

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

August 8, 2019

The regular meeting of the Board of Commissioners of the Silver Lake Water & Sewer District was held on August 8, 2019, beginning at 5:30 p.m., at the District Administration Building. Attending were Commissioners Rod Keppler, Bill Anderson (by speaker phone), and Anne Backstrom. Also present were General Manager Curt Brees, O&M Manager Ron Berger, and Finance Manager Brad Nelson; Eric Delfel with Gray & Osborne, Inc., and John Milne with Inslee, Best, Doezie, and Ryder P.S., Attorney for the District. One member of the public was also in attendance at the meeting.

1.) CALL TO ORDER:

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

2.) APPROVAL OF MINUTES:

The Minutes of the regular meeting of July 25, 2019 were unanimously approved as circulated.

3.) PUBLIC COMMENT:

No members of the public had comments.

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:

Fund	Code	Number	Amount
Water Maintenance	743 5408666	.08-001-.08-039	\$218,314.51
Sewer Maintenance	743 5418666	.08-001-.08-008	624,460.37
Sewer Capital Improve.	743 5448666	.08-001-.08-001	76,938.50
Water Capital Improve.	743 5468666	.08-001-.08-003	885.23
Revolving Check Fund		6641 - 6656	45,701.28
Total Warrants			\$966,299.89

b.) Staff Report – New Position Classification – Resolution No. 777

Mr. Brees provided a verbal summary to the Board of Commissioners of a Staff report and Draft Resolution No. 777. This resolution amends Resolution No. 773 by adding an hourly wage rate for the Part-time Project Electrician Position to the salary table.

Following discussion, by motion made, seconded, and passed unanimously, the Board of Commissioners adopted Resolution No. 777, amending Resolution No. 773, adding an hourly wage rate for the Part-time Project Electrician Position.

5.) CAPITAL IMPROVEMENT PROJECT(S):

a.) Staff Report – 131st Street Water Main Replacement Project – Resolution No. 778

Mr. Delfel and Mr. Brees provided a verbal summary to the Board of Commissioners on a Staff report and Draft Resolution No. 778, for the 131st Street Water Main Replacement Project. Mr. Delfel also provided at this meeting a Certified Bid Tabulation form and Review of Bids and Recommendation for Bid Award.

At the meeting of June 27, 2019, the Board of Commissioners authorized Gray & Osborne, Inc. to design and advertise for construction of the 131st Street Water Main Replacement project. The project consists of installation of approximately 600 feet of 12-inch water main on 131st Street SE from 12th Drive SE to 10th Drive SE. The project will ultimately replace an existing 4-inch cast iron main, improving fire flow to the Silver Acres neighborhood.

The bid opening was on August 6, 2019, with the lowest responsive, responsible bidder being D&G Backhoe, Inc. Staff requested the Board award the project to D&G Backhoe in the amount of \$234,344.98, including tax, and direct the General Manager to execute a contract with them.

Following discussion, by motion made, seconded, and passed unanimously, the Board of Commissioners adopted Resolution No. 778, awarding the 131st Street Water Main Replacement Project to D&G Backhoe, Inc., the lowest responsive, responsible bidder, in the amount of \$234,344.98, including tax. The General Manager was directed to execute a contract on behalf of the Board of Commissioners.

b.) Staff Report – Developer Extension Agreement – Muttley Square

Mr. Brees provided a verbal summary to the Board of Commissioners on a Developer Application Agreement for Muttley Square.

This project is located on 13209 Bothell Everett Highway, adjacent to Les Schwab Tire Center at Murphy's Corner. It is a mixed use commercial dog grooming parlor and five residential structures that will be occupied by a pet caregiver and offer longer term boarding for dogs, 24-hours a day. Prior discussions with the developer established that this project will be a commercial connection for the dog grooming parlor and the five out-buildings will each be treated as separate connections, with individual service for both water and sewer. The Developer is Julie Nealy.

Staff requested the Board of Commissioners accept the Developer Extension Agreement Application for Muttley Square.

Following discussion, by motion made, seconded, and passed unanimously, the Board of Commissioners approved and executed the Developer Extension Agreement for Muttley Square.

c.) Staff Report - Waldenwood Lift Station Replacement Project

Mr. Delfel provided a verbal summary to the Board of Commissioners on a Staff report regarding the Waldenwood Lift Station Replacement Project.

The District awarded the Waldenwood Lift Station Replacement Project to McClure and Sons (MSI) on June 6, 2019. Actions since the last report include the following:

- Contracts with MSI have been executed.
- Building and Land Disturbing Activities Permits have been approved by Snohomish County.
- A Preconstruction Meeting with MSI was held on August 8, 2019.
- Work is scheduled to begin and a Notice to Proceed will occur on August 19, 2019.

6.) MAINTENANCE AND OPERATION REPORT(S):

a.) Reservoir No. 3 Update

Mr. Berger provided a verbal report to the Board of Commissioners on updates to the Reservoir No. 3 Project. Work to remove the Tide Flex inlet and mixing system that is believed to be the source of the contamination has been scheduled by Razz Construction. A plan is being formulated to clean the reservoir walls and disinfect the reservoir is being formulated.

b.) Purchase Authorization – Stanley Stak System

Mr. Berger and Mr. Brees provided a verbal summary to the Board of Commissioners on a Staff report regarding the purchase of a Stanley Stak System.

The District forecasts equipment replacements and other operating capital purchases as part of the annual financial planning process. For 2019, a new warehouse shelving system was included in the plan and approved by the Board of Commissioners. As the expected purchase price exceeded \$50,000, the District conducted a competitive bidding process for the specified system. One bidder provided a bid consistent with the District's specification, SWS VidmarLista. The total bid including all equipment as specified, freight, installation, and sales tax is \$131,493.63. To better describe the system, a video of the system was presented at the meeting.

Following discussion, by motion made, seconded, and passed unanimously, the Board of Commissioners accepted the bid from SWS VidmarLista in the amount of \$131,493.63 (including sales tax), and authorized the purchase and installation of a Stanley Stak System as specified in the District's competitive bid solicitation, and then requested the General Manager to execute a contract with SWS VidmarLista as the lowest responsive, responsible bidder.

c.) Purchase Authorization – Replacement Easement Mower

Mr. Berger and Mr. Brees provided a verbal summary to the Board of Commissioners on a Staff report regarding the purchase of a replacement easement mower.

The District forecasts equipment replacements and other operating capital purchases as part of the annual financial planning process; however, upon occasion these needs change

during the course of the year. The District's Vehicle #62 is a small trackhoe that is equipped with a compactor and mowing head in addition to standard digging buckets. The trackhoe and its implements are not planned for replacement for many years as it was purchased in only 2015. The mowing head was purchased in 2012 and was used originally with an excavator that has since been surplused. The mowing head is used frequently to maintain easements and has required repair on multiple occasions after use. In May, the unit was repaired at a total cost of \$3,027.96. The unit currently requires repair at an estimated cost of \$6,156.57 (plus tax). Due to the significant repair costs that have been incurred and are forecasted to make it operational again, District staff obtained quotes to replace the mowing unit as an alternative, which were reviewed. Staff recommends replacement of the mower head, rather than the substantial cost to only complete repairs.

Following discussion, by motion made, seconded, and passed unanimously, the Board of Commissioners, upon receiving multiple quotes, authorized the purchase of a replacement mower head (RockHound EX30-HD) in the amount of \$10,750.00 (plus tax) from Pape Machinery as the lowest responsible bidder for the equipment specified.

7.) Interagency Reports

a.) Update on Snohomish County SW-UGA Study

Mr. Brees provided an update and presentation materials from the Snohomish County Southwest Urban Growth Area (SWUGA) Study Sharing Workshop that was held on August 7, 2019. This meeting was attended by an estimated two hundred members of the public and many County officials. The study does not recommend a particular action related to expansion of the SW Urban Growth Area. The study forecasted impacts related to alternatives ranging from no expansion to complete expansion of the UGA in the study area. The District's existing infrastructure was accurately represented as a factor to support increased development in the applicable study areas. If a change were to be made in the UGA boundaries, it would likely occur in 2023 as part of the County Comprehensive Plan Update.

b.) Update on PWB PWTF Loan Applications

Mr. Brees provided an update on the District's PWB PWTF Loan Applications' Scores and ranking. The District's projects were not selected for the funding currently available.

8.) STAFF REPORTS

a.) District Engineer:

No report.

b.) Finance Manager:

Mr. Nelson reported to the Board on some of the recent correspondence between District staff and customers regarding large leaks. District staff have been able to proactively identify some of these leaks and mitigate the impact. Mr. Nelson also reported that cross training is complete for the customer billing. Van Giusti is now fully trained to serve as a backup for this task.

c.) **Attorney:**

Mr. Milne provided an update on the litigation related to King County's imposition of rent for use of the right-of-way. Oral argument of King County's appeal is scheduled before the State Supreme Court on September 17, 2019, and six amicus briefs have been filed in support of Utility Districts. Mr. Milne also reported that the State Supreme Court granted direct review of the appeal by several water-sewer districts contesting the imposition of an excise tax on the districts' gross revenues by the City of Federal Way. A date for the oral argument of the appeal has not yet been set.

d.) **General Manager:**

Mr. Brees presented a proposal from Fully Integrated Team HR (FIT) to conduct a HR Discovery Assessment with District staff at a cost of \$1,350. FIT specializes in advising small to medium sized employers, such as the District, on human resources policies and procedures.

Following discussion, by motion made, seconded, and passed unanimously, the Board of Commissioners approved the proposal from FIT to conduct an HR Discovery Assessment.

This ends the Minutes of the August 8, 2019 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 August 8, 2019 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 August 22, 2019, 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 August, 2019.

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


Bill Anderson, Secretary