

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

**Held October 14, 2015**

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 October 14, 2015.

Commissioner Martin called the meeting to order at 5:00 p.m. Commissioners Anderson and Kunkel were present. District Staff Robert Russell and Todd Hynek were present. Dave Hutley, Consulting Engineer, and John Milne, General Counsel, were also present.

**CONSENT AGENDA**

Approval of Minutes – Regular Board Meeting of September 9, 2015.

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

**CITIZENS' COMMENTS AND CONCERNS**

There were no citizens in attendance.

**FCSG GFC/LFC STUDY REVIEW – PROPOSAL**

Russell advised that FCSG, the District's financial consultant, had provided alternative scopes of work to review and evaluate the District's draft GFC and LFC connection charge study. Draft scope number 1 was for 24 hours of review at a cost not to exceed \$4,107.00, draft scope number 2 was a proposal up to 32 hours at a cost not to exceed \$5,710.00, a draft scope number 3 was a proposal of 40 hours at a cost not to exceed \$7,250.00. Following discussion, due to the importance of the connection charge study to establish long-term connection charges, Anderson made the motion to authorize FCSG up to 40 hours at a cost not to exceed \$7,250.00 to

evaluate the draft study and to work with the engineering consultant, District staff and the attorney on the project. Kunkel seconded the motion, which carried unanimously.

#### **440 RESERVOIR PAINT – ENGINEER’S ESTIMATE**

Hutley presented his engineer’s evaluation of the 440 Reservoir paint project as set forth in the memo dated September 29, 2015. The construction estimate was now \$1,550,000.00, not including tax, and not including various optional items, as identified and discussed in his report.

District Staff were not inclined to recommend option item number 3 to install gutters and downspouts on the tank or option 4 which provided for seal welding. Staff also reminded the Board that the District, pursuant to the interlocal agreement with the City of Bellevue regarding the partial assumption, would be responsible for 60% of the project cost and the City of Bellevue would be responsible for 40% of the project cost.

Following discussion, the Board authorized and directed District Staff to discuss the report and option items with Bellevue City Staff, obtain Bellevue’s position and preferences regarding the option items, and to then report back to the Board.

#### **WORGAN AGREEMENT**

Hynek reported the owner of tax lot #3343300547 now proposed to construct a single family residence on that property. The property was part of the Worgan short plat and was subject to an agreement with the District dated November 20, 1995, which had been recorded against the property. The agreement provided that if a building permit was applied for to construct a residence on the property, the property owner would be required to install a permanent sewer main and cross the entire frontage of the property as required by applicable District Policies. However, the property owner now contended the cost to install the sewer main across the property frontage was onerous and requested he be allowed to connect to an existing

side sewer and not extend the sewer main. Hynek identified the District's options to (1) require the property owner to extend the permanent main across the property's frontage as required by the agreement, (2) not require the property owner to extend the sewer main and allow sewer service by side sewer connection, or (3) require the property owner to pay a charge in lieu of assessment for the sewer main and allow the side sewer connection.

In response to questions from the Commissioners, Milne confirmed that the 1995 agreement had been recorded against the property and the requirement to extend the sewer main was a covenant running with the land. Therefore, the current owner was now responsible to extend the sewer main.

Hutley expressed concerns that, if the property owner was not required to extend the sewer main across his frontage, when the property to be east of the subject property developed, then that property owner would have a greater burden to install sewer main across both that property's frontage and the Worgan frontage.

Following discussion, Kunkel made the motion to enforce the terms and conditions of the 1995 agreement which required the extension of a permanent sewer main across the entire frontage of the subject property. Anderson seconded the motion, which carried unanimously. Staff will now advise the property owner of the Board's determination.

### **VEHICLE PURCHASE**

Russell reported the District's small dump truck was recently significantly damaged in an accident and had also been scheduled to be sold as surplus. Therefore, the District needed a new dump truck and he requested authorization to purchase a new 2016 Isuzu NRR Dump Truck. He advised the District was a member of the National Joint Powers Alliance purchasing roster, a cooperative purchasing roster, and the dump truck was available through that roster at a

competitive price. He therefore requested authorization to purchase the dump truck through the NJPA cooperative purchasing roster.

Milne advised that RCW 39.34.030 (5) (d) authorized the District, through its membership in the NJPA, to utilize the cooperative purchasing roster for equipment acquisition. The District had previously utilized that roster and process to purchase a generator by the adoption of Resolution No. 1740. The purchase of the dump truck would now be undertaken through the same process.

Following discussion, as the District had determined the dump truck was available through the NJPA purchasing roster and the price from NJPA was competitive, Anderson made the motion to authorize the acquisition of the dump truck as specified by staff through the NJPA cooperative purchasing roster at a cost not to exceed \$79,000.00 by the adoption of Resolution No. 1824. Anderson seconded the motion, which carried unanimously.

#### **ENGINEER'S COMMENTS**

Hutley provided the Commissioners with copies of a report dated October 14, 2015, on the status of various District engineering projects.

#### **OPERATIONS/FINANCIAL MANAGER'S COMMENTS**

Hynek reported he had been reviewing accounts and financial reports with the District's accountant and certain accounts with outstanding balances had been identified. However, as it appeared the accounts were uncollectable, the accountant was recommending the account balances be written off as uncollectable and that the District do so by official Board Action. The accounts totaled \$2,842.54.

Milne advised it was also his opinion the accounts could be written off as uncollectable because the six year statute of limitations relative to the accounts had long since expired.

Following discussion, based on the advice and recommendation of the District's accountant, the attorney, and District Staff, Anderson made the motion to authorize the write off of the identified accounts by the adoption of Resolution No. 1825. Kunkel seconded the motion, which carried unanimously.

Hynek advised that, in the review of the District's billing process, 2 accounts had been identified which had not been billed for King County Metro wastewater charges for the past few years. He requested authorization to work with the affected customers to advise them that the under-billing must be paid, but to offer a payment plan if required for up to 1 year to pay the balance owing without interest. Following discussion, Kunkel made the motion to authorize staff to work with the customers as proposed by Hynek. Anderson seconded the motion, which carried unanimously.

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

Russell provided the Commissioners with copies of proposals from 3 communication consultants to provide communication services to the District. Following discussion, the Board determined to schedule a special Board meeting on October 28, 2015 commencing at 4:00 p.m. at the District Office to discuss the proposals. The District's regular Board meeting on that day at 5:00 p.m. would then follow the special meeting.

#### **COMMISSIONERS' COMMENTS**

Anderson reported on his attendance at the most recent Sno-King Water Alliance meeting.

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

Kunkel reported he would be absent from the November 25, 2015 regular Board meeting if that meeting was held and requested an excused absence. He also requested he be excused from the December 9, 2015, regular Board meeting. Following discussion, the Board determined to cancel the November 25, 2015, meeting. Anderson then made the motion to excuse Kunkel's absence from the December 9, 2015, regular Board meeting. Martin seconded the motion, which carried unanimously.

Martin suggested the November 11, 2015 Regular Board Meeting be canceled due to its conflict with the Veteran's Day holiday and that a special Board meeting be scheduled in lieu of the November 11 meeting for November 18, 2015. Following discussion, the Board determined to cancel the District's November 11, 2015, regular Board meeting and to schedule a Special meeting on November 18, 2015, commencing at 5:00 p.m. at the District Office for all district business.

Martin advised she had discussed a matter with a District customer in the Lake Boren area with concerns regarding impacts on a stream tributary to Lake Boren from adjacent development.

#### **ADDITIONAL CITIZENS' COMMENTS**

There were no citizens in attendance.

#### **APPROVAL OF VOUCHERS**

The Board approved for payment of water/sewer maintenance fund voucher numbers 043880 through 043907 in the amount of \$249,182.05.

The Board approved for payment of water/sewer maintenance fund voucher numbers 043908 through 043956 in the amount of \$262,480.49.

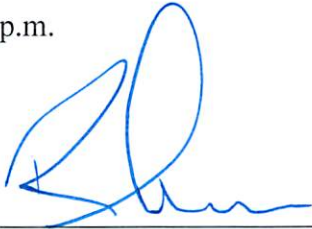
The Board approved for payment of water/sewer maintenance fund voucher numbers 010826 through 010848 in the amount of \$109,949.50.

The Board approved for payment of water/sewer maintenance fund voucher numbers 010849 through 010860 in the amount of \$11,850.00.

**OTHER DISTRICT BUSINESS**

As there was no further business or persons to be heard, the meeting concluded at 6:55

p.m.



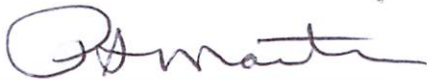
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Richard D. Anderson, Commissioner



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Douglas C. Kunkel, Commissioner



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Pamela A. Martin, Commissioner