

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

December 23, 2015

The special meeting of the Board of Commissioners of the Silver Lake Water & Sewer District was held on December 23, 2015, beginning at 11:00 a.m., at the District Administration Building. Attending were Commissioners Bill Anderson and Anne Backstrom. Rod Keppler's absence from the meeting was excused. Also present were General Manager Patrick Curran, District Engineer Rick Gilmore, and Finance Manager Brad Nelson; and Eric Delfel with Gray & Osborne. 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 11:00 a.m.
- 2.) **APPROVAL OF MINUTES:** The Minutes of the regular meeting of December 10, 2015 were unanimously approved as circulated.
- 3.) **OATH OF OFFICE**
Mr. Curran, as a Notary Public, administered the Oath of Office to Mr. Bill Anderson for the position of Commissioner of the Silver Lake Water and Sewer District, Position 2, serving a term of six years (2016 – 2021).

4.) **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	.12-044-.12-089	\$265,395.12
Sewer Maintenance	743 5418666	.12-017-.12-030	104,673.51
Sewer Capital Improve.	743 5448666	.12-004-.12-007	43,942.04
Water Capital Improve.	743 5468666	.12-004-.12-006	37,055.80
Revolving Check Fund		4454 - 4467	2,390.63
Total Warrants			\$453,457.10

b. **2016 Utility Rate Forecast**

Mr. Nelson presented a verbal summary to the Board of Commissioners of a Staff report and 2016 Utility Rate Forecast, for their review. The 2016 Utility Rate Forecast assumes 285 new water connections and 280 new sewer connections with an additional \$1,800,000 of Developer Contribution or Bills of Sale. Staff anticipates the Bills of Sale contribution to decrease again as developable land becomes scarce. A pass through water rate increase of \$.05 per water unit and no sewer pass through rate increase for either sewer basin are

forecast for 2016. The District is retaining its water and sewer rates below the average and median rates of the other local agencies' 2016 Water and Sewer Rates.

Staff anticipates a total Net Operating Income from both water and sewer of \$18,016,390. Total Bills of Sale and General Facility Charge Revenues are expected to decrease by \$386,300 for 2016. Total 2016 Expenses of the District are forecast to be \$14,366,450 which is an increase of \$364,445.

5.) CAPITAL IMPROVEMENTS

a.) Headquarter Site Development

Mr. Gilmore presented a verbal summary to the Board of Commissioners of a Staff report regarding the 2015 District Headquarters Maintenance Storage and Site Improvements Project, for their review. The two professional consulting firms prepared preliminary layouts and conceptual structure improvement plans to allow the District to complete the SEPA review of the proposed improvement project. The District submitted documents to the County and attended a pre-submittal project review conference. At this meeting, the District was informed:

1. No traffic report will be required as no additional employee trips will be created from the improvements.
2. No additional traffic mitigation fees, beyond the \$200.00 review fee, are required to make the determination that a full traffic report was not required.
3. The County was clear that their process does not require frontage improvements. Staff informed the County of the District's intent to match the existing landscaping and extend sidewalks to the new southern border.
4. The County will allow the extension of the frontage improvements including 5-foot wide sidewalks matching our existing sidewalks, but that they will require the District to deed to the County for their use as ROW, so that sidewalks when extended will not be on private property.

The District is also scheduled for a submittal meeting for formal application to initiate the process to get a Conditional Use Permit (CUP) and Land Disturbance Activity Permit (LDA) for the project on January 5, 2016. Following discussion of various matters, by motion passed unanimously, the Commissioners authorized Patrick M. Curran, the District's General Manager, to execute all legal documents and applications as Owner or Applicant needed to advance this Project.

b.) Utility Relocation – Seattle Hill Road Widening Project

Mr. Gilmore presented a verbal summary to the Board of Commissioners of a Staff report, Gray & Osborne's Scope of Work and Fee Proposal for design and bid assistance services (in an amount not to exceed \$34,500.00 without prior written authorization from the District) regarding Utility Relocation for the Seattle Hill Road Widening Project, for their review. This project totals approximately 8,400 feet of roadway and includes both cut and fill areas along the roadway profile. Until recently, this project was scheduled for construction beginning in 2017. The County informed the District this schedule has been revised and they intend to advertise in May to begin construction July 2016.

This project will widen the existing road ROW and regrade portions with cut and fill sections that will require the District to lower existing water mains prior to the County work commencing. These lowered mains will be placed at a depth that will provide normal bury depth when the new grading cuts have been made. Additional adjustments for manhole castings, lids, and valve covers will most likely occur during construction and will require coordination between the County and the District's respective contractors. The estimated cost for construction, including a 20 percent construction contingency is \$593,000.

Staff requested the Board of Commissioners review the Gray & Osborne Scope of Work for the services identified to survey, design, provide permit assistance, develop bid documents, and to assist in the bid process for this project, and if in agreement the Board is asked to accept the proposal for a fee amount not to exceed \$34,500.00 without prior written approval by the District.

Following discussion, by motion passed unanimously, the Board of Commissioners approved the Gray & Osborne Scope of Work proposal in an amount not to exceed \$34,500.00 without prior District written authorization.

6.) MAINTENANCE AND OPERATION REPORT(S)

a.) Staff Report – Sewer Repair at 113th Street – 38th Drive

Mr. Curran presented a verbal summary to the Board of Commissioners of a Staff report regarding a sewer repair at 113th Street and 38th Drive, for their review. On Thursday, December 10, 2015, District crew member Jeff Enns discovered a large quantity of Pea Gravel in an 8" PVC Sewer line while performing routine jetting, located on an easement at 38th Drive and 113th Street. He attempted to remove the gravel but in time, the Vactor hose became stuck in the line due to the heavy gravel. Innovac Video Inspection was contacted and on-site by 1:00 p.m. The video camera went into the line 65 feet but couldn't proceed due to the heavy gravel. The Vactor truck broke a bolt on the Water Pump and was taken to Snohomish County Maintenance Facility for repair. Sewage flows were diverted from the easement line at 113th redirecting it towards The Point Lift Station Basin until the Vactor was repaired.

On Monday, December 14, 2015, Innovac met SLWSD crews on-site to continue inspection of the damaged sewer line. By noon it was confirmed that there was a break in the PVC pipe and it was marked for excavation. The broken section was located directly under a large 24" Snohomish County Storm Line Pipe that was installed two years prior. A large jagged rock was found lying on the PVC line. On Tuesday, December 15, 2015, the sewer line was repaired. On Wednesday, December 16, 2015, Vactor crews continued to clean the Pea Gravel from the line and took the Vactor truck to Everett to dump the debris. The site was backfilled and soil compacted. No property damage occurred due to this break.

7.) STAFF REPORTS

a.) District Engineer:

No further report.

b.) Finance Manager:

Mr. Nelson reported the bi-annual audit conducted by the Washington State Auditor's office has finished its field work. Once they have prepared the Audit Report they will schedule an Exit Interview with the District. That meeting is anticipated to occur during the third week of January 2016. Mr. Nelson also reported Columbia Bank is assessing the market rate for interest on District savings accounts.

c.) Attorney:

Not present.

d.) General Manager:

The General Manager requested an Executive Session to discuss matters pursuant to RCW 42.30.110 (1) (c) concerning certain property owned by the District. 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 11:40 a.m., Commissioner Anderson advised that the Executive Session would be concluded at 11:45 a.m. The Executive Session concluded at 11:45 a.m. and the open public meeting reconvened.

Following discussion of various matters, by motion passed unanimously, the Commissioners provided sale parameters for the District to sell property to Snohomish County under threat of Eminent Domain, and authorized the General Manager to execute legal documents for this sale should it occur.

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

This ends the Minutes of the December 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 December 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 January 14, 2016, 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 14th day of January 2016.

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



Bill Anderson, Secretary