

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

January 28, 2016

The regular meeting of the Board of Commissioners of the Silver Lake Water & Sewer District was held on January 28, 2016, 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 Keppler called the meeting to order at 5:30 p.m.
- 2.) **APPROVAL OF MINUTES:** The Minutes of the regular meeting of January 14, 2016 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	.01-057-.01-093	\$166,361.29
Sewer Maintenance	743 5418666	.01-018-.01-037	41,766.69
Sewer Capital Improve.	743 5448666	.01-003-.01-005	10,906.48
Water Capital Improve.	743 5468666	.01-006-.01-010	11,882.90
Revolving Check Fund		4493 - 4513	10,654.55
Total Warrants			\$241,571.91

b.) **Hellam Varon Engagement Letter**

Mr. Curran provided a verbal summary to the Board of Commissioners of an Engagement Letter received from Hellam Varon confirming their understanding of the services provided to the District for the year ended December 31, 2015, for their review.

Following discussion, by motion passed unanimously, the Board of Commissioners approved the terms of engagement and directed the General Manager to execute the original Letter of Engagement and return the signed document to Hellam Varon.

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

a.) **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. In October 2015 the Board accepted the Insituform Technologies, LLC bid of \$582,811.56 for the

rehabilitation of approximately 3200 feet of 18-inch diameter gravity sewer main and similar work on 350 feet of force main located on steep slopes. The District finalized the project contract with Insituform Technologies, LLC on November 16, 2015.

The cast in place pipeline process used by Insituform Technologies, LLC requires significant lead time for the scheduling of their production needs. The District requested they provide a construction schedule when the manufacturing requirements are finalized. The District received the initial contract construction schedule and project submittals for their proposed materials and fabrication of the liners to be inserted in the District's existing pipelines.

The preliminary mainline cleaning and construction televised records of existing pipeline segments is scheduled for the second week of February and installation of pipeline liners is tentatively scheduled to begin the second week of March. Manhole rehabilitation will follow and all of the construction field work is anticipated to be completed by the end of April 2016.

b.) Reservoir No. 3 Improvements 2016

Mr. Gilmore presented a verbal summary to the Board of Commissioners of a Staff report and Gray & Osborne's Scope of Work and Fee Proposal regarding Reservoir No. 3 Improvements 2016, for their review. The improvements proposed for Reservoir No. 3 are removal of the exterior ladder, access and installation of a stair system, catwalk, a new tank vent, gutter and downspouts, and security upgrades and improvements to the nearly 25 year old Booster Station and generator facilities.

Reservoir No. 3 is specifically identified in the District's Agreement with the City of Everett for a shared participation in the cost of the construction and operation of Reservoir No. 3. The City of Everett is obligated for 10.37 percent of these costs, subject to notification and payment schedules identified in the Agreement.

Gray & Osborne, at the District's request, has provided a Scope of Work and Fee Proposal to provide design and bid assistance service in an amount not to exceed \$82,800.00 without prior written authorization by the District. Gray & Osborne will provide a separate proposal for construction management when the project is advertised for bid. The total project cost for the identified improvements, including a 20 percent construction cost contingency and construction management, is estimated by Gray & Osborne to be \$2,726,000.00.

Staff requested the Board review the Gray & Osborne Scope of Work for services identified to design, develop bid documents, and to assist in the bid process. If in agreement, the Board was asked to accept the proposal to perform these services for a fee amount not to exceed \$82,800.00 without prior District written authorization.

Following discussion, by motion passed unanimously, the Board of Commissioners approved the Gray & Osborne Scope of Work for the services identified, for a fee amount not to exceed \$82,800.00 without prior District written authorization.

5.) MAINTENANCE AND OPERATION REPORT(S)

a.) Resolution No. 721 – New Fall Protection Equipment

Mr. Curran presented a verbal summary to the Board of Commissioners of Draft Resolution No. 721 declaring the need to purchase new Fall Protection Equipment per WAC 296-155-24609 and to waive the competitive bidding requirement in Chapter 57.08 RCW.

Following discussion, by motion passed unanimously, the Board of Commissioners approved and executed Resolution No. 721 declaring the need to purchase new Fall Protection Equipment and to waive the competitive bidding requirements.

6.) INTER-AGENCY REPORTS

a.) DOR Tax Appeal – Status Report

Mr. Curran presented a status report to the Board of Commissioners regarding the State Department of Revenue Tax Appeal.

b.) Invitation to Attend AWWD Scheduled Meeting with PSRC Executive Director Mr. Josh Brown

Mr. Curran presented a verbal summary to the Board of Commissioners of an email received from Mr. Jeff Clarke regarding the Alderwood Board of Commissioners extending an invitation to Mr. Curran, District Commissioners, and other staff, to join them for a visit by Mr. Josh Brown, Executive Director of the Puget Sound Regional Council on Monday, February 8, 2016, at 5:00 p.m. Following discussion, it was determined that Commissioner Anderson, Mr. Gilmore, and Mr. Curran would attend.

8.) STAFF REPORTS

a.) District Engineer:

No Further Report.

b.) Finance Manager:

Mr. Nelson reported the State Auditor's Office Exit Conference is scheduled for February 3, 2016 at 3 p.m. Following discussion, the Commissioners decided Commissioner Keppler would represent the Board of Commissioners at this conference which would also be attended by Mr. Curran and Mr. Nelson.

c.) Attorney:

No Further Report.

d.) General Manager:

Mr. Curran reported on a solicitation from Verizon to place a cell tower on the District Headquarter site. He advised that proceeding with the CUP process to locate a cell tower on the District site would quite likely interfere with and complicate the District's CUP and building permit applications for the site improvements the District is currently pursuing. He recommended the District not proceed with Verizon's efforts to place a cell tower at the District Headquarter site at this time. Following discussion, by motion

passed unanimously, the Board of Commissioners directed Mr. Curran to advise Verizon representatives that the District did not care to allow placement of a cell tower on the District Headquarter site at this time.

Mr. Curran reported on HB 2148 a bill in the State legislature which would allow local governments to hire a private auditor to conduct a financial audit of the local government instead of the State Auditor's office. Following discussion, by motion passed unanimously, the Board of Commissioners determined to oppose this bill and directed Mr. Curran to advise Blair Burroughs, Executive Director of WASWD of the District's position.

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

This ends the Minutes of the January 28, 2016 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 January 28, 2016 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 February 11, 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 11th day of February 2016.

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



Bill Anderson, Secretary