

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

November 23, 2015

The special meeting of the Board of Commissioners of the Silver Lake Water & Sewer District was held on November 23, 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, and Finance Manager Brad Nelson; Eric Delfel, Tom Zerkle, and Mike Johnson with Gray & Osborne; and John Milne with Inslee, Best, Doezie, & Ryder P.S., Attorney for the District. The purpose of the meeting was to consider all business that may come before the Board.

- 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 November 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:

<b>Fund</b>	<b>Code</b>	<b>Number</b>	<b>Amount</b>
Water Maintenance	743 5408666	.11-052-.11-075	\$33,631.99
Sewer Maintenance	743 5418666	.11-018-.11-026	28,757.32
Sewer Capital Improve.	743 5448666	.11-005-.11-006	45,739.01
Water Capital Improve.	743 5468666	.11-005-.11-006	42,650.52
Revolving Check Fund		4409 - 4429	3,541.56
<b>Total Warrants</b>			<b>\$154,320.40</b>

b. **Resolution – Authorize President of the Board to Sign Closing Documents for Purchase and Sale Agreement for District Real Property**

Mr. Curran presented a verbal summary to the Board of Commissioners of a draft resolution regarding, approving and ratifying the sale of surplus real property; and authorizing the President of the Board of Commissioners and the General Manager to execute all documents and to take all action necessary to close the sale of such real property, for their review.

Following discussion, by motion passed unanimously, the Board of Commissioners approved and executed Resolution No. 718 authorizing the President of the Board of Commissioners to sign closing documents for the Purchase and Sale Agreement for the District’s Real Property located at 41<sup>st</sup> Avenue & 148<sup>th</sup> Street SE.

**c.) 2016 Wage and Salary Report**

Mr. Nelson presented a verbal summary to the Board of Commissioners of a Staff report regarding 2016 Wage and Salaries, for their review. Mr. Curran will have further discussion with the Board of Commissioners and a finalized report will be presented to them at the meeting of December 10, 2015.

**4.) CAPITAL IMPROVEMENTS**

**a.) Staff Report – Silver Acres Water Main Improvements Phase 2**

Mr. Gilmore presented a verbal summary to the Board of Commissioners of a Staff report regarding the Silver Acres Water Main Improvements Phase 2 Project, for their review. The project is awaiting the final walk-through. The three side sewer work schedules are nearing completion. The side sewer replacement 6-inch diameter main work has been installed. Paving is being completed and the final walk-through will be scheduled soon.

**b.) Developer Extension Agreements – Cowen Court and Primrose School of Mill Creek**

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

Cowen Court is located north of Seattle Hill Road, west of 51<sup>st</sup> Avenue SE, and adjacent to the north property line of the Osborne Square Shopping Complex. This is a water and sewer extension project that will serve 36 single family detached units. The Developer is SSSL, LLC, dba D.R. Horton.

Primrose School of Mill Creek is located on the west side of the Mill Creek East Gateway Urban Village Project installed by Polygon NW. This project is a water and sewer extension that will serve two commercial site properties that were not developed by Polygon when their multifamily and townhome project was constructed. The project will be constructed for a 12,000 square foot daycare and school facility. The water and sewer extension will also provide for sewer and water service connections to the remaining commercial structure planned as an office building adjacent to the parking lot of Primrose School (shared parking) and fronting 132<sup>nd</sup> Street. The Developer is Mill creek EGUV, LLC.

Following discussion, by motion passed unanimously, the Board of Commissioners approved and executed the Developer Extension Agreements for both Cowen Court and Primrose School of Mill Creek.

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

**a.) Introduction of New President of Gray & Osborne-Mr. Mike Johnson**

Mr. Eric Delfel introduced to the Board of Commissioners the new President of Gray & Osborne, Mr. Mike Johnson.

**b.) Resolution No. 717 – District Surplus**

Mr. Curran presented a verbal summary to the Board of Commissioners of a Resolution declaring certain District Personal Property to be surplus and detailing the terms of sale of disposal of such Property.

Following discussion, by motion passed unanimously, the Board of Commissioners declared the property listed in Attachments “A” and “B” as surplus and directed staff to sell these items at a private sale; Attachment “A” items shall be advertised in a newspaper of general circulation in the District for two consecutive weeks. The Board directed District staff to sell at a private sale, the property listed in Attachment “B” in accordance with a process determined by the District’s General Manager. Each item or lot set forth in Sections 1 through 2 are to be sold “as is where is”.

**c.) Fuel Theft Report**

Mr. Curran presented a verbal summary to the Board of Commissioners of a Staff report regarding the 180<sup>th</sup> Street Lift Station Fuel Theft incident, for their review. On Wednesday, November 18<sup>th</sup>, at 9:00 a.m., Mr. Ron Berger (Field Supervisor) received a phone call from Mr. Jeff Enns (District crew) regarding a break in at 180<sup>th</sup> Street Lift Station and possible Diesel Fuel theft. The break in was discovered while crews were out to check all the Pump station sites for damage and fuel levels after the large wind storm that occurred the previous day. Mr. Enns called the Sheriff to investigate and Mr. Chis Stecher (Field Lead) was dispatched to assist.

Crews spread out absorbents in and outside the Station site in areas the fuel was spilled during the theft. It appeared the lock was cut on the gate to get in and also on the fuel tank to access the fuel. A garden hose was used to siphon the fuel from the District’s ConVault into 55 gallon drums that were located outside the Lift Station on the west side of the site. The District’s ConVault holds 500 gallon of Diesel Fuel at this site.

Three 55 gallon barrels left behind were full of Diesel. Mr. Richard Hoffer (District Electrician) tested the fuel and deemed it to be satisfactory to use. Crews transferred the fuel back into the ConVault for re-use. Since the generator operated during the storm prior to the theft, it is not certain as to the quantity of fuel missing.

No damage was observed at the site other than the locks at the gate and fuel tanks were missing. Staff is discussing how to reinforce the sites to deter further similar events. The remainder of the remote sites for the District were inspected on November 18<sup>th</sup> and all appeared to be in good condition except for the branches to be removed from the wind storm.

**d.) Access Agreement – Cell Tower at 15121-41<sup>st</sup> Avenue SE, Bothell**

Mr. Curran presented a verbal summary to the Board of Commissioners of a draft Access Agreement between Silver Lake Water and Sewer District (SLWSD) and Seattle SMSA Limited Partnership dba Verizon Wireless, for their review.

Following discussion, by motion passed unanimously, the Board of Commissioners approved the Access Agreement between SLWSD and Verizon Wireless directing the General Manager to execute both original Access Agreements provided to him once the terms of this agreement are satisfactory and approved by Mr. Milne.

6.) **STAFF REPORTS**

a.) **District Engineer:**

No further report.

b.) **Finance Manager:**

Mr. Nelson reported that State Auditor representatives are on site conducting its audit. Their Entrance Interview will be scheduled soon. The Commissioners determined that Commissioner Keppler would attend this Interview.

**Attorney:**

No further report.

c.) **General Manager:**

Mr. Curran reported to the Commissioners regarding discussions involving Brad Nelson and himself with Mr. David Hoagland of Hellam Varon, and Mike Jonson of Jonson and Jonson regarding a possible appeal of the State Department of Revenues Partial Audit determination that the District has been underreporting tax liability and would need to pay the additional tax plus interest.

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

**This ends the Minutes of the November 23, 2015 special 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

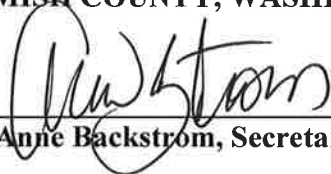
I, the undersigned, Secretary of the Board Commissioners of Silver Lake Water and Sewer District, Snohomish County, Washington (the "District"), hereby certify as follows:

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 November 23, 2015 special 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 December 10, 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 10<sup>th</sup> day of December 2015.

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

  
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Anne Backstrom, Secretary