

**MINUTES OF THE REGULAR MEETING
OF THE BOARD OF COMMISSIONERS
OF COAL CREEK UTILITY DISTRICT
OF KING COUNTY, WASHINGTON**

Held on March 9, 2016

A regular meeting of the Board of Commissioners of Coal Creek Utility District was held at the District Office, 6801 – 132nd Place SE, Newcastle, Washington, on March 9, 2016. Commissioner Kunkel called the meeting to order at 5:00 p.m. Commissioners Anderson and Martin were present. District Staff Robert Russell and Todd Hynek were present. John Milne, General Counsel, was also present.

APPROVAL OF AGENDA

Anderson made the motion to approve the agenda as presented. Martin seconded the motion, which carried unanimously.

CONSENT AGENDA

Approval of minutes – Regular Board Meeting of February 24, 2016.

Martin made a motion to approve the consent agenda. Anderson seconded the motion, which carried unanimously.

CITIZENS' COMMENTS / CONCERNS

There were no comments from the citizens in attendance.

PENALTY REMOVAL AND CANCELLATION POLICY

Russell advised that the Board had requested at the February 10, 2016, meeting that District staff revise the District's policy as set forth in Resolution No. 1565 to address the situation where a customer requests the removal of a late payment penalty from the customer's account but had already received a penalty removal within the last five years. The

Commissioners felt they could better understand the basis for any such request from customers if they attended the Board meeting in person to present their request. Therefore, District staff had revised the applicable District resolution addressing the procedure to request penalty removal to require the customer to attend the Board meeting in person to present a request.

Following discussion, Anderson made the motion to approve the revised penalty removal request policy by the adoption of Resolution No. 1831. Martin seconded the motion, which carried unanimously.

WRITE-OFF POLICY

Russell had previously requested the authority to write off small amounts for customers with remaining balances on closed accounts within a certain period of time. Otherwise, all credit balances under \$1.00 will be automatically transferred to the new customer unless the prior customer makes a written request for the balance. He reported on his communication with the State Auditor's Office regarding such a policy, and the SAO had not recommended against such a policy. Following discussion, Martin made the motion to approve the write-off and credit balance policy as proposed by Staff by the adoption of Resolution No. 1832. Anderson seconded the motion, which carried unanimously.

COMMERCIAL METER PURCHASE

Hynek recommended the District now purchase commercial meters from Sensus at a cost of \$21,001.08. The purchase and installation of the meters would complete the District's change-over process. The Board had previously specified the use of only Sensus automated radio read meters for future meter installations due to their performance standards and compatibility with the District's equipment. Staff advised that Sensus meters were only available through Ferguson, an equipment distributor. Following discussion, Martin made the motion to waive the

competitive bidding requirements and authorize the purchase of the Sensus meters pursuant to RCW 39.04.280(1) (a) and (b) due to the single source of supply and involving special facilities by the adoption of Resolution No. 1833. Anderson seconded the motion, which carried unanimously.

ATTORNEY’S COMMENTS

There were none.

ENGINEER’S REPORT

Hynek presented the engineer’s report dated March 9, 2016, from PACE Engineering on the status of various District engineering projects. Hynek also reported on the status of certain engineering projects currently being performed by Stantec Engineering on the District’s behalf.

APPROVAL OF VOUCHERS

The Board approved for payment Water/Sewer Maintenance Fund Voucher Nos. 044265 through 044296 in the amount of \$237,160.15.

The Board approved for payment Capital Improvement Fund Voucher Nos. 044297 in the amount of \$6,392.05.

The Board approved for payment Water/Sewer Maintenance Fund Voucher Nos. 011025 through 011025 in the amount of \$104,715.80.

The Board approved for payment Water/Sewer Maintenance Fund Voucher Nos. 011026 through 011037 in the amount of \$12,850.00.

OPERATIONS MANAGER’S COMMENTS

Hynek reported that the second training in the District’s SCADA improvements had been held that day, and that the project was almost complete. He commended District staff Steve Moye and Curtis White for their hard work and dedication to complete the project.

GENERAL MANAGER'S COMMENTS

Russell reported he had approved the removal of a penalty removal for District customer Dan Wu because of issues with the District's Paymentus payment system which were responsible for the issues with Wu's account.

Russell reported on the status of the State Association's review of membership dues calculation. The Association was reviewing whether irrigation revenue should not be included in the determination of member dues. He will keep the Board further advised.

Russell reported that District employee Tish Hunter had accepted finance responsibilities and is currently attending accounting classes and will start the government accounting classes in April. He advised the transition from Hynek of those responsibilities to Hunter was proceeding smoothly.

COMMISSIONERS' COMMENTS

Martin reported on her attendance at the most recent SPU Operating Board meeting.

Kunkel requested District management staff convey his thanks to Moye and White for their work on the SCADA upgrade project.

Kunkel requested staff review the operation of the District's lift station in the Lake Boren area for odor control. Staff advised that station scheduling was regulated as requested by certain residents in the area to reduce noise from the facility. Russell advised he had checked noise levels from the facility which were well below maximum City noise standards. Staff will further review the operation of the facility and report back to the Board.

ADDITIONAL CITIZENS' COMMENTS


There were no comments from the citizens in attendance.

EXECUTIVE SESSION – RCW 42.30.140(4)

Russell requested an executive session pursuant to RCW 42.30.140(4) to discuss the interpretation of a labor agreement and the planning of employee policies. Following discussion, Anderson so moved on that basis. Martin seconded the motion, which carried unanimously. Before convening the executive session at 5:37 p.m., Kunkel advised the executive session would conclude at approximately 5:52 p.m. The Commissioners, Russell, Hynek and Milne then attended the executive session. At 5:52 p.m., the executive session was extended to 6:20 p.m., which was publicly announced. At 6:20 p.m., the executive session concluded and open public meeting reconvened without further action in open session.

OTHER DISTRICT BUSINESS

As there was no further business or persons to be heard, the meeting concluded at 6:25 p.m.



Richard D. Anderson, Commissioner



Douglas C. Kunkel



Pamela A. Martin, Commissioner