

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

November 21, 2017

The special meeting of the Board of Commissioners of the Silver Lake Water & Sewer District was held on November 21, 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; and Eric Delfel with Gray & Osborne, Inc. The special meeting was scheduled to discuss all matters pertaining to District business because of the cancellation of the November 23, 2017, regular meeting, due to the Thanksgiving holiday.

**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 November 9, 2017 were unanimously approved as circulated.

**3.) PUBLIC COMMENT**

There were no comments from members of the public.

**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	.11-039-.11-065	\$147,495.19
Sewer Maintenance	743 5418666	.11-022-.11-033	225,758.00
Water Capital Improve.	743 5468666	.11-005-.11-005	2,831.76
Revolving Check Fund		5708 - 5734	12,491.63
<b>Total Warrants</b>			<b>\$388,576.58</b>

**b.) Staff Report – 2018 Capital Projects**

Mr. Nelson provided a verbal summary to the Board of Commissioners of a Staff report regarding 2018 Capital Projects, for their review.

The report provides an update on current capital projects and forecasts projected capital projects for the next two years. Mr. Nelson also provided an estimate of capital project expenses for the Clearview Water Supply Agency and City of Everett, where the District is responsible for a portion of the expenditures according to the terms of interlocal agreements for water supply or wastewater treatment respectively. The forecast projects total Capital Project expenditures for the two year period at \$21,242,231.

**c.) Staff Report – Sector 7 Charge**

Mr. Brees provided a verbal summary to the Board of Commissioners of a Staff report regarding the Sector 7 Lift Station Special Connection Charge, for their review.

Staff recommended the Board of Commissioners direct staff to develop a charge methodology and resolution for review that would establish a Special Connection Charge so the District can recover \$1,892,976 expended by the District for the construction of the station from new customers that benefit from the Sector 7 Lift Station. This connection charge would only be collected for new sewer connections that flow through the Sector 7 Lift Station.

Following discussion, the Board of Commissioners directed the General Manager to develop a methodology and resolution establishing a Special Connection Charge to be collected for new sewer connections flowing through the Sector 7 Lift Station, for review at a future Board meeting.

**5.) CAPITAL IMPROVEMENTS**

**a.) Staff Report - Headquarters Project Update**

Mr. Brees provided a project update on the District's New Inventory Building, Garage Addition, and TI Project (District Headquarter Improvements).

The Contractor's current focus is on construction of the new storm water detention vault. This additional storm water structure will be located within the new entry drive to the site, and provides detention for the impervious surfaces added to the site by the project improvements. The structure is being poured in place. Next week's schedule includes continued fabrication of the storm water vault and excavation to establish the grade of footings for the new buildings. The contractor has obtained the delayed submittals for the prefabricated metal buildings, which are currently being reviewed by the Architect and Structural Engineer. No new issues were encountered since the last update. The connection to the storm water structure within 41<sup>st</sup> Avenue SE, which was in conflict with an existing water main, has been completed. In order to complete this work, the water main has been temporarily capped and a proposal will be requested to reroute and restore the water main. An option is to restore the water main by separate small works contract.

**b.) Staff Report – 725 Zone Project Update**

Mr. Gilmore provided a verbal summary to the Board on the status of the 725 Zone Project. Laser Underground and Earthworks, Inc. has completed testing of the 8-inch main installed for this project and have laid the 12-inch main to the point of final connection. Testing is scheduled to start November 21, 2017 and purity evaluation will follow pressure testing. It is anticipated the full connection of the 725 Zone improvements should occur the first week of December, 2017. The project's water main installation has been trench patched but a half road width pavement overlay required by the District's County ROW permit will be scheduled some time in Spring, 2018, to allow for any trench settlement prior to final paving. Mr. Gilmore indicated substantial completion would likely occur in March or April, 2018, upon completion of the final paving.

## 6.) **MAINTENANCE & OPERATIONS**

### a.) **Staff Report – Update on Front Office Security Improvements**

Mr. Brees provided a verbal summary to the Board of Commissioners of a Staff report and Request for Qualifications regarding an update on Front Office Security Improvements, for their review.

On May 11, 2017, the Board of Commissioners directed staff to develop a project plan for proposed security improvements of the District's front office. A staff committee has reconvened on two occasions since May 2017 to refine the project objectives. The General Manager prepared a Scope of Work and solicited proposals from two qualified Architects. The Scope of Work includes preparing plans, specifications, cost estimates for permitting, and construction of the planned improvements. These proposals are due back to the District by November 30, 2017. Once an Architect is selected and plans are completed, it is anticipated that bids would be obtained using a limited small works process and the MRSC Roster to select a contractor. The proposed timeline is for all work to be completed in the first half of 2018.

### b.) **Staff Report – Update on Water GIS Layer**

Mr. Brees provided a report to the Board of Commissioners of a Staff report regarding Water and Sewer GIS Inventory Substantial Completion, for their review.

The District began its in-house Geographic Information System (GIS) program in 2014. An important part of that program is creating and maintaining an accurate and complete inventory of utility assets. This inventory is used for creating system maps, field locating utilities, capital project planning, maintenance tracking, and other essential District functions. To complete the inventory, District staff have been gathering GPS location information, researching As-built plans, and drafting the utilities in GIS.

The inventory of the District's major assets is now substantially complete for both water and sewer. The majority of surface assets (manholes, valves, meters, etc.) have been located within a foot, and many are located within a centimeter. The improved accuracy and completeness of District maps enhances operational efficiency, reduces potential liability, and improves system planning and design. With this milestone accomplished, staff will now have more time to integrate GIS data into District workflows.

### c.) **Update on Full Bore Claim**

Mr. Brees provided a verbal report to the Board of Commissioners detailing recent steps taken by the District and by John Milne, District counsel, to resolve the District's claim against Full Bore, Inc. (Full Bore) for damages to the District's sewer line in 30<sup>th</sup> Drive SE. The Washington State Dig Law Safety Committee found on October 28, 2017 that Full Bore had violated RCW 19.122.040 (2)(a) for failing to use reasonable care to avoid damaging underground facilities belonging to the District. Following this finding, an additional demand letter was sent by Mr. Milne on November 6, 2017, to Full Bore, Inc., indicating the District's intent to file suit to recover damages, legal expenses, and pre-judgment interest if the District was not immediately reimbursed by Full Bore for its damages. Full Bore, Inc. has not responded to this letter.

Mr. Brees requested direction from the Board to direct District counsel to file suit against Full Bore, Inc., to recover the District's damages. Following Discussion, by motion passed unanimously, the Board of Commissioners authorized counsel to file suit to recover damages, legal expenses, and pre-judgment interest against Full Bore, Inc.

## **7.) INTER-AGENCY REPORTS**

### **a.) Staff Report – Mill Creek Flooding Event**

Mr. Brees reported to the Board of Commissioners on a Staff report regarding the Mill Creek Flooding event of November 15, 2017, for their review. The report detailed a timeline of events and the actions taken by District personnel to assist the City of Mill Creek and Snohomish County work crews in response to flooding event.

On Thursday, November 16, 2017, Rick Gilmore (District Engineer) received an email from the City of Mill Creek, Gina Hortillosa, Director of Public Works, thanking the District for their support during this event, and extending the City's appreciation to the District's crews.

## **8.) STAFF REPORTS**

### **a.) District Engineer:**

No further report.

### **b.) Finance Manager:**

No further report.

### **c.) Attorney:**

No report.

### **d.) General Manager:**

Mr. Brees reported to the Board of Commissioners of an invitation received for a retirement celebration for Commissioner Walter Canter (Cedar River Water & Sewer District), to be held on Tuesday, December 12, 2017, at Cedar River Water & Sewer District, from 10:00 a.m. to 12:00 p.m.

Mr. Brees updated the Board of Commissioners on the office schedule for the Christmas Holidays. First the District will be hosting a holiday lunch for the Everett Water Users Group on December 21<sup>st</sup> and a tentative employee lunch has been scheduled for December 22<sup>nd</sup>. Following discussion, by motion passed unanimously, the Board of Commissioners directed the General Manager to make arrangements to close the office at Noon on December 22<sup>nd</sup> for the remainder of the day.

**This ends the Minutes of the November 21, 2017 special 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

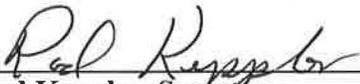
I, the undersigned, Secretary of the Board Commissioners of Silver Lake Water and Sewer District, Snohomish County, Washington (the "District"), hereby certify as follows:

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 November 21, 2017 special 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 December 14, 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 14<sup>th</sup> day of December 2017.

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

  
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Rod Keppler, Secretary