

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

February 27, 2020

The regular meeting of the Board of Commissioners of the Silver Lake Water & Sewer District was held on February 27, 2020, beginning at 5:30 p.m., at the District Administration Building. Attending were Commissioners Anne Backstrom, John Warner, and Shauna Willner. Also present were District Engineer Scott Smith, O&M Manager Ron Berger, and Finance Manager Brad Nelson; Eric Delfel with Gray & Osborne, Inc., and William Linton with Inslee, Best, Doezie, and Ryder P.S., Attorney for the District. General Manager Curt Brees was attending a conference.

1.) CALL TO ORDER:

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

2.) APPROVAL OF MINUTES:

The Minutes of the meeting of February 13, 2020 were unanimously approved as circulated.

3.) PUBLIC COMMENT:

No members of the public were present.

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:

Fund	Code	Number	Amount
Water Maintenance	743 5408666	.02-047-.02-086	\$197,557.09
Sewer Maintenance	743 5418666	.02-015-.02-026	35,828.05
Sewer Capital Improve.	743 5448666	.02-004-.02-005	64,741.11
Water Capital Improve.	743 5468666	.02-003-.02-005	3,339.49
Revolving Check Fund		6975 - 6994	46,692.71
Total Warrants			\$348,158.45

b.) Staff Presentation – Rate Basics

Mr. Nelson provided the Board of Commissioners a PowerPoint Presentation regarding the District's basic rate authority and methodologies.

5.) DEVELOPMENT PROJECTS

a.) Staff Report – Review of Current Developer Extension Projects & Process

Mr. Smith provided a Staff report, Matrix of current and upcoming DE projects, and a PowerPoint Presentation, regarding Current Developer Extension Projects and Process.

There are approximately 30 active Developer Extension (DE) projects in various stages in the District, with another 10 that are known to be in the early pre-application stage. District

Commissioner Warner asked staff to confirm that the special connection fee would only be charged when a customer made a new or larger connection and not when the property sold. Mr. Smith confirmed that a customer's special connection fee would only be due if a customer made a new or larger connection and that the District would record the special connection fee on the property to inform a new buyer of the charge.

Following discussion, by motion made, seconded, and passed unanimously, the Board of Commissioners approved the establishment of Thursday, March 12, 2020, as the Public Hearing date for the 131st Street Special Connection Charge. Notice will be posted and published in the Everett Herald.

c.) Staff Report – 2020 Cast-in-Place Pipe (CIPP) Project

Mr. Smith provided a Staff report, Interlocal Agreement (ILA) with AWWD, and Site Plan of proposed CIPP area, regarding concrete sewer pipe rehabilitation, regarding the Cast-in-Place Pipe (CIPP) Project.

In the approved 2020 Capital Improvement Program, there is a project for Concrete Sewer Rehabilitation with a preliminary budget amount of \$500,000. Raw sewage is corrosive, especially in metal and concrete pipes, and will gradually degrade the pipes from the inside out. There is a 3,900 foot long stretch of 50-year old concrete pipe along 51st Avenue SE that is the District's highest priority for rehabilitation work.

An increasingly common way to rehabilitate sewer pipes that have not failed structurally is to install a liner from the inside to act as a protective barrier, which is called Cast-In-Place Pipe (CIPP). However, this is still relatively new in the industry, and not many agencies have experience with managing and inspecting CIPP projects.

Alderwood Water & Wastewater District (AWWD) has volunteered to act as the lead agency in 2020 for a joint CIPP project with several Districts, including Silver Lake, Olympic View, Mukilteo, and two cities. This partnership helps reduce the risk for the individual agencies, as well as benefit from lower unit costs due to a larger scale project. An Interlocal Agreement (ILA) is required to formalize the agreement between the AWWD and Silver Lake, and covers all the legal aspects of administering the project.

The estimated cost for Silver Lake to participate in the joint CIPP project is approximately \$841,000, including contingency, sales tax, and administrative costs. The District will also be required to provide our own site inspector, which is available through Gray & Osborne. The final cost will not be known until construction bids are opened in April, at which point the District will still have the option to participate or opt out if unit prices are too high.

Following discussion, by motion made, seconded, and carried unanimously, the Board of Commissioners approved the Interlocal Agreement with Alderwood Water & Wastewater District for the 2020 Cast-In-Place Pipe Project and authorized the General Manager to execute the Interlocal Agreement.

7.) **MAINTENANCE & OPERATIONS:**

a.) **Staff Update – Reservoir No. 4 – Inspection, Maintenance, and Cleaning**

Mr. Berger provided an update on Reservoir No. 4's inspection, maintenance, and cleaning. Mr. Berger invited the Board to inspect the Reservoir once it's empty, as it really is impressive to see the inside of such a large reservoir.

b.) **Staff Update – Creekside Lift Station Repairs**

Mr. Berger provided a verbal report and photos on the repairs recently completed to the Creekside Lift Station. The force main and station baseplate are flexing when pumps shutdown. The repairs reinforced a connection between a ninety degree bend in the force main and a valve located near the pump discharge.

c.) **Staff Update – Master Meter No. 10**

Mr. Berger provided an update on the rebuilding of three of the District's Hydraulic Control Valves by GC systems in conjunction with District staff, and shared photos of Master Meter No. 10.

8.) **INTERAGENCY REPORTS:**

a.) **Staff Report – Clearview Water Supply Agency (CWSA) Meeting**

Mr. Nelson provided a staff report about the Clearview Water Supply Agency (CWSA) Meeting that General Manager Curt Brees and Commissioner John Warner attended, held on February 19, 2020, at the Alderwood Water & Wastewater District (AWWD). The meeting agenda included: a review of Maintenance and Operations Reports and Financial Reports.

At the opening of the meeting, Mr. Sridhar Krishnan announced that he will be resigning his position as Finance Manager for the AWWD within the next few weeks. With his departure, three of the five high level management positions at the AWWD have been vacated in the last six months. The remaining two are relatively new to their current roles (within the last two years). Mr. Dave Barnes is currently the Acting General Manager.

Mr. Dave Barnes and Mr. Joe Skeens provided a summary of operational issues. There were two emergency call-outs during the month of January, both were to reset faulted pumps. Work is ongoing by AWWD staff and contractors for maintenance of the Uninterruptible Power Supply Systems and a large circuit breaker. Quotes have been requested for the maintenance of the circuit breaker, following inspection last month. Other minor maintenance items at the pump station are ongoing.

There were no major items to report with respect to finances for the month of January. Monetary Assets for CWSA, as of January 31, 2020, totaled \$894,223.40. The Vouchers approved at the meeting totaled \$381,113.83. The District's utilization was 28.5% of the systems total volume delivered by CWSA in January.

The next meeting of the CWSA is scheduled for Wednesday, March 18, 2020, at 3:00 p.m., at the Alderwood Water & Wastewater District.

b.) Staff Report – Everett Water Utility Committee (EWUC) Meeting

Mr. Berger reported on the Everett Water Utility Committee (EWUC) Meeting held on February 20, 2020, at the City of Everett. The meeting topics included: updates from the Department of Health, an overview of the water supply situation, updates on Everett Capital Improvement Projects (CIP), and a brief Wholesale Sewer Customer Meeting was held.

Ms. Erica Lindsey, with Department of Health (DOH), addressed the group about the upcoming 2020 Needs Assessment Survey that DOH is conducting. The survey will target a representative number of systems by DOH geographic region to estimate total need statewide. The 2020 Survey does not include Silver Lake Water and Sewer District. This Needs Assessment helps scope and target the state and federal drinking water assistance programs.

Mr. Jim Miller, City of Everett, provided a report on the water supply. While 2019 saw less precipitation than normal, there has been significant rain and snowfall in the watershed since the last update, and the Reservoirs are full. The Water Summary Sheet and a second sheet showing total 2019 precipitation in the watershed and total water demand during the calendar year, were provided to the Commissioners.

City of Everett staff provided updates on several CIP projects, including replacement of the East Clearwell roof and a new project related to the construction of the new Costco in Lake Stevens. It was reported that the Clearwell roof is on track with a schedule to be completed in 2020. This project is funded by the City's Insurance. The new Lake Stevens Costco construction will require modification to existing transmission lines serving Everett. A shutdown will be scheduled for minimal disruption and duration. This work will be funded by Costco as part of their site development. This work will not directly impact Pipeline No. 5 which feeds the Clearview Pump Station and the District.

Following the EWUC Meeting, the Wholesale sewer customers briefly met with City of Everett staff. A CIP Project sheet was distributed and discussed. The sheet includes a new project to replace trickling filters. There was also a brief discussion of a draft tolling agreement that the City of Everett had distributed via email to the District, concerning the purchase of property for bio solids disposal. The City's position is that it is a reimbursable capital project to the wholesale customers. The District, together with the other customers, have objected based on the terms of the agreement and past billing practice. This latest Tolling Agreement is potentially a step forward in that at the end of a two-year period if there is not a mutual agreement, binding arbitration is called for. Arbitration is preferable to the current dispute resolution, which is not defined in by the agreement where Superior Court is the only avenue at considerable expense.

9.) STAFF REPORTS:

a.) District Engineer:

No further report.

b.) Finance Manager:

Mr. Nelson informed the Board of Commissioners that the Alderwood Water & Wastewater District has scheduled a Wholesale Customer meeting on March 23, 2020, to

present the 2020 Water Rates. Mr. Nelson expects Mr. Brees and himself to attend the meeting and report back to the Board.

c.) **O & M Manager:**

No further report.

d.) **Attorney:**

No further report.

This ends the Minutes of the February 27, 2020 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 February 27, 2020 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 March 12, 2020 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 12th day of March, 2020.

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



Shauna Willner, Secretary