

LAKEHAVEN UTILITY DISTRICT  
King County, Washington

REGULAR BUSINESS MEETING  
June 24, 2010

A regular meeting of the Board of Commissioners of the Lakehaven Utility District, King County, Washington, was held on June 24, 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
Ronald Nowicki	Vice President of the Board
Leonard Englund	Secretary
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 Englund, the Board unanimously **excused** Commissioners Gibson and Stewart from the Board meeting.

APPROVAL OF AGENDA

Steve Pritchett requested that an executive session be added to the agenda to discuss potential litigation.

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

CONSENT ITEMS

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

1. Accounts Payable Vouchers and Payroll Transactions with the warrant dates of 6/16/10, 6/17/10, 6/22/10, 6/23/10, 6/24/10, and 6/28/10.

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

6/16/10 Voucher nos. 21225-21278, total amount of \$1,076,231.45;  
6/22/10 Voucher nos. 21283-21284, total amount of \$141.58;  
6/23/10 Voucher nos. 21285-21360, total amount of \$320,043.25.

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

6/17/10 Voucher nos. 21279-21282, total amount of \$452,673.84;

6/24/10 Voucher nos. 21361-21368, total amount of \$225,766.89.

**Payroll – Fund No. 11-333-0530 6/28/10**

Warrants: \$ 631.36

Direct Deposits: \$ 197,080.76

Benefit Warrants: \$ 57,536.76

(voucher nos. 21369-21382)

Withholding/FICA \$ 82,175.10

Total Amount of: \$ 337,423.98

2. Rate Resolution No. 2010-1160.
3. Capacity Rental Program Deferral.

**ACTION ITEMS**

**#1, Pacific Highway South HOV Lanes Phase IV; Bid Award:** Wes Hill reported on the Pacific Highway South HOV Lanes Phase IV Bid Award and stated that construction bids have been received by the City of Federal Way. The City announced that the contract will be awarded to the second lowest and most responsive bidder. Staff is requesting authorization to accept Lakehaven's portion of the bid award as set forth in Section II.B of the ILA Supplement 1.

Upon motion of Commissioner Englund, which was duly seconded by Commissioner Nowicki, the Board unanimously **approved** the bid award for Lakehaven's portion of the contract in the amount of \$635,792.04 and authorized the General Manager's approval of same.

**COMMITTEE REPORTS/COMMISSIONER COMMENTS**

Commissioner Nowicki handed out MWPAAC's June 23, 2010 Agenda and reviewed it with the Board and staff. Commissioner Nowicki reported that WASWD will be holding interviews for the final two Director candidates on Monday June 28<sup>th</sup> at 10:00 a.m. He reported that he attended the WASWD Section 4 meeting in Bellevue and that WASWD would be holding a meeting at Lakehaven Center in August.

Commissioner Englund reported that he also attended the WASWD Section 4 meeting in Bellevue. He requested updates from staff on the network separation project. John Bowman commented that he would put something on the next regular board agenda with updates on the network separation.

Commissioner Miller reported he drafted an article for the Commissioners Corner in the July/August Newsletter. He reported that he received comments from customers on the annual report and bi-monthly information sheet and that they have all been very positive.

STAFF REPORTS

**General Counsel:** Mr. Pritchett reported on the letter he received from Mr. Davidson's attorney, Ross Radley, regarding the side sewer repair. He reported that John Bowman, Commissioner Gibson and he are scheduled to meet with City of Federal Way representatives on Monday to discuss City Center capacity issues discussed at the last Board meeting. He commented that the purpose of the meeting is to gather information, and that he would report back to the Board on this matter. He also reported that he spoke earlier this week with the attorney for the City of Des Moines in an attempt to address fire hydrant maintenance costs under the *Lane v. Seattle* ruling. Discussion was held on other cities who have fire hydrants located within District service boundaries.

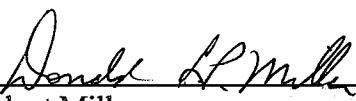
**Engineering/Water Manager:** Mr. Bowman mentioned that the Water Quality Consumer Confidence Report has been sent out to District Customers. He reported that staff mailed wellhead protection letters to consumers and residences in wellhead protection areas, and the District has received many responses back. He commented that he received a formal letter from King County this week on approval of the Waste Water Comprehensive Plan.

EXECUTIVE SESSION/CLOSED SESSION

At approximately 6:33 p.m., the regular meeting was recessed in order to conduct an executive session pursuant to RCW 42.30.110 (1)(i) for the purpose of discussing potential litigation. It was stated that the executive session would last approximately 10 minutes. The executive session began at 6:35 p.m. and at approximately 6:45 p.m. the executive session was adjourned and the regular meeting was reconvened.

ADJOURNMENT

There being no further business to come before the Board, the meeting was adjourned at approximately 6:45 p.m.

  
\_\_\_\_\_  
President Miller

\_\_\_\_\_  
Yea

\_\_\_\_\_  
Nay

\_\_\_\_\_  
Abstain

ATTEST:

 _____ Vice President Nowicki	 _____ Yea	_____ Nay	_____ Abstain
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 _____ Secretary Englund	 _____ Yea	_____ Nay	_____ Abstain
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<u>ABSENT</u> _____ Commissioner Gibson	_____ Yea	_____ Nay	_____ Abstain
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<u>ABSENT</u> _____ Commissioner Stewart	_____ Yea	_____ Nay	_____ Abstain
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