

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

**Held on August 14, 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 August 14, 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, 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**

Mr. Martin requested that execution of the Ottesen Sewer DEA be added to the consent agenda.

Commissioner Martin made a motion to approve the agenda as amended to include the Ottesen DEA. Commissioner Anderson seconded the motion, which carried unanimously.

**CONSENT AGENDA**

Approval of Minutes – Special Board Meeting of July 26, 2019.

Approval of Minutes – Regular Board Meeting of July 26, 2019.

Approval and Execution - Ottesen Sewer DEA

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

**CITIZENS' COMMENTS/CONCERNS**

There were no comments from the citizen in attendance.

### **PROFESSIONAL DESIGN SERVICES – DISTRICT OFFICE**

Russell reported on improvements to the District office/administration building which had previously been discussed with the Board, including roofing, HVAC system, building envelope, windows, and security. The architectural consultant who had originally designed the building had provided general cost information for project design and management services. Discussion ensued regarding projected cost of professional services versus the cost of improvements, ADA compliance, and other matters. Following discussion, the Board authorized District staff to proceed with a request for qualifications (RFQ) to obtain required architectural and engineering services for the project, and to report back to the Board.

### **EQUIPMENT PURCHASE – WIDE-FORMAT SCANNER/PRINTER**

Paige reported the District needed to replace the District's existing wide-format printer/scanner due to its age, unreliability, and cost to repair. Staff had researched replacing the equipment and had identified a printer available through Pacific Office Automation at a cost of \$15,000, not including tax, but including delivery, installation and training. However, staff did not feel a maintenance contract was necessary, assuming the equipment was fully warranted. The equipment was available through the State bid program. Milne advised that RCW 57.08.050 (4) authorized District equipment purchases like the printer through the State bid program. Following discussion, Commissioner Martin made the motion to authorize the equipment purchase at the identified amount through the State bid program. Commissioner Anderson seconded the motion, which carried unanimously.

### **EQUIPMENT PURCHASE – CCTV SECURITY SYSTEM**

Mr. Martin reported he had received a bid from the State bid program for a security system for the 1060, 700, 580, and 440 reservoirs, and the District office. The District had recently

experienced intrusion and vandalism at the 580 reservoirs and staff had recommended installing security cameras to monitor the District's reservoir sites and office. RFI Communications and Security Systems had submitted a bid of \$66,976.55, not including tax for the described systems, installation, and training. Milne advised that RCW 57.08.050 (4) authorized District equipment purchases like the security system through the State bid program. Following discussion, Commissioner Martin made the motion to authorize the equipment purchase at the identified amount through the State bid program. Commissioner Anderson 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 Supreme Court had granted direct review and that the appeal hearing had been scheduled for oral argument on September 17, 2019. The water-sewer district-respondents' brief in response to King County's brief had been filed on May 15, 2019. King County's reply to the Districts' responsive brief was filed on July 26, 2019. He also reported that several other parties and associations had filed amicus briefs with the Court in support of the water-sewer districts' position that the county lacked authority to charge rent to locate utility facilities in the right-of-way. He also reported that the Washington State Association of Counties (WSAC) had filed an amicus brief in support of King County's position that rent could be imposed. However, because the amicus brief addressed an issue that was germane to the issues on appeal, and had included several franchise agreements that were not previously part of the record, Milne's office had filed an objection to the WSAC amicus brief. 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 reported that the Washington Supreme Court

had granted direct review of the appeal and that oral argument would probably be scheduled in December 2019 or January 2020. The Washington State Association of Sewer and Water Districts and Alderwood Water and Wastewater District had indicated their intent to file amicus briefs on behalf of the districts. Milne 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 – Accounts Payable - Voucher Nos. 1016 to 1029 in the amount of \$13,012.68.

The Board approved the Water/Sewer Maintenance Fund – Accounts Payable - Voucher Nos. 1030 to 1073 in the amount of \$40,651.91.

The Board approved Water/Sewer Maintenance Fund – Payroll in the amount of \$69,071.47.

The Board approved Water/Sewer Maintenance Fund – EFT in the amount of \$68,106.89.

### **FINANCE MANAGER'S COMMENTS**

Paige reported she was close to completing the District's June 2019 balance sheet and income statement.

Paige reported she is revising the District's service rate collection and shut-off policy and will report further to the Board with proposed revisions.

Paige reported the District financial consultant preparing a cost of service study will have recommendations regarding revised rates and charges.

## **OPERATIONS MANAGER'S COMMENTS**

Mr. Martin reported the City of Newcastle overlay work had been completed and District staff were completing the inspection of District work which had been included in the City overlay project.

Mr. Martin reported that District field staff Dan Gravelle, Jeff Shell, and Mike Jordan had all obtained their Water Distribution Manager 1 (WDM 1) certification. He and the Commissioners commended the employees on their achievement.

## **GENERAL MANAGER'S COMMENTS**

Russell reported that he had attended the July 29 meeting of the Retrospective Rating Committee. He reported the Committee was undertaking a RFP for a third-party administrator for the program.

## **COMMISSIONERS' COMMENTS**

Commissioner Anderson reported on his attendance at the recent State Association Conference and Training committee meeting.

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

Commissioner Kunkel requested that District staff convey his congratulations to the District employees who recently achieved their WDM 1 certification.

## **OTHER DISTRICT BUSINESS**

There was no further District business.

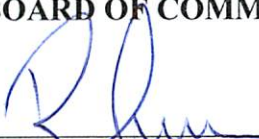
## **ADDITIONAL CITIZEN'S COMMENTS**

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 6:00 p.m.

**BOARD OF COMMISSIONERS**

  
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Richard Anderson, Commissioner

  
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Douglas Kunkel, Commissioner

  
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Pam Martin, Commissioner