

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

**Held on February 27, 2019**

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 February 27, 2019. Commissioner Kunkel, Board President, called the meeting to order at 5:00 p.m. Commissioner Pam Martin, Board Secretary, and Ric Anderson, Board Vice President, were also in attendance. District staff Robert Russell, General Manager, Patrick Martin, Operations Manager, and Anne Paige, Finance Manager, were present. John Milne, District legal counsel, was also present.

**APPROVAL OF AGENDA**

Paige requested that Employee Payroll draws for January 2019, and February 2019, each in the amount of \$20,000.00, be added to voucher approval. Commissioner Anderson made a motion to approve the agenda, amended. Commissioner Kunkel seconded the motion, which carried unanimously.

**CONSENT AGENDA**

Approval of Minutes – Regular Board Meeting of January 23, 2019.

Avalon Lot 6 – Water/Sewer Developer Extension Agreement - 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 citizen in attendance.

## **AVALON BAY SEWER DISCHARGE AGREEMENT**

Mr. Martin and Milne reported the developer of the Avalon Bay project had requested District approval to discharge construction stormwater from Lot 4 of that development on a temporary basis into the District's sewer system. King County has issued a stormwater discharge permit authorizing the discharge into the District's wastewater system. They advised the District has previously allowed Avalon to discharge stormwater into the District's wastewater system by written agreement prepared by the District. They now requested Board approval to prepare a discharge agreement for the proposed discharge, and that Russell be authorized to sign the agreement on behalf of the District once in a form acceptable to him and Milne. Following discussion, Commissioner Anderson so moved. Commissioner Martin seconded the motion, which carried by a vote of 2-0, Commissioner Kunkel abstaining due to a possible conflict.

## **CITY OF RENTON/CHRISTELLE RIDGE WASTEWATER AGREEMENT**

Russell requested authorization to correspond with City of Renton staff regarding the District's provision of wastewater service to the Christelle Ridge development project. The development was located within the City's sewer service area, but the City had requested the District provide sewer service to the property due to the high cost to construct a lift station to serve the development by connection to the City's sewer system. The City had proposed payment of a one-time operation and maintenance charge to the District to serve the property. However, the Board had previously determined it was the Board's preference to provide service to the property as a District sewer customer, and that the District would bill the individual lot owners as customers like other District sewer customers. However, by written agreements with the developer and the City, the City could transfer the on-site system and the customers served by the District back to the City at any time in the future. Russell and Milne reported that many cities and districts address

utility service options in such a fashion, and that Water District No. 90, for example, provided water service to property located within Renton.

Following discussion, there was Board consensus to authorize Russell to transmit the letter and draft service agreements to City staff for consideration.

### **2019-2028 WATER USE EFFICIENCY GOAL**

Russell reported the District was required by the Washington Administrative Code to establish water use efficiency goals to promote water conservation. The District had done so in the past through coordination with the City of Seattle, and Seattle had adopted a regional water use efficiency goal for the time period of 2013-2018 of reducing per capita water use so that total annual retail water use consumption of wholesale purveyors, like the District, is less than 105 million gallons a day (mgd). Seattle has proposed a new goal for the time period of 2019-2028 of 110 mgd, despite forecasted population growth in the region, including in the District's service area. Russell supported the goal identified by Seattle, and reported the applicable regulation required the District to undertake a public process, including a public hearing, to obtain comments from the public before the District would adopt and approve the regional goal. He will keep the Board advised regarding the scheduling of a public hearing on the updated water use efficiency goal.

### **ATTORNEY'S COMMENTS**

Milne reported on the status of the King County appeal of the adverse trial court ruling on the right-of-way rental charge to the Washington State Supreme Court. King County was required to file its brief with the Court by March 11, 2019.

Milne reported on the status of an appeal by several water-sewer districts of an adverse trial court ruling on a City of Federal Way excise tax on the districts' gross income to the

Washington State Supreme Court. He represents the districts and advised he would be filing his appellate brief with the Supreme Court soon. He will keep the Board further advised.

**ENGINEER'S COMMENTS**

The District engineer was not in attendance. Russell provided a written report dated February 27, 2019, on the engineer's behalf reporting on the status of certain District and developer extension projects in the District.

**APPROVAL OF VOUCHERS**

The Board approved the Water/Sewer Maintenance Fund Voucher Nos. 555 through 576 - Payroll in the amount of \$70,542.89.

The Board approved the Water/Sewer Maintenance Fund Voucher Nos. 597 through 645 – Accounts Payable in the amount of \$97,714.52.

The Board approved the Water/Sewer Maintenance Fund Voucher Nos. 597 through 596 – Accounts Payable in the amount of \$50,760.71.

The Board approved the Water/Sewer Maintenance Fund – ACH Transmittal – Payroll Draw in the amount of \$20,000.00 for January 2019.

The Board approved the Water/Sewer Maintenance Fund – ACH Transmittal – Payroll Draw in the amount of \$20,000.00 for February 2019.

**FINANCE MANAGER'S COMMENTS**

Paige reported she had posted a copy of the District's water and sewer rate sheets for 2019 on Dropbox for the commissioners' information.

Paige reported the Sage 50 system was working well.

Paige reported she is working on the year-end financial statement which is due in May 2019.

Paige reported a new part-time office employee would start work with the District on March 11, 2019.

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

Mr. Martin requested authorization to purchase a new standby generator for the Meadowview Lift Station from the cooperative purchasing roster provided by Sourcewell, previously known as the National Joint Powers Alliance (NJPA). The District had previously adopted Resolution No. 1740 authorizing membership in NJPA and authorizing District staff to obtain bids to purchase supplies, materials and equipment from applicable NJPA vendor rosters. Mr. Martin provided copies of a bid from Kohler to provide the required generator at a cost of \$30,229.00, not including tax, and a bid from Crawford Electric in the amount of \$9,600, not including tax, to perform electrical work on the new generator. Following discussion, Commissioner Anderson made the motion to authorize the purchase of the generator and related electrical work at a cost, including tax, not exceeding \$50,000 by the adoption of Resolution No. 1877. Commissioner Martin seconded the motion, which carried unanimously.

Mr. Martin recommended the District purchase three new pumps from Whitney Equipment Company for the District's Pleasant Cove Lift Station at a cost of \$48,714.00, not including tax. The pumps were necessary to replace older pumps and to provide redundancy. He further recommended that Whitney pumps be purchased to be compatible with the existing pumps and Whitney pumps the District used at other District lift stations. Mr. Martin reported that Whitney Equipment Company was the only distributor of the pumps the District required. Therefore, he recommended the Board waive the competitive bidding requirements to purchase the equipment which involved special facilities and were limited to a single source of supply. Following

discussion, Commissioner Martin so moved by the adoption of Resolution No. 1878. Commissioner Anderson seconded the motion, which carried unanimously.

Mr. Martin reported he had provided a draft letter to Ferguson on the Sensus meter issue in Dropbox for commissioner review. He reported he was working with Inslee Best attorney Eric Frimodt to prepare the letter. Following discussion, Commissioner Martin made the motion to authorize District staff to transmit the letter to Ferguson.

Mr. Martin reported on his attendance at a recent SPU Operating Board meeting.

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

Russell reported that District staff had met with Derrick Hiebert, a Hazard Mitigation Strategist, to discuss District hazard mitigation. One topic was public outreach, and Hiebert had suggested the District host a presentation on hazard mitigation at a future Board meeting and undertake outreach at the Newcastle Days Festival. He will work with Commissioner Kunkel to schedule the presentation, and may suggest the topic be addressed at a time commencing before a regular Board meeting, such as 4:00 p.m.

Russell reported a District customer, Gary Chatwin, had expressed appreciation for assistance District staff had provided during a recent storm event.

### **COMMISSIONERS' COMMENTS**

Commissioner Martin discussed the schedule for submitting expense reports for approval with District staff.

Commissioner Martin requested her District W-2 form.

Commissioner Martin thanked District staff for the 2019 District Rate sheets.

Commissioner Martin reported on her attendance at the most recent WASWD Board meeting.

Commissioner Anderson reported on his attendance at the recent WASWD Government Relations committee meeting.

Commissioner Kunkel had no comments.

**OTHER DISTRICT BUSINESS**

There was no further District business.


**ADDITIONAL CITIZEN'S COMMENTS**

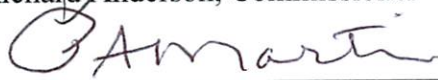
There were no citizens in attendance.

**ADJOURNMENT**

As there was no further business or persons to be heard, the meeting concluded at 6:20 p.m.

**BOARD OF COMMISSIONERS**

  
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Richard Anderson, Commissioner

  
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Pam Martin, Commissioner

  
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Doug Kunkel, Commissioner