

MINUTES OF A REGULAR MEETING OF
THE BOARD OF COMMISSIONERS OF
RONALD WASTEWATER DISTRICT
FEBRUARY 21, 2012

A regular meeting of the Board of Commissioners of Ronald Wastewater District was convened at the District office at 5:35 p.m. on Tuesday, February 21, 2012 by Board President Carroll. In attendance were Commissioners Brian Carroll and Robert Ransom. Commissioner Wadekamper was not present and had requested an excused absence for medical reasons. Commissioners Carroll and Ransom agreed that the absence was excused. Also present were Michael Derrick, District General Manager, George Dicks, District Maintenance Manager, Jen Chen, District Accounting Manager and Joseph Bennett, District counsel. Members of the public present were Ron Ricker, Sis Polin, and John Norris of the City of Shoreline.

ADMINISTRATIVE

Additions/Adjustments to Agenda?

None.

Handouts

None.

Minutes of January 10, 24 and February 7, 2012 Regular Meetings. Commissioner Ransom requested that revised draft minutes be sent to Commissioners in advance of each meeting along with the regular Board packet. Commissioner Carroll concurred. Mr. Derrick agreed to provide that in advance of future meetings. In response to a question from Commissioner Ransom, Mr. Derrick stated that the approved minutes will be posted on the District website tomorrow. Upon motion by Commissioner Ransom, and second by Commissioner Carroll, the Board voted 2-0 to approve the amended minutes of January 10 regular meeting and the minutes of the regular meetings of January 24 and February 7. The Commissioners then signed the approved minutes.

Mr. Norris arrived at 5:40 p.m.

1. Vouchers. Mr. Derrick presented and the Board discussed Vouchers in the aggregate amount of \$829,595.19 broken down as follows: (a) AP Vouchers #0120124 through #0120159 in the amount of \$781,995.89; (b) ACH Payroll Vouchers in the amount of \$28,133.03; (c) Payroll taxes of \$9,885.94; and (d) Excise Taxes of \$9,580.33. Upon motion by Commissioner Ransom, and second

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by Commissioner Carroll, the Board approved all of the Vouchers presented by a vote of 2-0.

2. Journal Adjustments. Mr. Derrick presented the proposed Journal Adjustments of \$1,228.87 for December of 2011. Upon motion by Commissioner Ransom, and second by Commissioner Carroll, the Board voted 2-0 to approve the Journal Adjustments in the amount of \$1,228.87. The Commissioners then initialed the adjustments.

3. Financial Report. Mr. Derrick distributed a balance sheet summary as of December 31, 2011, and revenue and expense report summaries. He also distributed a copy of the King County Investment Pool report. Commissioner Ransom asked for explanation about the 2011 fund balance recap. He commented on the low rate of return on the District's funds at KCIP. Commissioner Carroll stated that he was surprised by the variance between budgeted and actual payroll year to date. He asked that Ms. Chen review the 2012 Budget assumptions and report back at a future meeting. Commissioner Carroll also asked about depreciation and overhead administrative expenses.

4. Bankruptcy and Collections Report. Mr. Bennett reported that since his last report, gross collections were \$10,184.52 and the net to the District was \$7,632.23. Since his last report, six accounts were fully paid and partial payment was received on seven other accounts. Commissioner Ransom asked about an account that was in Chapter 15 Bankruptcy. Commissioner Carroll asked about accounting for legal expenses that are repaid to the District. Ms. Chen will provide a recap.

5. Legal & Engineering Monthly Expenses Recap. Mr. Derrick presented a table and bar graph summary of the District's monthly expenses for legal and engineering services since January of 2006.

6. Refund for Account at 2114 N. 165th St. Mr. Derrick explained that the house at this address is being served by a septic tank. A sewer account was incorrectly set up in 2006 when King County Solid Waste called the District and advised that the house would be used for a field office. The current renter has been in the house since April of 2010 and brought the situation to the District's attention. Mr. Derrick recommended refunding the renter \$1,054.28 for mistakenly charged sewer service. Upon motion by Commissioner Ransom, and second by Commissioner Carroll, the Board voted 2-0 to approve the refund.

7. HRA/VEBA Contribution. Mr. Derrick reported that the VEBA representative requested a change to draft Resolution 12-06, Amending Section X, of the Personnel Policy of the District. Mr. Derrick stated that he will wait for updated language for proposal.

LEGAL REPORT

Mr. Bennett had no legal report.

Resolution 12-07, Awarding Contract for District Building Roof Replacement to Master Work Roofing, Inc. in the Amount of \$41,525.40. Mr. Dicks reported that Master Work Roofing was the low bidder of five bids submitted. Commissioner Carroll asked whether the bid includes the exterior ramp to the Board room. Mr. Derrick explained that the Board previously directed that the ramp not be included in this work. Upon motion by Commissioner Ransom, and second by Commissioner Carroll, the Board voted 2-0 to approve the resolution. The Commissioners' present then signed the contract on behalf of the District.

MAINTENANCE REPORT

Mr. Derrick reported that the District awarded the contract for North City II.

PERSONNEL

None.

EXECUTIVE SESSION

None.

COMMISSIONERS' COMMENTS AND REPORTS

Commissioner Ransom reported on the WASWD Section 4 Meeting at Skyway on February 20. He congratulated Ron Ricker, who was present, for his election to the WASWD Board of Directors. Bill Tracy was elected to a new four-year term as Section 4 representative to the Regional Water Quality Committee, and Gary Kline was elected as alternate. Commissioner Ransom stated that he is considering applying to be the Section 4 alternate to Emergency Management Committee. He also reported that the leadership committee of WASWD was pleased with the attendance at the Commissioners' orientation seminar. There is a desire to offer the same seminar to districts in Eastern Washington.

GENERAL MANAGER'S REPORT

None.

PUBLIC COMMENT

Ms. Polin requested that the District post the most recent approved minutes on the website. She questioned why a refund was approved for the renter because the District's policy is to charge for sewer availability. Mr. Derrick explained that the renter lives in an un-sewered area that used to be part of the Lake City sewer area. Commissioner Carroll stated that the minutes should be posted following approval at an open Board meeting.

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FUTURE TOPICS/CITY REPORT

None.

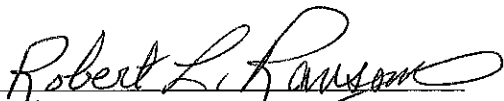
TOPICS FOR FUTURE DISCUSSION

None.

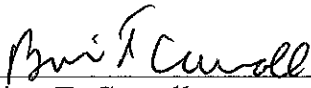
CONCLUSION

There being no further business, President Carroll concluded the meeting at 6:40 p.m.

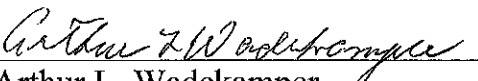
APPROVED in open meeting this 2^o day of March, 2012.



Robert L. Ransom,
Secretary/Commissioner



Brian T. Carroll,
President/Commissioner



Arthur L. Wadkamper,
Vice President/Commissioner