

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

**Held on January 27, 2016**

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 January 27, 2016. Commissioner Kunkel called the meeting to order at 5:00 p.m. Commissioners Anderson and Martin were present. District Staff Robert Russell and Todd Hynek were present. Dave Hutley, Consulting Engineer, and John Milne, General Counsel, were also present.

**APPROVAL OF AGENDA**

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

**CONSENT AGENDA**

Approval of minutes – Regular Board Meeting of January 13, 2016.

Approval of minutes – Special Board Meeting of December 15, 2015.

Eden Ridge – DEA – Final Acceptance

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

**CITIZENS' COMMENTS / CONCERNS**

There were no comments from the citizens in attendance.

**CREDIT CARD PROCESSING**

Russell advised that TruePoint Solutions conducted training at the District during the week of January 18 for product immersion. One of the topics of discussion was the integration of credit card processing and the District's current credit card processor. The TruePoint

representatives expressed concern regarding the integration with Paymentus because they had had difficulty in the past working with the Paymentus system. The District's Satin System consultant has also advised that Satin had a similar experience with Paymentus. Russell noted one option was the termination of the Paymentus agreement and then identify another system more compatible with TruePoint's system.

### **ATTORNEY'S COMMENTS**

Milne advised he and District staff would provide an agenda for the public hearing on the proposed adjustment of District water and sewer general facility and local facility connection charges which will be held at the next Board meeting on February 10, 2016. Milne will also provide remarks for Commissioner Kunkel to read at the hearing. District staff will also record the hearing.

### **ENGINEER'S COMMENTS**

Hutley presented the 440 Reservoir Recoating Project contracts for signature. The Project contract had been awarded to Simpson Sandblasting and Special Coatings at the January 13, 2016, Board meeting. The engineer and District staff were then authorized and directed to provide notice to proceed to the contractor when appropriate.

### **APPROVAL OF VOUCHERS**

The Board approved for payment Water/Sewer Maintenance Fund Voucher Nos. 044174 through 044203 in the amount of \$30,904.74.

### **OPERATIONS MANAGER'S COMMENTS**

Hynek reported that the telemetry upgrade for all of the District's stations was completed.

Hynek commended District employees Carla Snyder and Calvin Megiveron for their timely preparation of year-end reporting regarding District water consumption/water loss. Hynek

advised the completion of the Master Meter replacement project had resulted in a significant decrease of District water loss.

Hynek requested the Board approve a work order in the amount of \$3,942.00 for Vision MS for work as part of the District's financial system upgrade to import the District general ledger (GL) file into the new system. Following discussion, Anderson made the motion to approve the work order. Martin seconded the motion, which carried unanimously.

### **GENERAL MANAGER'S COMMENTS**

Russell reported he had provided a draft updated employee manual for non-union employees to the attorney for review and comment.

Russell commended District employee Steve Moyer for superior customer service. Moyer recently assisted District customers Stacy and Jane Lynch who had been very complimentary of his dedication and professionalism in assisting them with a plumbing issue.

Russell requested Board input on proposed House Bill 2148 which would allow local governments to obtain a financial audit from a private entity in lieu of an audit by the State Auditor, submit to the State Auditor's approval of the private audit. Following discussion, because the commissioners felt having the private audit option may reduce audit costs, the Board authorized Commissioner Martin to advise the State Association that the District supported the proposed legislation.

### **COMMISSIONERS' COMMENTS**

Martin reported on her attendance at the following meetings since the last Board meeting: the State Association Government Relations Committee meeting, the Section IV meeting, the State Association Finance Committee meeting which she had chaired, the State Association

Executive Committee meeting, the State Association Board of Directors meeting, and the SPU Conservation Technical Forum.

The Board had discussed and approved committee assignments for 2016 at the January 13, 2016 Board meeting, and the committee assignments had been listed in the minutes. Martin suggested District staff prepare a separate committee assignment list that the Board could periodically review and amend if necessary. The other commissioners concurred, and District staff were directed to prepare a committee assignment list for further review and approval by the Board. Martin requested that her attendance at the State Association Technology forum, her position as treasurer of the State Association Board of Directors, and her position as chair of the State Association Finance Committee also be added to the listing. Related to the committee assignments, Russell confirmed that District employee Steve Moyer was the District's alternate representative to the Seattle Operating Board.

Anderson reported he had attended the most recent State Association Government Relations committee meeting, the Technology committee meeting, and the State Association Conference and Training committee meeting.

Kunkel commended District employee Steve Moyer for his service to the District's customers, and asked Management staff to thank Moyer for his professionalism and dedication.

#### **ADDITIONAL CITIZENS' COMMENTS**

There were no comments from the citizens in attendance.

**EXECUTIVE SESSION – POTENTIAL LITIGATION PURSUANT TO RCW 42.30.110(1)(i); EMPLOYEE PERFORMANCE REVIEW PURSUANT TO RCW 42.30.110(1)(g)**

Russell requested an executive session to discuss potential litigation relating to the District's agreement with Paymentus, and to review the performance of a District employee. Following discussion, Anderson so moved on those bases. Martin seconded the motion, which carried unanimously. Before convening the executive session at 5:40 p.m., Kunkel advised the executive session would be concluded at approximately 6:05 p.m. The commissioners, Russell, Hynek, and Milne then attended the executive session. At 6:05 p.m., the executive session was extended to 6:10 p.m., which was publicly announced. At 6:10 p.m., the executive session concluded and open public meeting reconvened.

Following discussion, Martin made the motion to authorize District management staff to explore the termination of the District's agreement with Paymentus due to the expected integration issues and costs related to the District's conversion to the TruePoint billing software. Anderson seconded the motion, which carried unanimously. District management staff will contact Paymentus to discuss the matter and will report back to the Board.

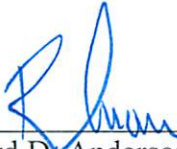
### **OTHER DISTRICT BUSINESS**

Martin provided a copy of a natural lawn care brochure prepared by SPU for the commissioners' and staff information.

Martin requested information regarding the District's information technology consultant. Russell provided information regarding the consultant the District has been using for several years on an "as-needed" basis.

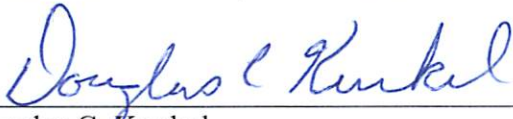
As there was no further business or persons to be heard, the meeting concluded at 6:25

p.m.



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Richard D. Anderson, Commissioner



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Douglas C. Kunkel



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Pamela A. Martin, Commissioner