

MINUTES OF A REGULAR MEETING OF
THE BOARD OF COMMISSIONERS OF
RONALD WASTEWATER DISTRICT
NOVEMBER 22, 2011

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, November 22, 2011 by Board President Wadekamper. In attendance were Commissioners Brian Carroll, Arnold Lind and Arthur Wadekamper. Also present were General Manager Michael Derrick, Maintenance Manager George Dicks, and District Counsel Joseph P. Bennett. Also present were customer Robert Ransom and John Norris of the City of Shoreline.

ADMINISTRATIVE

Additions/Adjustments to Agenda?

Commissioner Carroll asked for an additional item at the end about potential CPA services.

Handouts

None.

Minutes of the Board Meetings of November 8 and 17, 2011, Final. The Board reviewed minutes provided by Mr. Derrick for the regular meeting of November 8 and the special meeting of November 17, 2011. Upon motion by Commissioner Lind, and second by Commissioner Carroll, the Board unanimously approved the minutes of the November 8 regular and November 17 special meetings. The Commissioners then signed the approved minutes.

1. Public Hearing: 2012 Budget and Rate Resolution. Commissioner Wadekamper opened the public hearing on the 2012 Budget and Rate Resolution at 5:31 p.m. Robert Ransom asked about a line item for "supplemental." Mr. Derrick explained that this is supplemental insurance. Mr. Ransom also asked if there is a separate capital fund. Mr. Derrick directed him to the specific page in the Budget that discusses the 2012 CIP. He explained that the District does have a separate capital fund called the Repair and Replacement Fund. He also asked about the District's historic reserves within the Budget. There being no further public comment, President Wadekamper closed the public hearing at 5:45 p.m.

2. Adoption of 2012 Rate Resolution. The Board considered the final 2012 Budget and the accompanying Rate Resolution.

ACTION: Resolution 11-17, Adopting the District's 2012 Budget and Approving the Rates. Upon motion by Commissioner Carroll, and second by Commissioner Lind, the Board voted 3-0 to approve Resolution 11-17, the 2012 Rate Resolution and approving the 2012 Budget. The Commissioners then signed the resolution.

3. Vouchers. Mr. Derrick presented and the Board discussed the Vouchers. The Board then considered Vouchers in the aggregate amount of \$879,728.54 broken down as follows: (a) AP Vouchers #0110778 through #0110818 in the amount of \$835,748.02; (b) Payroll Voucher #0011032 in the amount of \$166.24; (c) ACH Payroll of \$26,523.81; (d) Payroll taxes of \$9,281.71; and (e) Excise tax of \$8,008.76. Upon a motion by Commissioner Carroll, and second by Commissioner Lind, the Board approved all of the Vouchers presented by a vote of 3-0.

4. Journal Adjustments. Mr. Derrick presented the proposed Journal Adjustments of \$3,530.94. Upon motion by Commissioner Lind, and second by Commissioner Carroll, the Board voted 3-0 to approve the Journal Adjustments in the amount of \$3,530.94. The Commissioners then initialed the adjustments. Mr. Ransom asked about the number of late charges that were removed (64) and if that is higher than normal. Mr. Derrick stated that the late charge removals represent a small percentage of the more than 16,500 accounts that are billed every two months, but there are more late payments now than in years past.

5. Financial Report. Mr. Derrick distributed a balance sheet summary as of September 30, 2011, and revenue and expense report summaries. He also distributed a copy of the King County Investment Pool report.

6. Bankruptcy & Past Due Account Report. Mr. Derrick referenced a written report by Ms. Chen related to past due accounts. Mr. Bennett presented his summary report for collections. Since his last report, a total of \$10,320.70 collected with a net to the District of \$7,555.70. In this period, five accounts were fully paid and an additional three accounts entered into installment payment plans. Mr. Derrick reported that one customer called and explained that the cottage on her property has been condemned by the City of Shoreline.

7. Legal & Engineering Monthly Expense Recap. Mr. Derrick presented a chart summarizing the monthly expenses for both engineering and general counsel since January of 2010.

8. Possible Expansion of Board of Commissioners. Mr. Bennett explained the statutory provisions that govern expansion of a Special Purpose District Board of Commissioners and in particular RCW 57.12.015.020.

EXECUTIVE SESSION

Upon motion by Commissioner Carroll, and second by Commissioner Lind, the Board voted unanimously to go into Executive Session for 15 minutes to discuss potential litigation. The Board went into Executive Session at 6:24 p.m. At 6:39 p.m. the Board voted to extend for an additional 5 minutes. At 6:44 p.m., the Board came out of Executive Session and went back into open session.

The Board took no action and deferred any discussion of possible Board expansion.

9. Special Meeting. Commissioner Wadekamper stated there will be a Special Meeting on Monday, December 5 at noon to hear a presentation from Olga Darlington of Moss Adams, Accountants. Commissioner Carroll requested an Executive Session dealing with potential litigation (RCW 42.30.110(1)(i)) and General Manager's performance evaluation (RCW 42.30.110(1)(g)) at the same time.

LEGAL REPORT

None.

PERSONNEL

No report.

MAINTENANCE REPORT

Commissioner Carroll asked whether the District has done power back up tests at the lift stations in advance of Thanksgiving. Mr. Dicks replied that back-up generators are tested at the beginning of each month.

COMMISSIONERS' COMMENTS AND REPORTS

Commissioner Carroll discussed the work on the District's presentation to the WEF Conference in St. Louis in June. He also requested that the District publish a comparison of its sewer rates to other local municipalities or Special Purpose Districts.

GENERAL MANAGER'S REPORT

Mr. Derrick stated his preference for having a local student paint a mural on a District wall or building exterior wall. Commissioner Wadekamper liked the idea and requested that Mr. Derrick present the student artist's proposed design to the Commissioners for approval. Mr. Derrick reported about upcoming communications with District customers about the FOG program.

PUBLIC COMMENTS

None.

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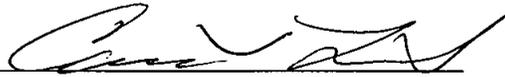
TOPICS FOR FUTURE DISCUSSION

None.

CONCLUSION

There being no further business, President Wadekamper concluded the meeting at 7:02 p.m.

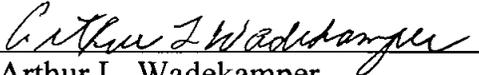
APPROVED in open meeting: This ___ day of December, 2011.



Arnold H. Lind,
Secretary/Commissioner



Brian T. Carroll,
Vice President/Commissioner



Arthur L. Wadekamper,
President/Commissioner