

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

October 27, 2016

The regular meeting of the Board of Commissioners of the Silver Lake Water & Sewer District was held on October 27, 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; John Milne with Inslee, Best, Doezie, & Ryder P.S., Attorney for the District, and Brian Wisler, Benefits Consultant, with Northwest SCS.

- 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 October 13, 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	.10-054-.10-092	\$187,856.60
Sewer Maintenance	743 5418666	.10-010-.10-019	204,514.75
Sewer Capital Improve.	743 5448666	.10-003-.10-004	33,513.24
Water Capital Improve.	743 5468666	.10-003-.10-003	38,977.85
Revolving Check Fund		4964 - 4997	55,682.35
Total Warrants			\$520,544.79

b. **Staff Report – 2017 Equipment Replacement Assumptions**

Mr. Nelson provided a verbal summary to the Board of Commissioners of a Staff report regarding 2017 Equipment Replacement and Operating Capital Purchase Assumptions, for their review.

For 2017, staff recommended the replacement of Flatbed Truck (#18) with a new F-150 4x4). Flatbed Truck (#18) would be sold as surplus. The new F-150 4x4 would be fitted with special utility boxes, equipment, parts, and assigned to the Operations & Maintenance Manager. The current F-250 (#35) would then be assigned to the crew for pooled use. The new F-150 4x4 is expected to cost \$47,800; which is \$17,200 less than replacing Flatbed Truck (#18) with a like unit.

Staff also recommended the purchase of a new Ford Transit 350 with a Cutaway Chassis (\$62,000.00). This new vehicle would be assigned to the Electrician who is currently sharing the 2009 F-350 RC #44 with the Senior Electrician. This would allow both Electricians to

operate independently and be able to respond with tools and equipment for electrical work at separate locations.

Following discussion, by motion passed unanimously, the Board of Commissioners approved the purchase of a new F-150 4x4 (approximately \$47,800.00), and to sell the Flatbed Truck (#18) as surplus. They also approved the purchase of a new Ford Transit 350 (approximately \$62,000.00); the total cost for both is approximately \$109,800.00.

c.) Staff Report – 2017 Insurance Coverage and HRA VEBA Stipend

Mr. Nelson provided a verbal summary to the Board of Commissioners of a Staff report and Sound Consulting Services Benefits Proposal regarding 2017 Insurance Coverage and the HRA VEBA Stipend, for their review.

Mr. Brian Wisler provided additional information regarding these proposed Benefit Policies.

Staff recommended to retain Medical Insurance from Regence, retain Vision coverage from VSP, and to change Dental, Long-term Disability, and Life Insurance to Principal Financial, effective December 1, 2016. Staff did not recommend an increase to the monthly stipend of \$2,215.00 for 2017.

Following discussion, by motion passed unanimously, the Board of Commissioners approved retaining Medical Insurance from Regence, Vision coverage from VSP, and to change Dental, Long-term Disability, and Life Insurance to Principal Financial, effective December 1, 2016. They also approved the 2017 Stipend of \$2,215.00.

d. Resolution No. 730 – HRA VEBA and Health Insurance Premiums

Mr. Curran advised the Board of Commissioners that proposed Resolution No. 730 authorized HRA VEBA Plans and Health Insurance Plans and also changed the District's Policy for cash-out of unused employee leave time upon separation or retirement, directing such payment to be rolled to such employees' HRA VEBA account. Following discussion, by motion passed unanimously, the Board of Commissioners adopted Resolution No. 730, authorizing the establishment of the HRA VEBA Plans and providing for payment of Health Insurance Premiums for regular and temporary full-time employees and Commissioners of the District, and changing the District's Policy for cash-out of unused leave time of an employee at separation and retirement, and repealing Resolution No. 707.

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 regarding the Utility Relocation for the Seattle Hill Road Widening Project, for their review.

The 12-inch main in Seattle Hill Road is installed, pressure and purity testing is complete, and all tie-ins are made. A punchlist of the remaining minor construction items has been made and provided to the Contractor, Marshbank Construction.

District staff is processing the Contractor's submitted request for additional compensation for specific site encountered work elements. When the review is completed, a change order is anticipated to be presented to the Board for items identified as appropriate for additional compensation.

5.) MAINTENANCE AND OPERATIONS

a.) Staff Report – Reservoir No. 2 Two-year Warranty

Mr. Gilmore provided a verbal summary to the Board of Commissioners of a Staff report and QCIC Inspection Photos regarding the Reservoir No. 2 Two-year Warranty Inspection of the Coating System, for their review.

The two-year inspection was conducted on October 17, 2016 and the noted defects were minor and mostly on the floor of the tank. The spot repairs, including abrasion to bare metal, re-priming, and two coats of the painting system were finalized on October 24, 2016. The manufacturer's recommended curing period will be achieved on November 7, 2016 and the disinfection and purity confirmation process will allow the Reservoir to be placed back into service the week of November 14, 2016. With the District's acceptance of the completion of the coating repair, staff will release the projects Performance Bond.

6.) INTER-AGENCY REPORTS

a.) EWUC Water Supply Report

Mr. Curran provided a verbal summary to the Board of Commissioners of the City of Everett's Water Storage Spada Elevation and Everett Water Demand Graphs, for their review.

7.) STAFF REPORTS

a.) District Engineer:

No further report.

b.) Finance Manager:

Mr. Nelson reported the District's HMS Billing and Accounting System has been upgraded and is about to be tested at Cross Valley Water District and then at Lakehaven Utility District. District staff will be present to observe these roll outs and then will make a determination whether the product is complete before accepting it for District use.

c.) Attorney:

No further report.

d.) General Manager:

Mr. Curran reported on recent landscaping modifications made to the District's Headquarter Site.

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

This ends the Minutes of the October 27, 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 27, 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 November 10, 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 10th day of November 2016.

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


Bill Anderson, Secretary