

MINUTES OF A REGULAR MEETING OF
THE BOARD OF COMMISSIONERS OF
RONALD WASTEWATER DISTRICT
MARCH 22, 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, March 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, Account Manager Jen Chen and District Counsel Joseph P. Bennett.

ADMINISTRATIVE

Additions/Adjustments to Agenda?

None.

Handouts

A. Thank you Letter from City of Fircrest to Mr. Dicks re Pipe Bursting of Sanitary Sewer Mains.

Minutes of the Board Meetings of March 8-9, 2011, Final. The Board reviewed minutes provided by Mr. Derrick for the regular meetings of March 8-9, 2011. Upon motion by Commissioner Carroll, and second by Commissioner Lind, the Board unanimously approved the minutes of the March 8-9 regular meeting. The Commissioners then signed the approved minutes.

1. Vouchers. Mr. Derrick presented and the Board discussed the Vouchers. The Board then considered Vouchers in the aggregate amount of \$992,716.11 broken down as follows: (a) AP Vouchers #0110184 through #0110228 in the amount of \$949,353.20; (b) AP Voucher # 0011016 (payroll) in the amount of \$353.82; (c) ACH Payroll of \$26,556.72; (d) Payroll taxes of \$9,522.35; and (e) Excise tax of \$6,930.02. 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.

2. Journal Adjustments. Mr. Derrick presented the proposed Journal Adjustments of \$4,136.44 for January 2011. Upon motion by Commissioner Carroll, and second by Commissioner Lind, the Board voted 3-0 to approve the Journal Adjustments in the amount of \$4,136.44. The Commissioners then initialed the adjustments.

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3. Financial Report. Mr. Derrick distributed a balance sheet summary as of January 31, 2011, and revenue and expense report summaries. He also distributed a copy of the King County Investment Pool report.

4. Accounts in Bankruptcy. Ms. Chen presented a summary of the customer accounts that are currently in bankruptcy.

5. District "Internal Audit Controls" Report. Ms. Chen presented her memorandum of March 18, 2011 regarding reviewing internal control for cash only. Mr. Derrick asked for the memorandum to explain the cash controls for the benefit of the Board and give them confidence that cash is adequately accounted for within the District. The cash drawer is stored in the vault and any withdrawals are done with witnesses present. Commissioner Carroll requested Ms. Chen to bring a check run to the next meeting and the Commissioners can request a random sampling of copies of canceled checks from King County. Commissioner Wadekamper pointed out that the Commissioners routinely ask questions about Vouchers before approving the Vouchers at each meeting. He further stated that given his background, he is satisfied with the controls in place.

6. District Purchase Policy Updates; For Future Approval. Mr. Derrick presented a draft of an updated purchasing manual. Commissioner Carroll recommended that the updated manual include a vendor review policy. Mr. Derrick also stated that the District will have a capital expenditure budget for the next fiscal year. The Commissioners discussed what constitutes a capital expenditure. Commissioner Lind asked the Board to consider what is a reasonable reserve.

7. Possible Dinner Meeting with Shoreline City Council at District. The Commissioners and Mr. Derrick discussed the timing, venue and possible agenda. The sense of the Commissioners was that the earliest date for such a meeting would be in May or June.

EXECUTIVE SESSION

Upon motion by Commissioner Lind, and second by Commissioner Carroll, the Board voted 3-0 to go into Executive Session for 15 minutes to discuss potential litigation. The Board went into Executive Session at 6:55 p.m. At 7:10 p.m., the Board came out of Executive Session and went back into open session.

LEGAL REPORT

RESOLUTIONS:

Mr. Derrick explained the background to this resolution, the recent discovery of a fully blocked stub line, which requires immediate repair to avoid environmental and property damage. The District would like to hire a contractor in an amount not

to exceed \$3,600.00. He also stated that the District may have a claim for the repair costs against Seattle Public Utilities.

Resolution No. 11-06. Declaring an Emergency Pertaining to a Fully Blocked Portion of a District Stub Line and Requiring immediate Repair to be Done Without Seeking Bids Per RCW 39.04 and the District Purchase Policy. Upon motion by Commissioner Carroll, and second by Commissioner Lind, the Board voted 3-0 to approve the resolution. The Commissioners then signed the resolution.

Collections Report. Mr. Bennett stated that since his last report, gross collections were \$27,298.39 and the net to the District was \$19,748.39. Since his last report, 15 accounts were fully paid and partial payment was received on eight other accounts.

Mr. Bennett also briefed the Commissioners on the recent trial verdict in Cedar River Water and Sewer District, et al vs. King County, et al. King County substantially prevailed and the plaintiffs will appeal.

PERSONNEL

Mr. Derrick reported that Jason and Brent will be going to Ocean Shores for a trade conference. They will make presentations on the District's FOG program and simple family pump regulations.

MAINTENANCE REPORT

None.

COMMISSIONERS' COMMENTS AND REPORTS

Commissioner Wadekamper reported on the meeting of the WASWD Bylaws committee yesterday. The proposed bylaws change will include allowing absentee ballots. Any changes to the bylaws must be approved by the WASWD Board. Commissioner Lind will attend the MWPAAC meeting tomorrow in Bellevue.

GENERAL MANAGER'S REPORT

Mr. Derrick reported on bill payment options. One option considered was a walk-up kiosk in the lobby to allow credit card bill pay. Based on information from the Shoreline Public Library, which has walk-up computers, such technology is expensive to set up and requires significant staff time. He stated that staff will continue to look for ways to leverage technology to facilitate more efficient payment of bills.

PUBLIC COMMENTS

None.

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TOPICS FOR FUTURE DISCUSSION

None.

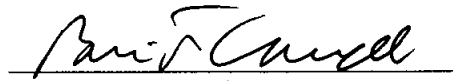
CONCLUSION

There being no further business, President Wadekamper concluded the meeting at 7:35 p.m.

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



Arnold H. Lind,
Secretary/Commissioner



Brian T. Carroll,
Vice-President/Commissioner



Arthur L. Wadekamper,
President/Commissioner