

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

December 8, 2016

The regular meeting of the Board of Commissioners of the Silver Lake Water & Sewer District was held on December 8, 2016, beginning at 5:30 p.m., at the District Administration Building. Attending were Commissioners Bill Anderson and Anne Backstrom. Commissioner Rod Keppler's absence was excused. 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 Backstrom called the meeting to order at 5:30 p.m.
- 2.) **APPROVAL OF MINUTES:** The Minutes of the special meeting of November 22, 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:

Fund	Code	Number	Amount
Water Maintenance	743 5408666	.12-001-.12-042	\$144,996.02
Sewer Maintenance	743 5418666	.12-001-.12-008	479,684.52
Water Capital Improve.	743 5468666	.12-001-.12-002	203,906.36
Revolving Check Fund		5046 - 5069	38,169.98
Total Warrants			\$866,756.88

b.) **Resolution No. 732 – Adjusting the Range of Salary and Wages Effective 12.28.16 and Repeal Resolution No. 719**

After discussion of various matters, by motion passed unanimously, the Board of Commissioners adopted Resolution No. 732 adjusting the range of current and new hire employee salaries and wages effective December 28, 2016, for the January 2017 payroll and repealing Resolution No. 719.

c.) **Staff Report – Utility Rate Forecast**

Mr. Nelson presented a verbal summary to the Board of Commissioners of forecasted water and sewer rate adjustments as set forth below.

2017 Utility Rate Forecast					
Single Family Water and Sewer Rates	Current	2017		Forecast	%
	Rate	Pass Through	District	Rate	Increase
Water Base Rate	\$ 7.60	\$ -	\$ -	\$ 7.60	0.00%
Water Per Unit Rate - Winter	\$ 1.80	\$ -	\$ -	\$ 1.80	0.00%
Water Per Unit Rate - Summer	\$ 2.25	\$ -	\$ -	\$ 2.25	0.00%
Everett - Sewer Rate	\$ 52.05	\$ 2.45	\$ -	\$ 54.50	4.71%
AWWD Sewer Rate	\$ 53.95	\$ 2.45	\$ -	\$ 56.40	4.54%
<i>Pass Through Rate Increases Would Roll Into Effect Starting May 2017</i>					

Staff recommended that the Board of Commissioners direct staff to implement adjustment to District water and sewer rates for 2017 in accordance with Resolution No. 711. After discussion of various matters, by motion passed unanimously, the Board of Commissioners directed staff to implement adjustment to District water and sewer rates in accordance with Resolution No. 711.

d.) Legal Services – Proposal to Increase Fee and Rates

Mr. Milne, a partner in the law firm of Inslee, Best, Doezie, & Ryder P.S, presented to the Board of Commissioners a proposal to adjust the firm’s fees and rates for the years 2017 and 2018. He requested the Board of Commissioners to accept the Agreement for Legal Services provided to the Commissioner’s in their Agenda Packets and to authorize the District’s General Manager to sign it. Following discussion of various matters, by motion passed unanimously, the Board of Commissioners accepted the new Agreement for Legal Services with Inslee Best for 2017 and 2018 and directed the District General Manager to execute it.

4.) CAPITAL IMPROVEMENT PROJECT(S)

a.) Staff Report – Utility Relocation – Seattle Hill Road

Mr. Gilmore provided a verbal summary to the Board of Commissioners of a Staff report regarding the Seattle Hill Road Water Improvements Project. Mr. Gilmore recommended the Board review, and if in agreement, approve Change Order No. 1 to this project, and direct the General Manager to execute Change Order No. 1. He also recommended the Board of Commissioners, by motion, accept the construction of Seattle Hill Road Water Main Improvements as complete and direct staff to begin the State project closeout procedures to initiate the State approval process for the release of retainage.

Following discussion of various matters, the Board of Commissioners by motion, unanimously approved Change Order No. 1 for this Project and directed the General Manager to execute Change Order No. 1. The Board of Commissioners, by motion, unanimously accepted the construction of Seattle Hill Road Water Main Improvements Project as complete and directed staff to begin the State project closeout procedures to initiate the State approval process for the release of retainage.

b.) Headquarter Site Improvements – CUP Hearing Report

Mr. Curran reported that he and Mr. Delfel and Mr. McCorkle attended the Snohomish County CUP Hearing for the proposed District Headquarter Site Improvements on Wednesday, November 30, 2016. The Hearing Examiner took testimony from Snohomish County PDS staff and from Mr. Curran who testified the District and its consultants had reviewed the report and recommendation of PDA staff and found the facts to be true and that the District accepts the conditions set forth on issuance of the CUP. No one else wished to speak. The Hearing Examiner closed the Hearing and advised he would issue his written Decision within 15 business days which is December 21, 2016. Staff and consultants have tentatively schedule a meeting for the last week of December to review a final plan set for submittal to the County for a building permit and a mechanical permit. Mr. Curran advised it is hoped the District can draw these permits sometime in March 2017. This would allow for a Call for Bids on this Project in March 2017 with bid opening sometime in April 2017.

c.) G&O Scope of Work & Fees – Seattle Hill Road Phase 2

Gray & Osborne, at the District's request, has provided a scope of work and fee proposal to develop "as built" documentation of the existing water main facilities in Seattle Hill Road including the location of water mains abandoned in place with the recent construction improvements. Staff is recommending acceptance of their proposed scope of work that provides for design and bid assistance and construction services to develop the small works construction documents required for contractor solicitation to perform the work to adapt the existing sewer and water facilities to match the final County grade modifications when constructed. This will include construction inspection when required and a final survey for documentation of manhole and valve cover elevations on an "as built" drawing showing all District Water and Sewer mains and features in Seattle Hill Road from 35th Avenue SE to 132nd Street SE. Gray & Osborne's fee for these services is a not to exceed value of \$68,400.00.

Following discussion of various matters, the Board of Commissioners by motion, unanimously accepted Gray & Osborne's Scope of Work and Fees Proposal for the Seattle Hill Road Phase 2 Project in an amount not to exceed \$68,400.00 without prior approval of the District.

5.) MAINTENANCE AND OPERATIONS

a.) Damage to District Vehicle

On Thursday, November 24th, 2016, a District employee, after responding to a call-out, had damaged Duty Truck #34 while parking in his driveway. An estimate of repair was obtained from Eastmont Auto Rebuild in the amount of \$1,847.26. WCIA Insurance Pool deductible for vehicle collision is \$1000.00. Staff recommends the District pay for this repair using District funds rather than making a claim to the Insurance Pool.

Following discussion of various matters, the Board of Commissioners by motion passed unanimously directed staff to obtain repair for Duty Truck #34 using District funds.

b.) Staff Report – Surplus 1996 Ford 450 Flatbed Dump Truck (Vehicle #18)

Mr. Curran reported that on October 27, 2016, the Board of Commissioners approved Vehicle #18 (1996 F-450 Flatbed Dump Truck) with an estimated value of \$5,000.00 to \$7,000.00 to be surplus at James G. Murphy Auction. Mr. Curran recommended the Board of Commissioners adopt Resolution No. 733 surplus Vehicle #18 (1996 F-450 Flatbed Dump Truck) by auction at James G. Murphy Auction. Following discussion by motion passed unanimously the Board of Commissioners adopted Resolution No. 733 declaring District Vehicle #18 as surplus and authorizing it to be auctioned at James G. Murphy Auction.

c.) Firewood Removal from District Property

Mr. Curran reported that in accordance with Resolution No. 729 interested District employees, on their own time, successfully and safely cut and hauled surplus wood away from the District Headquarter site.

6.) STAFF REPORTS

a.) District Engineer:

Mr. Gilmore provided a Snohomish County map of the full and complete road closures which will occur during the Snohomish County Seattle Hill Road Improvements Project. There are scheduled complete road closures at four different locations on Seattle Hill Road (SHR) between 35th Avenue SE and 132nd Street SE. The County Project Contract Specs require expedited construction of these sections of the SHR. The County opened bids for this Project today. Construction is expected to start next summer. The Project is scheduled to last for 2 years.

b.) Finance Manager:

No Further Report.

c.) Attorney:

Mr. Milne reported that various King County municipalities are meeting to respond to the recent King County approach regarding rental to be changed to municipalities that use County ordinance. State-wide concern by municipalities is rising over this new “taxing scheme” and litigation is likely.

d.) General Manager:

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 6:00 p.m., Commissioner Backstrom 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 28, 2016, for the January 2017 payroll to individual District employees based on the Salary Range Table set forth in Resolution No. 732 and on performance, the overall

local job market conditions, and the October 2016 Consumer Price Index, as well as the 2017 District Health Insurance and Benefits Plan.

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

This ends the Minutes of the December 8, 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 December 8, 2016 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 22, 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 22nd day of December 2016.

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


Bill Anderson, Secretary