

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

**Held on May 25, 2022**

A regular meeting of the Board of Commissioners of Coal Creek Utility District was held by remote means and in-person at the District Office, 6801 – 132<sup>nd</sup> Place SE, Newcastle, Washington, on May 25, 2022, pursuant to the Washington State Governor’s Proclamation No. 20-28, as extended. Commissioner Suzi O’Byrne, Board President, attended in person and called the meeting to order at 5:02 p.m. Commissioner Doug Kunkel, Board Vice-President, and Commissioner Pam Martin, Board Secretary, also attended in person. District staff Robert Russell, General Manager, Patrick Martin, Operations Manager, and Jamie Crookston, Finance Manager, and Rosemary Larson, legal counsel, attended in-person. Bill Reynolds, District Engineer, attended via Zoom.

In compliance with Proclamation No. 20-28, as extended, the District provided the public with the ability to attend the meeting by Zoom or conference call, provided notice of the call-in and remote access information to the public, and provided a speaker in the Board meeting room which allowed all persons attending the meeting to hear each other at the same time.

**APPROVAL OF AGENDA**

Commissioner Kunkel made a motion to approve the agenda. Commissioner Martin seconded the motion, which passed unanimously.

**CONSENT AGENDA**

Approval of Minutes – Regular Board Meeting of May 11, 2022

Hill Property DEA – Water/Sewer – Assignment and Assumption Agreement

Newcastle Crest DEA – Water/Sewer – Final Acceptance

Commissioner Kunkel made a motion to approve the consent agenda. Commissioner Martin seconded the motion, which passed unanimously.

### **CITIZENS' COMMENTS AND CONCERNS**

There were no citizens in attendance.

### **NEWCASTLE 2022 SPONSORSHIP**

Ms. Crookston informed the Commissioners that this matter follows up on the Newcastle 2022 Sponsorship discussion at the prior Board meeting. District staff have not heard from the City regarding a municipal discount. However, staff reviewed the file for the 2021 Sponsorship, and the District participated at the “Silver” level, but did not have a logo on a banner. Mr. Russell noted that the 2019 meeting minutes indicate that the District’s counsel advised that it was lawful for the District to participate in the Sponsorship. Ms. Larson agreed with this opinion. The Commissioners and District staff discussed the pros and cons of the various sponsorship levels. Commissioner Kunkel commented that the District’s participation would be consistent with the District’s purpose and goal of informing the public on water conservation and related matters.

Commissioner Kunkel made a motion to participate in the Newcastle 2022 Sponsorship at the “Silver” \$1000 level. Commissioner O’Byrne seconded the motion, which passed unanimously.

### **580 RESERVOIR IMPROVEMENTS PROJECT – CHANGE ORDER #6**

Mr. Reynolds reported that this change order addresses the corrosion found in certain elements of the smaller tank on the 580 Reservoir Site, which is similar to corrosion previously found in the larger tank. Mr. Reynolds indicated that the contractor identified two options for correcting the issue, one of which is very expensive. The second option involves application of an additional “Stripe Coat” over the already-prepared surface, and would cost \$5,258.40 plus sales

tax. The “Stripe Coat” option is recommended by the District’s coating specialist. Commissioner Kunkel stated that he was glad that this issue was caught before the painting was complete.

Commissioner Kunkel made a motion to approve Change Order No. 6 in the amount of \$5,258.40 plus sales tax. Commissioner O’Byrne seconded the motion, which passed unanimously.

### **HOMESTEAD DESIGN**

Mr. Martin reported that the Homestead Design contract will expire in June 2022. The contractor is requesting an increase in price from \$66,000 to \$80,000, with an increase in hourly rates from \$60/hour to \$66/hour. The prevailing wage for the services provided by Homestead Design is slightly higher, but because Homestead Design is a sole proprietorship, the business owner can perform the work at the lower rate. Homestead Design did not increase its rates for the 2021/2022 contract. In response to a question from Commissioner Kunkel, Mr. Martin confirmed that the contract’s scope of work for the District is increased as well as the increase in hourly rate. Commissioner Martin noted that Homestead Design has provided excellent services for the District.

Commissioner Kunkel made a motion to approve the Homestead Design cost proposal, and to authorize the General Manager to execute the Homestead Design services agreement effective June 1, 2022. Commissioner O’Byrne seconded the motion, which passed unanimously.

### **ATTORNEY’S COMMENTS**

Ms. Larson informed the Commissioners that the Open Public Meetings Act Proclamation will expire on June 1, 2022. Because the Board of Commissioners has already been conducting its meetings with an in-person component, this will have little impact on the District’s operations.

**ENGINEER'S COMMENTS**

Mr. Reynolds informed the Commissioners that the engineer's Project Activity Report is in the meeting packet. Regarding the 580 Reservoir Improvement Project, the contractor will perform the exterior coating work on the larger tank while it is in service, so that tank will not have to be drained again.

The Pleasant Cove Project will be re-bid in June. Regarding the Vactor Decant Project, the District's staff and engineers will meet with the City of Newcastle to discuss the Project, and will obtain one permit for this Project and the AMI Antenna Project, as they are on the same site.

**APPROVAL OF VOUCHERS**

The following Vouchers were approved:

Water/Sewer Maintenance Fund – Accounts Payable - Voucher Nos. 3699 in the amount of \$35,954.71.

Water/Sewer Maintenance Fund – Accounts Payable - Voucher Nos. 3700 to 3711 in the amount of \$35,944.12.

Water/Sewer Maintenance Fund – Accounts Payable - Voucher Nos. 3712 in the amount of \$171,744.62.

Water/Sewer Maintenance Fund – Accounts Payable - Voucher Nos. 3713 to 3728 in the amount of \$58,226.88.

Water/Sewer Maintenance Fund – Payroll in the amount of \$22,650.00.

Water/Sewer Maintenance Fund – EFT in the amount of \$15,237.16.

**MANAGERS' COMMENTS**

Ms. Crookston reported that she submitted the District's financial statements and information to the Auditor, and copies are being provided to the Commissioners.

Mr. Martin informed the Commissioners that the vactor truck vendor increased the truck's price since the last discussion with Board. The new price reflects a "federal surcharge" of approximately \$23,000. District staff will obtain more information regarding the price increase, and bring this item back to the Commissioners for discussion.

Mr. Russell reported that he attended the Retro Committee meeting. The group as a whole will be getting \$1,100,000 in refunds. The District is expected to receive a refund of almost 80% of its premiums paid over the refund period. The group discussed the use of a "merit program" in the future, but no consensus was reached on that point.

Mr. Russell also reported that the District took delivery of the new crane truck. He presented photos of the new truck for the Commissioners' review. Mr. Martin described the crane truck's features.

### **COMMISSIONERS' COMMENTS**

Commissioner Martin had no additional comments.

Commissioner Kunkel had no additional comments.

Commissioner O'Byrne had no additional comments.

### **OTHER BUSINESS**

None.

### **EXECUTIVE SESSIONS – RCW 42.30.110(1)(g) – Review the Performance of Public Employees**

Mr. Russell requested two executive sessions under RCW 42.30.110(1)(g) to review the performance of District employees, and advised the first executive session would be for 10 minutes. Mr. Reynolds was excused from the meeting.

Commissioner Kunkel convened the first executive session at 6:05 p.m., with the Commissioners, Mr. Russell, Ms. Crookston, Mr. Martin, and Ms. Larson attending. At 6:15 p.m., Mr. Russell announced that the executive session was extended for 10 minutes. At 6:25 p.m., the first executive session concluded and the open meeting reconvened.

After discussion, Commissioner Kunkel made a motion, based on employee performance, to approve an increase in salary for Jeff Schell to consist of a three percent (3%) merit raise. Commissioner O'Byrne seconded the motion, which passed unanimously.

Commissioner Kunkel made a motion, based on employee performance, to approve an increase in benefits compensation for Gabré Kosten, to consist of providing medical benefits, pro-rated paid time off, and DRS benefits. Commissioner O'Byrne seconded the motion, which passed unanimously. Ms. Larson noted that District staff will determine whether any Employee Manual amendments are necessary as a result of this action.

Ms. Crookston and Mr. Martin were excused from the meeting. Mr. Russell advised that the second executive session, also under RCW 42.30.110(1)(g) to review the performance of a District employee, would be for 10 minutes.

Commissioner Kunkel convened the second executive session at 6:30 p.m., with the Commissioners, Mr. Russell, and Ms. Larson attending. At 6:40 p.m., Mr. Russell announced that the executive session was extended for seven minutes. At 6:47 p.m., the second executive session concluded and the open meeting reconvened.

Mr. Russell commented that Jamie Crookston has been doing an excellent job of performing the duties of her position. Commissioner Kunkel noted that the District's recent audit, which was under her supervision, was one of the District's best audits. After discussion, Commissioner Martin made a motion, based on employee performance, to approve an increase in salary for Jamie Crookston to consist of a nine percent (9%) merit raise. Commissioner Kunkel seconded the motion, which passed unanimously.

**ADJOURNMENT**

As there was no further business or persons to be heard, the meeting concluded at 6:53 p.m.

**BOARD OF COMMISSIONERS**

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Suzi O'Byrne, Commissioner

  
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Douglas Kunkel, Commissioner

  
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Pam Martin, Commissioner