

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

Held June 24, 2015

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 24, 2015. Commissioner Martin called the meeting to order at 5:00 p.m. Commissioners Anderson and Kunkel were present. District Staff Robert Russell and Todd Hynek were present. Dave Hutley, Consulting Engineer, and John Milne, General Counsel, were also present.

CONSENT AGENDA

Approval of Minutes – Regular Board Meeting of June 10, 2015.

Approval of Minutes – Special Board Meeting of June 15, 2015.

Resolution No. 1816 – Charges for street lighting services.

Eden Ridge Developer Extension Agreement - Execution approval.

Anderson made the motion to approve the consent agenda, provided, with respect to the Eden Ridge Developer Extension Agreement approval, approval was conditioned on clarification of signature authority to the satisfaction of District Staff and counsel. Kunkel seconded the motion which carried unanimously.

CITIZENS' COMMENTS AND CONCERNS

There were no comments from the citizens in attendance.

AVALON BAY – TIMING OF CONNECTION FEE PAYMENT PROPOSAL

Russell advised the developer of the Avalon Bay project had provided the District with a letter dated June 23, 2015 proposing to defer payment of connection charges owing for the project to the time of actual water and sewer connections. Staff and Milne recommended the

Board take the request under advisement for Staff, the engineer and counsel to review the request, provide options and a recommendation. Following discussion, Anderson made the motion to take the request under advisement and to authorize and direct District Staff, the attorney and the engineer to review the request and report back to the Board with options and a recommendation.

STREET LIGHT SYSTEM NO. 91 – INTENT TO FORM

Russell advised the District had received an application dated June 16, 2015 from the parties requesting the formation of a street lighting system for the area known as Madison Lane neighborhood in Newcastle, Washington. The area of the proposed street lighting system comprised of three plats, and a majority of the property owners in the area had requested the formation of the street lighting system.

Milne advised regarding the requirements of District Resolution No. 893 which had been adopted in 1986 requiring a petition requesting a street lighting system be signed by at least 61% of the voters registered in the area to be served by the proposed street lighting system. Milne advised the signature requirement was consistent with the provisions of RCW 57.08.060 regarding the establishment of street lighting systems. However, due to the number of signatures, Milne advised the Board could waive the registered voter signature requirement and accept the documentation which had been submitted requesting the street lighting district formation. He advised the procedure to establish a street lighting system was to first adopt a resolution declaring the Board’s intent to form the system, schedule a public hearing on the matter, hold the public hearing, and then the Board could establish and implement the street lighting system.

Following discussion, Anderson made the motion to adopt Resolution No. 1818 declaring the Board's intent to establish street lighting system No. 91 and to schedule a public hearing on July 22, 2015. Kunkel seconded the motion which carried unanimously.

The Board also authorized and directed Staff and Milne to review Resolution No. 1893 to see if that resolution and policy required updating.

GFC/LFC STUDY PROPOSAL

Russell advised that PACE Consulting Engineers had submitted an updated proposal dated June 18, 2015 to provide a GFC and LFC update study for water and sewer connection charges. PACE had provided a "not to exceed" budget of \$19,500.00, plus reimbursement of direct costs to complete the study.

Following discussion, Anderson made the motion to authorize PACE to proceed with the study at the proposed "not to exceed" amount. Kunkel seconded the motion which carried unanimously.

USDA RD LOAN

Russell recommended the pay off the District's USDA RD Loan. The payoff amount for a payoff of July 30, 2015 was \$561,748.65. The USDA had proposed the loan be graduated even if the District was unable to receive refinancing from banks. Russell felt the District had reserves sufficient to pay off the loan, although the District's current strong financial position was due to maintenance and construction fund balances which would be expended in future years for District capital improvement projects.

Following discussion, Kunkel made the motion to authorize and direct Staff and consultants to undertake all actions to pay off the USDA RD Loan. Anderson seconded the motion which carried unanimously. Russell will keep the Board further advised.

ATTORNEY'S COMMENTS

No report.

ENGINEER'S COMMENTS

No report.

OPERATIONS MANAGER'S COMMENTS

No report.

GENERAL MANAGER'S COMMENTS

No report.

COMMISSIONERS' COMMENTS

Anderson advised he had attended the recent meeting of the State Association Conference and Training Committee. Preparations for the Fall Conference to be held in Wenatchee, Washington were made. The State Association will also hold a Commissioner's Workshop in Eastern Washington on July 9, 2015.

Anderson reported on his attendance at the recent State Association Technology Committee meeting.

Kunkel thanked Hynek for his participation in the recent Infrastructure Conference which had been held at Alderwood Water and Sewer District.

Martin reported on her attendance at the recent AWWA National Conference and provided related information to Staff for their consideration.

Martin reported on her attendance at the recent State Association Board of Directors meeting.

Martin suggested District Staff consider the consultant who was working with North City Water District for future District communication work. Russell advised he will contact the consultant for discussion.

ADDITIONAL CITIZENS' COMMENTS AND CONCERNS

There were no comments from the citizens in attendance.

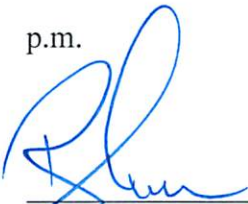
APPROVAL OF VOUCHERS

The Board approved for payment Water/Sewer Maintenance Fund Voucher Nos. 043667 through 043702 in the amount of \$134,836.69.

OTHER DISTRICT BUSINESS

As there was no further business or persons to be heard, the meeting concluded at 6:00

p.m.



Richard D. Anderson, Commissioner



Douglas C. Kunkel, Commissioner



Pamela A. Martin, Commissioner