

**MINUTES OF THE MEETING OF  
COMMISSIONERS OF THE  
SILVER LAKE WATER & SEWER DISTRICT**

April 24, 2014

The regular meeting of the Board of Commissioners of the Silver Lake Water & Sewer District was held on April 24, 2014, beginning at 5:30 p.m., at the District Administration Building. Attending were Commissioners Bill Anderson, Rod Keppler, and Anne Backstrom. Also present were General Manager Patrick Curran, District Engineer Rick Gilmore, and Finance Manager Brad Nelson; and Eric Frimodt with Inslee, Best, Doezie, & Ryder P.S., Attorney for the District.

- 1.) **CALL TO ORDER:** Commissioner Backstrom called the meeting to order at 5:30 p.m.
- 2.) **APPROVAL OF MINUTES:** The Minutes of the regular meeting of April 10, 2014 were unanimously approved as circulated.
- 3.) **FINANCIAL MATTERS:**

a.) **Vouchers and Check(s) Approval:**

Following discussion of various matters, vouchers and revolving fund checks were unanimously approved and signed as follows:

Fund	Code	Number	Amount
Water Maintenance	743 5408666	.04-045-.04-074	\$128,232.77
Sewer Maintenance	743 5418666	.04-012-.04-021	41,577.95
Water Capital Improve.	743 5468666	.04-004-.04-005	65,333.38
Revolving Check Fund		3369 - 3400	33,854.30
<b>Total Warrants</b>			<b>\$268,998.40</b>

b.) **Staff Report-First Quarter Financial Statements March 31, 2014 (Pre-closing)**

Mr. Nelson presented a verbal summary to the Board of Commissioners of a Staff report regarding First Quarter Financial reports March 31, 2014 (Pre-closing), for their review. These reports show the District to be in good financial condition. Mr. Gilmore advised the Commissioners that the Financial report on the Alderwood Intertie Project, to connect the District's water system to AWWD's system for the purchase of water from AWWD, was understated because it only covers the emergency work done last summer and engineering design work. Staff expects to present to the Commissioners next month, project inspection cost estimates that will substantially increase the project cost. Mr. Gilmore reported that in accordance with Resolution 679, staff intends to pre-order telemetry components assembled by Systems Interface as designed, programmed, and commissioned by Infinium, needed for the Master Meter 10 project at an approximate cost of \$25,000.

#### **4.) CAPITAL IMPROVEMENT PROJECT(S)**

##### **a.) Reservoir No. 2 Improvements Project 2014**

Mr. Gilmore presented a verbal summary to the Board of Commissioners of a Staff report for the Reservoir No. 2 Improvements project, for their review. The seal welding of the ceiling roof panels was completed Monday of this week. CBI will return when the inside of the tank interior and exterior surfaces have been blasted, to allow application of the base primer coat on all surfaces. The shroud will be removed and CBI can begin installation of the stairs, gutter and catwalk, and railing system. This work will be followed by the completion of the coating systems.

##### **b.) Developer Extension Agreements**

Mr. Gilmore presented a verbal summary to the Board of Commissioners of a Staff report regarding two Developer Extension Agreements with attached Site maps, for their review. Westbrook Run is a ten lot subdivision located on the Southeast corner of the intersection of 169<sup>th</sup> Street SE and 35<sup>th</sup> Avenue SE. It's a water and sewer extension project that was originally approved in June of 2013, under KLN Construction. This project is identified to proceed to construction under a new developer, Westbrook Run, LLC.

Lexington Park is a ten lot subdivision located north of 169<sup>th</sup> Street SE, adjacent to the Plat of Tambark Creek now known as Carriage Park. It's a water and sewer extension project approved in January 2013, under KLN Construction. This project is now identified to proceed to construction under a new developer, Westbrook Run, LLC.

Following discussion, by motion passed unanimously, the Board of Commissioners accepted and executed the Developer Extension Agreements for Westbrook Run and Lexington Park.

#### **5.) MAINTENANCE AND OPERATION REPORT(S)**

##### **a.) Staff Report – 1<sup>st</sup> Quarter Safety Meeting**

Mr. Curran presented a verbal summary to the Board of Commissioners of a First Quarter Safety Meeting report for Field staff, that included the topics of Personal Protective Equipment (January), Electrical Safety and Generator Transfer Switch Safety (February), and Driver Safety (March) that was presented in an All Staff meeting, for their review.

#### **6.) INTER-AGENCY REPORT(S)**

##### **a.) Resolution Approving Mill Creek Franchise Ordinance**

Mr. Curran presented a verbal summary to the Board of Commissioners of a draft resolution authorizing the General Manager to accept a Franchise Agreement with the City of Mill Creek, for their review.

Following discussion, by motion passed unanimously, the Board of Commissioners adopted and executed Resolution No. 701, authorizing the General Manager to accept the Franchise Agreement with the City of Mill Creek.

**b.) Everett Water Storage/Spada Elevation**

Mr. Curran presented a verbal summary to the Board of Commissioners of the City of Everett's 2014 Snow Survey and Everett Water Storage/Spada Elevation chart, for their review.

**c.) The McNaughton Group, LLC – Order Approving Compromise of Claim & Disbursement**

Mr. Curran presented a verbal summary to the Board of Commissioners regarding the McNaughton Group, LLC and Mark and Marna McNaughton's Bankruptcy, and an Order Approving Compromise of Claim and Disbursement, for their review. This Order provided for payment of the District's 10% administrative fee on 180<sup>th</sup> Street Lift Station Latecomer payments and all of its attorney fees incurred in this litigation. Mr. Frimodt pointed out that in addition to a favorable outcome for the District, the Appellate court decision was a good case overall for Special Purpose districts. The Commissioners commended Mr. Frimodt for his fine work on this matter.

**7.) STAFF REPORTS**

**a.) District Engineer:**

No Further Report.

**b.) Finance Manager:**

Mr. Nelson advised the Commissioners Columbia Bank is scheduled to discuss banking services for the District with staff next week.

**c.) Attorney:**

No Further Report.

**d.) General Manager:**

Mr. Curran reported the District is soliciting job applications for an entry level Utility Maintenance Worker I position. The application deadline is May 9, 2014. Mr. Curran reported he and other District staff are scheduled to interview an applicant for the District Network System Administrator position on May 9, 2014.

Mr. Curran reported that through inadvertence, Andrew Piekarski's annual salary effective January 1, 2014 was set below the lowest amount in the salary range the Board established for his position; Utility Worker II. Mr. Berger has advised that Andrew is a well-qualified and diligent, reliable worker and should be paid well within his salary range. Mr. Curran reported that in accordance with Resolution 699 he would care to adjust Mr. Piekarski's monthly pay from \$4165.00 to \$4576.00, effective Monday, April 28, 2014. This will result in his total annual salary in 2014 actually being within the Utility Worker II salary range. Following discussion, by motion passed unanimously, the Board of Commissioners approved this salary adjustment for Mr. Piekarski.

The General Manager requested an Executive Session to discuss matters pursuant to RCW 42.30.110 (1) (c) regarding property currently owned by the District, and 42.30.110 (1) (i) regarding potential litigation regarding such property, and 42.30.110 (1) (i) regarding potential litigation involving a proposed Franchise Agreement with the City of

Mill Creek. A motion was made, seconded, and unanimously approved by the Board of Commissioners to convene to an Executive Session to discuss these matters. Before convening to the Executive Session at 6:00 p.m., Commissioner Backstrom advised that the Executive Session would be concluded at 6:05 p.m. The Executive Session concluded at 6:05 p.m. and the open public meeting reconvened.

There being no further business before the Board, the meeting was adjourned.

**This ends the Minutes of the April 24, 2014 regular meeting. The following signature page is a scanned image of the original signature page of the Minutes and certifies these are the approved Minutes by the Secretary of the Board.**

## Minute Certification

I, the undersigned, Secretary of the Board Commissioners of Silver Lake Water and Sewer District, Snohomish County, Washington (the "District"), hereby certify as follows:

1. The attached copy of the Minutes of the Meeting of Commissioners (the "Minutes") is a full, true and correct copy of the Minutes of the April 24, 2014 regular meeting of Commissioners, duly adopted at a regular meeting of the Board of Commissioners of the District, held at the regular meeting place thereof on May 8, 2014, as these Minutes appear on the Minute book of the District; and;

2. A quorum of the members of the Board of Commissioners was present throughout the meeting and a majority of those members present voted in the proper manner for the approval of these Minutes.

IN WITNESS WHEREOF, I have hereunto set my hand this 8<sup>th</sup> day of May 2014.

**SILVER LAKE WATER AND SEWER DISTRICT  
SNOHOMISH COUNTY, WASHINGTON**

  
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Rod Keppler, Secretary