

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

Held on September 26, 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 26, 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, 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 – September 12, 2018

The Shops at Newcastle Commons – DEA – Final Acceptance

Resolution No. 1871 – CBA Amendment

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.

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. Milne reported the County has appealed the trial court's ruling, and had petitioned the Washington State Supreme Court for direct review of the appeal. Milne will keep the Board further advised.

EMPLOYEE MANUAL REVIEW

At the August 15, 2018 meeting, the Board had reviewed proposed updates to the District's Employee Manual applicable to District management and office staff. District staff then reported on various amendments, deletions and edits to the Manual as follows:

1. Equal Opportunity Statement (p. 7). Commissioner Kunkel had expressed concern that the statement should apply to all staff equally, and not just legally protected classes. Staff reported that District counsel had recommended against revising the harassment policy to include "non-protected class" protection. Counsel advised the current policy reflects current discrimination and harassment laws, and modifying the policy would effectively convert the policy into an "anti-bullying" policy, and could subject the District to additional claims and potential liability. Commissioner Kunkel repeated his opposition to the policy as written because it was his opinion it does not apply equally to all District staff.

2. Work Schedule (p. 10). The Commissioners had discussed adding an example of a variable work schedule such as the District's present 9/80 schedule to the discussion on work schedule. District staff advised an example schedule had been added and would also be included in the manual appendix.

3. Comp Time (p. 13). The commissioners had discussed how many hours of comp time could be accrued, and how many hours of unused comp time could be carried over to the next

year. The commissioners also discussed how many hours of “earned time” (e.g., sick leave, vacation leave, and comp time) could be donated per year to another employee, with management approval. The Board had determined an employee could donate up to 200 hours of earned time (e.g., sick leave, vacation leave, and comp time) to another employee, with management approval, and staff advised that change had been included in the “Comp Time” and “Vacations” sections.

4. Domestic Partnerships (p. 16). Staff confirmed the policy was compliant with Washington law and that a typo had been fixed.

5. Outside Training (p. 18). Staff confirmed this policy had been edited as directed.

6. Sick Leave (p. 19). Staff confirmed the policy was compliant with Washington law, including the recent initiative.

7. Employee Conduct (p. 22). Staff confirmed the policy had been revised as directed.

8. Drug and Alcohol Policy (p. 23). Staff confirmed the policy had been re-formatted as directed.

9. Safety (p. 28). Staff confirmed the policy had been revised as directed.

Commissioner Martin suggested a list of the Appendices be included in the Table of Contents. The other commissioners concurred.

District staff will continue to finalize the updated Manual for further Board consideration and approval.

ATTORNEY’S COMMENTS

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.

ENGINEER'S COMMENTS

There was no engineer's report.

APPROVAL OF VOUCHERS

The Board approved Water/Sewer Maintenance Fund Voucher Nos. 2660 through 2689 in the amount of \$251,851.59.

The Board approved Water/Sewer Maintenance Fund – Direct Deposit – Payroll in the amount of \$20,000.00.

FINANCE MANAGER'S COMMENTS

Ms. Paige reported on a recent email exchange with a customer regarding on-line bill payment options and paper-less billing. She advised it would cost approximately \$2,500 to set up a paper-less billing option but that the District did not receive many requests for paper-less billing. Following discussion, the Board suggested District staff undertake an informal survey to

determine the level of interest in paper-less billing, and then report back to the Board at a future meeting to discuss the matter further.

Ms. Paige reported on her attendance at a WFOA conference held the previous week in Vancouver, Washington. She reported new GASB rules will impact the District next year and that she will prepare an analysis of the rules and their impact for the Board's consideration.

Ms. Paige reported the auditor from the Washington State Auditor's Office had requested an exit conference with the District. Following discussion, the Board scheduled a special meeting to be held at the District office on Wednesday, October 17, 2018, at 2:30 p.m. for the purpose of holding an exit conference with the auditor.

OPERATIONS MANAGER'S COMMENTS

Mr. Martin reported that the preconstruction meeting with the contractor awarded the 580 Reservoir rock scaling and vegetation removal project had been held and that the contractor had been given a notice to proceed with the work that day.

GENERAL MANAGER'S COMMENTS

Russell reported the District's Fall/Winter newsletter would soon be available for review and comment. Articles will address winterizing water systems and also solicit customer comment on electronic bill-pay.

Russell reported two District employees had attended a Washington WARN exercise held at the Woodinville Water District the prior day.

COMMISSIONERS' COMMENTS

Commissioner Kunkel reported on his attendance at the recent WASWD Fall Conference in Spokane, Washington.

Commissioner Martin reported on her attendance at the recent WASWD Fall Conference in Spokane, Washington.

ADDITIONAL CITIZEN'S COMMENTS

John Dulcich, the developer of the Shops at Newcastle Commons project, expressed his appreciation and thanks to the District and staff for assistance to complete the utilities to serve the project.

OTHER DISTRICT BUSINESS

As there was no further business or persons to be heard, the meeting concluded at 6:20 p.m.

BOARD OF COMMISSIONERS

Richard D. Anderson, Commissioner



Douglas C. Kunkel, Commissioner



Pamela A. Martin, Commissioner