

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

Held on June 13, 2018

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 June 13, 2018. Commissioner Pam Martin, Board President, called the meeting to order at 5:00 p.m. Commissioner Doug Kunkel, Board Vice President, and Commissioner Ric Anderson, Board Secretary, were also in attendance. District Staff Robert Russell, General Manager, Anne Paige, Finance Manager, and Patrick Martin, Operations Manager, were present. Dave Hutley and Bill Reynolds, Consulting Engineers, and John Milne, District counsel, were also present.

APPROVAL OF AGENDA

Russell advised an executive session regarding the King County franchise compensation ordinance litigation would not be required. Following discussion, Commissioner Kunkel made a motion to approve the agenda as amended to delete that matter. Commissioner Anderson seconded the motion, which carried unanimously.

CONSENT AGENDA

Approval of Minutes – Regular Board meeting – May 23, 2018

Resolution No. 1864 – Utility Service Charge Relief

Aldea Lot 8 – DEA – Water and Sewer – Design Approval

Rhododendron Ridge – DEA – Water and Sewer – DEA Approval

Taylor Newcastle – DEA – Water and Sewer – Design Approval

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

CITIZENS' COMMENTS / CONCERNS

There were no citizens in attendance.

FOXWOODS WATER EASEMENT RELINQUISHMENT

Russell recommended the District release a water main easement on the Foxwood development property because it was no longer needed by the District, the project developer had removed the water main at the District's direction, and the developer would install new utility improvements on the property and provide new easements to the District for the new utilities. Following discussion, Commissioner Kunkel made the motion to release the water main easement as recommended by Russell, and authorize him to execute the release document on the District's behalf. Commissioner Anderson seconded the motion, which carried unanimously.

EQUIPMENT PURCHASE

Russell and Mr. Martin recommended the District purchase a new multi-use trailer to replace the old trailer the District had recently determined to surplus due to its inability to be configured or adapted for multiple uses. The new trailer would have more uses and was available through the State bid equipment rosters. The new trailer had an approximate cost of \$9,300 and Mr. Martin recommended the District also purchase a factory-installed screen to be used to cover loads. Following discussion, Commissioner Kunkel made the motion to authorize staff to the purchase of the trailer and related equipment at a cost not to exceed \$10,000, not including tax. Commissioner Anderson seconded the motion, which carried unanimously.

ATTORNEY'S COMMENTS

Milne reported on the status of the litigation regarding the King County right-of-way compensation matter. He reported cross-motions for summary judgment on the legal issues involved in the litigation were scheduled for July 27, 2018. He will keep the Board further advised.

Milne reported on the status of the excise tax litigation involving several water-sewer districts and the City of Federal Way. He reported cross-motions for summary judgment on the legal issues involved in the litigation were scheduled for September 21, 2018. He will keep the Board further advised.

ENGINEER'S COMMENTS

Hutley introduced Reynolds who he proposed provide consulting engineering services to the District following Hutley's retirement at the end of 2018.

Hutley reported on the status of various engineering projects for the District as set forth in a report dated June 13, 2018, which he provided to the commissioners.

APPROVAL OF VOUCHERS

The Board approved for payment Water/Sewer Maintenance Fund Voucher Nos. 2448 through 2466 in the amount of \$491,935.30.

The Board approved for payment Water/Sewer Maintenance Fund – Direct Deposit – Payroll in the amount of \$134,636.03.

FINANCE MANAGER'S COMMENTS

Ms. Paige reported the District had purchased the Sage time tracking software and would be installing that for use. She also advised the Sage accounting software had been installed on the District server.

Ms. Paige reported the District's 2017 financial statement had been filed with the State Auditor's Office before the May 31, 2018 deadline. The next District audit would commence in August 2018. She will keep the Board further advised.

Ms. Paige reported she had established an impressed account with the District's bank depository, HomeStreet Bank, for a monthly ACH payment to pay Sage. The Board had previously approved the account with a balance of not more than \$1,200. However, Paige recommended the authorized account balance be increased to cover miscellaneous expenses to an amount not exceeding \$2,000. Following discussion, by consensus, the Board authorized the balance of the account to be increased to \$2,000.

OPERATIONS MANAGER'S COMMENTS

Mr. Martin recommended the District award a contract to Homestead Landscaping for landscaping and maintenance services. He advised that Homestead was the lowest bidder as compared to other proposals. Following discussion, Commissioner Kunkel made the motion to award a contract to Homestead at a cost not to exceed \$60,000.00, not including tax.

Commissioner Anderson seconded the motion, which carried unanimously.

GENERAL MANAGER'S COMMENTS

Mr. Russell requested direction regarding the scheduling of a workshop special Board meeting to discuss updates to the employee manual. Following discussion, Commissioner Kunkel will provide new possible meeting dates that work with his work schedule. District staff will then further coordinate the scheduling of the meeting with the commissioners.

Mr. Russell advised he would be on vacation from July 9 – 20, 2018, and would miss the July 11 Board meeting.

COMMISSIONERS' COMMENTS

Commissioner Anderson reported on his attendance at the most recent meeting of the WASWD Technology Committee.

Commissioners Anderson and Kunkel had no further comments.

Commissioner Martin suggested commissioners be compensated for time spent to review Board meeting materials and information the day prior to a Board meeting. Milne advised the applicable statute authorized commissioners to be compensated to attend District Board meetings and in the performance of other official services or duties on behalf of the District. He further advised that some districts have policies adopted by resolution defining “other official services or duties on behalf of the District” for the purposes of commissioner compensation. Following discussion, Commissioners Anderson and Kunkel stated they did not feel it was necessary or appropriate to compensate commissioners for an additional day of meeting preparation.

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

Commissioner Martin had questions and comments regarding her District phone bill. Staff responded to the questions.

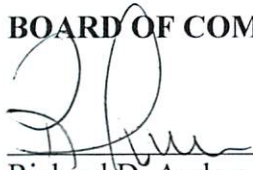
ADDITIONAL CITIZEN'S COMMENTS

There were no citizens in attendance.

OTHER DISTRICT BUSINESS

As there was no further business or persons to be heard, the meeting concluded at 6:20 p.m.

BOARD OF COMMISSIONERS



Richard D. Anderson, Commissioner



Douglas C. Kunkel, Commissioner



Pamela A. Martin, Commissioner