

LAKEHAVEN UTILITY DISTRICT
King County, Washington

SPECIAL BUSINESS MEETING
June 17, 2010

A special meeting of the Board of Commissioners of the Lakehaven Utility District, King County, Washington, was held on June 17, 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 led the flag salute. Members/officials present were as follows:

Donald Miller	President
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

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

APPROVAL OF AGENDA

John Bowman reported that Action Item No. 2 can be eliminated as the bid amount came in under the previously approved amount.

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

CORRESPONDENCE

Commissioner Miller read a Thank You card received from Tom Murphy. Board and staff received a letter from the City of Federal Way regarding Infrastructure Capacity in City Center. Mr. Perry provided information to the Board in response to the City's letter and discussion followed. Commissioner Gibson commented that he would follow-up with Brian Wilson on this matter.

INFORMATION ITEMS

#1, Review of Capacity Rental Program: Laura Maxwell was in attendance on behalf of Mike Jansen of Techtron. Mr. Dennis reported he met with Mr. Jansen to review the lease capacity program and the calculations used for the Panther Lake Estates account. Development

Services reviewed these records and found there is a lot of open area in the apartment complex and that each of the units are owned individually. Discussion followed on various ERU calculations and grouping policies. Mr. Dennis then reported on the Parkwood Apartment Complex and Mountain Sun Apartments accounts. Mr. Dennis provided the Board with different account scenarios and information for them to consider for the lease capacity rental program. Mr. Dennis reported that Mr. Bowman and he met with the City of Federal Way regarding their lease capacity bill and that the meeting was very productive. Mr. Dennis suggested deferring the capacity rental program for an additional period to allow staff to bring a full report of all the adjustments to the Board. The Board asked that this be put on the next Board agenda as a consent item to suspend the capacity rental program until further Board direction.

ACTION ITEMS

#1, Second Supply Project – Filtration Finance Agreement: John Bowman reported that while the District is not participating in the current proposed bond sale by the other partners, the draft financing plan, attached as Exhibit A to this agenda item, recognizes that initially the other Partners will be bonding collectively and Lakehaven will separately fund its share of the filtration project. Per the 2002 Partnership Agreement, a Financing Plan setting forth the purpose, amount, repayment schedule and timing of the proposed issuance(s), must be approved prior to issuance of bonds. Discussion was held on bonding requirements and funding options. Mr. Bowman reported that staff is requesting that the Board approve the Filtration Treatment Project Financing Agreement Plan substantially in the form as attached in Exhibit A, and that the final Plan would be executed by the President of the Board.

Upon motion of Commissioner Gibson, which was duly seconded by Commissioner Englund, the Board unanimously **authorized** the District's Project Representative to approve the Filtration Treatment Project Financing Plan substantially in the attached form, with the Board President to execute the final Plan.

Steve Pritchett requested that the Board take some time to review his memorandum prior to the next action item.

#3, Water Main Replacement – Triangle Project Bid Award: Discussion was held on the state bid amount for the utility relocation phase of the Triangle Project. Mr. Pritchett reviewed his memorandum regarding Public Works Contracting with the Board and discussion was held. Mr. Bowman reported that the state's bid came in over 38% above the engineer's estimate and that staff is prepared to use District labor forces for the utility relocation phase of the project. Further discussion was held on public works contracting and the requirements applicable to having in-house staff perform the work.

Upon motion of Commissioner Gibson, which was duly seconded by Commissioner Stewart, the Board unanimously **approved** the Triangle Project Bid Award as submitted by the State for I-5/SR 18.

The Board thanked staff for the discussion on this matter and thanked Gene Yoder for his initiative in considering District labor forces to create a cost savings for the District.


STAFF REPORTS

Engineering/Water Manager: Mr. Bowman provided the Board with an update on the Howard Hansen Dam.

General Manager: Mr. Perry reported that King County officially approved the District's Wastewater Comprehensive Plan. He also reported that he received an email from the City of Edgewood asking for current connection charges and rates. He further reported that the new flush truck will be delivered later this month and that the Redondo Dewatering Project is being installed this week and next.

ADJOURNMENT

There being no further business to come before the Board, the meeting was adjourned at approximately 3:45 p.m.



President Miller

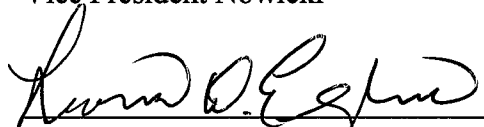
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Yea	Nay	Abstain

ATTEST:

ABSENT


Vice President Nowicki

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



Secretary Englund

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



Commissioner Gibson

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

Commissioner Stewart

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