

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

**Held on April 26, 2017**

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 April 26, 2017. Commissioner Ric Anderson, Board President, called the meeting to order at 5:00 p.m. Commissioner Pamela Martin, Board Vice President, and Commissioner Doug Kunkel, Board Secretary, were also in attendance. District Staff Robert Russell, General Manager, Patrick Martin, Operations Manager, and Tish Hunter, Finance Manager, were present. John Milne, general counsel, was also present.

**APPROVAL OF AGENDA**

Following discussion, Commissioner Martin made the motion to approve the agenda. Commissioner Kunkel seconded the motion, which carried unanimously.

**CONSENT AGENDA**

Approval of minutes – Regular Board Meeting of March 22, 2017

Foxwoods – Water and Sewer – DEA Approval

Aegis – Water and Sewer – DEA Final Acceptance

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

**CITIZENS' COMMENTS / CONCERNS**

Jim Kuntz, the Executive Director of the Washington Association of Sewer and Water Districts, thanked the commissioners and staff for a tour of the District that afternoon and for the District membership and involvement in the Association. He also provided an update on the results

of the recently concluded regular session of the Washington State Legislature. The Association's Omnibus Bill, as amended, had passed in the Session and had been signed by the Governor. Certain proposed legislation unfavorable to local governments such as cities, public utility districts and water-sewer districts regarding contractor claim filing had not passed. He noted the Governor had called a special thirty day session to address the State budget. He will keep member districts further advised.

Gordon Bisset, a City of Newcastle City Councilmember, reported on the upcoming election for positions on the City Council subject to election this year.

### **FCSG RATE STUDY PROPOSAL**

Russell further reported on the proposal submitted by FCSG, the District's rate consultant, to prepare a comprehensive water and sewer utility revenue requirement update. The study would assist the District to establish utility service rates for the years 2018, 2019, and 2020. Russell advised the not to exceed cost of the study was only \$300 more than the cost of the last study the consultant had prepared for the District in 2014, the consultant had not used all of the authorized funding for the 2014 study, and the primary author of the 2014 report was now a project manager with FSCG. Therefore, he recommended the estimated study budget range of \$7,000 to \$9,200 now be approved and the consultant authorized to proceed. Commissioner Kunkel expressed concern regarding the inclusion of time and budget in the proposal for a consultant presentation of the report results to the board. Following discussion, Commissioner Martin made the motion to approve the proposed scope of work and not to exceed fee proposal and authorize the consultant to proceed with the study. Commissioner Anderson seconded the motion, which carried by a vote of 2-1, Commissioner Kunkel voting against.

### **FitHR WAGE AND BENEFIT STUDY PROPOSAL**

Russell advised the consultant had offered a flat fee of \$1,500 to prepare a detailed wage and benefit study. Following discussion, Commissioner Kunkel made the motion to authorize Russell to contract with FitHR for the study at that cost. Commissioner Martin seconded the motion, which carried unanimously.

### **SURPLUS PROPERTY**

Russell recommended the District surplus the District's former pipe inspection truck as it had been replaced and was no longer needed for District operations. Following discussion, Commissioner Martin made the motion to declare the vehicle surplus to the District's needs and to authorize staff to sell the truck pursuant to the requirements of Chapters 57.08 and 39.33 RCW by the adoption of Resolution No. 1847. Commissioner Kunkel seconded the motion, which carried unanimously.

### **ATTORNEY'S COMMENTS**

Milne reported on the efforts of a group of King County water-sewer districts, in conjunction with the Washington Association of Sewer and Water Districts (WASWD) in opposition to King County's recent adoption of an ordinance increasing the costs to obtain a franchise for utilities located in King County right-of-way, including a "rental fee" for the use of the right-of-way. Milne reported on the status of public records requests submitted by his office and individual districts to King County to obtain more information regarding the franchise ordinance and the "rental fee". He will keep the Board further advised.

### **ENGINEER'S COMMENTS**

There was no engineer's report.

### **APPROVAL OF VOUCHERS**

The Board approved for payment Water/Sewer Maintenance Fund Voucher Nos. 1538

through 1576 in the amount of \$287,588.29.

The Board approved for payment Water/Sewer Maintenance Fund Voucher Nos. 1577 through 1608 in the amount of \$53,943.57.

The Board approved for payment Water/Sewer Maintenance Fund – Direct Deposit – Payroll in the amount of \$114,343.97.

The Board approved for payment Water/Sewer Maintenance Fund – Direct Deposit – Special Payroll in the amount of \$8,068.91.

The Board approved for payment Water/Sewer Maintenance Fund – Direct Deposit – Payroll in the amount of \$12,600.00.

#### **FINANCE MANAGER'S COMMENTS**

Ms. Hunter requested the commissioners provide her with receipts and other documentation related to their attendance at the recent Association conference.

#### **OPERATIONS MANAGER'S COMMENTS**

Mr. Martin advised that all District staff had been issued identification badges through a program offered by King County. Mr. Martin felt it was important for public and District customer interaction that all staff had identification. He will determine whether the badges can be made available to District commissioners, who also interface with the public on the District's behalf.

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

Russell requested the commissioners provide dates of availability for the next board workshop meeting. Following discussion, the Board scheduled a special meeting/workshop for Wednesday, May 31, 2017, at the District office commencing at 2:00 p.m. to address certain audit issues and the commissioner/staff conference attendance and travel policy.

#### **COMMISSIONERS' COMMENTS**

Commissioner Martin reported on her attendance at the recent State Association Spring Conference and provided information to staff.

Commissioner Martin reported she had registered to attend the Pacific Northwest AWWA conference to be held in Kennewick. Russell noted that District staff Vince Gabrio would also be attending that conference.

Commissioner Martin reported she had also registered to attend the national AWWA conference to be held in Philadelphia. She advised she had made reservations to take the train to Philadelphia and to return to Seattle by first class air. It was her understanding the District's policy was to pay for round trip airfare on coach, but that her travel by train and air would cost less than round trip coach airfare. She stated she would provide a written memo of her travel plans and expenses to share with representatives of the State Auditor's Office to make sure it was in accordance with state law. Commissioner Anderson expressed concern that Commissioner Martin had not previously discussed her travel plans and anticipated expenses with the other commissioners before she had made her reservations. Commissioner Kunkel felt it was not appropriate to take first class air under any circumstances due to its higher cost. Following discussion, the Board determined to further discuss commissioner/employee conference attendance and travel policies at the May 31 workshop.

Commissioner Martin noted the potential for a partial refund of the amount paid for the attendance of District commissioners and staff at the recent Association conference due to the cancellation of one of the dinners at the conference. Following discussion, the Board directed staff to apply to the Association for a refund for the cost of the dinner.

Commissioner Kunkel reported on his attendance at the recent State Association conference.

Commissioner Anderson also reported on his attendance at the recent State Association conference.

Russell requested the Board revisit the District policy which provided that not all management staff could attend the same conference so that management was continually present at the District during such conferences. Following discussion, the Board determined to include a discussion of that policy at the May 31 workshop meeting.

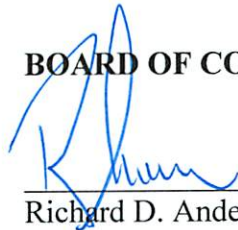
**ADDITIONAL CITIZEN'S COMMENTS**

There were no additional comments from the citizen in attendance.

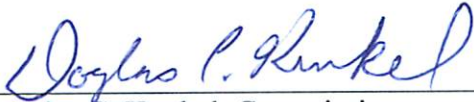
**OTHER DISTRICT BUSINESS**

As there was no further business or persons to be heard, the meeting concluded at 6:25 p.m.

**BOARD OF COMMISSIONERS**



Richard D. Anderson, Commissioner



Douglas C. Kunkel, Commissioner



Pamela A. Martin, Commissioner