was announced that the Board expected to take action at the conclusion of the closed session. At 9:15 p.m. the closed session was adjourned and the regular meeting was reconvened.

Upon motion of Commissioner Nowicki, which was duly seconded by Commissioner Gibson, the Board unanimously **approved** amending the agenda to add **Action Item #1, Employee Step 4 Grievance.**

Action Item #1, Employee Step 4 Grievance #2009-KERNS-1113-01: Upon motion of Commissioner Gibson, which was duly seconded by Commissioner Stewart, the Board unanimously **denied** the step 4 grievance appeal submitted by the IUOE Union on behalf of Ross Kerns.

ADJOURNMENT

There being no further business to come before the Board, the meeting was adjourned at approximately 9:20 p.m.

Donald L. Miller
President Miller

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

ATTEST:

Ronald E. Nowicki
Vice President Nowicki

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

Ronald D. Englund
Secretary Englund

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

Charles Gibson
Commissioner Gibson

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

Edward C. Stewart
Commissioner Stewart

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