

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

December 10, 2015

The regular meeting of the Board of Commissioners of the Silver Lake Water & Sewer District was held on December 10, 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 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 special meeting of November 23, 2015 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	.12-001-.12-043	\$50,435.93
Sewer Maintenance	743 5418666	.12-001-.12-016	627,775.51
Sewer Capital Improve.	743 5448666	.12-001-.12-003	46,848.91
Water Capital Improve.	743 5468666	.12-001-.12-003	51,962.57
Revolving Check Fund		4430 - 4453	223,340.90
Total Warrants			\$1,000,363.82

b.) **Resolution – 2016 Salary & Wages**

Mr. Curran presented a verbal summary to the Board of Commissioners of a draft resolution regarding adjusting the range of current and new hire employee salaries and wages effective December 29, 2015 for the January 2016 payroll, and repealing Resolution No. 708, for their review.

Following discussion, by motion passed unanimously, the Board of Commissioners adopted Resolution No. 719 adjusting the range of current and new hire employee salaries and wages effective December 29, 2015 for the January 2016 payroll, and repealed Resolution No. 708. Mr. Curran set forth a general approach for 2016 salary adjustments for most all District staff.

c.) **Staff Report – 2016 Capital Projects**

Mr. Nelson presented a verbal summary to the Board of Commissioners of a Staff report summarizing the 2016 – 2017 Capital Projects (District's share by Agency), the City of

Everett CIP and the District's share of costs; Clearview Water Supply Agency and the District's share of costs; and gave an overview of Silver Lake Water and Sewer District Projects (current and future). The District expects investments in water and sewer infrastructure of \$5,933,500 in 2016 and 1,519,800 in 2017.

4.) CAPITAL IMPROVEMENT PROJECT(S)

a.) Staff Report-Silver Acres Water Main Improvements Project Phase 2

Mr. Gilmore presented a verbal summary to the Board of Commissioners of a Staff report, Change Order No. 2, Earthwork Enterprises, Inc. Estimate No. 9991, Gray & Osborne's Final Progress Estimate No. 2, Project Acceptance and Release of Retainage, for their review. The Contractor had a change of conditions due to gas main locations that required additional potholing and construction efforts to protect the mains that were not shown on the design drawings. Staff reviewed the cost impact of the additional work and recommended the Board approve Change Order No. 2 in the amount of \$3,671.14 before Washington State Sale Tax.

The water main portion of the project is finished and the three side sewer work schedules are complete. The final walk-through punch list items have been addressed and Gray & Osborne recommended acceptance of the construction as complete and requested the District pay Final Progress Payment No. 2.

Staff requested the Board approve and then authorize the General Manager to execute Change Order No. 2, and accept the construction of Silver Acres Water Main Improvements Project Phase 2 as complete, and to direct staff to begin the State project closeout procedures to initiate the State's approval process for the release of retainage.

Following discussion, by motion passed unanimously, the Board of Commissioners approved Change Order No. 2 and directed the General Manager to execute this document. The Board also accepted the construction of Silver Acres Water Main Improvements Project Phase 2 as complete and directed staff to begin the State closeout procedures to initiate the process for release of retainage.

b.) Request for Increase to Gray & Osborne Contract for Construction Management for Silver Acres Water Main Improvements Phase 2 Project

Mr. Gilmore presented a verbal summary to the Board of Commissioners of a Staff report and a Gray & Osborne's Budget Amendment for the Silver Acres Water Main Improvements Phase 2 Project, for their review. At a prior meeting, the Board was informed that the addition of the third side sewer repair by Change Order No. 1 added inspection and documentation service that had not been included in the Gray & Osborne Contract for performing these services on the Silver Acres Water Main Improvements Phase 2 Project. Gray & Osborne submitted a request for increase to their contract in the amount of \$1,700.00. Staff recommended the Board authorize this request and increase the contract limit for performing the Construction Management Services from \$68,700.00 to \$70,400.00.

Following discussion, by motion passed unanimously, the Board of Commissioners approved Gray & Osborne's request to increase the contract limits by \$1,700.00 for the

Silver Acres Water Main Improvements Phase 2 Project for an amount not to exceed \$70,400.00.

c.) Staff Report – 2015 Sewer Rehabilitation Project

Mr. Gilmore presented a verbal summary to the Board of Commissioners of a Staff report regarding the 2015 Sewer Rehabilitation Project, for their review. The District accepted bids in October 2015 for this project to reline approximately 3200 feet of 18-inch diameter gravity sewer main, and similar work on 350 feet of 8-inch diameter force main located on steep slopes within the District. The low bid of \$582,811.56 was submitted by Insituform Technologies, LLC.

With the Board's prior approval, staff provided a Notice of Intent to award this project to Insituform Technologies, LLC. Project contracts were successfully completed and the District provided, through Gray & Osborne, a Notice to Proceed to Insituform Technologies, LLC. Staff requested a formal submittal of Insituform Technologies proposed construction schedule, and they are expected to submit a schedule that will show construction starting in February of 2016.

d.) Staff Report – Purchase and Sale of 14815 41st Avenue SE

Mr. Curran presented a verbal summary to the Board of Commissioners of a First American Title document with attached Settlement Statements regarding the purchase and sale of the District's property located at 14815 41st Avenue SE. The closing of this transaction is complete.

5.) INTER-AGENCY REPORT(S)

a.) 2016 Commissioner's Workshop

Mr. Curran presented a verbal summary to the Board of Commissioners of the 2016 Commissioner's Workshop to be held on Saturday, January 30th, 2015, from 8:00 a.m. to 3:30 p.m., at the Embassy Suites Hotel in Tukwila (Seattle) due to ongoing construction at the Lynnwood site. He communicated with the Commissioners if they wished to attend this conference that he would direct staff to register them.

Following discussion, it was determined that Commissioners Anderson and Keppler would not attend this conference. Commissioner Backstrom advised she would decide at a later date and inform District staff of her decision.

6.) STAFF REPORTS

a.) District Engineer:

No further report.

b.) Finance Manager:

Mr. Nelson advised the Commissioners that as Treasurer of the District, he intended to transfer approximately six million dollars from a District savings account with Columbia Bank to the Local Government Investment Pool so as to receive a little better interest payment.

c.) **Attorney:**

No further report.

d.) **General Manager:**

Mr. Curran provided the Commissioners with a summary of a reported problem with raccoons living at District Reservoir No. 2 site.

The General Manager requested an Executive Session to discuss matters pursuant to RCW 42.30.110 (1) (g) to review the performance of certain District public employees. A motion was made, seconded, and unanimously carried by the Board of Commissioners to convene to an Executive Session to discuss this matter. Before convening to the Executive Session at 5:50 p.m., Commissioner Anderson 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.

Following discussion of various matters, by motion passed unanimously, the Commissioners authorized the General Manager to provide salary adjustments, effective December 29, 2015, to individual District employees based on the Salary Range Table set forth in Resolution No. 719 and on performance, the overall local job market conditions, and the October 2015 Consumer Price Index as well as the 2016 District Health Insurance Plan.

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

This ends the Minutes of the December 10, 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

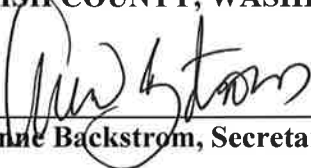
I, the undersigned, Secretary of the Board of Commissioners of Silver Lake Water and Sewer District, Snohomish County, Washington (the "District"), hereby certify as follows:

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 December 10, 2015 regular meeting of Commissioners, duly adopted at a special meeting of the Board of Commissioners of the District, held at the regular meeting place thereof on December 23, 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 23rd day of December 2015.

SILVER LAKE WATER AND SEWER DISTRICT
SNOHOMISH COUNTY, WASHINGTON



Anne Backstrom, Secretary