

**MIDWAY SEWER DISTRICT
COMMISSIONERS MEETING
OCTOBER 8, 2008**

Commissioners Hendrickson, Landon and Koester were present. Also present: Mr. Matthew Chan, Mr. Montieth, Mr. Crahan, Mr. Grodt, Mr. Snure, Mrs. Ford, and Mr. Kase.

The meeting was called to order by the President at 9:00 a.m.

The agenda for today's meeting was approved without modification.

M/S/C approving the minutes of the Meeting of September 24, 2008.

VOUCHERS:

M/S/C approving Maintenance vouchers #0280829 through #0280864 in the amount of \$109,924.458

Capital Improvement voucher #0282048 in the amount of \$11,425.28.

Board approval of payment of \$59,748.09 for 28 employees for direct deposit of October payroll.

ADDITIONS:

M/S/C approving additions to accounts receivable as presented.

ADJUSTMENTS:

M/S/C approving adjustments to accounts receivable as presented.

SUSAN & KEVIN HOLM CONNECTION CHARGE AGREEMENT:

The Manager said that Susan & Kevin Newman have requested a standard 5 year connection charge agreement with the District for the payment of their sewer connection charge in lieu of assessment for their property located at 20935 4th Ave. S.

M/S/C approving a 5 year connection charge agreement with the Susan & Kevin Newman.

JANET SCHOTT REQUEST FOR A ZERO DOWN CONNECTION CHARGE AGREEMENT:

Mr. Montieth reported that Ms. Janet Schott desires to enter into an agreement with the District to pay her connection charge before the rate increases on October 9, 2008. She was not aware that the District normally requires a 20% down payment upon entering the agreement. She prefers not to liquidate some of her assets at this time due to the current poor market conditions. She has requested that the District allow her to enter into a connection charge agreement with no money due upon signing.

M/S/C approving a zero down payment connection charge agreement with Ms. Janet Schott.

AMENDMENT TO SECTION 5.12 OF DISTRICT CODE / RESOLUTION 2008-13:

The Manager presented Resolution 2008-13 to the Board for their review. This resolution provides for the creation of a special facilities charge that would charge customers a proportionate share of the cost of facilities that benefit only their specific area. M/S/C approving Resolution 2008-13 as presented.

PACIFIC RIDGE DEVELOPMENT IMPACT TO THE DISTRICT / RESOLUTION 2008-14:

The Manager presented Resolution 2008-14 to the Board for their review. This resolution creates specific Special Facilities Charge Areas, known as Pacific Ridge Areas A, B, & C, provides an estimate of the cost of the special facilities and triggers the development of the applicable charges for each area. M/S/C approving Resolution 2008-14 as presented.

DAVID LITOWITZ'S REQUEST FOR EXCEPTION TO PROHIBITION ON PUMPING:

The Manager reported that the District had issued Mr. Litowitz a sewer availability letter on September 10, 2008, for his property located 602 S. 242nd Street. That letter indicated that a developer sponsored sewer extension from the existing sewer on S. 240th Street would be required in order to obtain sewer service. This route requires an easement from the property lying to the north of the Litowitz property, known as the Apker property. Mr. Apker wrote a letter to Mr. Litowitz indicating that he is not willing to grant an easement. The Manager suggested that an alternate developer sponsored sewer extension route exists, however several homes in the vicinity of the Litowitz property would need private sewer pumping systems to utilize this sewer extension. The sewer extension would be located within City right of way and would need to be done in such a way as to maximize the potential for gravity service. All pipes within the public right of way would be gravity sewers. The pumping systems would be on private property and be owned and maintained by the property owners. The District should establish minimum requirements for these private pumping systems.

M/S/C approving the Manager's suggested alternate developer sponsored sewer extension route and waiving the District's prohibition on sewage pumping specific to the properties in the vicinity of 7th Ave. S. and S. 242nd Street.

REVIEW OF 2008 SECOND QUARTER FINANCIAL STATEMENTS:

The Board reviewed the financial statements for the second quarter of 2008. It was noted that revenue continues to decline at the same time as expenses increase. It is anticipated that the upcoming rate increase will correct this trend.

KEN KASE'S MANAGER REPORT:

The Manager distributed his written report on his recent activities.

CORDELIA FORD'S OFFICE MANAGER REPORT:

The Office Manager had nothing to report.

WALT CRAHAN'S COLLECTION SYSTEM SUPERVISOR REPORT:

Mr. Crahan had nothing to report.

ENGINEER'S REPORT:

Mr. Grodt reported on the following:

Replace and Upgrade Automatic Transfer Switch, Contract 2008-01: There are several settings in the new transfer switch controller that need to be added. The project will be complete once this is done.

He also requested that change order No. 1 to contract 2008-01, now called change order No. 1R be resigned due to an addition error in No. 1.

HVAC Upgrade Project, Contract 2008-02: The electricians are scheduled to complete their work in the operations building this week. Work on the roof top heat pumps area also scheduled to start this week.

ATTORNEY'S REPORT:

Mr. Snure reported that he drafted the Pacific Ridge resolutions and that collections are continuing, however he does not have a detailed report this month.

The next meeting will be a workshop on October 13, 2008, at the District office at 9:00 a.m. and the next regular meeting will be held on October 28, 2008, at the District office at 4:00 p.m.

The meeting adjourned at 9:36 a.m.

KEN J. KASE

ATTEST:

VINCENT H. KOESTER - SECRETARY