

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

February 25, 2021

The regular meeting of the Board of Commissioners of the Silver Lake Water & Sewer District was held on February 25, 2021, beginning at 5:30 p.m. Attending by video conference, were Commissioners Anne Backstrom, John Warner, and Shauna Willner. Also present by video conference were General Manager Curt Brees, District Engineer Scott Smith, O&M Manager Ron Berger, Technical Services Manager James Busch, and Finance Manager Brad Nelson; William Linton with Inslee, Best, Doezie, and Ryder P.S., Attorney for the District; Eric Delfel with Gray & Osborne, Inc. The public was provided access to participate 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. Commissioner Backstrom and General Manager Brees participated by video conference from the Board of Commissioner's Meeting Room, testing the new teleconference equipment for future meetings, where a portion of the participants can be present in person while still allowing for remote participation.

2.) APPROVAL OF MINUTES:

The Minutes of the regular meeting of February 11, 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.16320 - 16367) in the amount of \$296,626.19; Revolving Fund Checks (Check No.7614 - 7636) in the amount of \$66,701.26, were unanimously approved and signed as follows:

Fund	Amount
Water Maintenance	\$67,154.35
Water Capital Improvement	11,655.12
Sewer Maintenance	196,171.40
Sewer Capital Improvement	21,645.32
Revolving Check Fund	66,701.26
Total	\$363,327.45

5.) DEVELOPMENT PROJECTS

a.) Staff Report –DEA and Code Updates – Final Adoption

Mr. Smith provided a Staff report, Resolution No. 807 and No. 808 to the Board of Commissioners regarding DEA and Code Updates – Final Adoption.

During the February 27, July 23, and August 27, 2020 Board meetings, staff discussed the current Developer Extension (DE) forms and various issues that could benefit from some process improvements. Over the past year, staff have been working with the District’s Attorney to update the current DE Agreement form and associated District Code sections.

A DE Agreement is a contract between the District and the Developer, per RCW 57.22.010, and the purpose is to provide requested water and sewer services that meet the adopted construction standards of the District. A DE Agreement is executed for every new extension of the District’s water and/or sewer system, including sewer laterals within the public Right-of-Way (ROW).

It should be noted that a DE Agreement is not an environmental review, land use permit, or authorization, which is the jurisdiction of the land use agency (i.e. City of Mill Creek or Snohomish County). A DE Agreement is not subject to a public hearing or review by an outside party, although public comments are always welcome at any Board meeting.

Proposed new DE Application and Agreement forms were presented and discussed at the Board meeting on January 14, 2021. Major changes are summarized below:

- Created a separate Application Form with improved DE project information and process steps
- New contractor qualification requirements
- Updated insurance and indemnification sections to current WCIA standards
- Revised timeline for final acceptance and phasing
- Updated performance and maintenance bonding requirements
- Added exemptions for public agencies
- Changed reference for latecomer’s agreements to match Code Section 6.15.030
- Many process housekeeping changes to reflect current review and construction practices

Associated changes to three related portions of the District Code were presented and discussed at the Board meeting on January 28, 2021, which are summarized below:

- **Chapter 6.15** - Deleted outdated, unused sections and replaced with a new definition of threshold triggers for a DE Agreement, along with process housekeeping changes to the Latecomer’s section.
- **Chapter 6.20 - Article 1 of the Development Standards** - Updated to eliminate duplication and conflicts between the DE Agreement and Code, along with many internal process housekeeping changes. Major housekeeping updates included:

Definitions	Survey Work
Safety	Easements
Service Applications	Early Construction Services
Addressing Existing Services	Credit for Existing Services

- **New Section 9.05.100** – A new DE fee schedule and deposits were discussed with the Board on August 27, 2020, along with comparison to other agencies and cost examples from recent DE projects. Subsequently, staff created a new Code section for DE application and administration fees, as well as a new deposit mechanism and definition of typical DE charges.

A final document review was performed by District staff and the District Attorney, with only minor changes incorporated in the Exhibits to the attached Resolutions.

Staff requested the Board of Commissioners, by motion, approve and adopt Resolution No. 807 – Amending Chapters 6.15, 6.20, and 9.05 of the District Code; and, approve and adopt Resolution No. 808 – Adopting new Developer Extension Application and Agreement Forms.

Following discussion, by motion made, seconded, and carried unanimously, the Board of Commissioners approved and adopted Resolution No. 807 - Amending Chapters 6.15, 6.20, and 9.05 of the District Code

Following discussion, by motion made, seconded, and carried unanimously, the Board of Commissioners approved and adopted Resolution No. 808 – Adopting new Developer Extension Application and Agreement Forms

b. Staff Report – Repeal Resolution No. 684 – Expired Latecomers Agreements

Mr. Brees provided a Staff report to the Board of Commissioners regarding repealing Resolution No. 684 – Expired Latecomers Agreements.

Resolution No. 684 was enacted on June 26, 2012. The resolution ratified and confirmed a policy of the Board of Commissioners that continued the collection of assessments upon property owners seeking connection to the District’s water and sewer systems, after the expiration of the applicable reimbursement contract.

Staff requested the Board of Commissioners approve and adopt, by motion, Resolution No. 809 - Repealing Resolution No. 684 and Chapter 9.10.150 of the District Code. This action will establish a revised policy concerning the collection of reimbursement charges on expired Reimbursement Contracts, which provides that such charges will no longer be collected once the Reimbursement Contracts have expired. Mr. Brees clarified that this change would not impact other special connection charges adopted by the Board of Commissioners.

Following discussion, by motion made, seconded, and carried unanimously, the Board of Commissioners approved and adopted Resolution No. 809 – Repealing Resolution No. 684 - Regarding the Collection of Latecomers/Reimbursement Charges on Expired Reimbursement Contracts.

6.) CAPITAL IMPROVEMENT PROJECTS

a.) Staff Report – Reservoir No. 3 & No. 4 Chlorine Boosters – G&O Design & Fee

Mr. Smith provided a summary to the Board of Commissioners on a Staff report and G&O Design & Fee, regarding the Reservoir No. 3 & No. 4 Chlorine Boosters.

In 2019, the District approved a Scope of Work with Gray & Osborne (G&O) to perform an assessment of the existing Water Distribution System, with regards to water quality and maintaining sufficient chlorine residual throughout the system at all times. The assessment was also in response to changes in the Washington Administrative Code (WAC) with regards to the definition of a detectable chlorine residual.

The goal of the assessment was to identify potential causes for low chlorine residuals within the distribution system during both summer and winter months, and to identify possible modifications, both physical and operational, that may help ensure a high quality, consistent, compliant, and cost-effective water supply to District customers. On June 25, 2020, Mr. Delfel briefed the Board on the results of the assessment, with a follow-up report regarding sampling results on November 24, 2020.

The most significant recommended physical modification was the installation of chlorine booster stations at Reservoirs No. 3 and No. 4. These improvements would allow staff to inject chlorine directly into the reservoir discharges to maintain a minimum level of 0.2mg/L when needed, typically during the warmer summer months. Recommended operational changes are still ongoing with District staff.

G&O prepared a Scope of Work and Fee Proposal to design two new chlorine booster stations, one at each reservoir. The improvements would be relatively minor and constructed in-house by District crew members, with operational controls, pumps, and monitoring equipment retrofitted into the existing pump station buildings and small exterior chemical storage containers would be placed onsite. Pictures of a similar installation in Bothell are included for reference.

Following discussion, by motion made, seconded, and carried unanimously, the Board of Commissioners approved the proposed Scope and Fee Proposal in the amount of \$37,400 from G&O, under the existing On-Call Engineering Contract for the design of chlorine booster stations at Reservoirs No. 3 and No. 4.

b.) Staff Report – Thomas Lake Lift Station – G&O Design & Fee

Mr. Smith provided a summary to the Board of Commissioners on a Staff report regarding the Thomas Lake Lift Station – G&O Design & Fee.

On July 23, 2020, the Board approved the Scope of Work and Fee Proposal with Gray & Osborne, Inc. (G&O) for the Pre-design work on the Thomas Lake Lift Station

Replacement (Project No. LS 4 in the Sewer Comprehensive Plan). The intent of the Pre-design phase was to develop a Preliminary Site Plan and identify major design and permitting issues. The Pre-design Report and Preliminary Site Plan were presented to the Board, during the meeting on February 11, 2021.

The recommended improvements include replacing the existing lift station with a new facility consisting of a wet well and three submersible pumps with an increased pumping capacity of 1,200 gpm, along with a new meter/valve vault, a new generator and fuel tank, and an enclosed electrical building. The existing wet well would be kept onsite and converted to additional storage capacity. The preliminary estimated construction cost of the new Thomas Lake Lift Station is \$2,043,000.

G&O prepared a Scope of Work and Fee Proposal to complete the design of the Thomas Lake Lift Station Replacement Project. This is a relatively straightforward project in terms of design and permitting, and the 30% design level was achieved during the Pre-design stage. The remaining work primarily consists of 60% and 90% design, permitting with the City of Mill Creek, structural, mechanical and HVAC design, and preparation of the final bid documents. The project could be ready to advertise for bid in the late summer, but it will depend on progress with external agencies and managing internal staff workloads.

Following discussion, by motion made, seconded, and carried unanimously, the Board of Commissioners approved the proposed Scope of Work and Fee Proposal in the amount of \$159,100 from G&O, under the existing On-Call Engineering Contract for the design of the Thomas Lake Lift Station Replacement Project.

7.) Interagency Reports

a.) EWUC and Wholesale Meetings

Mr. Brees provided a summary to the Board of Commissioners of a Staff report regarding the EWUC and Wholesale Meetings.

General Manager Curt Brees and District Engineer Scott Smith attended the Everett Water Utility Committee (EWUC) Meeting and Wholesale Sewer Customer Meeting, held on February 18, 2021. These meetings were held virtually, due to COVID-19. The EWUC Meeting topics included: updates from the Department of Health, status of the Water Conservation Program, an overview of the Water Supply Situation, updates on Everett Capital Improvement Projects, an update on the new rate ordinance adopted by the City, a review of staffing changes at the City, and an open discussion on the COVID-19 Emergency. A Wholesale Sewer Customer Meeting was held to discuss updates on sewer capital projects.

Mr. Jim Miller, City of Everett, provided a report on the water supply. The reservoirs are normal for this time of year, even when considering the substantial amount of power generation that has occurred. There is a significant amount of snow in the watershed ~125% of normal for this time of year. The Water Situation Fact Sheet and a Water Storage Elevation Graph showing storage levels in the reservoir were provided as an attachment. Following the report on reservoir levels, Mr. Miller shared that the water production is about 5% lower than the five-year average at the Filtration Plant, reflecting

low demand. Mr. Miller announced that Jenifer Bailey, Water Resources Specialist, will be tracking and reporting water supply following his retirement at the end of the month.

Mr. Souheil Nasr and Mr. Jeff Marris provided updates on several CIP projects, including transmission pipeline modifications related to the construction of the new Costco in Lake Stevens, rehabilitation to Everett's Reservoir No. 2, Emergency Generator Replacements at the Water Filtration Plant, and replacement of the East Clearwell roof. Several smaller projects at the filter plant such as solids removal in the back-wash basin, PLC control updates, and improvement to the chlorine system were reported on. Mr. Marris has been appointed as the Operations Superintendent for the City, overseeing the Water Filtration Plant and other program areas, following the retirement of Mr. Mark Sadler. Mr. Marris also introduced Mr. Chad Siedlik as the Filtration Plant Manager.

Mr. Matt Welborn provided an update on a new water rate ordinance that has been approved by the City Council. The new rate is primarily an adjustment to the water filtration rate to fund projects at the Water Filtration Plant. The overall effect of this adjustment is applicable to the Everett rates (Master Meter #1 and add accounts) is not directly applicable to the AWWD or CWSA rates, where the District purchases most of its wholesale water. The District's Master Meter #3 Project, which will be constructed in 2021, will reduce the number of add accounts significantly.

Following the EWUC Meeting, the Wholesale Sewer Customers (the District, Alderwood Water & Wastewater District, and Mukilteo Water and Wastewater District) met with City of Everett staff to discuss the status of CIP Projects. The projects currently underway (dike reconstruction, Chlorine Building Replacement) are complete, with final expenses incurred at the end of 2020. Work is currently underway related to Trickling Filter replacements.

Mr. Matt Welborn indicated that City staff is working to make rate information available as soon as possible. Their 2020 books were recently closed, allowing them to calculate the applicable rates.

Participants discussed the Ecology Rule, making the process pertaining to Nutrient discharge from Wastewater plants to Puget Sound. There was considerable discussion as to how the draft rule might apply to the Everett Water Treatment Plant.

b.) CWSA Meeting

Mr. Brees presented a verbal summary to the Board of Commissioners of a Staff report regarding the CWSA Meeting.

General Manager Curt Brees and Commissioner John Warner attended the Clearview Water Supply Agency (CWSA) Meeting held on February 17, 2021. The meeting was held in a video/teleconference format. The meeting agenda included a review of Maintenance and Operations Reports, approval of Vouchers, and review of the Financial Reports.

There was one after-hour callout during the month of January, resulting from a power outage on January 13th. This outage took the pumps offline until they were reset, and communications were down to the site until the 14th. Minor maintenance items were completed at the pump station including, grounds maintenance, inspections, HVAC maintenance, and generator maintenance including the Fuel Filtration System. Repairs were made to a leaking line on a flow control valve for Pump #4.

There were no major items to report with respect to finances for the month of January. Monetary Assets for CWSA, as of January 30, 2021, totaled \$714,186.35. The vouchers approved at the meeting totaled \$319,381.80. The District's utilization was 31% of the total volume delivered by CWSA during January.

The next meeting of the CWSA is scheduled for Wednesday, March 17, 2021. The meeting will be held at 3:00 p.m. The meeting will be held virtually, utilizing Teams.

8.) STAFF REPORTS:

a.) District Engineer:

Mr. Smith reported that the Scope of Work for the design of the Pioneer Trails Lift Station Replacement Project will be presented at the next meeting.

b.) Finance Manager:

Mr. Nelson provided an update on the status of customer delinquencies, noting that the number of customers that are significantly delinquent (three or more bill periods) is holding relatively steady. Upon the expiration of the Governor's moratorium, these accounts will be enrolled in the repayment plan previously reviewed by the Board of Commissioners.

Mr. Nelson reported on the efforts of AFTS to resume the services it provides to the District and the interim process that has been developed to print and mail District invoices. Lockbox services by AFTS have resumed, and the District will resume accepting credit card and e-check payments via the District's new vendor, Invoice Cloud. Customers will be receiving an insert regarding the new E-payment portal with their next invoice.

c.) O&M Manager:

Mr. Berger reported that initial and follow-up interviews have been conducted for the open Utility Maintenance Worker 1 or 2 position. The recruitment attracted several well qualified candidates with experience from other public agencies.

d.) Technical Services Manager:

No further report.

e.) Attorney:

Mr. Linton complimented the work by Mr. Smith and other staff to update the Developer Extension code and agreement form.

f.) **General Manager:**

Mr. Brees reported that two District employees recently completed their probationary periods with the District. Both are performing excellent work and have received a merit adjustment within their approved pay ranges.

Mr. Brees also informed the Board that he has made a temporary appointment to fill a Utility Worker position, that is currently vacant while the District's regular employee is on an extended deployment with the Washington National Guard. This appointment will allow the employee to gain additional experience and provide needed assistance to our field crews.

This ends the Minutes of the February 25, 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 February 25, 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 March 11, 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 11th day of March 2021.

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



Shauna Willner, Secretary