

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

Held on November 28, 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 28, 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. John Milne, District counsel, was also present.

APPROVAL OF AGENDA

Commissioner Anderson made a motion to approve the agenda as amended to delete the approval of the October 24, 2018 Board meeting minutes from the consent agenda. Commissioner Kunkel seconded the motion, which carried unanimously.

CONSENT AGENDA

Approval of Minutes – Regular Board Meeting of November 14, 2018.

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

CITIZENS' COMMENTS / CONCERNS

There were no comments from the citizens in attendance.

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 recommended that the two meters serving Building C be treated like the two meters serving Buildings A and B which would more accurately reflect the utility services as constructed and functioning for Building C. However, under the staff proposal, the restructuring of the accounts would result in a credit to the condo owners' association (COA) in the amount of \$26,969.20, dating back to the year 2016.

Following discussion, Commissioner Kunkel made the motion to restructure the Building C account as recommended by staff, and to offer the COA a refund in the form of a credit on its sewer account for Building C. Commissioner Anderson seconded the motion, which carried unanimously. Staff will now advise the COA of the Board action by letter and telephone call.

SURPLUS PROPERTY RESOLUTION

Russell requested the Board approve the declaration as surplus and disposition of certain District personal property by the adoption of Resolution No. 1873. Following discussion, Commissioner Kunkel made the motion to declare the property surplus to the District's needs and to authorize its disposition by the adoption of Resolution No. 1873. Commissioner Anderson seconded the motion, which carried unanimously.

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 on November 21, 2018, had appealed 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.

Milne reported he had recently been contacted by a Washington Assistant Attorney General regarding a litigation matter the Attorney General's office had recently filed which included the District as a party to the litigation. Milne will obtain further information regarding the litigation and report back to the Board and District staff.

ENGINEER'S COMMENTS

There was no engineering report.

APPROVAL OF VOUCHERS

The Board approved Water/Sewer Maintenance Fund Voucher Nos. 2816 through 2841 in the amount of \$89,182.55.

The Board approved Water/Sewer Maintenance Fund – Direct Deposit – Payroll in the amount of \$20,000.00.

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 reported on a new pump for the Pleasant Cove Lift Station. He was obtaining additional sizing and cost information of a Whitney pump for the facility to be consistent with pumping facilities the District maintained in other lift stations for operational, maintenance and parts consistency. He will keep the Board further advised.

Mr. Martin reported he and staff are reviewing on-site generation for the Meadowview Lift Station, and would report further to the Board at a future meeting.

GENERAL MANAGER'S COMMENTS

Russell reported that District staff had recently attended a kick-off meeting on an update to the King County Hazard Mitigation Plan. The District was required to have such a plan, but satisfied the requirement by participation in the King County plan. He will keep the Board further advised.

COMMISSIONERS' COMMENTS

Commissioner Kunkel reported on his attendance at the State Association Section IV meeting on November 19, 2018.

Commissioner Anderson reported on his attendance at the State Association Section IV meeting on November 19, 2018.

Commissioner Anderson reported on his attendance at a recent State Association Technology committee meeting.

Commissioner Anderson reported on his attendance at a recent State Association Board of Directors meeting.

Commissioner Anderson reported he planned to attend a webinar on November 29, 2018, at the District office.

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

ADDITIONAL CITIZEN'S COMMENTS

There were no citizens in attendance.

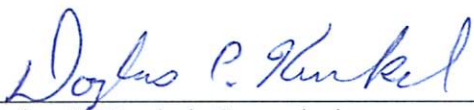
OTHER DISTRICT BUSINESS

As there was no further business or persons to be heard, the meeting concluded at 6:10 p.m.

BOARD OF COMMISSIONERS



Richard D. Anderson, Commissioner



Douglas C. Kunkel, Commissioner



Pamela A. Martin, Commissioner