

MINUTES

King County Water District 125 Commissioner's Meeting

Thursday, October 14, 1999

1. Call to order

The meeting was called to order at 4:00 PM. Present were: Commissioners Gary Johnson, Wm Brownfield, John Thompson. Engineers: Susan Boyd Bob Stanton, Attorney: Steve Paul Moen, Staff: Ann Wilson, Russ Austin. Guest: Michael Hihn.

2. Minutes correction and approval

The minutes of the September 23, 1999 under Motion were corrected to read:

“By motion made, seconded and carried, the Board requested that the attorney and engineers prepare a new rate Resolution for the years, 2000, 2001, 2002.”

The second correction was changed to read “The Board attended a CWA meeting September 22, 1999 in which the deadline to withdraw from CWA was extended to January 1, 2001 provided there is no agreement with Seattle Public Utilities.”

After the corrections were noted, the minutes were approved.

3. Vouchers approved

Vouchers audited and certified by the auditing officer as required by RCW 42.040.080 and that reimbursement certified by RCW 42.040.090 have been made available to the Board. As of this date all vouchers numbered 14313 – 14362 in the amount of \$45,754.44 and Skyway/125 Joint Tank Fund vouchers numbered 990901 – 990909 in the amount of \$30,604.46 were approved for payment.

4. Rate increase

Seattle Public Utilities raising rates 12 ½% in 2000 and 9% every year after. A rate resolution will be prepared by the attorney and engineers based on Table 16 to be presented at the next meeting.

5. CWA Notes

Russ Austin, Susan Boyd, Marty Penhallegon, Bob Stanton and Steve Paul Moen met to discuss Cascade Water Alliance Membership offer. See meeting notes attached. There will be a meeting with CWA and the above listed people and a Commissioner on October 19, 1999 10:00 AM at the District's office.

Susan Boyd advised that the Department of Health approved the Comprehensive Plan.

6. Agreement Billing Methodology/Motion

By motion made, seconded and carried, the Board authorized Russ Austin to sign the agreement for billing methodology with Bryn Mawr/Lakeridge and forward to Bryn Mawr/Lakeridge Water and Sewer District.

7. Flu shots/Motion

By motion made, seconded and approved, the Board approved flu shots and the cost for the employees at the cost of \$9.00 per shot. The shots will be given at Southwest Suburban Sewer District and the bill will be sent to the District for payment.

8. Hiring

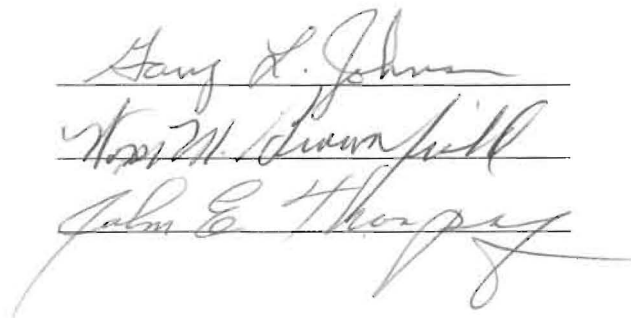
Delores Hayes who has been with the District 21 years gave notice to retire the end of 1999. Ann Wilson asked the Board to consider Jamie Mann who has had 13 years of experience in the water field. She is presently a consultant with Satin Systems, our computer system, and is currently setting up the General Ledger and Inventory on the District computers. She is very knowledgeable of our computer system. Because of her experience and knowledge Ann Wilson asked for a starting salary of \$3,800.00 per month and starting date of December 1, 1999.

9. Motion on hiring

By motion made, seconded and approved, the Commissioners approved the hiring of Jamie Mann at \$3,800.00 per month starting December 1, 1999.

10. Adjournment

By motion duly made, seconded and approved, the meeting was adjourned.


Gary D. Johnson
Tom M. Brownell
John E. Thompson

MEETING NOTES

Attendees: Russ Austin, King County Water District No. 125
Susan Boyd, Penhallegon Associates
Steve Moen, Schaefer, Moen and Bryant
Marty Penhallegon, Penhallegon Associates
Bob Stanton, Penhallegon Associates

Subject: Cascade Water Alliance Membership Offer

Date: October 12, 1999

The above listed met this day to consider and discuss the CWA membership offer received by King County Water District 125. The following points were raised and discussed as issues which warrant further consideration by the Board of Commissioners. It was generally agreed that some resolution to these issues would be required prior to giving a recommendation regarding CWA membership.

1. Old Water Buyout

This is clearly the biggest issue regarding membership and includes the approximately \$2.2 million old water buyout amount that has been discussed for a number of months. The proposal for membership is not responsive to this issue.

The draft membership offer does not address any of the issues regarding the invalidity of the base information numbers which were identified in the CWA application. It is important that the specific issues regarding the base assumptions used in calculating WD 125's old water buyout, as described in the membership application, be addressed and rectified as a condition of joining.

Although there is indication that a method for reconciling the old water buyout figures periodically may be arrived at, and this is certainly a concept which the District supports, reconciliation is a separate issue from the inaccuracy in base assumptions discussed above. Additional questions regarding the reconciliation program are as follows:

- a. When will the first reconciliation occur? At the very least, the numbers should be rerun based on those electing to join and in time for consideration during the withdrawal option period.
- b. How often will reconciliations occur and how will they be implemented?
- c. What is the timetable for addressing these issues?
- d. As it is currently proposed, the old water buyout is on a 5 year payback schedule, yet the basis for the buyout is based on 9 years of water consumption. As such, at least a 9 year pay schedule would be required.