

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

July 22, 2021

The regular meeting of the Board of Commissioners of the Silver Lake Water & Sewer District was held on July 22, 2021, beginning at 5:30 p.m. The meeting was held in hybrid format with Commissioners Anne Backstrom, John Warner, and Shauna Willner in person at the District Administration Building. Also present in person was General Manager Curt Brees, District Engineer Scott Smith, O&M Manager Ron Berger, 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. Attending by video conference was Technical Services Manager James Busch. The public was provided access to participate in person or via teleconference, with the telephone number and access code published on the District's website and posted at the District Administration Building (regular meeting location).

**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 July 8, 2021 were unanimously approved as circulated.

**3.) PUBLIC COMMENT:**

There were no public present for comment.

**4.) FINANCIAL MATTERS**

**a.) Vouchers, and Revolving Fund Check(s) Approval**

Following discussion of various matters, including the vouchers paid by the District, to the District, for utility services at District facilities, Vouchers (Check No.16930-16993) in the amount of \$2,633,603.61; Revolving Fund Checks (Check No. 7930 -7957) in the amount of \$27,418.68, were unanimously approved and signed as follows:

<b>Fund</b>	<b>Amount</b>
Water Maintenance	\$93,660.83
Water Capital Improvement	71,279.87
Sewer Maintenance	2,138,952.08
Sewer Capital Improvement	329,710.83
Revolving Check Fund	27,418.68
<b>Total</b>	<b>\$2,661,022.29</b>

**b.) Staff Report – Interagency Data Sharing Agreement**

Mr. Nelson provided a report to the Board of Commissioners regarding the Interagency Data Sharing Agreement.

The State Auditor Office (SAO) is charged to perform audits for the State and Local Governments. During their review of the unprecedented unemployment fraud in 2020 at the Washington State Employment Security Department, the SAO had a data breach of their own, that reportedly released the private information of the Washington residents who submitted an unemployment claim, real or fraudulent, to the Washington State Employment Security Department from January 1, 2020 to December 10, 2020.

The SAO developed an agreement to mitigate their risk with future data breaches and is requiring State and Local Agencies to execute this Data Sharing Agreement. The agreement outlines the data requirements and methods the State will take to ensure data security.

District staff reviewed the agreement and has requested a few changes, mirroring the terms agreed to between the SAO and Alderwood Water and Wastewater District, with respect to Section 6 – Data Access. Staff noted that the District does not allow the Washington State Auditor to have direct access to the District’s electronic records. In addition, when historically preparing financial data for the auditor review, Personal Identifying Information, such as social security numbers, bank account information, or dates of birth, are not included with employee data provided to the State. For customer data, the District does gather social security numbers or dates of birth.

Following discussion, by motion made, seconded, and carried unanimously, the Board of Commissioners authorized the General Manager to Execute the Data Sharing Agreement with the State Auditor’s Office.

**5.) DEVELOPMENT EXTENSION PROJECTS:**

**a.) Staff Report – Brasswood – Participation Agreement**

Mr. Smith provided a summary to the Board of Commissioners on a Staff report regarding the Brasswood Participation Agreement.

On March 26, 2020, the Board approved the Developer Extension Agreement for the 60-lot Brasswood subdivision. This project also includes the construction of a new sewer lift station, which would pump uphill to 132<sup>nd</sup> Place SE in the Greenleaf neighborhood and then to the District’s Sector 7 Lift Station. Work on the new lift station is scheduled to begin this week after material procurement delays.

In the same area, the existing 8-inch sewer main in 132<sup>nd</sup> Place SE is identified as a system deficiency in the adopted Sewer Comprehensive Plan and would be a future capital improvement project for replacement (Project No. GV-3). The pipe is currently at full capacity, due to the flat grade going into the Sector 7 Lift Station and needs to be upsized to a 12-inch pipe to accommodate any additional flow.

In lieu of installing a new force main in 132<sup>nd</sup> Place SE for the Brasswood Lift Station, the existing gravity main could be utilized if it were upsized. Staff recommended that the District execute a Participation Agreement with the Brasswood developer, where the District will pay to have the developer’s contractor perform the sewer main replacement work in 132<sup>nd</sup> Place SE at the same time as their DE project work.

Sewer Main replacement will be accomplished by two different construction methods: a traditional open trench replacement for the eastern shallow section, and then underground pipe bursting for the two longer and deeper sections. Essentially, the developer would be completing a planned capital improvement project for the District, which is cost efficient and minimizes disruptions to the neighborhood. The amount the District would pay is the difference between the original Brasswood force main and the District's pipe replacement work.

The Board was provided a copy of the proposed Participation Agreement using a standard form provided by the District's Attorney. The estimated District cost from the developer's contractor in Exhibit "C" is approximately \$266,000, which includes a large contingency. The District will only pay for items used and warranted on the project, and the developer will be required to provide backup documentation prior to any payment. A budget of \$400,000 for this project was included in the 2021 Financial Plan.

Following discussion, by motion made, seconded, and carried unanimously, the Board of Commissioners authorized the General Manager to execute the proposed Developer Participation Agreement for the Brasswood Offsite Sewer Improvements.

**6.) CAPITAL IMPROVEMENT PROJECTS:**

**a.) Staff Report – Asphalt Paving Project – Pay Estimate No. 1**

Mr. Smith provided a summary to the Board of Commissioners on a Staff report regarding the Asphalt Paving Project - Pay Estimate No. 1. The District awarded the Asphalt Paving Unit Price Contract to JB Asphalt Paving, Inc. on March 25, 2021. Pay estimates will be approved by the Board as work is completed.

The District's paving work is completed under a master unit price contract with a not-to-exceed amount of \$500,000, with individual task orders that have a defined scope and cost for each task. The three identified paving task orders for 2021 are a restoration overlay of 131<sup>st</sup> Street SE after the District's recent water main project, many deferred manhole and valve cover replacements, and some maintenance repair patches. The unit price contract will be good for one year, with an option to extend for another year.

The first task order for the 131<sup>st</sup> Street overlay was completed on June 16, 2021. All the grinding, paving, and utility adjustment work is done, but the final roadway striping remains.

The next task order for the maintenance repair patches is currently in process and should be completed this week. A portion of one of the larger patches will be billed to the CWSA Group, since the roadway settlement is over the transmission line to the Clearview Reservoir.

A portion of this amount has been billed to, and paid by, the Ramalah Short Plat developer at 1120 131<sup>st</sup> Street SE, since the work also included their required utility patching for efficiency and cost savings. A portion of the developer's paving area also included a gas line patch, which is being worked out with PSE.

Following discussion, by motion made, seconded, and carried unanimously, the Board of Commissioners approved monthly Pay Estimate No. 1 for work completed for the 131<sup>st</sup> Street overlay task order, in the amount of \$67,974.93. This included all associated work except the final pavement striping.

**b.) Staff Report – Windsong – Pay Estimate No. 2**

Mr. Smith provided a report to the Board of Commissioners regarding the Windsong Lift Station Abandonment project and Pay Estimate No. 2.

The District awarded the Windsong Lift Station Abandonment Project to Accord Contractors on March 11, 2021. Pay estimates will be approved by the Board monthly.

The new sewer main was completed across 116<sup>th</sup> Street SE to the Windsong Lift Station, and the existing facility was removed from service on July 14, 2021, after the new connection was made in the wet well. The incoming sewage that was previously pumped over 2,100 feet away is now flowing by gravity down to the new Waldenwood Lift Station.

Work also began on the second portion of the project, which consisted of installing a new surge valve in an underground vault to regulate pressure on the Waldenwood Force main. This also included the installation of a new sewer pipe for vault drainage along the entrance median to the Pinehurst subdivision.

Work included in this pay estimate consisted of a percentage of the mobilization, erosion control, traffic control, utility locates, shoring, and materials for the continuation of the new sewer manhole and main installation. It also included the initial mobilization for the second portion (Schedule B) of the project, which will be charged to the Waldenwood Lift Station project.

Following discussion, by motion made, seconded, and carried unanimously, the Board of Commissioners approved monthly Pay Estimate No. 2, for work completed in the second half of June and first half of July, in the amount of \$312,616.14.

**c.) Staff Report – On-call Engineering Consultants**

Mr. Smith provided a report to the Board regarding On-call Engineering Consultants.

Staff provided an update to the Board on June 8, 2021, regarding the District's Consultant Engineer status. Gray & Osborne (G&O) has served as the District's engineering consultant since 1967, and Eric Delfel is designated as the primary consulting engineer. Recently, other engineering design firms have been used on various Capital Projects, but G&O remains as the sole on-call consultant. However, the current contract with G&O expires on August 16, 2021, with no further extensions available.

A competitive selection process to contract with the most qualified engineering consultant is required per RCW 39.80. In addition, the operational and engineering needs of the District have naturally changed over the years. The District is making progress to become more self-reliant for engineering and project management needs, and what may have been required 20 years ago is no longer necessary today.

A Request for Qualifications (RFQ) was sent to water and sewer consultants listed in the MRSC Roster on April 28, 2021. Nine responses were received by the deadline of May 21, 2021, and five were selected for an interview on Monday, June 21, 2021. Board President Anne Backstrom participated in the consultant interviews, along with five District staff members.

All the consultants interviewed very well, and each had their own strengths. District staff recommended having a total of three on-call consultants under contract for additional backup capabilities and a wider variety of experience and skill sets. The recommended on-call consulting firms will be G&O, KPG, and Murraysmith. Their initial submittal materials were provided to the Board.

The consultant contracts will be brought to the Board for approval on August 12, 2012. The new on-call consultant contracts will be a task order format with a defined scope and fee for each task under a total not-to-exceed amount. In addition to general engineering and maintenance support, the design of small works and in-house construction projects may also be requested from the on-call consultants. The contract will have an initial two-year term with up to two one-year extensions. Design for future District capital improvements that require a full PS&E bid package for construction, would undergo a separate consultant RFQ process and subsequent design contract for each CIP project.

**7.) MAINTENANCE & OPERATIONS REPORTS**

**a.) Update – 108<sup>th</sup> Street Sewer Easement Repair**

Mr. Berger provided an update to the Board of Commissioners and shared photos regarding the 108<sup>th</sup> Street Sewer Easement repair. Mr. Berger detailed that this repair location is located on a sloped wooded easement, the pipe material is concrete and has been repaired previously. Mr. Berger indicated that root control herbicide is also scheduled for this location and a more permanent repair such as pipe relining maybe warranted.

**8.) INTERAGENCY REPORTS**

**a.) Update – CWSA Meeting**

Mr. Brees provided an update to the Board of Commissioners regarding the CWSA meeting held on July 21, 2021. Highlights from the meeting included a report on the volume of water utilized in June (344 MG) of which, the District used 44%. Mr. Brees provided an update on a discussion item from the meeting where the CWSA Board has asked staff to evaluate options to hold Board Meeting less frequently.

**9.) STAFF REPORTS:**

**a.) District Engineer:**

No further report.

**b.) Finance Manager:**

Mr. Nelson reported that the District has recently received payment from several customers that had significant arrearages. Some of these customers have reported that they are back at work now or were waiting for the office to reopen for in person payment.

Mr. Nelson also shared information on a new Rental Assistance Program launched by Snohomish County and administered by the Volunteers of America, that utilizes Federal relief funds. In addition to assistance with rent payments, renters can access assistance for utility arrearages up to \$500. The District has posted the link to this program on the District's website and will send out a targeted letter to renters and property owners where there are utility arrearages.

Mr. Nelson concluded with a report that sales of new permits (new utility connections) are brisk.

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

No further report.

d.) **Technical Services Manager:**

No further report.

e.) **Attorney:**

Mr. Linton provided an update on litigation between King County and several Water-Sewer Districts pertaining to rent for use of the right of way.

f.) **General Manager:**

Mr. Brees provided an update on options for a voluntary Long-Term Care (LTC) Insurance Program for the District's Employees and Commissioners. Staff is working with Gallagher, who is both the District's broker for other insurance policies and the administrator of the HRA VEBA Program. Mr. Brees reported that the plan previously presented by Gallagher for a Traditional LTC Program is no longer available, reflecting how unpredictable the insurance market is. It does appear that a Life Insurance Policy with a LTC rider will still be available; however, it is only a cost savings for younger workers that will qualify for lower premiums. Information is being distributed via email as it becomes available so that individuals may act quickly to secure LTC insurance on their own should they choose to do so.

**This ends the Minutes of the July 22, 2021 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 July 22, 2021 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 12, 2021 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 12<sup>th</sup> day of August 2021.

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

  
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Shauna Willner, Secretary