

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

March 26, 2020

The regular meeting of the Board of Commissioners of the Silver Lake Water & Sewer District was held on March 26, 2020, beginning at 5:30 p.m., at the District Administration Building. Attending was Commissioner Anne Backstrom; General Manager Curt Brees, District Engineer Scott Smith, and Finance Manager Brad Nelson; also attending by teleconference were Commissioners John Warner and Shauna Willner; O&M Manager Ron Berger; Eric Delfel with Gray & Osborne, Inc., and William Linton with Inslee, Best, Doezie, and 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 meeting of March 12, 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:

<b>Fund</b>	<b>Code</b>	<b>Number</b>	<b>Amount</b>
Water Maintenance	743 5408666	.03-051-.03-083	\$171,440.38
Sewer Maintenance	743 5418666	.03-016-.03-025	195,021.27
Sewer Capital Improve.	743 5448666	.03-005-.03-005	19,574.24
Water Capital Improve.	743 5468666	.03-006-.03-008	8,792.59
Revolving Check Fund		7005 - 7025	14,170.48
<b>Total Warrants</b>			<b>\$408,998.96</b>

**5.) DEVELOPMENT PROJECTS**

**a.) Staff Report – Bakerview Phase Subdivision Phase 1-Landfill Closure Plan**

Mr. Smith provided a Staff report, Vicinity Map, and Site Map regarding the proposed Bakerview Subdivision Phase 1 – Landfill Closure Plan Developer Extension Agreement.

This project is located at 4330 108<sup>th</sup> Street SE. The proposed project is for the first phase of a 97 lot single family residential development on an undeveloped 40 acre parcel adjacent to the existing “The Point” subdivision. The Board had previously approved a Developer Extension for this project on March 19, 2019; however, no action was taken by the developer and the original Agreement has expired.

The first phase of the Bakerview project is simply to install approximately 115 feet of new 8-inch water main with a fire hydrant that will be used during the initial landfill closure and grading phase. The much larger second phase of the development project will consist of the remaining site work and construction of a new sewer lift station, and was approved by the Board on November 14, 2019. The Developer is P&GE, LLC/Marty Penhallegon.

Staff recommended that the Board of Commissioners approve the Developer Extension Agreement for Phase 1 of the Bakerview Subdivision project.

Following discussion, by motion made, seconded, and carried unanimously, the Board, approved the Developer Extension Agreement for the Bakerview Subdivision, Phase 1.

**b.) Staff Report – Brasswood**

Mr. Smith provided a Staff report, Vicinity Map, and Site Map regarding the proposed Brasswood Developer Extension Agreement located at the 7900 Block of Lowell Larimer Road.

The proposed project is for a 60-lot single family residential development on several parcels just north of the existing Greenleaf at Snohomish Cascade subdivision and the District's Sector 7 Lift Station.

The site is located within the Cross Valley Water District boundaries, who will provide water service, but Silver Lake will provide sewer service in accordance with the terms of the Interlocal Agreement. The project is situated on a steep slope with approximately 140 feet of elevation drop from the southern property line down to Lowell Larimer Road.

The developer will construct a new District lift station on a dedicated lot near the development access point on Lowell Larimer Road, along with approximately 2,400 feet of new 8-inch sewer main on the site. The new lift station will have two submersible pumps with a capacity of 220 gpm, which will be enough to handle the proposed development project and future development in the service area. The new lift station will pump up the hill to the existing Sector 7 Station, which has capacity to handle the additional flow. Consequently, the Brasswood project will be subject to the existing Sector 7 Special Connection Charge that was established in 2018.

In the approved Wastewater Comprehensive Plan, Appendix I, there is an analysis of how to best provide future sewer service to the properties along Lowell Larimer Road. The preferred option is for two lift stations to serve the area, and the new Brasswood facility would effectively be the proposed Lowell Larimer 4 Lift Station. The Developer is CHG SF, LLC/Aron Golden.

Staff recommended that the Board of Commissioners approve the Developer Extension Agreement for the Brasswood Subdivision.

Following discussion, by motion made, seconded, and carried unanimously, the Board, approved the Developer Extension Agreement for the Brasswood Subdivision.

c.) **Staff Report – Oakwood Court**

Mr. Smith provided a Staff report, Vicinity Map, and Site Map regarding the proposed Oakwood Court Developer Extension Agreement located at 12703 Seattle Hill Road.

The proposed project is for an 11-lot single family residential development, which will replace one existing house on a large lot. The existing house is not a District customer and is currently served by a well and septic system.

The existing topography has a high spot in the center of the site but generally slopes downward to the east. The developer will connect to an existing sewer manhole at the east end of the property in 126<sup>th</sup> Street SE, and extend a new sewer main approximately 275 feet to the west to provide sewer service.

The developer will also be installing approximately 475 feet of new 8-inch pipe on the site, along with another 165 feet of offsite water main to loop the new system for fire flow. District staff, working with the developer, had identified four options to meet fire flow requirements for the plat: three different offsite looping connections, or replace approximately 300 feet of existing 6-inch water main in 126<sup>th</sup> Street SE, which would just extend an existing dead end.

The District proposed to participate with the developer in the cost of the offsite water main, since the preferred option will eliminate a long dead-end water main to the south in 127<sup>th</sup> Street SE, and therefore improve water quality. This improvement is a component of project D-9 in the District's Comprehensive Water System Plan. A separate participation agreement will be brought to the Board for approval, when the scope and costs are finalized. The Developer is Oakwood Court, LLC/Larry Kiel.

Staff recommended that the Board of Commissioners approve the Developer Extension Agreement for the Oakwood Court Subdivision.

Following discussion, by motion made, seconded, and carried unanimously, the Board, approved the Developer Extension Agreement for the Oakwood Court Subdivision.

6.) **CAPITAL IMPROVEMENT PROJECTS:**

a.) **Staff Update - Waldenwood Lift Station Replacement Project**

Mr. Smith provided an update to the Board of Commissioners and shared photos documenting the progress on the Waldenwood Lift Station Replacement Project.

7.) **MAINTENANCE & OPERATIONS:**

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

Mr. Berger provided an update on Reservoir No. 4's inspection, maintenance, and cleaning project. This report summarized the work taking place at Reservoir No. 4 over the past two weeks.

**Some of the work items included:**

- Removing the top vent from the tank for refurbishing. The vent had some severe rust and paint issues occurring. District crews removed the vent and took it to

Aerotech industrial metal shop in Marysville to be sand blasted and primed. The Flange metal spool on the roof where the vent sits will be refurbished and painted.

- While the Reservoir was in service, it was noted that the check valves on the pumps were starting to leak. Upon further investigation when the tank was empty, the check valve seats were in very bad condition on Pump #1 (10”), Pump #2 (12”), and Pump #3 (12”). The check valves that were installed with the pump station was commissioned in 2008 had no name plates or literature that we could find for re-building purposes. The District crews installed all three new “Valmatic Check Valves” in their place. Parts are readily available locally for each of these, and they will be re-built in the future when needed.
- While the pump station is offline, the motors were inspected. Motor #1 is a 60-horsepower motor; this is the lead motor and has the most run time. It was sent to the motor shop and two new bearings were installed along with a new coupling to the pump. The two 150-horsepower pumps were inspected and look good at this time. The two 150-horsepower motors alternate and do not have many hours on them.
- Northwest Corrosion Engineering, a consultant selected from the District’s consultant roster, has completed an assessment of the Reservoir, and is recommending installing Cathodic Protection. This will protect the reservoir from additional pitting on the floor and rust. The two styles of Cathodic Protection were evaluated, a “Galvanic System” and a “Rectifier System.
- Interior work began this week. District crews are prepping the areas that were identified by Gray & Osborne, Inc. for paint touch up. These areas include the pitting on the floor and the other areas on the wall at the first weld seam.

Mr. Berger presented the proposal from Northwest Corrosion Engineering to design, supply materials, and assist the District with the installation of a Rectifier System of Cathodic Protection.

Following discussion, by motion made, seconded, and carried unanimously, the Board of Commissioners authorized the General Manager to execute an agreement with Northwest Corrosion Engineering for the installation of a Rectifier System of Cathodic Protection, with a not-to-exceed amount of \$30,000, plus sales tax.

## 8.) **INTERAGENCY REPORTS:**

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

Mr. Brees provided a staff report about the Clearview Water Supply Agency (CWSA) Meeting that General Manager Curt Brees and Commissioner John Warner attended, held on March 18, 2020, at the Alderwood Water & Wastewater District (AWWD). The meeting agenda included: a review of Maintenance and Operations Reports and Financial Reports.

Mr. Joe Skeens (Acting M&O Director) provided a summary of operational issues. There were no emergency call-outs during the month of February or significant maintenance issues. Mr. Skeens reviewed a list of minor maintenance items completed at the pump station.

There were no major items to report with respect to finances for the month of February. Monetary Assets for CWSA, as of February 29, 2020, totaled \$896,613.30. The Vouchers approved at the meeting totaled \$348,788.77. The District's utilization was 26.8% of the total volume delivered by CWSA during February.

Under new business, the Board considered an Amendment to the Joint Operating Agreement to modify the quorum requirement for meetings. Prior to the Amendment, physical presence of the majority of the directors was required. With the Amendment, all other notices and requirements remain unchanged; however, a meeting may now proceed with a quorum of directors participating in-person or remotely, via telephone or electronic communication. The Amendment was approved.

The next meeting of the CWSA is scheduled for Wednesday, April 15, 2020, at 3:00 p.m., at the Alderwood Water & Wastewater District.

**b.) Staff Report – WASWD Press Release 3.23.20**

Mr. Brees provided a Staff report on the WASWD Press Release dated March 23, 2020, regarding Water & Sewer Operations during COVID-19.

**9.) Emergency Response Updates (COVID-19)**

**a.) Update on Customer Correspondence and Customer Accounts:**

Mr. Nelson provided an update on customer correspondence and customer accounts, detailing how the District had not suspended service to delinquent accounts as would have normally occurred on March 25<sup>th</sup>, 2020.

**b.) Staff Report – Administrative Fee Waiver Policy**

Mr. Nelson provided a Staff report on Administrative Fee Waiver Policy.

On February 29, 2020, Governor Jay Inslee declared a State of Emergency over the COVID-19 virus, and directed all state agencies to use all resources necessary to prepare and respond to the outbreak. The Board of Commissioners acted on March 12, 2020, to authorize the deferral of all service disconnections, authorized extended customer payment arrangements, and enacted Resolution No. 795 declaring an emergency, and providing additional powers to the General Manager. The District then closed the office to in-person customer service, educated employees on "social distancing", developed telecommuting options, split work teams, and established improved office cleaning practices.

On March 18, 2020, the Governor announced additional relief and assistance for workers, renters, and more, including a proclamation for state utilities. **Governor's Proclamation**, strongly recommended: *All utilities in Washington State to take reasonable actions to mitigate the economic impacts of the COVID-19 pandemic on their utility customers caused by this crisis, including but not limited to: acting to prevent disconnection of*

*services due to non-payment during the term of the statewide emergency declaration; waiving late payments and fees; using payment plans to fulfill customer outstanding balances; employing internal processes and procedures to facilitate social distancing and proper hygiene practices; and closing facilities to the public.*

While the Board of Commissioners has already addressed many of the Governor's recommendations outlined in his Proclamation, staff was seeking direction regarding waiving penalties for late payments (the District's Administrative Fee for Delinquency). These fees are processed in batches when a customer fails to make payment. An Administrative Fee process was scheduled for March 25, 2020, and has been deferred pending direction. On Wednesday, March 25, 2020, the deadline date, there were 177 accounts that are past due. All of these customers received the Deferred Shut-off Notice last week, warning that there would be an Administrative Fee if the payment was not received prior to March 25, 2020. Typically, the District would have about 125 shut-off accounts. Staff identified three options:

**Option 1 – Current Policy - Assess the \$65.00 Administrative Fee with a Possible One-Time Fee Waiver**

The District would continue the same procedures to assess the \$65.00 Administrative Fee for Delinquency, including a one-time courtesy fee waiver. The benefit of continuing to assess the fee would be to encourage customers to keep their account current. This would decrease the size and scope of the future delinquent accounts. The downside is staff expects customers are not focusing on their collection notices. It requires customer and staff time to process the fee waiver request, and it really does not follow the spirit of the Governor's recommendation.

**Option 2 - Assess the \$65.00 Administrative Fee but Waive Fee for COVID-19**

The District would continue the same procedures to assess the \$65.00 Administrative Fee for Delinquency, but include a fee waiver for customers reporting a COVID-19 related issue. The benefit of continuing to assess the fee would be to encourage customers to keep their account current and would be a step closer to the Governor's fee waiver recommendation. However, the same downside issues remain that we expect customers are not focusing on their collection notices, and it requires customer and staff time to process the waiver request. We would add also that literally everyone in the State could report they have been affected by the outbreak in some manner or another.

**Option 3 – Do Not Assess the \$65.00 Administrative Fee (Recommended)**

The District would not assess the 65.00 Administrative Fee for Delinquency during the period that customers are ordered to stay home as many are not working, and while shut-offs are not performed. The benefits of this are that it's easy for customers to understand and easy for staff to administer. It follows the Governor's recommendation. Finally, it allows the District to focus on the larger policy issues coming towards us; which are bill assistance, how long do we defer service disconnection, past due accounts on the sale of property, and how the ultimate customer payment plan is designed.

Staff sees customer payment plans as a possibility; however, the scope and duration of the program will directly depend on the scope and duration of the outbreak.

Staff's recommendation is Option 3, and would reevaluate in 30 to 60 days.

Following discussion, by motion made, seconded, and carried unanimously, the Board of Commissioners approved Option 3, waiving the \$65.00 Administrative Fee during the months of March and April of 2020, and to reevaluate in May.

**c.) Staff Report – Federal Emergency Sick Leave and Emergency Family Medical Leave**

Mr. Nelson provided a Staff report on the Federal Emergency Sick Leave and Emergency Family Medical Leave.

The Federal Government enacted new legislation providing Emergency Paid Sick Leave and Emergency Family Medical Leave last week. District staff and the Attorney for the District have reviewed the legislation, and the initial summary of the legislation was outlined to the Board of Commissioners. The new law becomes effective on April 2, 2020. Additional information is forth coming, based on the District's current understanding of the Act.

**An employee is eligible when:**

- The employee is subject to a federal, state, or local quarantine or isolation order, related to COVID-19.
- The employee has been advised by a health care provider to self-quarantine, due to concerns related to COVID-19.
- The employee is experiencing symptoms of COVID-19 and seeking a medical diagnosis.
- The employee is caring for an individual who is subject to an order or self-quarantine as described above.
- The employee is caring for a son or daughter if school or child care is closed/unavailable.
- The employee is experiencing "any other substantially similar condition" specified by HHS (not defined at current time).

**The Emergency Paid Sick Leave Entitles the Employee:**

- Up to 80 hours paid Sick Leave at full salary.
- Employee gets to choose if they get to use it before other employer paid leaves.
- Wage is paid by the District and the District is reimbursed by means of a credit on the social security tax obligation paid by the District.

**With the Emergency Family Medical Leave the Employee:**

- First 80 hours are unpaid, but the employee can use Federal Paid Sick Leave or other paid leaves.
- After 80 hours (10 days) the District pays 2/3 of regular salary for up to 400 hours (50 days); the employee can use Sick Leave or PTO for the other 1/3. Some limitations for highly compensated employees.
- District could possibly be exempted from the cost sharing, based on being an employer with less than 50 employees.

- District is required to provide medical, dental, vision coverage, which the Board authorized by Resolution No. 795, at the March 12, 2020, Board of Commissioners Meeting.

Staff is working this week to develop forms, documentation of meeting eligibility requirements, payroll processes, and accounting procedures, to ensure the District takes its Social Security payment credits, and employee communication.

**d.) Update on Operations:**

Mr. Berger provided an update on the O&M crew protocols during the COVID-19 Pandemic.

On March 12, 2020, District Management planned to divide the crew staff to create “Social Distancing” among the crews. Crew started moving to the old District site located at 2210 132<sup>nd</sup> Street site on March 13, 2020, and they have been there since.

The crews were strategically divided for full field coverage in the event of a quarantine event occurring, and to ensure delivering water and sewer service to District customers. Crews are divided as follows:

<b>Crew - 132<sup>nd</sup> Street Site</b>	<b>Crew - 41<sup>st</sup> Ave. Headquarter Site</b>
Ron, Brady, Bill, Jeremy, Lance, Jeff, Dylan, Jared and Richard	Chris, Andrew, Tom, Ricky, Lucas, Steve, Sean, Greg, Kyle, Payton, and Robert

Crew is focused on performing critical tasks during this period such as:

- Sewer Vactor (cleaning problem areas and not routine general cleaning).
- Water Main Flushing (due to customer complaints or issues, not routine flushing).
- Routine Water Sampling and Reporting.
- Meter Reading and Repairs.
- Leak Detection.
- Sewer Lift Station Operations and Repairs.
- Weekly duty Meetings are held using SKYPE Video Conferencing.
- Locates and customer service as required.
- Making repairs to Reservoir No. 4 (paint on the interior of the tank and the top vent).

Included in the crew’s daily routine is cleaning of all personal and office spaces along with vehicles. This plan will stay in effect until the COVID-19 Pandemic is over and crews are re-united.

**10.) STAFF REPORTS:**

**a.) District Engineer:**

No further reports.

**b.) Finance Manager:**

Mr. Nelson reported that he received the draft 2020 Wholesale Sewer Rate from the City of Everett. The rate is higher than anticipated and based a Mr. Nelson's very preliminary review, there may be an error in the calculation of the rate. Mr. Nelson will be working with the City's staff to review the rate calculation.

Mr. Nelson reported that a customer notice detailing the District's response to the Covid-19 Emergency is being drafted and will be included as a bill insert or direct mail piece for customers not receiving a bill this month.

Mr. Nelson reviewed steps that the Finance Department is taking to provide social distancing. This work group will be working remotely for approximately 50% of their time on varying schedules. The nature of the work and technology tools that the District is using is allowing the remote work options.

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

No further reports.

**d.) Attorney:**

No further reports.

**e.) General Manager:**

Mr. Brees detailed Personal Protective Equipment (PPE) that the District has on hand to provide to workers to protect them from hazards, most notably raw sewage. Currently, the District has approximately 500 disposable face masks in stock. Many of these will be required by the District's employees to complete tasks, such as the reservoir repairs. However, Mr. Brees recommended that if it is determined that some of these supplies are not essential to the District's near term operations that they be donated to a public agency to be used in response to COVID-19.

Following discussion, by motion made, seconded, and carried unanimously, the Board of Commissioners authorized the donation of excess PPE, including disposable face masks.

Mr. Brees presented a Building and Grounds Worker Job Description from the Alderwood Water & Wastewater District (AWWD). Mr. Brees indicated that either rebidding the District's current custodial contracts or potentially hiring a Building and Grounds Worker with similar duties to the AWWD position, had been discussed by the District's Management Team prior to the COVID-19 emergency. With the COVID-19 emergency, one of the concerns expressed by staff is the quality of cleaning and unknown practices of the contract cleaning services in the District's workspaces. Mr. Brees requested that the Board of Commissioners authorize the creation of a position with duties similar to the AWWD position, and compensated as a Utility Worker on the District's current salary schedule. Mr. Brees indicated that once onboard, there would be some cost offset as the District currently pays approximately \$28,000/year for the contract cleaning services.

Following discussion, by motion made, seconded, and carried unanimously, the Board of Commissioners authorized the creation of a Building and Grounds Utility Worker position and to recruit for said position.

**This ends the Minutes of the March 26, 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 the 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 March 26, 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 April 9, 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 9<sup>th</sup> day of April, 2020.

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



**Shauna Willner, Secretary**