

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

March 26, 2015

The regular meeting of the Board of Commissioners of the Silver Lake Water & Sewer District was held on March 26, 2015, 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, GIS Coordinator Chad Phelan, 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 Anderson called the meeting to order at 5:30 p.m.
- 2.) **APPROVAL OF MINUTES:** The Minutes of the regular meeting of March 12, 2015 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	.03-045-.03-079	\$83,177.66
Sewer Maintenance	743 5418666	.03-011-.03-023	46,833.41
Sewer Capital Improve.	743 5448666	.03-003-.03-004	858.45
Water Capital Improve.	743 5468666	.03-002-.03-004	2,723.56
Revolving Check Fund		3835 - 3857	7,469.72
Total Warrants			\$141,062.80

b.) **AWWD-Draft Wholesale Water Rate**

Mr. Curran presented a verbal summary to the Board of Commissioners of an email received from Gregg Cato, AWWD's Financial Analyst, with attached 2015-16 Rate Calculations and Engineering CIP sheets, regarding a Draft Wholesale Water Rate that goes into effect April 15, 2015 – March 31, 2016, for their review. The proposed rate for this period is \$1.1011 per ccf, up 5.0% from the current rate of \$1.0486. The price for Everett's water is rising over \$0.04 per ccf, which accounts for the majority of the increase in the Wholesale Rate.

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

a.) **AWWD Intertie-Master Meter No. 10**

Mr. Gilmore presented a verbal summary to the Board of Commissioners of a Staff report regarding the Alderwood Water & Wastewater District (AWWD) Intertie-Master Meter No. 10 project, for their review. The District has been operating MM #10 at a take rate of

300,000 gallons per day since March 11, 2015. The District will be discussing with AWWD an approach that will allow testing of the MM #10 maximum flow capacity without causing turbidity events in their adjacent neighborhoods or the District's distribution grid. District staff expects to confirm the District can provide water from MM #10 at a rate approaching 3 million gallons per day.

b.) Developer Extension Applications

Mr. Gilmore presented a verbal summary to the Board of Commissioners of two Developer Extension Application Agreements, for their review.

The Coleman PRD Short Plat project is located south of 161st and north of Strumme Road, adjacent to the west side of Sunset Road SE. It is a residential development of 9 new lots and will maintain the one existing home as the tenth lot. The existing home has a private well that will be abandoned. The project will result in 10 new water and sewer connections in the 164th Lift Station Latecomer's area servicing to the Everett Basin. The Developer is Prospect Development, LLC.

The Dino Duplex project is a single lot in the Silver Acres Neighborhood, located at 12023-10th Drive SE, south and west of Silver Lake. The lot is currently vacant and is proposing construction of a duplex building on the site. Sewer will be extended through the project site to 10th Drive SE. The Developer is Alpha Construction, LLC.

Following discussion, by motion passed unanimously, the Board of Commissioners approved the execution of the Developer Extension Agreements for the Coleman PRD Short Plat and for the Dino Duplex project.

5.) MAINTENANCE AND OPERATION REPORT(S)

a.) Comcast Payment to Settle District Claim

Mr. Curran reported to the Board of Commissioners that the District was notified that a payment in the amount of \$6,868.91 is being transmitted to the District to settle the claim for the Comcast Conduit that bore through one of the District's 6" Concrete Lateral Stubs.

b.) District GIS Program

Mr. Curran introduced Chad Phelan, the District's GIS Coordinator, to the Board of Commissioners. Mr. Phelan presented a PPT Presentation to the Board regarding his vision of how the new GIS system will work for the District and for the staff that will utilize this new system.

6.) INTER-AGENCY REPORT(S)

a.) SLWSD – Everett Long Term Agreement

Mr. Curran reported to the Board of Commissioners that the Everett City Council took action authorizing Mayor Stephenson to execute the Everett-SLWSD Long Term Annexation and Sewer Agreement. The Mayor is expected to sign the agreement next week. Everett has sent a letter stating the District's sewer rate for 2015 will be \$30.13

per residential equivalent. This rate is calculated using the rate formula in the Everett-SLWSD Long Term Annexation and Sewer Agreement.

7.) STAFF REPORTS

a.) District Engineer:

No Further Report.

b.) Finance Manager:

Mr. Nelson reported that staff will bring recommendations to the Board of Commissioners regarding District sewer and water rate adjustments in April 2015.

c.) Attorney:

No Further Report.

d.) General Manager:

No Further Report.

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, 42.30.110 (1) (i) regarding potential litigation regarding such property, and 42.30.110 (1) (i) involving the Lee Claim against the District. 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 5:55 p.m., Commissioner Anderson advised that the Executive Session would be concluded at 6:00 p.m. The Executive Session concluded at 6:00 p.m. and the open public meeting reconvened.

Following discussion, by motion passed unanimously, the Board of Commissioners approved of, and authorized, the General Manager to execute settlement of the Glenn Lee Claim in the amount of \$60.00 on the condition that Lee execute a release.

Following discussion, by motion passed unanimously, the Board of Commissioners authorized the General Manager to execute the Engagement Agreement for Appraisal of District property located at 14815-41st Avenue SE, Bothell, WA with Mr. Ron Hoefler.

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

This ends the Minutes of the March 26, 2015 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

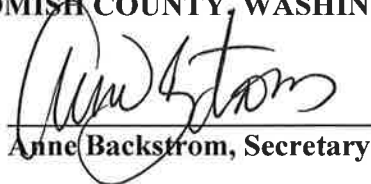
I, the undersigned, Secretary of the Board Commissioners of Silver Lake Water and Sewer District, Snohomish County, Washington (the "District"), hereby certify as follows:

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 March 26, 2015 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 April 9, 2015, 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 9th day of April 2015.

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



Anne Backstrom, Secretary