

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

Held on January 25, 2023

A regular meeting of the Board of Commissioners of Coal Creek Utility District was held in-person and by remote means at the District Office, 6801 – 132nd Place SE, Newcastle, Washington, on January 25, 2023. Commissioner Doug Kunkel, Board President, attended in person and called the meeting to order at 2:00 p.m. Commissioner Pamela Martin, Board Vice-President, attended by telephone. Commissioner Suzi O’Byrne, Board Secretary, attended in person. District staff Robert Russell, General Manager, Patrick Martin, Operations Manager, and Jamie Crookston, Finance Manager, and Rosemary Larson, legal counsel, attended in person. Bill Reynolds, District Engineer, attended by Zoom.

The District provided the public with ability to attend the meeting by Zoom or conference call, and provided notice of the call-in and remote access information to the public and a speaker in the meeting room which allowed all persons attending to hear each other at the same time.

APPROVAL OF AGENDA

Commissioner O’Byrne made a motion to approve the agenda. Commissioner Kunkel seconded the motion, which passed unanimously.

CONSENT AGENDA

Approval of Minutes -- Regular Meeting of January 11, 2023

Manager Contracts -- Approval

Commissioner O’Byrne made a motion to approve the consent agenda. Commissioner Martin seconded the motion, which passed unanimously.

APPROVAL OF VOUCHERS

The Commissioners approved the following Vouchers:

Water/Sewer Maintenance Fund – Accounts Payable - Voucher Nos. 4326 to 4337 in the amount of \$7,076.31.

Water/Sewer Maintenance Fund – Accounts Payable - Voucher Nos. 4338 to 4350 in the amount of \$86,245.49.

Water/Sewer Maintenance Fund – Payroll in the amount of \$23,650.00.

Water/Sewer Maintenance Fund – EFT in the amount of \$14,441.29.

CITIZENS' COMMENTS AND CONCERNS

There were no citizens in attendance.

State Auditor's Office (SAO) EXIT CONFERENCE

Mr. Haji Adams, Audit Manager, introduced himself and Clay Trushinsky, Assistant Audit Manager, and Sarah Childers, Audit Lead. Ms. Childers conducted the District's audit, which covered the period of January 2020 to December 2021. Mr. Adams informed the Commissioners that the draft Audit Reports are in the agenda materials.

Ms. Childers reviewed the Audit Reports for the Commissioners. Regarding the Accountability Audit, this year the audit focused on public works change orders, procurement of vehicles, and third party billing. The Accountability Report finds that the District complied in all material respects with State law and District Policies. Regarding the Financial Statements Audit, the Auditor's Office has issued an "unmodified" opinion, meaning that the Auditor did not find any deficiencies in internal control considered to be a material weakness, and found no instances of noncompliance with law, contract or other matters. Ms. Childers congratulated the District on having another "clean" audit.

Mr. Truschinsky reported that the audit costs are in line with the cost estimate in the engagement letter. The Audit Reports will be published next week. The District's next audit will begin in August, 2023.

Ms. Childers thanked District staff for their assistance and cooperation during the audit process; this enabled the Auditors to perform their work efficiently. Commissioner Kunkel thanked the Auditors for their professionalism during the audit. The District prides itself on having many years with a clean audit. The District appreciates working with the same personnel from the Auditor's Office from year to year.

ATTORNEY'S COMMENTS

Ms. Larson reported on several bills that the Legislature is considering this year, and on the status of the West Water prevailing wage case.

ENGINEER'S COMMENTS

Mr. Reynolds reported that PACE is working on the design documents for several District projects and will submit design plans to District staff in a few weeks. He also informed the Commissioners that Mitch Boyd, a PACE engineer, will begin assisting on District projects.

MANAGERS' COMMENTS

Ms. Crookston commented that all District staff were a great help during the Audit. In particular, she thanked Paulette Dorsey for her assistance. The District Team is very organized, which enabled the Audit process to run smoothly.

Mr. Martin congratulated Ms. Crookston on another clean audit.

Mr. Martin reported he has been discussing the relocation of a utility line near the I-405 Project with the State. The utility line is in an easement that crosses a stream, and should be moved. However, the State indicated that it now has issues with the original relocation plan that

was being considered, so the parties need to determine a different relocation option. The utility line relocation will likely involve transferring certain customers on Ripley Lane to Renton, as it will no longer be efficient for the District to serve those customers. District staff will bring this item back to the Board when more information is available.

Mr. Russell congratulated Ms. Crookston and the Finance Department staff on another great audit.

COMMISSIONERS' COMMENTS

Commissioner O'Byrne congratulated Ms. Crookston and all staff on the clean audit results. She appreciated seeing Ms. Childers again. The Auditor's Office staff are very professional and are a pleasure to work with.

Commissioner Martin had no additional comments.

Commissioner Kunkel also congratulated staff, and especially Ms. Crookston, on the Audit. He commented that this is one of the cleanest audits that the District has had in a long line of very clean audits. This audit was particularly clean because there weren't even any recommendations to modify any District procedures. Everyone worked well together. He is glad that the District is so open and transparent with the Auditor's Office and the public.

OTHER DISTRICT BUSINESS

None.

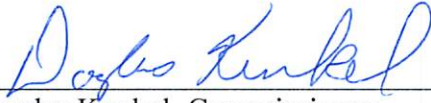
ADDITIONAL CITIZENS' COMMENTS

There were no citizens present.

ADJOURNMENT

As there was no further business or persons to be heard, the meeting concluded at 2:38 p.m.

BOARD OF COMMISSIONERS



Douglas Kunkel, Commissioner

Pam Martin, Commissioner

Suzi O'Byrne, Commissioner