

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

Held on November 14, 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 November 14, 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, consulting engineer, and John Milne, District counsel, were also present.

APPROVAL OF AGENDA

Commissioner Martin proposed that consideration of Resolution No. 1872 relating to the updated employee manual, and design approval relating to the Rhododendron Ridge developer extension agreement be removed from the proposed consent agenda for separate consideration. Following discussion, Commissioner Anderson made a motion to approve the agenda as amended as proposed by Commissioner Martin. Commissioner Kunkel seconded the motion, which carried unanimously.

CONSENT AGENDA

There was no consent agenda.

CITIZENS' COMMENTS / CONCERNS

There were no comments from the citizens in attendance.

EMPLOYEE MANUAL APPROVAL

Russell provided Resolution No. 1872 approving an updated employee manual which had been adopted at the October 10, 2018, Board meeting. The commissioners then signed the resolution.

RHODODENDRON RIDGE – DEA – DESIGN APPROVAL

Hutley and staff responded to questions from Commissioner Martin regarding the project's utility designs. Following discussion, Commissioner Kunkel made the motion to approve the designs as submitted. Commissioner Anderson seconded the motion, which carried unanimously.

FOXWOODS SEWER EXTENSION REIMBURSEMENT AGREEMENT

Hutley and staff reported a draft sewer reimbursement agreement had been prepared relating to the project's off-site sewer improvements. Several properties will benefit from the sewer improvements if they are connected to or use the improvements, and therefore should be subject to latecomer reimbursement payment to the developer installing the improvement. Letters to the property owners who will be subject to latecomer reimbursement will now be sent requesting comment on the proposed agreement. Following the comment deadline, the engineer and staff will report back to the Board with further recommendation whether to approve the reimbursement agreement as proposed.

WASHINGTON PAID FAMILY MEDICAL LEAVE ACT

Paige reported she had attended a webinar on October 10, 2018, on the Act, and also planned to attend an additional webinar sponsored by the State Association on the Act on November 29, 2018. Commissioners are also invited to attend the webinar at the District office.

PARTERRA @ NEWCASTLE

District staff reported on the Parterra @ Newcastle multi-family project which had been constructed in 2001. The project consisted of three buildings with Buildings A and B as separate structures, but Building C had also been segregated as two structures into Buildings C and D. Questions had recently arisen regarding the size and number of water meters serving the buildings, and the accounts and water and sewer billings for Buildings C and D. Staff will continue to obtain information regarding the metering and billing accounts, and will report further to the Board.

ATTORNEY'S COMMENTS

Milne reported on the status of the litigation with King County regarding the County's attempt to charge utilities rent to use County right-of-way. A King County Superior Court judge had ruled that King County did not have the authority to charge the utilities rent. Milne reported the County has appealed the trial court's ruling, and had petitioned the Washington State Supreme Court for direct review of the appeal. Milne will keep the Board further advised.

Milne reported on the status of the litigation between several water-sewer districts and the City of Federal Way regarding the City's excise tax on the districts. A King County Superior Court judge had recently ruled that the City had the statutory authority to tax the districts. Milne reported the districts would now appeal the trial court's ruling, and would petition the Washington State Supreme Court for direct review of the appeal. Milne will keep the Board further advised.

ENGINEER'S COMMENTS

Hutley presented a report dated November 14, 2018, on the status of various developer and District projects.

APPROVAL OF VOUCHERS

The Board approved Water/Sewer Maintenance Fund Voucher Nos. 2758 through 2815 in the amount of \$374,205.87.

The Board approved Water/Sewer Maintenance Fund – Direct Deposit – Payroll in the amount of \$141,034.29.

FINANCE MANAGER COMMENTS

Paige reported the Sage systems continued to work well and that she planned to terminate the parallel systems as of January 1, 2019.

OPERATIONS MANAGER'S COMMENTS

Mr. Martin and Russell recommended the Pleasant Cove Lift Station, originally intended to be a temporary facility, be updated with new pumping facilities to serve on a more permanent basis. Mr. Martin recommended the pumping be consistent with pumping facilities the District maintained in other lift stations for operational, maintenance and parts consistency. He provided the commissioners with preliminary cost estimates for the new facilities, will further discuss with the engineer, and will also work with the attorney to acquire the necessary equipment, subject to further Board approval.

GENERAL MANAGER'S COMMENTS

Russell had no further report.

COMMISSIONERS' COMMENTS

Commissioner Anderson reported on his attendance at a recent WASWD emergency preparedness committee meeting.

Commissioner Martin had questions regarding the October 24, 2018 letter in the meeting materials from the Cascade Water Alliance to the District regarding CWA's request to the State Department of Health of an extension of the approval for its 2012 Transmission and Supply Plan.

Commissioner Martin reported on her attendance at the recent SPU Operating Board meeting. A report on seismic hazards had been presented at the meeting. The commissioners then discussed the status of the District's emergency response plan (ERP). District staff will report further to the Board regarding the status of the District's ERP.

ADDITIONAL CITIZEN'S COMMENTS

There were no citizens in attendance.

EXECUTIVE SESSION – EMPLOYEE PERFORMANCE REVIEW

Russell requested an executive session to discuss the performance of certain District employees related to possible merit adjustments to be effective in 2019. Following discussion, Commissioner Anderson made the motion to convene an executive session pursuant to RCW 42.30.110 (1) (g) to review the performance of certain District employees. Commissioner Kunkel seconded the motion, which carried unanimously. Before convening the executive session at 6:30 p.m., Commissioner Martin advised the executive session would conclude at approximately 7:30 p.m. The commissioners, Russell, and Milne then attended the executive session. At 7:15 p.m., Russell was excused from the executive session. At 7:30 p.m., the executive session was extended to 7:45 p.m., which was publicly announced. At 7:45 p.m., the executive session concluded, and open public meeting was reconvened.

Following discussion, Commissioner Kunkel made the motion to adjust District employee Calvin Megiveron's annual compensation by two percent, District employee Anne Paige's annual compensation by five percent, District employee Patrick Martin's annual compensation by two


percent, and District employee Robert Russell's annual compensation by one percent, all effective January 1, 2019, not including a cost of living adjustment which will be provided later in the month of January, 2019. Commissioner Anderson seconded the motion, which carried unanimously.

The commissioners then commended Russell for the performance of his duties and responsibilities as general manager.

OTHER DISTRICT BUSINESS

As there was no further business or persons to be heard, the meeting concluded at 8:00 p.m.

BOARD OF COMMISSIONERS



Richard D. Anderson, Commissioner



Douglas C. Kunkel, Commissioner



Pamela A. Martin, Commissioner