

MINUTES OF A REGULAR MEETING OF
THE BOARD OF COMMISSIONERS OF
RONALD WASTEWATER DISTRICT
AUGUST 9, 2011

A regular meeting of the Board of Commissioners of Ronald Wastewater District was convened at the District office at 6:00 p.m. on Tuesday, August 9, 2011 by Board President Wadekamper. In attendance were Commissioners Brian Carroll, Arnold Lind and Arthur Wadekamper. Also present were District General Manager, Michael Derrick, District Maintenance Manager, George Dicks, District Counsel Joseph P. Bennett, and Scott Christensen of CHS Engineers, District Engineers. Also in attendance were City Council Candidate Robin McClelland and ratepayer Robert Ransom.

ADMINISTRATIVE

Additions/Adjustments to Agenda?

None.

Handouts

- A. WASWD Retro Refunds Letter & Distribution Check to RWD.
- B. 2012 Insurance Rates.
- C. King County Assessor Property Value Notice for RWD Land and Improvements.

Minutes of the Board Meeting of July 19, 2011, Final. The Board reviewed minutes provided by Mr. Derrick for the regular meeting of July 19. Upon motion by Commissioner Carroll, and second by Commissioner Lind, the Board unanimously approved the minutes of the July 19 regular meeting. The Commissioners then signed the approved minutes.

1. Visit by Shoreline City Council Candidate Robin McClelland. President Wadekamper welcomed Ms. McClelland to the District. Ms. McClelland is running for Council Position #6. She gave an overview of her background, qualifications and why she is running for the Council. She opposes the urban center plan for Point Wells and instead favors a development that is compatible with the surrounding neighborhoods. She said she understands the importance of special districts including Ronald Wastewater District and remarked "We can't live without them." Ms. McClelland answered several questions. The Commissioners thanked her for visiting and for her presentation.

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Mr. Ransom commented on the origin of the City's storm water utility. He also talked about other utilities that the City considered but declined to, including street light utility. Mr. Derrick talked about his prior discussions with former City Manager, Bob Olander.

Ms. McClelland left the meeting at 6:30 p.m.

2. Engineers Report. Mr. Christensen presented his report for August 5, 2011. Highlights included:

a. Echo Lake Trunk. Project is complete. 11th month inspection is due on March 1, 2012.

b. Echo Cove Bypass. 11th month inspection is due before December 1. Project is complete. Won local ASCE Honor Award.

c. COSH Aurora Ave Project. Aurora Phase 3A in construction up to 192nd. Phase 3B is at 60% design, scheduled for construction summer 2012. District will have to move its sewer lines on this phase. Commissioner Carroll asked about meetings with the City regarding alternatives to needing to move District lines. He remarked that the City should avoid designs that require the moving of District lines if at all possible and stress at the meeting with the City that moving of lines will require a surcharge to ratepayers' sewer bills. Mr. Derrick will set up a meeting with Mr. Christensen and the City engineers.

d. Salt Water Park Lift Station# 16. Nordic Construction is scheduled to start August 15.

e. 2008 CIP Pilot Project. 11th month inspection completed, road patching needed. Road repairs are complete and project will be closed and removed from report next month.

f. 2009 CIP Pilot Project. 11th month inspection completed, road patching needed. Road repairs are complete and project will be closed and removed from report next month.

g. Briarcrest 1 O&M CIP. Project is complete. 11th month inspection due May 23, 2012.

h. Briarcrest 2 O&M CIP. Landis & Landis is 99% complete, working on as-built drawings and project closeout.

i. Westside Analysis. CHS is working with FCS Group on options. Met with City of Edmonds on June 14. Mr. Derrick stated that Mr. Findlay would be available for the September 6 Board meeting.

j. District Small Projects. (1) Storm Creek erosion issues. No District action at this time. (2) 2010 - 17th Ave NW pipe bridge erosion: Design complete. City of Shoreline completed construction in July. (3) 2010 - Lift Station# 4 outfall path protection: Design complete. District is in process of obtaining bids.

k. Shorecrest HS Developer Extension. Pre-construction meeting was held on June 22. Project is in construction.

l. Fircrest Sewer. Draft report being reviewed by staff.

3. North 166th St & Meridian Sewer Project. Mr. Derrick presented a memorandum detailing the scope and cost of installing a sewer system to a vacant lot that is currently unsewered and may be the site of future residential development. As the lots develop and connect to the sanitary sewer system, they would pay the cost of the construction of the sewer system at that time. CHS provided a scope and cost to perform a pre-design and feasibility study. The cost would not exceed \$11,800.00 with an additional \$2,000.00 for additional survey work if needed. Commissioner Lind asked if the District would absorb the study cost, and the potential construction cost, if the sewer is installed and the lots remain undeveloped. Mr. Derrick acknowledged that it could be some time before development occurs but that this is a reasonable first cost to look at the feasibility of providing sewer service and that there are two homes on septic in the area. The study might spur development. He recommended the District take this initial step. Commissioner Wadekamper acknowledged the concern that the District might have to wait awhile to be reimbursed for the study costs but remarked that the District would have to do the same analysis sooner or later. Upon motion by Commissioner Carroll, and second by Commissioner Lind, the Commissioners voted 3-0 to approve the expenses for the pre-design and feasibility study in an amount not to exceed \$13,800.00.

4. Vouchers. Mr. Derrick presented and the Board discussed the Vouchers. The Board then considered Vouchers in the aggregate amount of \$183,901.66 broken down as follows: (a) AP Vouchers #0110533 through #0110560 in the amount of \$120,618.13; (b) AP Special Voucher #0110561 in the amount of \$26,772.90; (c) Payroll Voucher #0011025 in the amount of \$264.38; (d) ACH Payroll of \$26,863.93; and (e) Payroll taxes of \$9,932.32. Upon a motion by Commissioner Lind, and second by Commissioner Carroll, the Board approved all of the Vouchers presented by a vote of 3-0.

5. Webcheck Electronic Escrow Service. Mr. Derrick summarized the services provided by Webcheck. The services will save the District administrative time when escrow companies request prorated costs of the bimonthly sewer invoice when a property is sold. Upon motion by Commissioner Carroll, and second by Commissioner Lind, the Board approved the one time set up charge of \$2,500.00 and \$15.00 per parcel closing charges.

6. Online Credit Card Processing and EPAY Electronic Payment Processing. Mr. Derrick presented three options for collection of the Retail Lockbox \$4.95 transaction fee for credit card payments. He proposed that the District collect the transaction fee and then Retail Lockbox would invoice the District \$4.95 for each transaction processed. He stated this preserves the convenience for customers who prefer to pay by credit card. Upon motion by Commissioner Carroll, and second by

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Commissioner Lind, the Board voted 3-0 to approve Mr. Derrick's recommended option as described above.

Mr. Derrick explained the current system that Retail Lockbox - for manual processing of certain payments. The EPAY Electronic Payment Processing system, will reduce the cost per manually-processed payment from \$0.2342 to \$0.20 with a one-time fee of \$950.00. Upon motion by Commissioner Carroll, and second by Commissioner Lind, the Board voted 3-0 to approve the one-time fee of \$950.00 and authorized Mr. Derrick to sign the contract with the vendor.

7. Personnel Payroll Expense Report. Mr. Derrick presented a report detailing the additional payroll expenses relating to the union's decertification. The pro rata extra costs for August through December of 2011, will be \$6,608.00. Upon motion by Commissioner Carroll, and second by Commissioner Lind, the Board voted 3-0 to approve extra costs related to decertification thereby amending and updating the 2011 Budget.

8. District Personnel Policy Update. Mr. Derrick presented the proposed changes to the Personnel Policy. The entire document will be reviewed by Washington Employers, Inc. The Commissioners had questions including payment for the new standby policy. President Wadekamper recommended approval now and then later consider any changes recommended by Washington Employers. Upon motion by Commissioner Carroll, and second by Commissioner Lind, the Board voted 3-0 to approve the changes to the Personnel Policy.

Commissioner Carroll and Mr. Christensen left the meeting at 7:40 p.m.

LEGAL REPORT

None.

PERSONNEL

None.

MAINTENANCE REPORT

Mr. Dicks presented his August 4 Maintenance report. Highlights for July include 13 sewer permits issued, 5 installations/repairs were completed and inspected, and 5 certificates of sewer availability were issued. Utility locates, pipeline cleaning and pump station maintenance and inspection comprised the majority of the work this past month. Crews removed carpeting and painted walls in the crew room following a water heater failure. Maintenance personnel baited 176 manholes this month. He commented that the rat population seems to have increased substantially this summer.

Mr. Dicks reported on the estimated cost of covering the exterior walkway. The estimated cost of design and construction is slightly less than \$30,000.00. Commissioners Wadekamper and Lind stated that the expense was not necessary.

COMMISSIONERS' COMMENTS AND REPORTS

Commissioners Wadekamper and Lind will attend the WASWD Legislative Committee meeting on August 10.

GENERAL MANAGER'S REPORT

Mr. Derrick reminded those present that the Ridgecrest Ice Cream Social is set for August 18 at 6:00 p.m. The District will set up a booth starting at 5:00 p.m. This is an opportunity to meet residents of the Ridgecrest neighborhood. He is trying to set up a joint meeting with Shoreline Water District on August 23. Time to be determined. The District's Open House is scheduled for August 27 from 10:00 a.m. to 2:00 p.m.

PUBLIC COMMENTS

Mr. Ransom commented on the Governor's goal that State agencies should cut expenses by 5-10%. He asked whether the State reductions would impact the District. Mr. Derrick stated that it might impact State review of sewer extensions. His concern is more with trickle down cuts from King County, which interfaces more with the District than does the State.

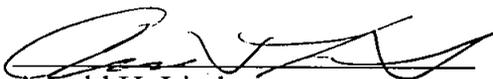
FUTURE TOPICS/CITY REPORT

None.

CONCLUDED

There being no further business, President Wadekamper concluded the meeting at 7:55 p.m.

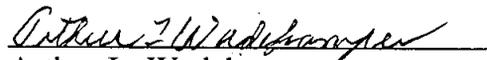
APPROVED in open meeting: This 23 day of August, 2011.



Arnold H. Lind,
Secretary/Commissioner



Brian T. Carroll,
Vice-President/Commissioner



Arthur L. Wadekamper,
President/Commissioner