

**LAKWOOD WATER DISTRICT  
BOARD OF COMMISSIONERS  
Minutes of Regular Meeting  
Thursday, January 21, 2016**

The Regular Meeting was called to order at 3:30 p.m. at the District office. Present at the meeting: Commissioners L. R. Ghilarducci, Jr. and G. J. Rediske; General Manager R. Black; Superintendent I. Black; Finance Director D. Logan; District Secretary C. Butler, and Secretary T. MacDougall. Commissioner Korsmo was not able to attend due to a scheduling conflict and was officially excused by the remainder of the Board.

**PUBLIC COMMENT:**

No members of the public were present.

**APPROVAL OF MEETING MINUTES:**

Commissioner Rediske moved to approve the minutes of both the November 24, 2015 Special Meeting and the December 17, 2015 Regular Meeting. Commissioner Ghilarducci seconded the motion, and it was therefore passed by a unanimous vote.

**FINANCIAL INFORMATION:**

Due to year-end accounting, December 2015 financials will be presented to the Board along with January 2016 financials at the February 18, 2016 Regular Meeting

Disbursements made from the General Ledger Fund for check number 34678 through 34808 totaling \$644,777.66, salary direct deposits totaling \$137,793.85, payroll taxes totaling \$47,562.03, and electronic payments totaling \$171,593.46, for a grand total of \$1,001,727.00 were presented to the Board for approval. After review, Commissioner Rediske moved to approve the payables as listed. Commissioner Ghilarducci seconded the motion, and it was therefore passed by a unanimous vote.

**BOARD ADOPTION OF 2016 DEVELOPER'S EXTENSION AGREEMENT:**

The 2016 Developer's Extension Agreement was presented for approval with only a few substantive changes proposed from the previous year's agreement, including clearer language that fees are required to be paid prior to the work being done as well as a few housekeeping items. The General Manager recommended the Board approve the 2016 Developer's Extension Agreement as presented. Commissioner Rediske moved to approve the 2016 Developer's Extension Agreement. Commissioner Ghilarducci seconded the motion, and it was therefore passed by a unanimous vote.

**BOARD ADOPTION OF RESOLUTION NO. B-1427—REVISED DELINQUENT POLICIES/PROCESSES:**

In an effort to be compliant with RCW laws, the General Manager recommended the Board adopt Resolution No. B-1427 which changes the late fee on delinquent accounts from a flat \$10 fee to 10 percent of the customer's total water bill. Commissioner Rediske moved to approve Resolution No. B-1427 as presented. Commissioner Ghilarducci seconded the motion, and it was therefore passed by a unanimous vote. This resolution will go into effect February 1, 2016.

**BOARD ADOPTION OF RESOLUTION NO. B-1428—FIRE METER CHARGES:**

Resolution No. B-1428 was presented to the Board establishing updated fire meter charges commensurate with the general rate increases enacted since the time of the last fire meter charge revision (January 1, 2003, per Resolution No. B-1357). These increased charges will be phased in over two years, 2016 and 2017. Commissioner Rediske moved to adopt Resolution No. B-1428, Commissioner Ghilarducci seconded the motion, and it was thereby passed by a unanimous vote.

**DISTRICT MISCELLANEOUS CHARGES:**

The General Manager reviewed with the Board proposed revisions and changes to the District's Miscellaneous Charges. These changes were proposed as a result of a number of the management and accounting staff determining and discussing what costs the District incurred to render said services and what might be the most appropriate charge for each service, endeavoring to recover the District's costs while still providing affordable services to its rate-payers. The last time Miscellaneous Charges were reviewed and brought to the Board for revision was 2011. These reviews and potential revisions will be conducted more regularly in the future.

Both Commissioners Ghilarducci and Rediske wanted to table action on this matter until it could be discussed with the full Board, including Commissioner and Vice President Korsmo. Further discussion of/potential action on this matter will occur at the February 18, 2016 Regular Meeting.

**OATH OF OFFICE—L. R. GHILARDUCCI, JR.:**

Notary Public and District Secretary C. Butler administered an Oath of Office to Board President L. R. Ghilarducci, Jr. for his new term of six years that commenced January 1, 2016.

**SUPERINTENDENT'S REPORT:**

The Superintendent's Report was provided to the Board in its entirety in the pre-agenda packets. The Superintendent further briefed the Board regarding the Seattle Avenue project. Due to the high water table, the contractor will not be able to complete the project for several months and will need to return after the water table decreases to finish installing the casing. He also reported a recent increase of new service applications and water availability letters.

**FINANCE DIRECTOR/OFFICE SUPERVISOR'S REPORT:**

The Finance Director/Office Supervisor reported the staff had been working on a draft fixed assets policy as recommended by the State Auditor's Office during the course of the 2014 Audit in late 2015.

The Finance Director will be presenting 2013-2014 write-offs to the Board for approval at the February 18, 2016 Regular Meeting.

**OTHER BUSINESS:**

**Board Acknowledgement of Employee Wage Increases**—The Board acknowledged increases for employees I. Black, R. Black, C. Butler, S. Ferreira, D. Funderburk, B. Gaskin, D. Hall, D. Logan, T. MacDougall, S. Rae, and D. Stanley

**Update on Cross Connection Control Interlocal Agreement with COL—**

The General Manager is scheduled to attend a January 25 City Council Study Session where this matter is to be discussed/acted upon. He will provide a report at the February 18, 2016 Regular Meeting.

**Update on Funding for Ponders Well Site—**

The General Manger and engineering consultant G. Peterson were able to meet with Representatives Dick Muri, Christine Kilduff, and Steve Kirby on January 20, along with some of Senator O'Ban's staff to solicit support for funding for the site potentially thru the Capital Budget Committee. Senator O'Ban and Representative Kilduff have agreed to make this their #1 budget item. The only way the District can get funding from this venue would be for it to be a proviso line item on the Capital Budget.

**EMPLOYEES TOPPING OUT OF SALARY RANGES:**

A number of the District's veteran employees are scheduled to reach the top of their current salary ranges this year if they qualify to receive the full base wage and merit increase. These employees are amongst the District's top performers, so management staff has been trying to think of ways to continue to reward these high-performing employees while continuing to abide by salary ranges and boundaries as set by the Board in the annual Budget.

Since the District is due for a wage and benefits summary comparison, and the full base wage + merit increase is in the 2016 Budget for all staff, the General Manager asked the Board for the permission to temporarily increase the top end of five salary ranges just enough to allow for the possible award of the full base wage + merit increase pending a wage and summary comparison to be performed in the next two months. If the study does not show warranted room for adjusted salary ranges, these staff will be limited to the base wage increase only going forward.

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After discussion, Commissioner Rediske moved to allow temporary adjustment to five salary ranges pending a wage and benefits summary comparison. Commissioner Ghilarducci seconded the motion, and it was therefore passed by a unanimous vote.

With no additional business to address, President Ghilarducci adjourned the meeting at 5:15 p.m.

**LAKWOOD WATER DISTRICT  
BOARD OF COMMISSIONERS**

**BY:**

  
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**ITS PRESIDENT**

**BY:**

  
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**ITS VICE PRESIDENT**

**BY:**

  
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**ITS SECRETARY**

**ATTEST:**

  
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**DISTRICT SECRETARY**