

MINUTES OF THE REGULAR MEETING OF THE BOARD
OF COMMISSIONERS OF VALLEY VIEW SEWER DISTRICT
January 6, 2026

President West called the Meeting to order at 5:30 PM. In attendance were Commissioners McCaslin, Montelongo Jr., and West, General Manager LaRue, Finance Officer Onih, Maintenance Superintendent Bunn, District Engineers John Hendron with RH2 Engineers and Kirk Utley with PACE Engineers. Also in attendance Stefanie Ross, District Resident.

ROLL CALL:

Oath of Office-Position 2: Commissioner West was sworn into office for a six-year term starting January 1, 2026.

Election of Board Positions: The Board moved, seconded and approved the filling of the following positions.

President:	Deborah McCaslin
Vice President:	Michael J. West
Secretary:	Juan Montelongo Jr.

Water-Sewer Condominium Association Representative: The Board made a motion seconded and approved Commissioner McCaslin as the 2026 representative to the Water-Sewer Condominium Association Board.

Resolution 2026-1 MWPAAC: The Board motioned, seconded, and approved Resolution 2026-1 setting the MWPAAC Representative for 2026.

VISITORS:

MINUTES/AGENDA: The December 16, 2025, Board Meeting Minutes were approved as corrected.

CONSIDERATION OF MATTERS BROUGHT BEFORE THE BOARD:

District Resident, Ms. Ross, addressed the Board to discuss her account status and question the attorney charges that have been added to the account. Mr. LaRue commented that the District is governed by RCW 57 and that questions regarding the District's authority could be found by reviewing the RCW. The Board recommended Ms. Ross meet with Mr. LaRue to discuss the attorney charges that have been assigned to the account. Mr. LaRue shared the 2025 beginning and ending account balances, noting that significant progress was made in reducing the account balance until recent months, when no payments have been made. Discussion ensued regarding establishing a new payment arrangement. After further discussion, the Board again recommended that Ms. Ross set up an appointment with Mr. LaRue to discuss the account in greater detail and

to establish new payment arrangements.

FINANCE:

Accounting Report 2021-2024: Ms. Onih informed the Board that the State Auditor is continuing to audit the 2021 and 2022 Financial Statements, and the field work for the Single Audit has been completed for the 2022 Financial Statements. Ms. Onih added that the Accountability Audit has started for the 2021-2022 Financial Statements and that the 2023 Financial Statements will be audited with the 2024 Financial Statements. Ms. Onih stated she is now working on balancing the 2024 accounts.

Billing/Payment Trends November 2025: Will be addressed at the next Board Meeting.

Delinquent Accounts: Mr. LaRue reported that eight delinquent utility accounts were recently paid in full, and that 187 accounts have established payment arrangements. The Board made a motion, seconded, and approved sending one Cycle 6 delinquent account to the Attorney for additional collection attempts.

District Aging Report Trends November 2025: Will be addressed at the next Board Meeting.

Mail/Bank Fraud: Ms. Onih reported that communication with US Bank is ongoing and that an Identity Theft Affidavit was received today and will be returned tomorrow. Discussion ensued regarding the number of known fraud victims, and that once the next billing cycle occurs, the District could learn of others whose mailed in payments to the District were stolen.

ATTORNEY:

ENGINEERING:

PACE and RH2 provided the following reports.

PACE

8th Ave S Sewer Extension: No change.

S. 116th St Sewer Extension (aka 8th Ave S. 116th – 118th St Extension): Mr. Utley reported that PACE will coordinate utility potholing with District Staff for the sewer design, and that once potholing is complete, PACE will finalize the plans and submit for a Right of Way Permit from the City of Burien.

5th Ave S (aka North BLVD Park): No change, pending DOE Grant.

SR 509/S 128th ULID: No change, pending DOE Grant.

SR 509/S 128th ULID Phase 2: No change, pending DOE Grant.

Vallem Townhome Developer Extension: No change.

RH2

Boulevard Park Sewer Extension – Local Community Project & DOE Grant: Mr. Hendron reported that the land survey is underway on 12th and 14th Avenue South, north of S 124th St. This is necessary for the design and permitting of additional sewer allowed by the project budget. Mr. Hendron reported that HCON has minor items to complete on Bid Schedule A, and that a Letter of Acceptance will be presented at an upcoming Meeting. Mr. Hendron reported that a Change Order has been executed to extend HCON's contract to the end of 2026.

McMicken Heights Pump Station Upgrade (PWB and FEMA): Mr. Hendron reported that design is underway.

Generator Replacements (PWB): No change.

East Marginal Way Pump Station Consolidation Study: Mr. Hendron informed the Board that preliminary plans have been prepared showing revisions to the sewers in the Study area to remove hazardous, aging pump stations. Currently, RH2 and the District are waiting for Sound Transit's decision on the location of the future train station before proceeding further.

MANAGER REPORT:

WASWD 2026 Commissioner Workshop: Mr. LaRue provided the Board with information regarding the upcoming Workshop. Commissioners West and Montelongo Jr. commented that they would be in attendance.

Incode Version 9 to Version 10 Discussion-Live vs Lag Payroll Dates: Mr. LaRue commented that Staff has completed the Business Process Review for the planned Incode Version 9 to Version 10 migration, and Incode has recommended many items for improvements to meet best management practices. Mr. LaRue commented that Staff plans to address these items one by one until they are completed, and the work will begin later this month. Mr. LaRue shared one of the topics, the District's current payroll practice, which is "live", and discussed transitioning to a two-week lag payroll. Discussion ensued regarding the impacts on employees by making this transition. Mr. LaRue commented that tonight's discussion was intended to introduce the topic, which could be very impactful to employees, and that he intends to return at a future Meeting with proposed options for proceeding with the recommended payroll processing change.

InvoiceCloud-Pathways to Increase Electronic Billing: Mr. LaRue provided the Board with brochures regarding credit card payment trends and then discussed the information provided by InvoiceCloud regarding potential savings that could occur with an Electronic Billing Campaign. Mr. LaRue summarized how InvoiceCloud recommends making the change, including sharing a template email that InvoiceCloud would generate to account

holders with known email addresses. Discussion ensued regarding the estimated financial savings, and other agencies e-billing practices. After discussion, the Board approved proceeding with the Electronic Billing Campaign with InvoiceCloud.

CITIZEN'S ADVISORY COMMITTEE (CAC):

MISCELLANEOUS:

IRS Business Miles Charge Update: Mr. LaRue informed the Board that the IRS increased the mileage rate to \$0.725 for business travel for 2026.

RESOLUTIONS:

Signed under respective subjects.

CONTRACTS:

VOUCHERS:

The Board approved Maintenance Fund Vouchers #41915 to #41954 and online payments in the amount of \$270,789.81.

EXECUTIVE SESSION:

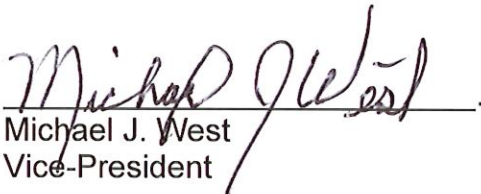
The Regular Board Meeting adjourned at 6:56 PM.



Deborah McCaslin
President



Juan Montelongo Jr.
Secretary



Michael J. West
Vice-President