

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

**Held on March 28, 2018**

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 March 28, 2018. Commissioner Pam Martin, Board President, called the meeting to order at 5:00 p.m. Commissioner Doug Kunkel, Board Vice President, and Commissioner Ric Anderson, Board Secretary, were also in attendance. District Staff Robert Russell, General Manager, Patrick Martin, Operations Manager, and Anne Paige, Finance Manager, were present. John Milne, District counsel, was also present.

**APPROVAL OF AGENDA**

Milne advised that executive sessions regarding the King County franchise compensation litigation and the 440 Reservoir Recoating Project would not be necessary. Commissioner Kunkel made a motion to approve the agenda as amended to delete the executive sessions for those matters listed on the agenda. Commissioner Anderson seconded the motion, which carried unanimously.

**CONSENT AGENDA**

Approval of Minutes – Regular Board meeting – March 14, 2018

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

**CITIZENS' COMMENTS / CONCERNS**

There were no comments from the citizens in attendance.

## **DISTRICT RESERVE FUND – CLOSE-OUT**

Russell and Paige advised the District no longer required a reserve fund, and the reserve fund could be closed out and all funds in that account transferred to the District's maintenance fund which was maintained by the King County Treasurer's Office on the District's behalf. Following discussion, Commissioner Kunkel so moved by the adoption of Resolution No. 1862. Commissioner Anderson seconded the motion, which carried unanimously.

## **ATTORNEY'S REPORT**

Relative to the 440 Reservoir Recoating Project, Milne reported the settlement documentation had not yet been executed and returned by the project contractor. He will keep the Board further advised.

Relative to the King County Franchise Compensation Ordinance litigation, Milne advised that the presentation and argument of cross-motions for summary judgment had tentatively been scheduled for July 27, 2018. He will keep the Board further advised. Related to that matter, Russell reported the District had recently applied to King County for a new franchise but had included language in the application provided by District counsel reserving the District's rights to contest the County's assessment of rent to use the County rights-of-way.

Milne reported the City of Federal Way City Council had enacted an excise tax on the business of providing water and sewer service within the City's boundaries which affected the water-sewer districts providing such services within the City. He had been retained by Lakehaven Utility District, Highline Water District, and Midway Sewer District to contest the tax. He will keep the Board further advised.

## **ENGINEER'S REPORT**

There was no engineer's report.

**APPROVAL OF VOUCHERS**

The Board approved for payment Water/Sewer Maintenance Fund Voucher Nos. 2295 through 2328 in the amount of \$84,305.91.

The Board approved for payment Water/Sewer Maintenance Fund – Direct Deposit – Payroll in the amount of \$19,000.00.

**FINANCE MANAGER’S COMMENTS**

Paige reported on matters relating to the District’s Vision financial accounting software. She and Russell were currently considering other options to replace Vision. She advised that she and staff had observed a demonstration of the Sage 50 program at another water district. Once replacement accounting software is selected, she was hopeful a conversion to the new software could be completed by the end of June, 2018. Given the District recently closed out the bond and reserve funds into the maintenance fund, Russell reported the District’s Financial Management Policy must now be updated to reflect those and other appropriate changes. The updated policy will probably be available at the next regular Board meeting for review and possible approval.

She reported she has made hotel reservations for the commissioners who may attend the WASWD Fall Conference, and also obtained the future conference schedule from WASWD staff.

**OPERATIONS MANAGER’S COMMENTS**

Mr. Martin reported on his attendance at the MWPAAC meeting that day.

**GENERAL MANAGER’S COMMENTS**

Mr. Russell had no further comments.

**COMMISSIONERS' COMMENTS**

Commissioner Anderson reported on his attendance at the recent WASWD Technology Committee meeting.

Commissioner Anderson reported he had also attended the recent WASWD Board of Directors meeting.

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

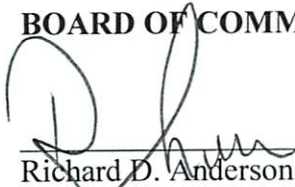
**ADDITIONAL CITIZEN'S COMMENTS**

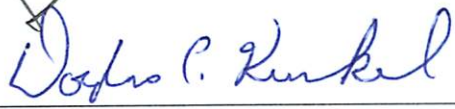
There were no comments from the citizen in attendance.


**OTHER DISTRICT BUSINESS**

As there was no further business or persons to be heard, the meeting concluded at 5:50 p.m.

**BOARD OF COMMISSIONERS**

  
Richard D. Anderson, Commissioner

  
Douglas C. Kunkel, Commissioner

  
Pamela A. Martin, Commissioner