

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

Held September 9, 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 September 9, 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. John Milne, General Counsel, was also present.

CONSENT AGENDA

Approval of Minutes – Special Board Meeting of August 13, 2015.

Anderson made the motion to approve the minutes of the August 13, 2015 special Board meeting. Martin seconded the motion, which carried by a vote of 2-0, Kunkel abstaining due to his excused absence from that meeting.

Approval of Minutes – Regular Board Meeting of August 26, 2015.

Kunkel made the motion to approve the minutes of the August 26, 2015 regular Board meeting. Martin seconded the motion, which carried by a vote of 2-0, Anderson abstaining due to his excused absence from that meeting.

CITIZENS' COMMENTS AND CONCERNS

There were no comments from the citizens in attendance.

FCSG SEWER RATE DESIGN REVIEW

As previously discussed with the Board, Russell recommended the District approve a proposal in the amount not to exceed \$6,380 to have FCSG perform a sewer utility rate design review as described in the scope of services proposal submitted by FCSG for the work.

Following discussion, Anderson made the motion to approve the FCSG scope of work and not to exceed fee proposal. Kunkel seconded the motion, which carried unanimously. District staff will now authorized FCSG to proceed with the work and will keep the Board further advised.

ATTORNEY'S COMMENTS

Milne reported on the recent Washington Supreme Court decision entitled Nissen v. Pierce County wherein the Court held that text messages sent and received by a public employee in the employee's official capacity are public records of the employer, even if the employee uses a private cell phone.

ENGINEER'S COMMENTS

District staff provided a report prepared by Dave Hutley, PACE Engineers, the District's consulting engineers, on the status of various District projects assigned to PACE.

OPERATIONS MANAGER'S COMMENTS

Hynek advised that the District customer had accepted the District's offer of Partial compensation relating to damage to a fountain fixture, which had been placed over a District manhole within a District easement. District staff needed to access the manhole for maintenance purposes and the fixture was damaged by staff in the process of moving it off the manhole. A settlement and release agreement must be signed by the District customer before the compensation is paid.

Hynek advised that a District customer who had experienced a sewer blockage due to roots from a tree located in right-of-way adjacent to their property that extended into the District sewer line and into the customer's side sewer had also accepted the District's offer of partial compensation to settle the matter. A settlement and release agreement must be signed by the District customer before the compensation is paid.

Hynek advised that the consultant working on the District's billing software upgrade would commence work at the District the following day.

Hynek advised regarding the status of the District's SCADA system upgrade.

GENERAL MANAGER'S COMMENTS

Russell reminded the Commissioners of the Newcastle Days festival to be held on Saturday, September 12 from 10:00 a.m. to 6:00 a.m., and that they were invited to assist with the District booth.

Russell confirmed with the Board that the next regular Board meeting scheduled for Wednesday, September 23, 2015, was cancelled due to the conflict with the State Association Fall Conference schedule.

COMMISSIONERS' COMMENTS

Kunkel reported he had a prior commitment and would miss the Newcastle Days festival.

Martin reported on her attendance at the most recent Retrospective Rating Committee meeting.

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

ADDITIONAL CITIZENS' COMMENTS AND CONCERNS

There were no additional comments from the citizens in attendance.

APPROVAL OF VOUCHERS

The Board approved for payment Water/Sewer Maintenance Fund Voucher Nos. 043849 through 043878 in the amount of \$229,028.23.

The Board approved for payment Water/Sewer Maintenance Fund Voucher Nos. 010791 through 010813 in the amount of \$103,772.85.

The Board approved for payment Water/Sewer Maintenance Fund Voucher Nos. 010814 through 010825 in the amount of \$11,850.00.

The Board approved for payment Capital Improvement Fund Voucher No. 043879 in the amount of \$692.74.

EXECUTIVE SESSION – EMPLOYEE PERFORMANCE REVIEW

Russell requested an executive session pursuant to RCW 42.30.110(1) (g) to review the performance of certain District employees. Following discussion, Kunkel so moved on that basis. Martin seconded the motion, which carried unanimously. The commissioners and Russell then attended the executive session. Before convening the executive session at 5:40 p.m., Martin advised the executive session would conclude at approximately 6:05 p.m. At 6:05 p.m., the executive session was extended until 6:20 p.m., which was publicly announced by Kunkel. At 6:20 p.m., the executive session concluded and open public meeting reconvened. Hynek then rejoined the meeting.

Kunkel noted that Operations Manager Hynek has recently accepted the additional role and responsibilities as District Finance Manager effective August 1, 2015. The Board had previously determined to adjust his compensation as of that date given his additional duties and responsibilities. Kunkel also noted the Board had evaluated Hynek's compensation relative to compensation paid to other operations managers at peer districts, had determined that his compensation was lower than the mean and the median values for an operations manager position, exclusive of his additional responsibilities as the District's Finance Manager.

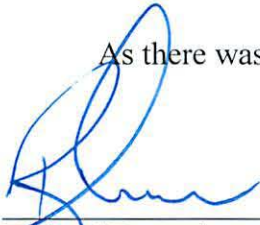
Following discussion, Kunkel made the motion to increase Hynek's compensation by 7.1% to be the mean value for an operations manager as compared to similar/peer districts, to be

effective August 1, 2015, as the Board had determined previously. Anderson seconded the motion, which carried unanimously.

Hynek thanked the Board and expressed his appreciation for the compensation adjustment.

OTHER DISTRICT BUSINESS

As there was no further business, the meeting concluded at 6:25 p.m.



Richard D. Anderson



Douglas C. Kunkel, Commissioner



Pamela A. Martin, Commissioner