

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

January 25, 2018

The regular meeting of the Board of Commissioners of the Silver Lake Water & Sewer District was held on January 25, 2018, 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, Finance Manager Brad Nelson; and Eric Delfel with Gray & Osborne, Inc.

**1.) CALL TO ORDER:**

Commissioner Anderson called the meeting to order at 5:30 p.m.

**2.) APPROVAL OF MINUTES:**

The Minutes of the regular meeting of January 11, 2018 were unanimously approved as circulated.

**3.) PUBLIC COMMENT:**

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

**4.) 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:

<b>Fund</b>	<b>Code</b>	<b>Number</b>	<b>Amount</b>
Water Maintenance	743 5408666	.01-045-.01-082	\$201,023.19
Sewer Maintenance	743 5418666	.01-011-.01-026	663,379.43
Sewer Capital Improve.	743 5448666	.01-004-.01-005	12,055.60
Water Capital Improve.	743 5468666	.01-007-.01-009	30,499.69
Revolving Check Fund		5796 - 5821	39,567.00
<b>Total Warrants</b>			<b>\$946,524.91</b>

**b.) Staff Report – Fourth Quarter Financial Reports – December 31, 2017 (Pre-closing)**

Mr. Nelson presented a verbal summary to the Board of Commissioners of a Staff report regarding Fourth Quarter Financial Reports, December 31, 2017 (Pre-closing), for their review.

Mr. Nelson indicated that 2017 was a very good year for the District. Currently, the District's Net Income through December 31, 2017 is \$8,605,683. However, this amount will be reduced when the District's 2017 accrued expenses are posted. Overall, staff expects 2017's Net Income to be higher than 2016. The District's cash and investments totaled \$47,227,258, which is an increase of \$4,182,697 from December 31, 2016.

Mr. Nelson stated that Mr. David Hoagland is scheduled to be at the District beginning March 19, 2018, to prepare the 2017 Comprehensive Annual Financial Report.

**c.) Staff Report – Resolution No. 751 – Scrivener’s Error & Appointment**

Mr. Nelson provided a verbal summary to the Board of Commissioners of a Staff report regarding Resolution No. 751, a Scrivener’s Error and Appointment, for their review.

On December 14, 2017, the Board of Commissioners adopted Resolution No. 751, which approved a 3.39% cost of living increase and an updated District Salary and Wage Table. Unfortunately, an incorrect Salary and Wage Table was included in the resolution that was based on the forecasted cost of living increase of 3.14%. Updating the Table does not change an employee’s annual compensation, but rather adjusts the salary range of the position based on the approved cost of living adjustment. This scrivener’s error has been corrected and examples of both the correct and incorrect tables were provided for the Board’s review.

Staff also reported that Ms. Emily Barringer’s 2017 wage was incorrect in the calculation of the 2017 cost of living (3.39%) and performance increase (6%). The higher performance increase was due to Ms. Barringer’s reclassification to the Utility Billing Coordinator position earlier in 2017. The correction would increase the employee’s salary by \$148.00 per month from the amount previously reported to the Board of Commissioners.

The General Manager also reported that Mr. Lucas Allen has successfully achieved the required certifications and skills to be reclassified from a Utility Maintenance Worker to a Utility Maintenance Worker I. The General Manager made this appointment effective December 27, 2017. The certification requirements were Water Distribution Manager I, Flagger Certification, Wastewater Collections Specialist I, Forklift Operator, and to obtain a Commercial Driver’s License (CDL) Permit. Mr. Allen will be placed at the entry step of the Utility Maintenance Worker I position, which will be an increase of \$38.00 per month from the amount previously reported to the Board of Commissioners on December 28, 2017.

**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, regarding the District’s Headquarter Upgrade Project, for their review.

Current work occurring on the site relates to completion of the Storm Water Detention Vault and installation of underground electrical and plumbing in preparation for completing the slab of Building “A”. Rough-in work related to both plumbing and electrical is ongoing for Building “B”. The Storm Water Detention Vault has had the lid installed and filled with grout. When this has set for a sufficient time, it will be backfilled. Electrical and low voltage conduits and have been installed both by the contractor and by District crews. District crews replaced existing conduits that had been damaged by other excavation work, avoiding an additional cost by the contractor that was deemed

unreasonable. In most cases, the damage to these existing conduits by the contractor was unavoidable.

Change Order No. 3 is anticipated to be brought forward for Board of Commissioners approval in February. The primary issue will be the import of rock to backfill the pit around the storm water area that will become a paved area. It was determined that reuse of native material would likely lead to future settlement issues. Pricing for the change will be according to unit prices.

**b.) Staff Report – Reservoir No. 3**

Mr. Delfel presented a verbal summary to the Board of Commissioners of a Staff report and System's Interface Cost Proposal regarding the Reservoir No. 3 Improvements project, for their review.

The contractor is installing storm system improvements and is modifying the asphalt tank access road to provide for asphalt surfacing to collect sheet flow from the road surface and convey the flow directly to the new catch basin inlets. This work will add some additional asphalt work to the original work identified in the contract drawings and will be tracked and paid for through the contract unit prices. The contractor discovered the Everett Sewers in 23<sup>rd</sup> Avenue SE are not located as shown on the plans, and additional road work and side sewer construction will be required to provide the sewer connection to the District's new Booster Station. The work will be tracked and paid through unit prices, although some adjustments for additional landscaping and concrete work may need to be included in a change order that will be negotiated when the extent of the modifications are documented.

Mr. Brees added that the project will require a telemetry panel, equipment, and programming that is outside of the scope of work for the General Contractor. The District, by Resolution No. 679, identified Systems Interface as the sole source for fabrication of the telemetry SCADA control panels for operation of our water system. These panels are further identified in Resolution No. 679 to be designed, programmed, and commissioned by Infinium Engineering as our sole source for these services. Infinium Engineering is under contract for Reservoir No. 3 to provide design, commissioning, and start-up services. Infinium has completed the design of the telemetry panel for Reservoir No. 3.

Staff requested the Board review and if in concurrence, by motion approve the purchase of the SCADA control panel for operation and improvements of the District's Reservoir No. 3 Booster Station, and direct staff to the order the panel to be fabricated by Systems Interface. The cost for the fabrication will be \$23,880.00 not including Washington State Sales Tax. This panel will be programmed and commissioned when installed under the existing contract scope of Infinium Engineering, previously approved for this project.

Following discussion, by motion passed unanimously, the Board of Commissioners approved staff to purchase the telemetry SCADA control panel for operation of the District's Reservoir No. 3 Booster Stations improvements, for an amount of \$23,880.00 not including Washington State Sales Tax, from Systems Interface as our sole source control panel provider.

**c.) Staff Report – 485 Zone Seismic Improvements – MM No. 6**

Mr. Delfel presented a verbal summary to the Board of Commissioners of a Staff report, Systems Interface Cost Proposal, and Infinium Engineering Services Proposal regarding the 485 Zone Seismic Improvements to Master Meter No. 6 (MM No. 6), for their review.

The District's Comprehensive Water Plan, updated in 2017, identifies the need for projects to be constructed that will enhance the District's ability to respond to main line damage resulting from an Earthquake. In particular, the plan listed a nonspecific identification of improvements to our 485 Zone that are isolated from our main supply zone by PRV stations. The 485 Zone serves hillsides that slope down to the Snohomish River Valley and are more susceptible to damage in an Earthquake. Improvements anticipated can include pressure or flow monitoring to detect sudden changes that might indicate pipe line failures and telemetry improvements, to allow alarm and monitoring capability from these zones.

The District has identified MM No. 6 as a critical facility that allows the emergency provision of water to Cross Valley Water District (CVWD). The Pressure Reducing Valve (PRV) that is a part of this master meter is normally closed. It is currently manually read and operated in cooperation with CVWD for intermittent use and periodic flushing to maintain water quality. Staff is proposing to install Hart Protocol Telemetry improvements at this existing master meter to allow remote reading and historical record logs of flows from this master meter. The continuous flow monitoring, when in use, would allow for identification of any sudden or out of the ordinary flow conditions that could indicate pipe failures and activate alarm notifications. A final element of the project is an upgrade to the PRV that will permit remote closing of the valve in flow. The project will require the purchase and installation of Hart Protocol improvements to our telemetry panel, purchase and installation of a solenoid valve, support equipment, and commissioning and programming of the connection to our Ignition based monitor display.

The District, by Resolution No. 679, identified Systems Interface as the sole source for fabrication and upgrade of our telemetry SCADA control panels for operation of our water system. These panels are further identified in Resolution No. 679 to be designed, programmed, and commissioned by Infinium Engineering as our sole source for these engineering services.

Staff requested the Board approve the ordering of the Hart enabled flow transmitter and Hart Gateway Module components, to be added to our PLC panel from Systems Interface, for an amount totaling \$4,190.00 not including Washington State Sales Tax.

In addition, staff requests authorization to have the PRV valve upgraded by GC Systems through the purchase and installation of solenoid valves at an estimated cost not to exceed \$3,000.00.

Further, staff requested the Board authorize staff to direct Infinium Engineering to assist District staff with the Hart components installation, commissioning, and start-up, including modifications to display the flow information on the District's Ignition based operations display monitor, for an amount not to exceed \$2,500.00.

Following discussion, by motion passed unanimously, the Board of Commissioners approved and directed staff to purchase the Hart enabled flow transmitter and Gateway module from Systems Interface for the amount of \$4,190.00 not including Washington State Sales Tax, to purchase and install solenoid valves at an estimated cost not to exceed \$3,000.00 from GC Systems, and also by motion accepted the proposal from Infinium Engineering for an amount not to exceed \$2,500.00, to perform installation assistance, commissioning of the Hart protocol components, and modification of the operations monitoring display to show flow information.

**6.) MAINTENANCE AND OPERATION REPORT(S):**

**a.) Staff Report – Open Public Meeting Act & Public Records Act Training Requirements**

Mr. Brees provided a verbal summary to the Board of Commissioners of a Staff report and MRSC notice regarding the requirement for elected officials to seek training for the Open Public Meeting Act and the Public Records Act.

Following discussion, it was noted that the Board of Commissioners would wish to complete their training requirement via webinar at the District Office during a special meeting. A tentative date of February 9<sup>th</sup> was discussed and to be confirmed dependent on scheduling.

**7.) STAFF REPORTS**

**a.) District Engineer:**

Mr. Brees provided two additional reports on behalf of the District Engineer.

First, Mr. Brees provide an update on work that is being performed on behalf of the Everett School District to hydraulically model available fire flow to the location of future school sites. The most cost effective improvement to provide that anticipated required fire flow would require upgrading an existing emergency connection to the Alderwood Water & Wastewater District, to allow flow from the meter in the event that fire flow is required. In the event that this is requested, a modification of the existing Interlocal Agreements with the Alderwood Water & Wastewater District would likely be required.

Second, Mr. Brees provided the Board of Commissioners with an update on the repairs to Pump No. 1 of the Pioneer Trails Lift Station. An impeller failed at this two pump station in early December. Replacement impellers were immediately ordered for both pumps and are anticipated to arrive soon. In the interim period the District rented, tested, and stored on-site an emergency bypass pump, so that in the event that Pump No. 2 were to fail a bypass, it could be placed into operation. The vendor that rented the pump to the District has extended an offer to the District to purchase the pump in lieu of a rental fee. The current rental fee which is due is \$4,000.00, and the quoted price to purchase is \$8,400.00 plus sales tax. Mr. Brees shared that the purchase of bypass pumping equipment is currently identified as a project in the Comprehensive Wastewater Plan. The District Engineer has reviewed and verified the pumps performance and determined that it would be a suitable bypass pumping option at several lift stations.

Following discussion, by motion passed unanimously, the Board of Commissioners

approved and directed staff to purchase the bypass pump from Whitney Equipment Company in lieu of rental, at a cost of \$8,400.00 plus sales tax.

**b.) Finance Manager:**

Mr. Nelson reported to the Board of Commissioners on three additional items. First, in coordination with staff from the Alderwood Water & Wastewater District and Cross Valley Water District, Mr. Nelson is working to make a determination regarding the classification of the Clearview Water Supply Agency for financial reporting. Over the years, the State Auditors Office's position has shifted regarding this classification. Next, Mr. Nelson reported on customer issues related to suspension of service and an unauthorized irrigation system that had a very large leak. And finally, Mr. Nelson provided an update on payroll changes for the new year and coordination with Paychecks the District's payroll vendor. Mr. Nelson indicated that it may be time to select a new payroll vendor.

**c.) Attorney:**

No report.

**d.) General Manager:**

Mr. Brees reported to the Board of Commissioners on current positions open at the District. The District has an open recruitment for a Utility Maintenance Worker 1 and an On-call/Part-time Utility Clerk.

**This ends the Minutes of the January 25, 2018 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 25, 2018 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 8, 2018, 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 8<sup>th</sup> day of February 2018.

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



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Anne Backstrom, Secretary