

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

**Held on June 12, 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 June 19, 2019. Commissioner Kunkel, Board President, called the meeting to order at 5:00 p.m. Commissioner Ric Anderson, Board Vice-President, and Commissioner Pam Martin, Board Secretary, was also in attendance. District staff Robert Russell, General Manager, and Anne Paige, Finance Manager, were present. John Milne, District legal counsel, was also present.

**APPROVAL OF AGENDA**

Mr. Martin requested that consideration of the Taylor Townhomes water and sewer developer extension final acceptance be removed from the consent agenda and included as an agenda item so he could report further about the project. Following discussion, Commissioner Kunkel placed the matter for discussion as an agenda item. Commissioner Martin then made a motion to approve the agenda as amended. Commissioner Anderson seconded the motion, which carried unanimously.

**CONSENT AGENDA**

Approval of Minutes – Regular Board Meeting of May 22, 2019.

Christelle Ridge – 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.

## **2019 SPU FACILITY CHARGES**

Russell advised that the District's wholesale water supply contract with the City of Seattle required the District to collect, in addition to the District's water connection charges, a "meter charge" (also referred to as a "facility charge") to be paid to the City for the cost of new water supply facilities constructed by the City to make water supply available to new District water customers. The City periodically adjusts the charge, and most recently adjusted the charge to \$965 per ERU. Therefore, the District was required to adjust and collect the Seattle meter charge for payment to Seattle. Following discussion, Commissioner Martin made the motion to revise the Seattle meter charge collected by the District for payment to Seattle to \$965 per ERU by the adoption of Resolution No. 1882. Commissioner Anderson seconded the motion, which carried unanimously.

## **TAYLOR TOWNHOMES – WATER/SEWER – FINAL ACCEPTANCE**

Mr. Martin reported the project's water and sewer extension improvements were ready for final acceptance but that the water design as constructed had been modified, as required by City of Newcastle staff, to terminate the water main approximately two feet short of the property's eastern boundary. City staff had concerns regarding a landscape buffer where the water main was located, and District staff had no concerns with not extending the water main to the property's eastern boundary to accommodate the City's requirement. They reported the properties located east of the Taylor Townhomes property had access to the District's water system to the east of those properties. Following discussion, Commissioner Anderson made the motion to grant the water and sewer extension improvements final acceptance. Commissioner Martin seconded the motion, which carried unanimously.

## **ATTORNEY'S COMMENTS**

Milne reported on the status of the King County right-of-way rental charge litigation. He reported that the Washington State Supreme Court had granted direct review and that the appeal hearing may be scheduled for the Court's fall term. The district-appellants' brief in response to King County's brief had been filed on May 15, 2019. King County will now have the opportunity to file a reply to the Districts' responsive brief. He also reported that several other entities and associations planned to file amicus briefs with the Supreme Court in support of the districts' appeal. He will keep the Board further advised.

Milne reported on the status of the appeal by several water-sewer districts of a City of Federal Way excise tax on the districts' revenues. He was hopeful the Supreme Court would grant direct review and also schedule an appeal hearing during the Court's fall term. He will keep the Board further advised.

## **ENGINEER'S COMMENTS**

There was no engineer's report.

## **APPROVAL OF VOUCHERS**

The Board approved the Water/Sewer Maintenance Fund Voucher Nos. 872 to 875 – Accounts Payable in the amount of \$28,064.26.

The Board approved the Water/Sewer Maintenance Fund Voucher Nos. 876 to 916 – Accounts Payable in the amount of \$345,640.23.

The Board approved Water/Sewer Maintenance Fund – Payroll in the amount of \$68,212.98.

The Board approved Water/Sewer Maintenance Fund – EFT in the amount of \$65,505.57.

The Board approved Water/Sewer CIP Fund – Check #917 in the amount of \$19,845.31.

## **FINANCE MANAGER'S COMMENTS**

Paige reported that Paymentus had offered to reduce its service fees charged per transaction if the District agreed to extend its service agreement through May 7, 2023. She reported that the Paymentus service fee per qualified utility rate transaction was currently \$2.50 per transaction for credit/debit card payments, and \$1.75 per transaction for ACH/e-Checks. The new fees would be \$2.00 per transaction for credit/debit card payments, and \$1.00 per transaction for ACH/e-Checks. The proposed amendment to the District's existing service agreement also provided for automatic two year extensions unless either party gave notice at least six months before the term end of the parties intent to elect not to renew the agreement. Milne felt that six months' notice was too long, and suggested a sixty day prior notice period. Following discussion, Commissioner Anderson made the motion to approve the Paymentus term extension, provided that only sixty days' notice would be required to provide notice of intent not to renew the agreement. Commissioner Martin seconded the motion, which carried unanimously.

Paige reported that she was pleased with the performance of the part-time office employee and requested authorization to increase her hourly pay rate by fifty cents, effective immediately. Following discussion, Commissioner Anderson made the motion to authorize the increase as proposed. Commissioner Martin seconded the motion, which carried unanimously.

Paige provided information regarding the Fall WASWD Conference in case any of the commissioners were interested in attending.

## **OPERATIONS MANAGER'S COMMENTS**

Mr. Martin reported that the agreement for landscape services would soon expire and that he proposed to extend the agreement for another year. He reported that he was satisfied with the vendor's performance, and that the vendor had not proposed any change in the cost of the services

to be provided if the agreement was renewed. Following discussion, Commissioner Martin made the motion to authorize staff to renew the agreement with the vendor for another year. Commissioner Anderson seconded the motion, which carried unanimously.

**GENERAL MANAGER'S COMMENTS**

Russell requested the commissioners provide him with any comments or proposed edits they may have on the draft District water quality report. The report must be mailed to District ratepayers by July 1, 2019. Milne then provided Russell with his comments on the draft report.

Russell reported on his attendance at a recent managers' meeting held at Olympic View Water and Sewer District.

**COMMISSIONERS' COMMENTS**

Commissioner Anderson reported on his attendance at the recent State Association Emergency Preparedness committee meeting.

Commissioner Martin reported on her attendance at the recent SPU Operating Board meeting.

**OTHER DISTRICT BUSINESS**

There was no further District business.

**ADDITIONAL CITIZEN'S COMMENTS**

There were no comments from the citizen in attendance.

**ADJOURNMENT**

As there was no further business or persons to be heard, the meeting concluded at 5:58 p.m.

**BOARD OF COMMISSIONERS**



Richard Anderson, Commissioner



Douglas Kunkel, Commissioner



Pam Martin, Commissioner