

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

October 13, 2016

The regular meeting of the Board of Commissioners of the Silver Lake Water & Sewer District was held on October 13, 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 special meeting of September 27, 2016 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:

<b>Fund</b>	<b>Code</b>	<b>Number</b>	<b>Amount</b>
Water Maintenance	743 5408666	.10-001-.10-053	\$266,315.46
Sewer Maintenance	743 5418666	.10-001-.10-009	467,724.74
Sewer Capital Improve.	743 5448666	.10-001-.10-002	4,577.88
Water Capital Improve.	743 5468666	.10-001-.10-002	213,974.12
Revolving Check Fund		4950 - 4963	3,495.69
<b>Total Warrants</b>			<b>\$956,087.89</b>

b.) **Release of Hellam Varon and Engage with CliftonLarsonAllen, LLP**

Mr. Curran provided a verbal summary to the Board of Commissioners of a letter received from Mr. David Hoagland regarding effective September 16, 2016, Hellam Varon & Co., Inc. P.S. (Hellam Varon) that he had determined it is in the best interest of the firm and respective clients to split the firm. Mr. Hoagland has joined CliftonLarsonAllen, LLP (CLA) at their Bellevue location. It is intended that clients in the governmental niche will continue to be served by Mr. Hoagland at CLA, and Hellam Varon will no longer provide services to governmental entities. Mr. Hoagland's letter served to seek approval to continue to serve the District at CLA. Following discussion, by motion passed unanimously, the Board directed Mr. Curran to send a letter to Hellam Varon to inform them the District will engage the firm of CLA for future accounting needs and requested they provide CLA with any information regarding the District needed to make this transition.

c.) **OpenSquare Quotation – 2016 Office Renovation**

Mr. Curran presented a verbal summary to the Board of Commissioners of a Staff memo and attached quotes, regarding the 2016 Office Renovations, for their review.

Staff requested the quote for Steelcase Furniture and OpenSquare Services at \$29,467.45 including sales tax (State Contract pricing) be approved by the Board. If approved, and once the order is placed, it will take 5-6 weeks before delivery and installation would occur and 2-3 days for installation of the products. Staff also requested approval to purchase three water resistant cabinets (\$2500.00 each from Safetyfile; a Minnesota Co.) to put into the District's vault, which are needed to store Minutes, Resolutions, and other important District historical documents.

Following discussion, by motion passed unanimously, the Board approved the OpenSquare quote of \$29,467.45 including sales tax and directed staff to move forward on placing the order, and also approved the purchase of three water resistant cabinets for the District's vault at \$2500.00 each.

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

**a.) Staff Report – Utility Relocation - Seattle Hill Road Widening Project**

Mr. Gilmore provided a verbal summary to the Board of Commissioners of a Staff report and Gray & Osborne's Progress Pay Estimate No. 3 regarding the Utility Relocation for the Seattle Hill Road Widening Project, for their review.

The 12-inch main in Seattle Hill Road is installed and pressure and purity testing completed. All tie-ins are made and restoration is nearly complete. The remaining work is cleanup and punchlist items. District staff is responding to the Contractor's submitted request for additional compensation for specific site encountered work elements, and when the review is completed, a change order is anticipated to be presented to the Board for items identified as appropriate for additional compensation.

Staff requested the Board review and if in concurrence, approve Progress Pay Estimate No. 3 in the amount of \$210,536.52. Following discussion, by motion passed unanimously, the Board of Commissioners approved Progress Pay Estimate No. 3 and directed staff to prepare a payment to Marshbank Construction in the amount of \$210,536.52.

**b.) Staff Report - 2016 Third Quarter Bills of Sale Received**

Mr. Gilmore presented a verbal summary to the Board of Commissioners of a Staff report listing the accepted Third Quarter Bills of Sale for Developer Extension, representing \$451,927.85 of utility infrastructure added to the District by Developer contribution for their review. Following discussion, the Board of Commissioners acknowledged acceptance of the Bills of Sale for:

<b>3<sup>rd</sup> Quarter</b>	<b>Water</b>	<b>Sewer</b>
<b>L 165-1 Marks</b>	\$0.00	\$45,893.11
<b>Willis Tucker Park (Dog Walk)</b>	168,174.40	65,261.07
<b>Mayfield Estates 2</b>	80,684.33	54,269.30
<b>Primrose School</b>	20,088.59	17,557.05
<b>TOTALS</b>	<b>\$268,947.32</b>	<b>\$182,980.53</b>

The total Developer 2016 contributed value for water and sewer facilities to date is \$1,872,566.43.

**5.) MAINTENANCE AND OPERATIONS**

**a.) Resolution 729 – Declaring Certain District Property to be Surplus**

Mr. Curran presented a verbal summary to the Board of Commissioners of a draft resolution declaring certain District property to be surplus, for their review.

Following discussion, by motion passed unanimously, the Board of Commissioners approved and executed Resolution No. 729 declaring certain District property are not and will not be needed for District purposes and to be surplus, and directed the District's General Manager to dispose of this surplus property at the least cost to the District.

**b.) Reschedule November 24, 2016 Commissioner Meeting**

By motion passed unanimously, the Board of Commissioners determined to cancel the regular meeting of the Board scheduled for November 24, 2016, which is Thanksgiving Day, and to schedule a special meeting of the Board on Tuesday, November 22, 2016, to consider all matters of the District, to be held at the District Administration Building, commencing at 5:30 p.m.

By motion passed unanimously, the Board of Commissioners determined to cancel the regular meeting of the Board scheduled for December 22, 2016, and to schedule a special meeting of the Board on December 22, 2016, to consider all matters of the District, to be held at the District's Administration Building, commencing at 2:00 p.m.

**6.) STAFF REPORTS**

**a.) District Engineer:**

No further report.

**b.) Finance Manager:**

No further report.

**c.) Attorney:**

No further report.

**d.) General Manager:**

Mr. Curran reported that District crews have prepared all District facilities for the severe storm forecast to occur over the weekend.

Mr. Curran advised a retirement celebration for long time District employee Mary Eastman has been scheduled for Friday, December 2, 2016, from 4:00 p.m. to 6:30 p.m. at District Headquarters.

The General Manager requested an Executive Session to discuss matters pursuant to RCW 42.30.110 (1) (i) regarding a claim against the District which relates to potential litigation and (2) discussion of matters involving the District's Vulnerability Assessment Report as required by the Public Health Security and Bioterrorism Preparedness and Response Act of 2002 (PL 107-188). Matters involving the District's Vulnerability Assessment Report is exempt from public inspection and copying pursuant to the provisions of RCW 42.56.210,

RCW 42.56.420 (1), and Section 1433 (a) (3) of the Safe Drinking Water Act (Title XIV of the Public Health Services Act). 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 5:40 p.m., Commissioner Keppler advised that the Executive Session would be concluded at 6:00 p.m. At 6:00 p.m., by the direction of the Board, Mr. John Milne publicly announced in the District's Headquarter Lobby that the Executive Session was extended to and would be concluded at 6:10 p.m. The Executive Session concluded at 6:10 p.m. and the open public meeting was reconvened.

Following discussion, by motion passed unanimously, the Board of Commissioners directed staff to accomplish landscaping improvements around the District's Headquarter Site.

Following discussion, by motion passed unanimously, the Board of Commissioners determined to accept the settlement of Mr. Robert Thomas's claim as negotiated by Evergreen Adjustment Service, Inc. in the amount of \$1,709.27.

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

**This ends the Minutes of the October 13, 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 October 13, 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 October 27, 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 27 day of October 2016.

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

  
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Bill Anderson, Secretary