

7020

MINUTES OF A REGULAR MEETING OF
THE BOARD OF COMMISSIONERS OF
RONALD WASTEWATER DISTRICT
NOVEMBER 8, 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 8, 2011 by Board President Wadekamper. In attendance were Commissioners Arnold Lind and Arthur Wadekamper. Commissioner Carroll was absent due to an excused absence. Also present were Michael Derrick, District General Manager, Joseph Bennett, District counsel, and Scott Christensen of CHS Engineers, District Engineers, and Steve Bishop, CPA. Also in attendance were customers Robert Ransom, Sydell Polin and Majid Dorriz and Scott Norris of the City of Shoreline.

ADMINISTRATIVE

Additions/Adjustments to Agenda?

Commissioner Wadekamper stated that public comment would be taken as Item #3.

Handouts

A. None.

Minutes of the Board Meetings of October 18 and 25, 2011, Final. The Board reviewed minutes provided by Mr. Derrick for the regular meeting of October 18 and the Special Meeting of October 25, 2011. Upon motion by Commissioner Lind, and second by Commissioner Wadekamper, the Board voted 2-0 to approve the minutes of their October 18, 2011 regular meeting. Upon motion by Commissioner Lind, and second by Commissioner Wadekamper, the Board voted 2-0 to approve the minutes of their October 25, 2011 special meeting. The Commissioners then signed the approved minutes.

1. Ratepayer Request for Removal of Five (5) Late Charges. Customer Majid Dorriz has four accounts and requested that the Board remove five late charges from his account (one account is a duplex). He stated that he made payment on time on August 31 but was told by staff that it was OK to date the check on September 1. He also stated Mr. Derrick refused payment in full payment of the September-October invoice on October 31. Mr. Derrick explained the late charges and disputed some of Mr. Dorriz's statements. The Commissioners asked questions of both Mr. Dorriz and Mr. Derrick.

Upon motion by Commissioner Lind, and second by Commissioner Wadekamper, the Board voted 2-0 to remove the late charges due to a misunderstanding with the further understanding that there would be no further removal of late charges on this customer's accounts. Mr. Dorriz thanked the Commissioners and left the meeting at 6:05 p.m.

2. Presentation by Steve Bishop. Mr. Bishop explained that his current firm, Benson & McLaughlin, will close its doors at year end. He presented a proposal for CPA services on behalf of his new firm, Bader Martin, P.S. Mr. Bishop emphasized that all members of the team servicing the account has water and sewer experience and that his new firm is twice the size of Benson & McLaughlin. He quoted \$11,750.00 fixed fee for financial statement review, including preparation of Management Discussion and Analysis and Annual Report to the State Auditor. The fixed fee will not increase by more than six percent (6.0%) per year. If billings are less than the fixed fee, his firm will charge the lower hourly rate. He committed to beginning his review as soon as the District accounting staff is ready and completing it in a timely manner.

Mr. Bishop left the meeting at 6:22 p.m.

3. Public Comment. Customer Sydell Polin asked about her bill. She lives in an apartment and requested a full copy of the District's rate resolution to compare with how the apartment management charges her for sewer. She asked that the rate resolution be posted on line. Mr. Derrick stated that he will e-mail her a pdf of the 2012 draft rate resolution. She posed several questions: (1) What is the budget process and how can the Board vote to keep rates the same before the budget is adopted? Commissioner Wadekamper responded that looking at the prior budget, the Board determined that it was not necessary to raise the District's rate and based on that determination would set the rest of the budget. (2) How did the Maintenance personnel expense decline including on-call emergency responses? Commissioner Wadekamper explained that Maintenance personnel voted to de-certify their union and as a result that changed compensation for Maintenance personnel. Mr. Derrick stated that the minimum call back amount called for in the union contract was able to be reduced 50% after de-certification. (3) She asked why the Accounting Manager was listed separately with a unique GL code. (4) She asked why the budget shows an increase of Commissioner compensation, and what benefits they receive? Commissioner Wadekamper explained Commissioners receive \$104.00 per meeting. Mr. Derrick explained that Commissioners receive a medical, dental, vision benefit in the amount of \$1,054.00 per month. Commissioner Wadekamper explained that the benefit came into existence about 14 years ago. She also asked about employee benefits and health savings account. (5) She asked about an increase in projected legal fees in various versions of the budget. She reiterated how can the Board vote to keep the rate the same when

7022

expenses change? She asked that agendas be posted online. She asked about requesting bids for professional services. Mr. Derrick explained that the District routinely requests proposals for professional services though it is not legally required to do so.

Ms. Polin left the meeting at 6:55 p.m.

4. Engineers Report. Mr. Christensen presented his report for October 1, 2010.

Highlights included:

- a. Salt Water Park Lift Station 16. Construction is complete.
- b. District's Small Projects. Mr. Christensen updated the Board on three smaller projects: (1) Storm Creek erosion control. No District action at this time; (2) 2010-17th Ave. NW pipe bridge erosion. Project is complete; (3) 2010-LS 4 outfall path protection. Project is complete.
- c. Shorecrest High School Developer Extension. Pre-construction meeting was held on June 22. Project is in construction. Off site work is complete. District will inspect final sewer connections when buildings complete.
- d. Shorewood High School Developer Extension. Preliminary design review completed.
- e. North City 1 O&M CIP. Project was bid. Mr. Christensen recommend award to Budget Sewer, the apparent low bidder. Contracts are ready.
- f. North City 2 O&M CIP. Project was bid. Mr. Christensen recommend award to Budget Sewer, the apparent low bidder. Contracts are not yet ready but will be ready for the December 6 meeting.
- g. Carlyle Hall Road. Pre-design report is complete. District reviewing.

5. Vouchers. Mr. Derrick presented and the Board discussed Vouchers in the aggregate amount of \$145,337.96 broken down as follows: (a) AP Vouchers #0110744 through #0110777 in the amount of \$107,528.74; (b) Payroll Voucher #0011031 in the amount of \$616.98; (c) ACH Payroll of \$27,504.49; and (d) Payroll taxes of \$9,687.75. Upon motion by Commissioner Lind, and second by Commissioner Wadekamper, the Board approved all of the Vouchers presented by a vote of 2-0.

6. Draft Rate Resolution. Mr. Derrick asked if the Commissioners had any questions or comments. The Commissioners stated that the resolution be considered at the November 22 meeting.

Mr. Norris left the meeting at 7:05 p.m.

7. Award North City 1 CIP to Budget Sewer. Mr. Derrick presented the resolution. He pointed out that the low bid of \$472,822.00 was well under other bids as well as the engineer's estimate of \$687,150.00.

Resolution 11-16, Awarding Contract for North City 1 CIP to Budget Sewer in the Amount of \$472,822.00. Upon motion by Commissioner Lind, and second by Commissioner Wadekamper, the Board voted unanimously to approve the resolution and authorized Commissioner Wadekamper as Board President to sign the contract. The Commissioners then signed the resolution.

8. 2012 CIP/Design Engineering Scope & Cost. Mr. Christensen presented the scope and budget of the 2012 CIP/Design Engineering in an amount not to exceed \$140,700.00. Mr. Derrick explained this is the proposal for CIP projects in 2012. He stated that construction and engineering are not the only costs of the CIP projects. Other costs include fees and easement costs. Upon motion by Commissioner Lind, and second by Commissioner Wadekamper, the Board voted 2-0 to approve the scope and budget for CHS Engineers work.

Mr. Ransom asked about the past projects detailed.

LEGAL REPORT

Mr. Bennett had no legal report.

MAINTENANCE REPORT

Mr. Derrick distributed the October 2011 Maintenance Report prepared by Mr. Dicks. Highlights include: 6 sewer permits issued in October; 8 installations/repairs were completed and inspected; and 10 certificates of sewer availability were issued. Utility locates, pipeline cleaning (root sawing) and pump station inspection and maintenance comprised the majority of the District's maintenance work in October. Crews rodded two (2) side sewers to clear roots from District stubs.

PERSONNEL

Commissioner Carroll had requested a special meeting for November 17 at 7:30 a.m. to evaluate an employee in Executive Session pursuant to RCW 42.30.110(1)(g).

EXECUTIVE SESSION

None.

COMMISSIONERS' COMMENTS AND REPORTS

None.

7024

GENERAL MANAGER'S COMMENTS

None.

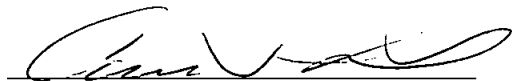
TOPICS FOR FUTURE DISCUSSION

Five Member Board. Mr. Ransom asked about the inclusion of the item as a topic for future discussion. Commissioner Wadekamper explained that other districts have five-member Boards and there was an interest in discussing that at a future meeting.

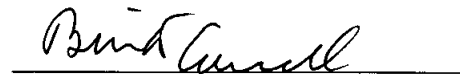
CONCLUSION

There being no further business, President Wadekamper concluded the meeting at 7:27 p.m.

APPROVED in open meeting this 22ND day of November, 2011.



Arnold H. Lind,
Secretary/Commissioner



Brian T. Carroll,
Vice President/Commissioner



Arthur L. Wadekamper,
President/Commissioner