

**MINUTES OF A REGULAR MEETING OF
THE BOARD OF COMMISSIONERS OF
RONALD WASTEWATER DISTRICT**

January 8, 2013

A regular meeting of the Board of Commissioners of Ronald Wastewater District was convened at the District office at 5:30 p.m. on Tuesday, January 8, 2013 by Board President Carroll. In attendance were Commissioners Brian Carroll, Arnold Lind, Richard Matthews, Robert Ransom and Arthur Wadekamper. Also present were General Manager Michael Derrick, Maintenance Manager George Dicks, Accounting Manager Jen Chen, District Engineer Scott Christensen and District Counsel Joe Bennett. Members of the public present were: Majid Dorriz and John Norris.

ADMINISTRATIVE

Additions/Adjustments to Agenda?

- (1) Mr. Derrick recommended taking Public Comment right after election of officers.
- (2) Commissioner Matthews confirmed that the special meeting on January 16 will start at noon and be exclusively an executive session to hear an update from counsel on pending litigation.

Handouts

None.

Minutes of the Board Meetings of December 18, 2012, Final: The Board reviewed minutes provided by Mr. Derrick for the regular meeting of December 18, 2012. Upon motion by Commissioner Ransom and second by Commissioner Wadekamper the Board voted 5-0 to approve the minutes of December 18, 2012, regular meeting. The commissioners then signed the approved minutes.

Commissioner Carroll called for nominations and election of officers.

1. Election of Officers. Commissioner Matthews re-nominated the current slate of officers (Brian Carroll as President, Arthur Wadekamper as Vice President, and Robert Ransom as Secretary). Commissioner Ransom seconded the motion. Commissioner Carroll requested a friendly amendment in which he would serve as Vice President and Commissioner Wadekamper as President. The other commissioners concurred. The Board voted 5-0 to approve the slate of officers: President-Arthur Wadekamper; Vice President-Brian Carroll; and Secretary-

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Robert Ransom. The Board then adopted and signed **Resolution 13-01, Electing Board Officers**.

PUBLIC COMMENT: Majid Dorriz stated that his problem, which he has previously brought to the Board's attention, has not been addressed. Mr. Derrick explained the background of the issue, in which Mr. Dorriz sought a connection permit. Commissioner Ransom pointed out that Mr. Dorriz lost his small claims court case against the District.

Commissioner Matthews recommended the Board adopt a policy limiting public comment to 3 or 5 minutes per speaker with no colloquy with staff or commissioners. The other commissioners concurred.

2. Engineers Report. Mr. Christensen presented his report for January 5, 2012.

Highlights included:

a. North City Family Apartments Developer Extension: Construction started on December 19. Manhole H-4113 was installed.

b. North City 3 O&M CIP. District has obtained three of the four easements required prior to advertising the project for bid.

c. Basin 21. This basin has 20,000 feet of abandoned line. The District is attempting to identify ownership of the abandoned lines and what steps, if any, to take. It appears that the lines were installed by a private developer and then transferred to the now dissolved Lake City Sewer District. Seattle Public Utilities has been contacted. The commissioners asked several questions. Mr. Bennett explained that the District never acquired the abandoned lines as part of its asset purchase of the Lake City system. Mr. Christensen explained the interrelationship between the District's lines and the SPU sewer system south of 145th. He planned to meet with SPU to further discuss the issue.

ACTION. Commissioner Carroll moved that CHS be authorized to study and determine the District's contingent liability for lines south of 145th under its asset purchase agreement. Commissioner Lind seconded the motion. The Board passed the motion 5-0.

3. Vouchers. Mr. Derrick presented and the Board discussed vouchers in the aggregate amount of \$182,526.59 broken down as follows: (a) AP Vouchers #0130001 through #0130039 in the amount of \$128,310.39; (b) ACH Payroll of \$27,924.87; (c) Longevity vouchers of \$11,866.24; and (d) Payroll taxes of \$14,425.09. Upon a motion by Commissioner Carroll and second by

Commissioner Matthews the Board approved all of the vouchers presented by a vote of 5-0.

4. Lake Forest Park Sewer System Acquisition: Board Interest in Investigating? Mr. Derrick presented a memorandum giving the background of the sewer system now owned by the City of Lake Forest Park. He asked if the Board was interested in exploring the possible acquisition of that system. The commissioners concurred that Mr. Derrick contact the city administrator to discuss.

5. CHS and HB Billing Rates for 2013. Mr. Derrick explained the billing rates for 2013 for CHS Engineers and Hendricks - Bennett, PLLC (District Counsel). He gave a history of the rates for the past few years. Both firms are increasing their rates between 4-5%. He asked for Board concurrence with the new rates and approval of the Agreement for Legal Services.

Upon motion by Commissioner Carroll and second by Commissioner Matthews, the board voted 5-0 to approve the rate increases of CHS Engineers and Hendricks-Bennett, PLLC.

Commissioner Matthews suggested that both firms present contracts for approval at the next regular board meeting, which contracts will include a dispute resolution provision that requires the parties to negotiate and mediate any disputes before the dispute is submitted to arbitration for resolution. The other commissioners concurred.

6. Resolution 13-05 Indemnification Agreement for SFP. Upon motion by Commissioner Carroll and second by Commissioner Lind, the board voted 5-0 to approve the indemnification agreement. The commissioners then signed the resolution.

7. Wenatchee vs. Chelan County PUD; Amicus Brief: District Participation? Commissioner Matthews raised a point of order that prior to any action, the Board should discuss this issue with counsel in executive session. Upon motion by Commissioner Carroll and second by Commissioner Ransom, the board voted to go into executive session for 15 minutes to discuss pending litigation pursuant to RCW 42.30.110(i).

Mr. Norris left the meeting at 6:30 p.m.

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At 6:30 p.m., the Board went into executive session. At 6:38 p.m., the board came out of executive session and went back into open session.

ACTION: Upon motion by Commissioner Carroll and second by Commissioner Matthews, the board voted 4-0 to contribute up to \$2,000 toward the amicus brief of Shoreline Water District at the Court of Appeals level. Commissioner Ransom abstained.

8. Snohomish County Assessor Information. Mr. Derrick presented a spreadsheet from Snohomish County Assessors' office detailing the assessed value of the District's property in Snohomish County.

9. Resolution 13-02, Setting Rates for Work Performed by District Employees. Upon motion by Commissioner Ransom and second by Commissioner Matthews, the

10. Election of Representatives and Alternates for MWPAAC. Resolution 13-03, Approving Commissioner Wadkamper as District Representative to MWPAAC, and Commissioner Ransom and Commissioner Lind as first and second alternates, respectively. Upon motion by Commissioner Matthews and second by Commissioner Lind, the Board voted 5-0 to approve Resolution 13-03. The Board then signed the Resolution.

11. Resolution 13-04 Appointing of Auditing Officer(s) to Sign King County Vouchers. Mr. Derrick explained that King County, which serves as the District's Treasurer, requires an appointed auditing officer from the District. The General Manager has authority to sign the vouchers, and in his absence, vouchers may be signed by either (a) the accounting manager; or (b) two commissioners. Upon motion by Commissioner Carroll and second by Commissioner Matthews, the Board voted 5-0 to approve Resolution 13-04. The Board then signed the Resolution.

LEGAL REPORT

Mr. Bennett reported on the Court of Appeals' recent decision in the Point Wells case.

PERSONNEL

None.

MAINTENANCE REPORT

Mr. Derrick distributed the January 2, 2013 maintenance report prepared by Mr. Dicks. In response to Commissioner Carroll's question, Mr. Dicks stated that no customer has had a repeat FOG violation.

COMMISSIONERS' COMMENTS AND REPORTS

Commissioner Lind reported on Regional Water Quality Association's meeting regarding the consent decree between the federal government and King County. Commissioner Matthews asked whether the District or WASWD have looked at whether districts can sue King County to require a more fair allocation of treatment costs. Commissioner Ransom reported on upcoming MWPAAC officer and committee chair elections. He also reported on the selection process for the vacant King County Council position.

GENERAL MANAGER'S REPORT

Mr. Derrick reported on compliments he received from a customer who came in today to pay his bill. The customer said the District was a well run operation with busy staff. He like the newsletter and supports the District's efforts to remain separate from the City.

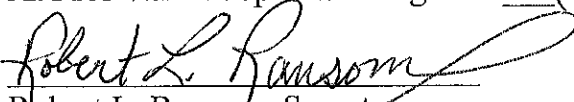
TOPICS FOR FUTURE DISCUSSION/CITY REPORT

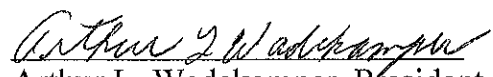
None.

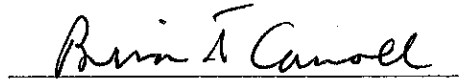
CONCLUSION

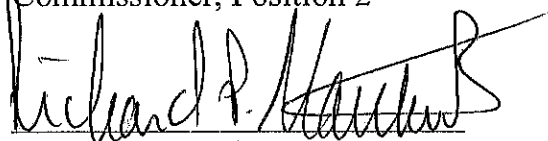
There being no further business, President Wadekamper concluded the meeting at 7:30 p.m.


APPROVED in open meeting this ^{Feb.} 12 day of January, 2013.


Robert L. Ransom, Secretary
Commissioner, Position 1


Arthur L. Wadekamper, President
Commissioner, Position 2


Brian T. Carroll, Vice President
Commissioner, Position 3


Richard P. Matthews,
Commissioner, Position 4


Arnold H. Lind,
Commissioner, Position 5