

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

Held on September 12, 2018

A regular meeting of the Board of Commissioners of Coal Creek Utility District was held at the District Office, 6801 – 132nd Place SE, Newcastle, Washington, on September 12, 2018. Commissioner Pam Martin, Board President, called the meeting to order at 5:00 p.m. Commissioner Ric Anderson, Board Secretary, was also in attendance. Commissioner Kunkel had an excused absence. District Staff Anne Paige, Finance Manager, and Patrick Martin, Operations Manager, were present. John Milne, District counsel, was also present.

APPROVAL OF AGENDA

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

CONSENT AGENDA

Approval of Minutes – Regular Board meeting – August 8, 2018

Approval of Minutes – Regular Board meeting – August 22, 2018

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 citizens in attendance.

ALTERNATE FUEL REQUIREMENTS

Milne presented proposed Resolution No. 1870 adopting District policies regarding alternate fuel requirements. Following discussion, Commissioner Anderson made a motion to

adopt Resolution No. 1870. Commissioner Martin seconded the motion, which carried unanimously.

KING COUNTY FRANCHISE

Milne reported on the status of the litigation with King County regarding the County's attempt to charge utilities rent to use County right-of-way. A King County Superior Court judge had recently ruled that King County did not have the authority to charge the utilities rent. King County now has until October 4, 2018, to determine whether to appeal the ruling. Milne will keep the Board further advised.

CHRISTELLE RIDGE

Mr. Martin reported on discussions with the City of Renton and the developer of the Christelle Ridge project regarding the District's possible provision of sewer service to the property. The developer would be required to construct a lift station for access to the City's sewer system. Milne and Mr. Martin reported on the District's options to provide sewer service to the property, including a wholesale agreement with the City, or an interim sewer service agreement with the City and the developer. The Board favored an interim sewer service arrangement wherein the District would provide retail sewer service to the property until the City determined it could provide retail sewer service to the property; in that event, the District would transfer sewer service back to the City. Mr. Martin and Mr. Russell will meet with City staff on September 17, 2018, to discuss service options to the property and will report back to the Board.

COLLECTIVE BARGAINING AGREEMENT – AMENDMENT

Mr. Martin submitted a proposed amendment to Article 18.8 regarding sick leave donation. The article presently limits the amount of donation time to 40 hours. The union representing the District field employees requested the article be amended to allow for the

donation of up to 200 hours per year, and have provided an amendment to the CBA for Board approval. Following discussion, Commissioner Anderson made the motion to approve the amendment to the CBA as requested by the Union by the adoption of Resolution No. 1871. Commissioner Martin seconded the motion, which carried unanimously.

580 RESERVOIR VANDALISM

Milne reported on the status of the 580 Reservoir vandalism matter. He advised that two individuals had been charged for the property damage inflicted at the site and that the District had recently received letters from the King County Prosecuting Attorney's Office inviting the District to submit a victim impact statement. The letter also addressed restorative justice such as restitution or mediation. The District had incurred significant expense in time and materials to repair the damage to the site due to the vandalism.

Commissioner Martin requested that staff further advise the Board regarding the charges filed against the individuals for the vandalism.

Following discussion, the Board directed that a staff representative attend the sentencing of the individuals if convicted or if they entered a plea to the charges. The Board also authorized and directed Mr. Martin and Milne to pursue full restitution of the District's costs incurred due to the vandalism and submit a Victim Impact Statement and a Victim Loss Report with the Victim's advocate office regarding the matter. Staff and Milne will keep the Board further advised.

ATTORNEY'S COMMENTS

Milne had no further comments.

ENGINEER'S COMMENTS

There was no engineer's report.

APPROVAL OF VOUCHERS

The Board approved Water/Sewer Maintenance Fund Voucher Nos. 2620 through 2645 in the amount of \$27,782.47.

The Board approved Water/Sewer Maintenance Fund Voucher Nos. 2646 through 2659 in the amount of \$333,562.92.

The Board approved Water/Sewer Maintenance Fund – Direct Deposit – Payroll in the amount of \$130,772.15.

FINANCE MANAGER'S COMMENTS

Ms. Paige reported that the Sage 50 system was now running parallel to the District's existing system and would do so as testing proceeded until the end of December, 2018.

Ms. Paige reported the auditor from the Washington State Auditor's Office had requested the District restate its financial statement for 2017. Ms. Paige was working with the District accountant to do so.

Ms. Paige reported on a recent email exchange with a customer regarding on-line bill payment options.

OPERATIONS MANAGER'S COMMENTS

The Operations Manager reported he had worked with City of Newcastle staff for approval to remove certain trees within the buffer along the north end of the District's administration/operations site which were threatening District fencing. City staff had issued a letter report dated August 17, 2018, authorizing the tree removal. Mr. Martin had received an acceptable bid for tree removal which would be scheduled soon.

Mr. Martin reported that the preconstruction meeting with the contractor awarded the 580 Reservoir rock scaling and vegetation removal project was scheduled for the following day.

COMMISSIONERS' COMMENTS

Commissioner Anderson reported he had attended a fund raising party for a District employee's child related to medical care.

Commissioner Anderson reported on his attendance at the recent Newcastle Days festival. He thanked the District staff who had volunteered to work the District's booth.

Commissioner Martin reported on her attendance at the September 11, 2018, SPU Conservation Technical Forum.

Commissioner Martin reported she planned to attend the SPU Operating Board meeting the following day and would report back to the Board.

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

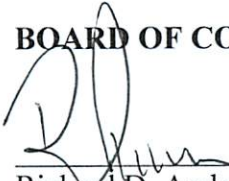
ADDITIONAL CITIZEN'S COMMENTS

There were no citizens in attendance.

OTHER DISTRICT BUSINESS

As there was no further business or persons to be heard, the meeting concluded at 6:35 p.m.

BOARD OF COMMISSIONERS



Richard D. Anderson, Commissioner



Pamela A. Martin, Commissioner