

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

October 12, 2017

The regular meeting of the Board of Commissioners of the Silver Lake Water & Sewer District was held on October 12, 2017, 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 Curt Brees 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 September 25, 2017 were unanimously approved as circulated.

3.) PUBLIC COMMENT

There was no members of the public present for comment at this meeting.

4.) FINANCIAL MATTERS:

a.) Payroll, Vouchers, and Check(s) Approval:

Following discussion of various matters, payroll (employee & Commissioners), Payroll (employee-retired), vouchers, the void and reissue of checks for Page & Beard, and revolving fund checks were unanimously approved and signed as follows:

Fund	Code	Number	Amount
Water Maintenance	743 5408666	.10-001-.10-046	\$256,687.75
Sewer Maintenance	743 5418666	.10-001-.10-012	531,555.80
Sewer Capital Improve.	743 5448666	.10-001-.10-005	98,073.54
Water Capital Improve.	743 5468666	.10-001-.10-008	127,455.75
Revolving Check Fund		5626 - 5661	53,345.32
Total Warrants			\$1,067,118.16

5.) CAPITAL IMPROVEMENT PROJECT(S)

a.) Staff Report – Headquarters Project Update

Mr. Brees presented a verbal summary to the Board of Commissioners of a Staff report with attached Application for Payment regarding the District’s Headquarter Upgrade Project, for their review.

Demolition, site work, and grading work continues to be the Contractor’s primary focus. Since the last update, a second change directive was issued to remove an abandoned septic tank that was encountered during grading work. The septic tank appears to have served the

home that was located on the triangle property and was located in the area that will become part of the new access drive.

Included in the Vouchers and Check Approval was the second payment to Petra, Inc. totaling \$173,178.02 (with sales tax and retainage included). This payment is for work completed in September, primarily associated with the site work.

In total, two change directives have been issued by the District to Petra, Inc. and two of the four Change Order proposals submitted by Petra, Inc. to the District have been accepted. The cost of the change directive items will be determined on a unit price or time and materials basis, while the total cost of Change Orders approved by the District is \$19,350.28.

b.) Staff Report – 725 Zone Extension Project

Mr. Brees presented a verbal summary to the Board of Commissioners of a Staff report and letter drafted to neighbors, regarding the 725 Zone Extension project, for their review.

The Project was advertised and bids submitted by twelve Contractors were reviewed. Following discussion, the Board approved award of the construction of the 725 Zone Extension project to the lowest responsive responsible bidder Laser Underground and Earthworks, Inc. of Snohomish, WA. Laser Underground executed their contract with the District and a pre-construction meeting was held Tuesday October 10, 2017. Laser Underground reported their construction activity will commence in the near future.

Staff prepared an informational flyer that will be mailed to the residents and landlords of the customers currently in the District's 640 Zone that will be served by the 725 Zone facilities, following completion of construction. The informational flyer provides a description of the project, identifies probable construction impacts the residents may experience, and identifies District contacts for any questions related to the project.

c.) Staff Report – Third Quarter Bills of Sale

Mr. Brees provided a verbal summary to the Board of Commissioners of a Staff report listing the accepted Third Quarter Bills of Sale for Developer Extensions, representing \$380,619.35 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:

Project Name	Water	Sewer
Pinedale	\$154,098.24	\$148,354.60
Arena Sports of Mill Creek	78,166.51	
Total	\$232,264.75	\$148,354.60

The total estimated value of Developer contributed facilities accepted by Silver Lake Water and Sewer District for the year of 2017 to date is \$1,869,305.57.

d.) Developer Extension Agreements

Mr. Brees presented a verbal summary to the Board of Commissioners of four Staff reports and attached Vicinity maps regarding Developer Extension Agreements for the projects of 25th Avenue, Copper Crest, Hopkins on 126th Street, and Aida Lane for their review.

The 25th Avenue project is located west of 25th Avenue at the approximate extension of 120th Street SE. This project is a residential subdivision in unincorporated Snohomish County. This project will construct onsite water and sewer facilities to provide for the plats twenty-five proposed lots. The Developer is an LLC of the Taylor Development Group which recently completed the plat of Crestview Village adjacent to the Reservoir No. 4 site.

Copper Crest is west of 35th Avenue and north of 168th Street SE. This project is a residential subdivision in unincorporated Snohomish County and is located in Alderwood Water & Wastewater District (AWWD). The project is in the agreement area where the District will accept the flows from AWWD to flow by gravity to the District's 180th Street Lift Station. The project will build offsite sewer mains in the District from the District's facilities near 169th Street SE and 36th Avenue to the intersection of 35th Avenue and 168th Street. The sewer main continuing west from this point will be AWWD main and will serve the eighteen proposed lots in this plat. The offsite sewer can potentially provide gravity service to undeveloped land within the District. The Developer is Harbour Homes, LLC.

Hopkins on 126th Short Plat is a residential subdivision located north of 126th Street at 14th Avenue SE in unincorporated Snohomish County. This project will construct onsite water and sewer facilities to provide for the plats seven proposed lots. This plat was presented to the Board again as it has had a change in ownership. The original presentation by Mr. Tim Hopkins was in August of 2016. The Summerlyn Place Groups last DEA completed in the District was the plat of Summerlyn Place off of Silver Lake Road. The Developer is proposing no changes to the approved construction drawings developed by Mr. Hopkins. The Developer is Summerlyn Group, Inc.

Aida Lane is located west of 51st Avenue SE at the approximate extension of 117th Street SE. This plat will develop on both sides of the private road used to access the District's Lift Station No. 2. This project is a residential subdivision in unincorporated Snohomish County. The project will construct onsite water and will connect by side sewer only to the existing sewer main to provide service for the plats eight lots. The Developer is Gordon Homes, LLC.

Following discussion, by motion passed unanimously, the Board approved and executed the Developer Extension Agreements for 25th Avenue, Copper Crest, Hopkins on 126th Street, and Aida Lane.

6.) MAINTENANCE AND OPERATION REPORT(S)

a.) 2017 WASWD Fall Conference

Mr. Brees presented a verbal report to the Board of Commissioners regarding the 2017 WASWD Fall Conference including topics of various sessions that he, Commissioner

Anderson, Commissioner Backstrom, and Mr. Gilmore attended. Mr. Brees inquired as to whether the Board of Commissioners would like staff to contact one of the presenters, Reena Sindelar of Sindelar Communications & Marketing regarding assisting the District with public communications. Following discussion the Board of Commissioners concurred. The General Manager will develop a scope of work and fee proposal for further Board consideration.

b.) Waldenwood Lift Station

Mr. Brees provided a verbal report to the Board of Commissioners regarding the operation of Waldenwood Lift Station. On September 29, 2017, both pumps failed in this two pump lift station due to a burst pipe and the failure of damaged electrical equipment. When staff responded they were able to quickly put one pump back in service avoiding any overflow or the need to pump and shuttle waste. It was not initially known whether all of the electrical equipment would be repairable; however, the District's electricians have successfully repaired all of the equipment at the station.

c.) Staff Report – Draft Resolution No. 748

Mr. Nelson presented a verbal summary to the Board of Commissioners of a Staff report and draft resolution regarding clarification of the District's procedures related to on-call, call-back, and overtime premium pay for District employees, for their review.

Following discussion, by motion passed unanimously, the Board of Commissioners adopted and executed Resolution No. 748 related to on-call, call-back, and overtime premium pay for District employees.

7.) INTER-AGENCY REPORTS

a.) Snohomish County – Cathcart South Property Open House

Mr. Brees presented a verbal summary to the Board of Commissioners of an Open House notice for the Cathcart South Property to be held on Thursday, October 12, 2017, from 5:30 p.m. to 7:30 p.m. at Willis Tucker Community Park (Gary Weikel Room).

b.) 2020 Hazard Mitigation Plan – Intent to Participate

Mr. Brees presented to the Board of Commissioners a Staff report and Letter of Intent regarding the 2020 Mitigation Plan Update process, for their review.

The District, as a Drinking Water System serving 3,300 - 49,999 customers, is required by Federal Law and Washington State regulations to conduct a Vulnerability Assessment and prepare an Emergency Response Plan. The District's most current Emergency Response Plan was completed in and dated May of 2014. One of the references to the Emergency Response Plan is a Hazard Mitigation Plan which is used to identify the incidents or natural hazards that would create a water supply emergency or disrupt District operations.

In 2015, the District partnered with Snohomish County Department of Emergency Management and other public utilities to prepare and update the county-wide plan which included an appendix specific to the District. While this 2015 plan was only recently completed in 2016, the District has been asked to provide a Letter of Intent for participation in the 2020 Plan update.

8.) **STAFF REPORTS**

a.) **District Engineer:**

No further report.

b.) **Finance Manager:**

Mr. Nelson provided the Board of Commissioners with three brief update items. First Mr. Nelson shared that Lindsay, an investment banker at Piper Jaffray, who has previously assisted the District with Bond offerings, will be leaving Piper Jaffray to take a position with J.P. Morgan Bank.

Mr. Nelson advised the Board that he would soon be transferring \$1 million in funds to the Local Government Investment Pool.

Mr. Nelson reported that year-to-date the District has experienced record water consumption. This will be detailed in an upcoming financial report.

c.) **Attorney:**

No further report.

d.) **General Manager:**

Mr. Brees shared that he had received a Jury Summons for November and has requested that it be rescheduled for January, 2018.

Mr. Brees also shared upcoming calendar items and possible agenda items for the next Board of Commissioners meeting scheduled for October, 26, 2017.

This ends the Minutes of the October 12, 2017 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 12, 2017 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 26, 2017, 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 26th day of October 2017.

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



Rod Keppler, Secretary