

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

Held on July 27, 2016

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 July 27, 2016. Commissioner Kunkel, Board President, called the meeting to order at 5:00 p.m. Commissioner Ric Anderson, Board Vice President, and Commissioner Pamela Martin, Board Secretary, were present. District Staff Patrick Martin, Operations Manager, and Tish Hunter, Finance Manager, were present. John Milne, General Counsel, was also present.

APPROVAL OF AGENDA

Commissioner Anderson made the motion to approve the agenda as presented. Commissioner Martin seconded the motion, which carried unanimously.

CONSENT AGENDA

Approval of minutes – Regular Board Meeting of July 13, 2016

Monterey Meadows – Water – Design Approval

Commissioner Martin made a 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.

CUSTOMER REQUEST – LEAK ADJUSTMENT POLICY

District customers George Holt and Yujin Mun, 9550 132nd Ave. SE, Newcastle, requested a leak adjustment on their high water billing due to a soaker hose running for an extended period. Hunter reported the District policy was to allow two leak adjustments for the life of a utility

account. She also reported the customer had a good payment history. Following discussion, Commissioner Anderson made the motion to approve the leak adjustment request to be calculated in accordance with District policy. Commissioner Martin seconded the motion, which carried unanimously.

VEHICLE REQUEST

Mr. Martin requested the Board approve the purchase of a compact vehicle for office use. The vehicle would be shared for periodic trips such as bank runs, to the King County Treasurer's office, and various local meetings. Staff preference was for a previously used vehicle with four doors, a hatchback, fuel efficient, low maintenance, maneuverable, low purchase price, and low mileage. For example, vehicle rental companies sell used vehicles, and staff have identified a 2015 Nissan Versa at a cost of approximately \$13,000. However, Commissioner Anderson expressed a preference to purchase a new car due to better warranties and fewer maintenance issues. He also felt that a new vehicle could be competitively priced up to \$20,000 not including tax. Following discussion, the Board authorized staff to obtain information on the potential purchase of a new vehicle with the stated performance requirements for up to \$20,000 not including tax and to report back to the Board for further consideration.

ATTORNEY'S COMMENTS

There was no attorney report.

APPROVAL OF VOUCHERS

The Board approved for payment Water/Sewer Maintenance Fund Voucher Nos. 1000 through 1025 in the amount of \$29,996.77.

The Board approved for payment Water/Sewer Maintenance Fund – Direct Deposit/Payroll in the amount of \$12,450.

FINANCE MANAGER'S COMMENTS

Hunter advised that the TruePoint/Vision utility billing system had been implemented the prior week.

Hunter requested Board approval to remove a penalty on a customer's account for late payment. The customer had previously had a penalty removed within the last three years, but contended she had not received her latest utility billing in the mail. Following discussion, Commissioner Anderson made the motion to waive the late payment penalty due to the customer's contention she had not received the mailed billing, but to also direct staff to encourage the customer to sign up for autopay so mailed delivery would not be an issue. Commissioner Martin seconded the motion, which carried unanimously.

OPERATIONS MANAGER'S COMMENTS

Mr. Martin reported on the status of the 440 Reservoir recoating project. The interior tank recoating work was expected to be completed by the first or second week in August, 2016, when the tank could be placed back on line. He also reported he had discussed with City of Bellevue representatives the engineer's request for a budget amendment of \$44,000 to cover additional engineering work and inspection services for the project as set forth in a letter request dated June 17, 2016. The District shares the 440 Reservoir with the City of Bellevue and also shares maintenance costs. The Bellevue staff supported the requested amendment. Following discussion, Commissioner Martin made the motion to approve the engineer's requested budget amendment in the amount of \$44,000. Commissioner Anderson seconded the motion, which carried unanimously.

Mr. Martin reported the District GPS system was failing and needed to be replaced. However, the District may be able to obtain some credit for the old system from the vendor selling the District a new system. The cost of a new system would be approximately \$13,500. Staff would

procure the new system through the State bid purchasing roster, or through a competitive bid. Following discussion, Commissioner Anderson made the motion to authorize staff to proceed with the acquisition of a new GPS system in accordance with applicable purchasing procedures at a cost not exceeding \$14,000 not including tax. Commissioner Martin seconded the motion, which carried unanimously.

Mr. Martin reported the District had recently hired a new meter reader who would start work on August 1, 2016.

COMMISSIONERS' COMMENTS

Commissioner Anderson asked if the District had acquired the headset system yet that the Board had previously approved. Mr. Martin advised the District had acquired the system, which was now in use and thanked the Board for the authorization to acquire the system.

Commissioner Anderson reported he had attended the most recent State Association Conference and Training Committee meeting and the date of February 4, 2017, had been identified for the Commissioners' Workshop at the Lynnwood Convention Center.

Commissioner Kunkel asked if the trees identified for removal at the 440 Reservoir site had been removed yet. Mr. Martin advised the identified trees had not yet been removed, but that he had checked with City of Newcastle staff, the land use jurisdiction, and reported no permits were required to remove the subject trees.

Commissioner Martin reported that on July 14, 2016, she had attended interviews of candidates for the State Association Executive Director position.

Commissioner Martin reported on her attendance at the State Association Executive Committee meeting, workshop and Board meeting on July 25, 2016. The Board had determined to

select one of the candidates for the Executive Director position, and the Association President was currently negotiating an employment contract with the candidate.

ADDITIONAL CITIZEN’S COMMENTS

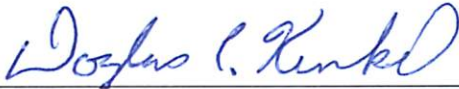
Gordon Bissett noted for staff’s information that the latest edition of Consumer Reports had a report on late model small vehicles and their ratings.

OTHER DISTRICT BUSINESS

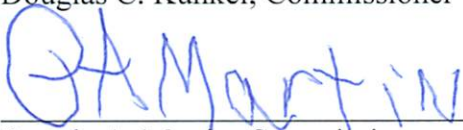
As there was no further business or persons to be heard, the meeting concluded at 6:15 p.m.



Richard D. Anderson, Commissioner



Douglas C. Kunkel, Commissioner



Pamela A. Martin, Commissioner