

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

**Held June 25, 2014**

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 June 25, 2014. Commissioner Anderson called the meeting to order at 5:00 p.m. Commissioner Martin was present. Commissioner Kunkel had an excused absence. District Staff Robert Russell, Todd Hynek and Pam Nelson were present. John Milne, General Counsel, was also present.

**CITIZENS' COMMENTS AND CONCERNS**

There were no comments from the citizens in attendance.

**CONSENT AGENDA**

Approval of minutes - regular Board meeting of May 28, 2014.

Approval of minutes - special Board meeting of June 2, 2014.

Boren Creek Townhomes - Developer Extension Agreement - water and sewer extension final acceptance.

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

**1060 RESERVOIR - EMERGENCY**

Russell reported the District had experienced a break in the power line from a transformer to the District's electric meter for the 1060 Reservoir which resulted in a loss of power to the reservoir. Russell advised the District needed to restore power to the reservoir immediately to be able to operate telemetry and other operations. He also advised it appeared a replacement power line could be installed in a trench located outside of the asphalt right of way, which would reduce construction restoration costs. Therefore, due to the emergency nature of the work to have the

power restored to the reservoir, Russell recommended the Board declare an emergency and waive the public bidding requirements to authorize staff to retain a contractor to have the emergency work done as soon as possible. Following discussion, Martin made the motion to adopt Resolution No. 1795 declaring the existence of an emergency relating to the need to restore electrical power to the District's 1060 Reservoir, waiving the formal bidding requirements, and authorizing and directing staff to obtain a contractor to perform the work as soon as possible.

### **TRAVEL AND MEALS POLICY**

Russell advised representatives from the State Auditor's Office had provided District staff with a verbal recommendation during the audit of the District for the year 2012 that the District adopt a written policy specifying what types of costs were not allowed for reimbursement under the District's credit card usage policy. Therefore, Russell and Milne had prepared a resolution combining District Resolution Nos. 1678 and 1689, which address District conference attendance, traveling expense reimbursement and District vehicle usage policies to update those policies and further identify costs which would not be subject to reimbursement. The Commissioners reviewed the draft policy and directed staff to make certain revisions, including providing for a per diem reimbursement in accordance with the federal lodging and meal/incidental expense policies. The Board will further consider the proposed policy at the next regular board meeting.

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

Hynek reported on a water leak which had occurred recently at Lake Boren Park. Hynek advised the City of Newcastle would be eligible for application of the District's leak credit policy which will reduce the water consumption bill of approximately \$18,000 to only \$2,600.

## **GENERAL MANAGER'S COMMENTS**

Russell reported on the King County Metro requirements for the year 2015 as set forth in a letter dated June 16, 2014, from King County to the District. The 2014 sewer rate of \$39.70 would be increased as of January 1, 2015 to \$42.03, and the Metro Capacity (connection) charge of \$55.35 for 2014 would be increased to \$57 per month for the year 2015 and thereafter.

Russell provided the Commissioners with copies of a letter dated June 20, 2014 from the City of Newcastle regarding the City's interest in purchasing the District's former operations center. He requested the Board later discuss the letter in Executive Session but noted the Board will probably also want to discuss the matter further when Commissioner Kunkel was present.

## **COMMISSIONERS' COMMENTS**

Martin reported on her attendance at the most recent State Association Conference and Training Committee meeting. She advised that preparation for the 2015 Commissioners' Workshop had been discussed.

Martin reported on her attendance at the most recent State Association Board of Directors meeting.

Martin reported on her attendance at the recent AWWA Conference.

Anderson also reported on his attendance at the recent AWWA Conference.

Anderson reported on his attendance at the most recent State Association Technology Committee meeting.

## **ADDITIONAL CITIZENS' COMMENTS**

There were none.

## **HEALTH CARE SURCHARGES – EXECUTIVE SESSION – RCW 42.30.110(1)(i)**

Russell requested an Executive Session to address potential litigation relating to the Healthcare Authority surcharges which will be effective July 1, 2014. Following discussion,

Martin so moved on that basis. Anderson seconded the motion, which carried unanimously. Before convening the Executive Session at 6:00 p.m., Anderson advised the Executive Session would be concluded at approximately 6:10 p.m. The Commissioners, Russell, Nelson, Hynek and Milne then attended the Executive Session. At 6:10 p.m. the Executive Session was concluded and open public meeting was reconvened.

#### **SALE OF REAL PROPERTY–EXECUTIVE SESSION–RCW 42.30.110(1)(c)**

Russell requested an Executive Session to discuss the possible sale of the District's former operations center to the City of Newcastle. Following discussion, Martin so moved on that basis. Anderson seconded the motion, which carried unanimously. Before convening the Executive Session at 6:15 p.m., Anderson advised the Executive Session would be concluded at a proximately 6:30 p.m. The Commissioners, Russell, Hynek, and Nelson then attended the Executive Session and Milne left the meeting. At 6:30 p.m., the Executive Session was concluded and open public meeting was reconvened.

#### **APPROVAL OF VOUCHERS**

The Board approved for payment Water/Sewer Maintenance Fund Voucher No. 042788 through 042839 in the amount of \$635,364.94

The Board approved for payment Water/Sewer Maintenance Fund Voucher No. 042840 through 042864 in the amount of \$45,754.85.

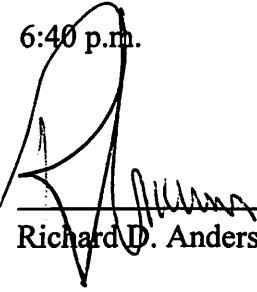
The Board approved for payment Water/Sewer Maintenance Fund Voucher No. 010266 through 010288 in the amount of \$108,929.67.

The Board approved for payment Water/Sewer Maintenance Fund Voucher No. 010289 through 010301 in the amount of \$13, 250.00.

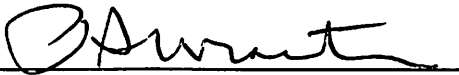
**OTHER DISTRICT BUSINESS**

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

6:40 p.m.



Richard D. Anderson, Commissioner



Pamela A. Martin, Commissioner