

**MIDWAY SEWER DISTRICT
COMMISSIONERS MEETING
APRIL 23, 2008**

Commissioners Koester, Hendrickson and Landon were present. Also present: Mr. Grodt, Mr. Crahan, Mr. Griffith, Ms. Ford, and Mr. Kase.

The meeting was called to order by the President at 4:00 p.m.

M/S/C approving the minutes of the Meeting of April 7, 2008 and the workshop of April 14, 2008.

VOUCHERS:

M/S/C approving Maintenance vouchers #0280294 through #0280358 in the amount of \$127,382.73, including special vouchers #0280294 through #0280314 in the amount of \$79,652.43..

Capital Improvement vouchers #0282020 through #0282021 in the amount of \$24,920.25.
2007 PWTF Precon voucher #0284006 in the amount of \$9,464.83.

Board approval of payment of \$58,049.63 for 27 employees for direct deposit of the April payroll.

Board approval of payment of \$27,772.13 for 23 employees for direct deposit of the May draw.

LIENS:

M/S/C approving the liens as presented.

RELEASE OF LIEN:

M/S/C approving the release of lien as presented.

500 KW GENERATOR ATS REPLACEMENT / CONTRACT 2008-10 BID RESULTS:

Mr. Grodt reported that two bids for the automatic transfer switch were received at the bid opening on April 22, 2008. Northwest Electric's low bid was \$57,808.70. The other bid was \$72,504.32. Northwest Electric's paperwork was in accordance with the contract documents and it is therefore recommended that the contract be awarded to Northwest Electric in the amount of \$57,808.70. The engineer's estimate was \$71,700.

M/S/C awarding construction contract 2008-10 to NW Electric.

**PUBLIC WORKS TRUST FUND ACCOUNT WITH KING COUNTY / RESOLUTION
2008-04:**

The Manager said that Salt Air Hills Sewer Replacement Public Works Trust Fund construction loan has been approved and the first voucher can be sent in to receive those funds. For

accounting purposes a separate account is needed. He presented Resolution 2008-04 to the Board for their review. This resolution creates a separate account for the deposit of these funds. M/S/C approving Resolution 2008-04 as presented.

REVIEW OF THE 2007 YEAR END FINANCIAL STATEMENTS:

The Manager presented the District's 2007 year end financial statements. He indicated that the margin between revenue and expense is narrowing. In his opinion a sewer rate increase is needed to maintain the level of service currently provided by the District.

LANDSCAPE SERVICES PRICE INCREASE:

The Manager said that the landscape services provider has announced a rate increase for their service effective May 2008. The increase is about 8% more than we currently pay. He asked if the Board wanted to solicit bids for this service. Commissioner Koester said that the current provider, Creative Bros., is doing a satisfactory job and that their rate increase is not unreasonable. No action was taken.

ENDURIS (FORMERLY WGEP) BOARD OF DIRECTORS ACCEPTING NOMINATION APPLICATIONS:

The Manager said the Enduris is accepting applications to be nominated to the Board of Directors. No one expressed an interest in applying.

ENDURIS MEETING MINUTES OF 11/7/07 MENTION SEAVIEW APTS. CLAIM:

The Manager said that the minutes of the November 7, 2007 Enduris Board of Directors meeting mentioned the District's sewer backup claim at the Seaview Apts. Information on the claim settlement has been hard to get but according to the minutes the claim has exceeded \$200,000 but should not exceed \$345,000. The Board instructed the Manager to find out the claim status from Enduris.

5 YEAR BUDGET PROPOSAL FROM S & S ACCOUNTING AND CONSULTING SERVICES:

The Manager said that he had received a proposal from S&S Accounting and Consulting Services for the development of a 5 year budget for Midway Sewer District. The proposal included the 2008 Final Budget for Southwest Suburban Sewer District, which was intended as an example of the final product Midway could expect. The Board indicated that this service is not needed at this time.

MANAGER REPORT:

The Manager distributed his written report on his recent activities.

OFFICE MANAGER REPORT:

Ms. Ford reported on the suggested vendor for purchase of the Remittance Processing system. The RFP was issued to 5 companies, and all 5 responded to the RFP. The Office Manager, her staff and the Manager had demos from all of the companies, and also consulted our IT consultants regarding any additional hardware needed for this system. The Office Manager suggests that the District purchase the system from Audiotel Corporation for \$14,132.00. This system was the most user-friendly, and Audiotel is the preferred vendor for Springbrook Software. The Office Manager would also like approval to purchase an additional computer for this system. The computer would be an additional \$1,500.00.

M/S/C authorizing the purchase of a remittance processing system from Audiotel Corporation and also the purchase of an additional computer to be used in conjunction with the remittance processing system.

The Office Manager reported on her accounting staff. As you know, when Deanna Hamilton retired in May, 2007, the decision was made to not replace her position. We have outsourced the printing and mailing of the bills, which has worked very well. The system scans the bills before they are mailed out, and we can access copies of the bills via the internet. If a customer calls, we can print and mail or email the bill directly to them.

The other portions of Deanna's job were split between the remaining Accounting Staff. Gina and Karen are now responsible for generating the 3 – 4 billing cycles each month, which was exclusively done by Deanna previously.

In January and February of this year, we billed 7,859 accounts between 7 billing cycles. The knowledge of Springbrook and the seamless transition has been invaluable. The District saves over \$2,000 every month between what we paid in salary to what we pay DataBar for outsourcing the printing and mailing, as well as the cost savings for not having to purchase bills.

There was no adjustment to the salaries of the Accounting Staff for taking on these additional responsibilities. Historically, when employees assume duties or take on additional responsibilities, their salary is adjusted.

The Office Manager has contacted several districts within King County and has found that the current rate of pay for the Accounting Staff is within the range of similar Districts, but is on the low-side.

The Office Manager requested a salary adjustment for the Accounting Staff of \$200.00/month.

The Board wanted more information before making a decision. They instructed the Office Manager to provide the various salary steps of the District and also other comparable districts. They also wanted to know if the duties at Midway were greater, equal to, or less than the duties of the comparable districts. Information on attendance and vacation and sick leave usage was also requested together with any other pertinent information. Action on this matter will be taken at a future meeting following consideration of the information provided.

COLLECTION SYSTEM SUPERVISOR REPORT:

Mr. Crahan had nothing to report.

TREATMENT PLANT SUPERVISOR REPORT:

Mr. Griffith reported that last week 18 Highline Community College students toured the treatment plant. He also reported that District employee Tim Campbell competed in and finished the recent Boston Marathon. Congratulations to Mr. Campbell.

ENGINEER REPORT:

Mr. Grodt reported on the replacement and upgrade of the HVAC system at the treatment plant. He said the design is continuing. The design is scheduled to be completed and ready for bid by May 26, 2008.

COMMISSIONERS COMMENTS:

Commissioner Hendrickson inquired about the progress made on creating a FOG control program for the District. The Manager replied that he has instructed both the Collection System Supervisor and the Treatment Plant Supervisor to estimate the cost of dealing with Fog and report back to the Board at a future meeting.

The next meeting will be May 14, 2008, at the District office at 9:00 a.m. There will be a Commissioners Workshop on May 12, 2008, at the District office at 9:00 a.m. The Commissioners Retreat will be May 3 & 4, 2008, at the Enzian Inn in Leavenworth , WA.

The meeting adjourned at 4:57 p.m.

KEN J. KASE

ATTEST:

VINCENT H. KOESTER -SECRETARY