

LAKEHAVEN UTILITY DISTRICT
King County, Washington

SPECIAL BUSINESS MEETING
April 15, 2010

A special meeting of the Board of Commissioners of the Lakehaven Utility District, King County, Washington, was held on April 15, 2010 at Lakehaven Center, 31531 First Avenue South, Federal Way, Washington 98003.

President Miller called the meeting to order at 1:30 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

APPROVAL OF AGENDA

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

ACTION ITEMS

#1, Resolution No. 2010-1154; Commending Al LeBlanc: Commissioner Miller read and presented the Resolution commending Mr. LeBlanc for his years of dedicated service to the District on behalf of the Board. Don Perry and John Bowman thanked Mr. LeBlanc for his outstanding performance and years of service.

Upon motion of Commissioner Nowicki, which was duly seconded by Commissioner Englund, the Board unanimously **approved** Resolution No. 2010-1154, commending Al LeBlanc for his dedicated years of service to the District.

#2, Second Supply Project – Filtration Authorization: John Bowman reported that at the last Second Supply Project Committee meeting, it was identified that the Partners should vote on the implementation of filtration as the preferred treatment option. Section 18.3 of the Second Supply Project Agreement requires an affirmative vote of the partners of 29/36th to approve treatment facilities that may be inconsistent with this section. An affirmative vote would consist of Tacoma and two other partners. The District has a vote of 7/36th. John reported that Don Perry

is the delegated voting representative for the District and he is the alternate. Discussion was held on voting percentages.

Mr. Bowman commented that Tacoma is looking at doing an early bond. Don Perry reported he spoke with Morgan Dennis, and neither one believe it is to the District's benefit to join with Tacoma on the bond sale. He further reported that the District has adequate resources for at least 2 years and can wait to make the right decision at that time. Further discussion was held on reasons to wait on a bond issue. Don Perry provided handouts on Debt/Coverage Ratios, Yearly Filtration Costs and "What-ifs". He also provided the Board and staff with a copy of the Filtration Treatment Project Regional Water Supply System Plan of Finance dated April 9, 2010, prepared by Dashen Musselman Inc., and a brief scenario on Financing of Green River Water Filtration Facilities. Don Perry reported that he would like to revisit financing options for the Green River Filtration Project at the next Board meeting. The Board requested that they be provided an executive summary on financial options the District has for the Green River Project at the next regular Board meeting. John Bowman reported he is requesting approval from the Board to vote in the affirmative for filtration when the question is posed at a future Project Committee meeting.

Upon motion of Commissioner Gibson, which was duly seconded by Commissioner Englund, the Board unanimously **approved** Lakehaven Utility District to vote in favor of filtration for the Green River Water supply (Second Supply Project).

INFORMATION ITEMS


#1, Lakota Water to Water Heat Pump Analysis: Chris McCalib provided a handout entitled "Lakota – Water-to-Water Heat Pump Analysis" dated March 12, 2010 to the Board and staff. Mr. McCalib reported that staff asked the District's On-call HVAC Consultant, Tres Wes Engineers, Inc., to look at the replacement of certain units that have been considered in the CIP plans, but not currently funded. The consultants did a feasibility design and engineering report on water-to-water heat pumps. The water-to-water heat pump is a highly efficient system that can provide heated water or chilled water to condition a building that utilizes a basic refrigeration cycle. He reported that he is bringing this matter before the Board to determine if this is something the Board would like staff to investigate further and apply for. Discuss was held on cost estimates and budgeting options. Mr. McCalib made mention that this project falls within the Green initiative. The Board requested that this matter be put on the next Board agenda as a consent item.

COMMITTEE REPORTS/COMMISSIONER COMMENTS

Commissioner Englund reported on the Des Moines Leadership Summit he attended on Saturday, April 10th. He further commented that he will send the Board Clerk a copy of the handout he received at this meeting to distribute to the other Board members and staff.

ADJOURNMENT

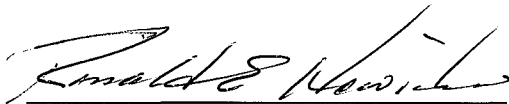
There being no further business to come before the Board, the meeting was adjourned at approximately 2:50 p.m.



President Miller

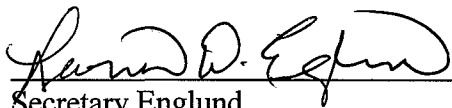
Yea Nay Abstain

ATTEST:




Vice President Nowicki

Yea Nay Abstain



Secretary Englund

Yea Nay Abstain



Commissioner Gibson

Yea Nay Abstain



Commissioner Stewart

Yea Nay Abstain