

MINUTES OF A REGULAR MEETING OF
THE BOARD OF COMMISSIONERS OF
RONALD WASTEWATER DISTRICT
MAY 22, 2012

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, May 22, 2012 by Board President Carroll. Commissioners Brian Carroll and Arthur Wadekamper were present. Commissioner Robert Ransom arrived at 5:32 p.m. Also present were Michael Derrick, District General Manager, Jen Chen, District Accounting Manager; Joseph Bennett, District counsel, former Commissioner Arnold Lind, Larry Bailey and Ken Goodwin of the Water and Sewer Risk Management Pool, Deputy Mayor Chris Eggen of the City of Shoreline, and ratepayer Matt Broze.

ADMINISTRATIVE

Additions/Adjustments to Agenda?

Mr. Derrick requested showing the WEF presentation at the end of the meeting time permitting.

Handouts

None.

Minutes of April 25, 2012 Regular Meetings (Final) and May 1 Special Meeting and May 7 Regular Meeting (Draft). Upon motion by Commissioner Wadekamper, and second by Commissioner Ransom, the Board voted 2-0 to approve the minutes of April 25. The Commissioners then signed the approved minutes. Mr. Derrick stated that the meeting minutes of the May 1 Special Meeting and May 7 regular meeting are still in draft form.

Commissioner Ransom arrived at 5:32 p.m.

1. WSRMP. President Carroll welcomed guests from the Water and Sewer Risk Management Pool: Executive Director Larry Bailey and Executive Committee Member Ken Goodwin. Mr. Bailey and Mr. Goodwin made a short presentation thanking and honoring former Commissioner Lind for his six years of service to the Pool.

Messrs. Bailey and Goodwin left the meeting at 5:40 p.m.

2. Vouchers. Mr. Derrick presented and the Board discussed Vouchers in the aggregate amount of \$844,050.01 broken down as follows: (a) AP Vouchers

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#0120339 through #0120379 in the amount of \$798,020.22; (b) ACH Payroll Vouchers in the amount of \$28,328.51; (c) Payroll taxes of \$9,755.28; and (d) Excise Taxes of \$7,946.00. Upon a motion by Commissioner Wadekamper, and second by Commissioner Ransom, the Board approved all of the Vouchers presented by a vote of 3-0.

3. Journal Adjustments. Mr. Derrick presented the proposed Journal Adjustments of -\$14.34 for March of 2012. Upon motion by Commissioner Wadekamper, and second by Commissioner Ransom, the Board voted 3-0 to approve the Journal Adjustments in the amount of -\$14.34. The Commissioners then initialed the adjustments.

4. Financial Report. Mr. Derrick distributed a revenue and expense summary for 3/31/2012. Mr. Derrick also presented a balance sheet summary as of March 31, 2012, and revenue and expense report summaries. He also distributed a copy of the King County Investment Pool report for March 2012. Commissioner Ransom expressed frustration at the County's extremely low investment returns.

5. Bankruptcy and Collections Report. Mr. Bennett reported that since his last report, gross collections were \$12,787.07 and the net to the District was \$10,197.48. Since his last report, six accounts were fully paid and partial payment was received on six other accounts.

6. Public Relations Contract. Mr. Derrick presented a proposal for communications and public relations consulting with Sindelar Communications. The proposal would be \$70/hour and not to exceed 35 hours or \$2,500.00. Sindelar can assist with newsletters and other communications. The Board previously budgeted \$20,000.00 for Public Relations Consulting. Upon motion by Commissioner Ransom, and second by Commissioner Wadekamper, the Board unanimously approved the contract with Sindelar Communications in an amount not to exceed \$2,500.00.

7. Five Member Board: Direction to Staff. Mr. Derrick presented a cost estimate for increasing the number of Commissioners on the Board from three to five. The Commissioners discussed a proposed procedure for appointing two new Commissioners. The procedure was based on the filling of the last vacancy of the Board in 2005. At the request of Mr. Bennett, the Board deferred the discussion so that he can review the proposal and comment on it. President Carroll suggested a Special Meeting on June 12 to review the proposal with Mr. Bennett's input and the other Commissioners concurred.

Upon motion by Commissioner Wadekamper, and second by Commissioner Ransom, the Board voted 3-0 to cancel the June 5 meeting because the

Commissioners will be in St. Louis for the WEF conference. Vouchers normally approved at that meeting will be set for approval at the meeting on June 19.

PUBLIC COMMENT

Mr. Matt Broze asked why the District is increasing the Board from three to five members and the associated expense. He asked who voted for and against the resolution to increase the Board. Commissioner Carroll explained that he and Commissioner Wadkamper voted for the resolution and Commissioner Ransom voted against. Commissioner Carroll and Commissioner Wadkamper explained their reasons for voting for the resolution and the benefit of an expanded Board. Commissioner Ransom explained the reasons he voted against increasing the Board and that the current three-member Board adequately covers and goes to the community and industry meetings. He expressed the view that it was simply an attempt to appoint more members to prevent the City assumption of the District by the October 22, 2002 contract effective in 2017.

Mr. Eggen stated that even if the City Council and the District have disagreements, we should remember that we all serve the same citizens. He complimented the Board on the thoughtful deliberations that he has seen at District Board meetings.

COMMISSIONERS' COMMENTS AND REPORTS

Commissioner Ransom reported on the recent WASWD Board meeting. After some discussion, the WASWD Board voted against moving the Association's offices to Olympia at the end of the current lease. Rather than Olympia, WASWD's Executive Director will look for office space near SeaTac airport within ten minutes or five miles of the airport. There was extensive discussion of the Board's role with the new Executive Director and how much need there was for a large conference room as a part of the office which now is used nine times a month. Commissioner Ransom discussed possible grant opportunities from the public works trust fund and three options on solar energy/solar panels for the District.

LEGAL REPORT

None.

MAINTENANCE REPORT

Mr. Dicks presented a memorandum regarding the building roof replacement project. Commissioner Carroll suggested that the work be timed so that if the Board approves installation of solar panels that work can be done at the same time. Commissioner Ransom stated that he will consult with Deputy Mayor Eggen who helped successfully install solar panels on City Hall.

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PERSONNEL

None.

GENERAL MANAGER'S REPORT

Mr. Derrick reported that there was a bid opening today for upsizing work on SR 99. The apparent low bidder was not on the MRS small works roster, which was a contract requirement. The District will send a notice of non-compliance to the apparent low bidder. Mr. Derrick said that the contract award will be presented at the June 12 Special meeting.

EXECUTIVE SESSION

None.

FUTURE TOPICS

None.

TOPICS FOR FUTURE DISCUSSION

None.


PREVIEW OF PRESENTATION TO WEF CONFERENCE


Commissioner Carroll and Mr. Derrick gave a preview of their presentation to the upcoming WEF Conference. The presentation focused on the District's side sewer replacement program. The other Commissioners and members of the public asked questions and made suggestions.

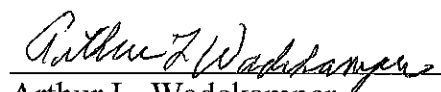
CONCLUSION

There being no further business, President Carroll concluded the meeting at 7:17 p.m.

APPROVED in open meeting this 10 day of July 2012.


Robert L. Ransom,
Secretary/Commissioner


Brian T. Carroll,
President/Commissioner


Arthur L. Wadkamper,
Vice President/Commissioner