

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

September 14, 2017

The regular meeting of the Board of Commissioners of the Silver Lake Water & Sewer District was held on September 14, 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, 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 regular meeting of August 24, 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, 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	.09-001-.09-053	\$158,935.36
Sewer Maintenance	743 5418666	.09-001-.09-012	542,151.84
Sewer Capital Improve.	743 5448666	.09-001-.09-005	65,061.18
Water Capital Improve.	743 5468666	.09-001-.09-009	142,247.38
Revolving Check Fund		5531 - 5593	69,756.17
<b>Total Warrants</b>			<b>\$978,151.93</b>

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

**a.) Staff Report – 725 Zone Extension – Adopt Resolution No. 745**

Mr. Gilmore presented a verbal report to the Board of Commissioners of a Staff report and draft resolution, for their review.

The 725 Zone Expansion Project is a water main extension of approximately fifteen hundred lineal feet that will bring higher water pressure to an area near the intersection of Snohomish Cascade Drive and Puget Park Drive. As portions of the roadways in the project area were recently overlaid by Snohomish County, standard right-of-way restoration requirements would have dictated that the District repave the entire roadway and install

new ADA ramps at all intersections. The District submitted a deviation request to Snohomish County reducing the extent of work required to restore the right-of-way following the project, requesting to only repave half of the road reducing the number of ADA sidewalk ramps required.

The District recently received the County approval of the deviation request, and the plans were advertised for bid on Gray & Osborne's website with a public advertisement in the Everett Herald and Daily Journal of Commerce.

The Bids were opened on Tuesday, September 12, 2017. Twelve contractors submitted bids and a formal certified bid tabulation was presented to the Board with the staff report. Staff presented draft Resolution No. 745 to the Board for adoption to award the construction of the 725 Zone Extension project to the lowest responsive responsible bidder, Laser Underground & Earthworks, Inc., upon review of the bid submittals the District received on September 12, 2017.

Staff requested the Board, if in agreement with staff's recommendation, adopt Resolution No. 745 to award the 725 Zone Extension project to Laser Underground & Earthworks, Inc.

Following discussion, by motion passed unanimously, the Board of Commissioners approved and adopted Resolution No. 745, awarding the 725 Zone Extension project to the lowest responsive responsible bidder, Laser Underground & Earthworks, Inc.

**b.) Staff Report – Headquarter Project Update**

Mr. Brees presented a verbal summary to the Board of Commissioners of a Staff report with an attached copy of the application for payment (representing approximately 3% of the total contract amount) regarding the District's Headquarter Upgrade Project, for their review.

Since the last report, a significant amount of work has begun on site. Work that has occurred to date included: site mobilization, installation of erosion control measures, installation of temporary fencing, demolition and clearing, asphalt saw cutting and asphalt removal. Work planned for the next few weeks will include, additional demolition and clearing, and installation of new or relocated underground utilities. With the installation of new utilities, including a sewer line to serve the new restrooms and laundry in Building "B", staff expects minor interruptions for public access to the office. With this initial interruption, the intent is to keep one lane open for access into and out of the parking lot and to retain access to the public pedestrian entry.

Included in the vouchers and check approval was the first payment to project contractor, Petra, totaling approximately \$100,000 (with sales tax and retainage included) as detailed in the application for payment. This payment is for work completed in August, reimbursing the Contractor for mobilization, bonding, and insurance expenses.

c.) **Staff Report – Reservoir No. 3 Improvement Project**

Mr. Gilmore presented a verbal summary to the Board of Commissioners of a Staff report with attached Record of Survey and a draft letter to certain property owners adjacent to the District site, for their review.

The plans for modification to the Reservoir tank include adding gutters, stairs, vent improvements, and a safety circumferential catwalk and security additions which will replicate the improvements constructed at Reservoir No. 2. The plans and specifications are in final review. Staff proposed to advertise the project in the Everett Herald and the Seattle Daily Journal of Commerce and to utilize the G&O bid solicitation posting on their website that provides the communication and distribution of plan services. Staff received a positive response to using the Gray & Osborne website to post the electronic access to the 725 Zone Extension project plans and specifications and hope to replicate a similar response for the Reservoir No. 3 Improvements.

Additionally, while preparing plans and specifications for the Reservoir No. 3 Improvements project, Gray & Osborne conducted a site survey and obtained a title report for the property. In conducting the survey, it was discovered that the existing perimeter fence is not set on the property line or in an alignment that is a uniform set back from the property line.

One of the planned project elements to improve site security is to replace the perimeter fencing. Staff recommends that the new perimeter be located at a 2' setback from the property line. This recommended location is the approximate location of the current fencing on the eastern side of the site. However, on the northern and southern sides of the site, the existing fence is set back further from the boundary and there are encroachments on the District's property by three neighbors.

Following discussion, by motion passed unanimously, the Board of Commissioners directed staff to notify neighboring property owners of encroachment onto District property and the need to resolve these encroachments. They also directed staff to advertise for construction bids for the Reservoir No. 3 Improvements project in the Everett Herald and the Seattle Daily Journal of Commerce with electronic posting and distribution of plans, specifications, and correspondence, using the Gray & Osborne Bid Document Distribution System as soon final plans are prepared.

d.) **Developer Extension Agreement – Manchester Court**

Mr. Gilmore presented a verbal summary to the Board of Commissioners of a Staff report regarding a Developer Extension Agreement for Manchester Court, for their review.

Manchester Court is located on the south side of 141<sup>st</sup> Street SE and east of 35<sup>th</sup> Avenue SE. This project is an extension of the District's water and sewer facilities to serve a redevelopment of four lots in the Plat of Thomas Lake Estates. The four existing lots currently served with water only will be platted to 25 lots receiving water and sewer service. The Developer is Pacific Ridge – DRH, LLC.

Following discussion, by motion passed unanimously, the Board approved and executed the Developer Extension Agreement for Manchester Court.

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

**a.) Cancellation of a Regular Meeting – Schedule a Special Meeting**

By motion passed unanimously, the Board of Commissioners determined to cancel the regular meeting of the Board on September 28, 2017, and to schedule a special meeting of the Board on Monday, September 25, 2017, to consider all matters of the District, to be held at the District Administration Building commencing at 5:30 p.m.

**7.) INTER-AGENCY REPORTS**

**a.) Resolution No. 746 – Non-exclusive Franchise Agreement**

Mr. Brees presented a verbal summary to the Board of Commissioners of a Staff report, draft Resolution No. 746, Ordinance No. 17-054, and an acceptance sheet regarding the acceptance of the terms and conditions of a Non-exclusive Franchise agreement with Snohomish County, for their review.

While Title 57 water-sewer districts are granted the authority to operate water and sewer systems in the public right-of-way as authorized by RCW 57.08.005 (3) & (5), the County is authorized to grant franchises as set forth in RCW 36.55.010. The District's existing Franchise agreement with Snohomish County has an effective date of May 14, 2002 and a term (including 2 extensions) which expired on May 14, 2017.

District staff have been working with Snohomish County since April to draft a new Non-Exclusive Franchise agreement utilizing an agreement form developed between the County and the Alderwood Water & Wastewater District in 2016. The Snohomish County Council has approved the Silver Lake Franchise agreement by ordinance, which was passed on August 30, 2017. To complete the process, the District must accept the terms and conditions of the ordinance by resolution, sign an acceptance page finalizing the process, and return the acceptance to Snohomish County.

Resolution No. 746 has been drafted to complete this process. The effective date of the agreement will be set by Snohomish County when the acceptance document is received and the insurance requirements have been verified. The term of the new agreement would be 10 years with one 10 year extension.

Following discussion, by motion passed unanimously, the Board of Commissioners adopted and executed Resolution No. 746, accepting the terms and conditions of Snohomish County Council Ordinance No. 17-054, granting the District a Non-exclusive Franchise, authorizing limited use of the Public right-of-way in Snohomish County.

**8.) STAFF REPORTS**

**a.) District Engineer:**

No further report.

**b.) Finance Manager:**

Mr. Nelson requested that the Board issue a proclamation of appreciation to Ms. Patty Hale for thirty-three years of service to the District. Ms. Hale will retire on September 29, 2017, from the position of Utility Billing Coordinator.

Following discussion, by motion passed unanimously, the Board of Commissioners approved a proclamation of appreciation to Ms. Patty Hale for thirty-three years of service to the District.

**c.) Attorney:**

No further report.

**d.) General Manager:**

Mr. Brees reported Verizon has returned to the District a signed copy of the Access agreement, which will allow Verizon to investigate the feasibility of locating a wireless facility at the District Headquarters site. Mr. Brees recommended the District's Attorney develop a new lease template for wireless facility leases rather than using the lease forms provided by wireless tenants.

The Board, by motion passed unanimously, directed staff and counsel to proceed with the development of a draft agreement.

Mr. Brees provided an update to the Board regarding the formation of an employee advisory committee. The first task of the committee is to evaluate and issue a recommendation regarding the means by which the District contracts for medical insurance plans.

**This ends the Minutes of the September 14, 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

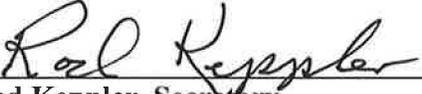
I, the undersigned, Secretary of the Board Commissioners of Silver Lake Water and Sewer District, Snohomish County, Washington (the "District"), hereby certify as follows:

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 September 14, 2017 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 September 25, 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 25<sup>th</sup> day of September 2017.

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

  
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Rod Keppler, Secretary