

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

**Held on November 18, 2015**

A regular meeting of the Board of Commissioners of Coal Creek Utility District was held at the District Office, 6801 – 132<sup>nd</sup> Place SE, Newcastle, Washington, on November 18, 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.

**APPROVAL OF AGENDA**

Russell proposed that the agenda be amended to include consideration of the signing of Resolution No. 1827 adjusting multi-family sewer rates which have been adopted by the Board at its special meeting held October 28, 2015. Following discussion, Anderson made the motion to approve the agenda with the addition requested by Russell. Kunkel seconded the motion, which carried unanimously.

**CONSENT AGENDA**

Approval of minutes – Regular Board Meeting of October 28, 2015.

Approval of minutes – Special Board Meeting of October 28, 2015.

Adela Vista Developer Extension Agreement – DEA approval.

Hazelwood Ridge Developer Extension Agreement – DEA approval.

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

## **CITIZENS' COMMENTS / CONCERNS**

Mr. Lynn Johnson addressed the Board and requested information as to how many people have connected their properties to the Windtree Sewer System. Martin advised that District staff would provide that information to Johnson.

Johnson also expressed concern that he was required to pay his billing from the District for street lighting services even though the street light in the area of his property did not work. Milne explained that the street light and electrical power system was owned and operated by Puget Sound Energy, the District only served as the billing agent for PSE, and the District had no responsibility for the operation and maintenance of the street lighting system.

Johnson then suggested that the City of Newcastle assume responsibility for the street lighting system. District staff responded the District had previously proposed that the City assume responsibility for street lights but the City had declined to accept that responsibility.

There were no other comments from the citizens in attendance.

## **NAUTICA BY THE LAKE CONDOMINIUMS / SEWER BILL**

Hynek advised that the Nautica by the Lake Condominium Association had been overbilled by the District for sewer service in the amount of \$25,054.44. The overbilling dated to August, 2014. Staff requested authorization to refund the overbilled amount to the customer. Following discussion, Kunkel so moved. Anderson seconded the motion which carried unanimously.

## **WSRMP PREMIUMS**

Russell advised the District's member premiums for 2016 insurance to the Water and Sewer Risk Management Pool was \$79,769.00. He requested authorization to pay that amount to

the Pool. Following discussion, Anderson so moved. Kunkel seconded the motion, which carried unanimously.

#### **RESOLUTION NO. 1827 – MULTI-FAMILY SEWER RATES**

Milne presented proposed Resolution No. 1827 amending and establishing sewer service rates and charges applicable to multi-family units which had been adopted by the Board at the October 28, 2015 Special Meeting. The Board had determined to freeze the bi-monthly multi-family sewer rate of \$40.71 effective November 1, 2015, and November 1, 2016; however, utility rates for other customer classifications would increase as of those dates as previously authorized by the Board. Following discussion, as the Resolution accurately presented the Board's intent, the Commissioners signed the Resolution.

#### **WASWD ANNUAL DUES**

Russell recommended the Board authorize payment of the District's dues for membership for 2016 in the Washington Association of Sewer and Water Districts in the amount of \$10,160.61. Following discussion, Anderson so moved. Kunkel seconded the motion which carried unanimously.

#### **440 RESERVOIR RECOATING**

District Staff and Hutley requested authorization to go out for bid on the 440 Reservoir recoating project. Following discussion, Kunkel made the motion to authorize staff to go out for bid on the project including optional schedules #2 and #5 as addressed in Hutley's memo to the Board. Anderson seconded the motion which carried unanimously.

## **VISION SOFTWARE – APPROVAL TO PAY**

Hynek recommended the District pay an invoice from Vision Software for installation progress in the amount of \$28,081.44. Following discussion, Anderson so moved. Kunkel seconded the motion which carried unanimously.

## **GENERAL MANAGER CONTRACT**

Russell advised that his employment contract provided for an annual performance review. He provided the Commissioners with copies of an evaluation form and requested direction when to schedule the performance review. Following discussion, the Commissioners determined to schedule a Special Board Meeting on December 2, 2015 commencing at 5:00 p.m. at the District Office for the purposes of a general manager performance review, to consider the renewal of the General Manager's contract for 2016, and to consider the renewal of the Operations/Finance Manager's contract for 2016.

## **OPERATIONS / FINANCE MANAGER'S COMMENTS**

Hynek reported that District Employee Tish Hunter had requested authorization to attend an accounting class at Renton Technical Institute during Winter Quarter, 2016. Hynek recommended Hunter be authorized to do so. Following discussion, Kunkel made the motion to authorize Hunter to attend the class and to approve tuition reimbursement to Hunter on the condition a passing grade was obtained. Anderson seconded the motion, which carried unanimously.

Hynek reported that District Customer Ken Eubank, 8434 – 116<sup>th</sup> Avenue SE, Newcastle, Washington, had requested that his water meter base charges be waived until his residence, which had burned down, was rebuilt. Staff will discuss the request with Milne and provide a recommendation for the next Regular Meeting.

Hynek suggested that the District consider participating in the installation of a sewer main on 118<sup>th</sup> Avenue SE to provide service to the Adela Vista Project. If the line in 118<sup>th</sup> Avenue SE was installed, if extended in the future on 118<sup>th</sup>, the District would be able to abandon the Pleasant Cove lift station. Following discussion, the Board authorized District Staff to further investigate Hynek's proposal and to report back to the Board.

Hynek reported that a representative from the State Auditor's Office had requested a meeting with a Commissioner to undertake a District risk assessment related to the Auditor's audit of the District for the year 2014. Following discussion, the Board authorized Commissioner Martin to meet with the State Auditor's Office Representative.

#### **GENERAL MANAGER'S COMMENTS**

Russell reported on the status of discussions with Sindelar Communications regarding a consulting services agreement. Following discussion, after District Staff resolve the insurance questions with Sindelar, Russell was directed to report back to the Board at the next regular Meeting regarding the status of the agreement.

Russell reported that Hynek had discussed the District's possible membership in a new Kiwanis chapter forming in the Newcastle area with a representative from the State Auditor's Office. The Audit representative advised that individual memberships were allowed but that a District membership was not appropriate.

Russell reported that he had recently undertaken an annual account review with Comcast and recommended the agreement with Comcast be renewed for an additional 3 years. Following discussion, Anderson so moved. Kunkel seconded the motion which carried unanimously.

**COMMISSIONER'S COMMENTS**

Kunkel thanked District Staff for working with District customer Johnson regarding his sewer questions relating to the Windtree Sewer System and street lights.

Kunkel requested an excused absence from the December 9, 2015 Board Meeting. Following discussion, the Board excused his absence from that meeting.

Martin reported she planned to attend the State Association of Board of Directors meeting, executive committee meeting and workshop scheduled for November 23, 2015. She will keep the Board further advised.

**APPROVAL OF VOUCHERS**

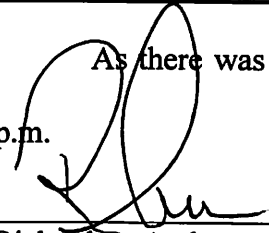
The Board approved for payment Water/Sewer Maintenance Fund Voucher Nos. 043999 through 044036 in the amount of \$354,934.61.

The Board approved for payment Water/Sewer Maintenance Fund Voucher Nos. 010861 through 010884 in the amount of \$103,740.83.


The Board approved for payment Water/Sewer Maintenance Fund Voucher Nos. 010885 through 010896 in the amount of \$11,850.00.

**OTHER DISTRICT BUSINESS**

As there was no further business or persons to be heard, the meeting concluded at 6:35 p.m.

  
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Richard D. Anderson, Commissioner

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Douglas C. Kunkel, Commissioner

  
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Pamela A. Martin, Commissioner