

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

Held December 29, 2014

A special meeting of the Board of Commissioners of Coal Creek Utility District was held at the District Office, 6801 – 132nd Place SE, Newcastle, Washington, on December 29, 2014. Commissioner Anderson called the meeting to order at 5:00 p.m. Commissioners Kunkel and Martin were present. District Staff Robert Russell was present. Katherine Weber, Assistant District Counsel, was also present. Commissioner Anderson advised the purpose of the special meeting was to address the District business identified on the published special Board meeting agenda.

APPROVAL OF VOUCHERS

The Board approved for payment Water/Sewer Maintenance Fund Voucher Nos. 043251 through 043285 in the amount of \$97,375.80.

EXECUTIVE SESSION – EMPLOYEE PERFORMANCE REVIEW – RCW 42.30.110 (1)

(g)

Russell requested an executive session to review the performance of District employees. Following discussion, Kunkel so moved on that basis. Martin seconded the motion, which carried unanimously. Before convening the executive session at 3:09 p.m., Anderson advised that the executive session would conclude at approximately 3:45 p.m. The Commissioners, Russell and Weber then attended the executive session.

At 3:45 p.m., the executive session was extended for 15 minutes, which was publicly announced.

At 4:00 p.m., the executive session was extended for 15 minutes, which was publicly announced.

At 4:15 p.m., Russell and Weber were excused from the executive session and the executive session was extended until 4:25 p.m., which was publicly announced.

At 4:25 p.m., the executive session concluded and the open public meeting was reconvened.

Following discussion, Kunkel made the motion to adopt Resolution No. 1807, electing not to extend the employment agreement for the Office Manager. Martin seconded the motion. The motion carried by a vote of 2 to 1, with Anderson voting against. The Board then communicated its decision to the Office Manager.

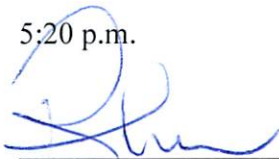
Based on the performance review of the Operations Manager, Kunkel made the motion to adjust the Operations Manager's annual compensation by six percent (6%) effective January 1, 2015. Martin seconded the motion which carried unanimously. The Board then authorized and directed the General Manager to prepare for Board consideration at the next regular meeting an employment contract for the Operations Manager for the year 2015 with the updated compensation consistent with the Board's determinations and those amendments deemed appropriate by the General Manager in consultation with legal counsel.

The Board tabled discussion of the General Manager's employment contract and the remaining non-union employees' compensation adjustments until the next regular meeting.

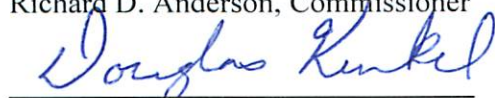
OTHER DISTRICT BUSINESS

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

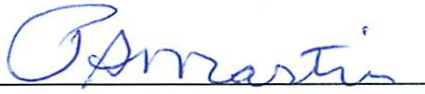
5:20 p.m.



Richard D. Anderson, Commissioner



Douglas C. Kunkel, Commissioner



Pamela A. Martin, Commissioner