

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

August 14, 2014

The regular meeting of the Board of Commissioners of the Silver Lake Water & Sewer District was held on August 14, 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; Eric Delfel with Gray & Osborne; and John Milne 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 July 24, 2014 were unanimously approved as circulated.
- 3.) **FINANCIAL MATTERS:**
 - a.) **Payroll, Vouchers, and Check(s) Approval:**
Following discussion of various matters payroll, vouchers, and revolving fund checks were unanimously approved and signed as follows:

Fund	Code	Number	Amount
Water Maintenance	743 5408666	.08-001-.08-054	\$87,119.34
Sewer Maintenance	743 5418666	.08-001-.08-017	692,451.96
Sewer Capital Improve.	743 5448666	.08-001-.08-002	24,171.96
Water Capital Improve.	743 5468666	.08-001-.08-005	740,518.30
Revolving Check Fund		3533 - 3557	5,621.50
Total Warrants			\$1,549,883.06

- 4.) **MAINTENANCE & OPERATIONS**
 - a.) **Resolution-Emergency Response**
Mr. Curran presented a verbal summary to the Board of Commissioners of a draft resolution regarding adopting an Emergency Response Plan of the District's water, sewer, and cyber facilities. District staff has worked together with Gray & Osborne to update and amend the District's Emergency Response Plan to maintain current contact information, improve operational response to emergencies, train staff, or as mandated by State or Federal law. Following discussion, by motion passed unanimously, the Board of Commissioners approved and executed Resolution No. 705, adopting the Emergency Response Plan dated May 2014, for the District's water, sewer, and cyber facilities.
 - b.) **Resolution-Continuing Education**
Mr. Curran presented a verbal summary to the Board of Commissioners of a draft resolution regarding adopting and enacting a program concerning employee

reimbursement for continuing education expenses. The Board of Commissioners determined that additional training and education of District staff will improve employee performance and provide better service to District customers. The maximum amount of tuition reimbursement by the District to any individual employee for continuing education expense is \$5,250.00 per calendar year for tuition, books, and lab fees associated with the course/work. Only classes/courses at Seattle or Everett metropolitan area colleges, universities, or technical schools, or other programs as determined by the General Manager, are eligible for reimbursement.

Following discussion, by motion passed unanimously, the Board of Commissioners approved and executed Resolution No. 706, adopting and enacting a program concerning employee reimbursement for continuing education expenses.

c.) Commissioner Ratification of Staff Use of Floater Holidays

Mr. Curran presented a verbal report to the Board of Commissioners regarding a request from staff to use Monday, November 10th, 2014 as a Floater day, closing the District's office for the dates of November 10th (Floater) and November 11th (Veteran's Day-Holiday); and use Friday, December 26th, 2014 as a Floater day, closing the District's office for the dates of December 25th (Christmas Day-Holiday) and December 26th (Floater). Also staff requested using a 2015 year Floater day for Friday, January 2, 2015, closing the District's office for the dates of Thursday, January 1, 2015 (New Year's Day-Holiday) and Friday, January 2, 2015 (Floater). Following discussion, by motion passed unanimously, the Board of Commissioners approved Monday, November 10th, 2014, Friday, December 26th, 2014, and Friday, January 2, 2015, as all-District staff Floater days, closing the office for these days.

5.) 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 and Gray & Osborne Progress Payment Request No. 5 regarding the Reservoir No. 2 Improvements project, for their review. The Contractor has completed the interior shell and when testing of this final coat is received, the disinfection and restoration of the reservoir to active status will begin (seven cure days following final coating application or spot repairs). The exterior painting is progressing with the mural installation concluded on Tuesday of this week. The final top coat on the roof and the clear coat will be completed as the weather will allow.

Gray & Osborne informed the District of the inspection time required by the quality control paint inspection work performed by QCIC has exceeded their original estimate for these services. The special inspection was required during the hot weather to monitor environmental conditions through the paint applications. The hot weather allowed limited periods of the day that work could be performed, and QCIC additional time was warranted. Gray & Osborne is not requesting additional monies to be added to their contract for construction management as their total approved contract has not been exceeded at this time. They have informed the District they will request additional monies if the paint inspection costs cause their contract limit to be exceeded. Staff

supports this approach as the inspections being performed are necessary to produce the desired work quality.

Staff requested the Board review, and if acceptable approve Progress Payment Request No. 5 and direct Staff to process the payment. Following discussion, by motion passed unanimously, the Board of Commissioners approved Progress Payment Request No. 5 and directed staff to process a payment in the amount of \$541,672.07 to Long Painting Company.

b.) Master Meter No. 10

Mr. Gilmore presented a verbal summary to the Board of Commissioners of a Staff report and Gray & Osborne Progress Payment Request No. 1 regarding the AWWD Intertie-Master Meter No. 10 project, for their review. All of the main line pipe, except where it enters the vaults and the vault piping, is installed. The vaults that have been delivered to the site are being placed and the vault piping installation will follow.

Staff requested the Board review, and if acceptable approve Progress Payment Request No. 1. Following discussion, by motion passed unanimously, the Board of Commissioners approved Progress Payment Request No. 1 and directed staff to process a payment in the amount of \$141,110.03 to Taylor's Excavators, Inc.

c.) Developer Extension Applications

Mr. Gilmore presented a verbal summary to the Board of Commissioners of a Staff report regarding Developer Extension Agreements and Site maps for the Sound Storage of Mill Creek Phase 2 and Seattle Hill PRD projects.

Sound Storage of Mill Creek Phase 2 is located on 148th Street SE and 41st Avenue SE (SW corner of the intersection). This project is an expansion of the site to construct a third Self Storage building structure on the undeveloped southern portion of the project site. The DEA will be for fire protection facilities as the new building will not require domestic water or sewer service. The Developer is Sound Investments by Royal Properties, LLC.

Seattle Hill PRD is located on 12224-51st Avenue SE (NW corner of 51st Avenue & 123rd Street). This project will provide for installation of side sewer and new services for the PRD development of six additional building sites. Sewer service to all seven building sites will flow to the Everett Basin. No water main extension or sewer main extension will be required. New service will require work in existing County Road Right-of-way. The Developer is J.M. Murphy, Inc.

Following discussion, by motion passed unanimously, the Board of Commissioners accepted and executed the Developer Extension Agreements for Sound Storage of Mill Creek Phase 2 and Seattle Hill PRD.

6.) INTER-AGENCY REPORT(S)

a.) 2015 WCIA Liability Assessment Notice

Mr. Curran presented a verbal summary to the Board of Commissioners of the 2015 WCIA Liability Assessment Notice received by WCIA, for their review. The 2015 liability assessment amount is \$18,105.00 assuming the 2014 COMPACT requirements are completed by the District. This will be invoiced at the end of the year and is due January 31, 2015. Property, boiler and machinery, auto physical damage and crime/fidelity rates will remain the same for 2015.

b.) City of Everett-SLWSD Tolling Agreement

Mr. Curran presented a verbal summary to the Board of Commissioners of the Tolling Agreement signed by the City of Everett on July 21, 2014, for their review.

c.) City of Everett-Holdeman Annexation

Mr. Curran presented a verbal summary to the Board of Commissioners of Everett's Ordinance No. 3391-14 regarding the Holdeman Annexation, located east of 19th Avenue SE between 106th Place SE and 108th Street SE, for their review.

d.) King County-Wastewater Diversion Analysis Letter

Mr. Curran presented a verbal summary to the Board of Commissioners of King County Wastewater Treatment Division's (WTD) Wastewater Diversion Analysis Letter that he signed on August 4, 2014. WTD and the District will cooperatively analyze the diversion of Silver Lake Water and Sewer District's (District) wastewater flows to WTD's regional wastewater system. This analysis will explore increasing the portion of the District's service area delivered to WTD for treatment. WTD will retain and manage a consultant to carry out the diversion analysis and the District will participate in the analysis and review of the report that documents the results of the analysis. At the Board meeting dated June 12, 2014, the Board of Commissioners agreed to pay WTD 50% of the consultant costs to complete the diversion analysis, up to \$25,000, with payment due upon completion of the analysis.

The District hosted a kick-off meeting on Thursday, August 14, 2014 with King County and Tetra Tech representatives to discuss the project's background, the transfer of documents, the review of mapping data and alternatives, connection to Silver Lake's system (180th Street), and connection to King County's System (North Creek Trunk, Bear Creek Trunk, and Brightwater Treatment Facility), review Flow Data available, Land Use & Environmental Issues, and a Site Visit. A Review meeting is scheduled for Wednesday, August 27th, 2014, at Tetra Tech.

e.) WASWD Fall Conference & Trade Show

Mr. Curran reported to the Board of Commissioners that the WASWD Fall Conference & Trade Show will be held September 17 – 19, 2014, in Spokane, WA. He requested confirmation if any Commissioner would wish to attend and he will have staff complete and send in the registration forms. Commissioners Backstrom and Anderson confirmed they would attend. Mr. Gilmore and Mr. Curran will also attend.

7.) STAFF REPORTS

a.) District Engineer:

Mr. Gilmore presented a verbal summary to the Board of Commissioners of a 2016 Public Works Assistance Account/Recommended Construction Loan list provided by the Washington State Public Works Board, for their review. The District was selected to be on this list for funding of its share of the Everett Water Pollution Control Facility Expansion Improvements Phase B and C projects in the amount of \$4,398,000.

b.) Finance Manager:

No Further Report.

c.) Attorney:

No Further Report.

d.) General Manager:

Mr. Curran reported that District volunteers picked and delivered 150 pounds of vegetables to the Maltby Food Bank this morning.

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 long term contract with the City of Everett. 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 6:20 p.m. The Executive Session concluded at 6:20 p.m. and the open public meeting reconvened.

Due to no bids being received for purchase of District property located at the corner of 41st Ave. and 148th St., the Board of Commissioners directed staff to develop a plan to obtain a permit from Snohomish County to reroute surface water through or around the property.

The Board of Commissioners directed the General Manager to propose to Mill Creek the use of a license for access to the north lot of the old headquarter site from the Lowes easement entrance/exit at the southwest corner of the site, with all improvements to provide for this to be done at the expense of Mill Creek if the District and the City of Mill Creek reached agreement on the sale of the north lot to the city. .

The Board of Commissioners directed staff to continue to discuss with Everett staff terms of the proposed long term agreement with Everett providing for sewer treatment, water purchase, and transfer of infrastructure and assumption of customers.

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

This ends the Minutes of the August 14, 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 August 14, 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 August 28, 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 28th day of August 2014.

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



Rod Kepler, Secretary