

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

January 12, 2012

The regular meeting of the Board of Commissioners of the Silver Lake Water & Sewer District was held on January 12, 2012 beginning at 5:30 p.m. at the District Administration Building. Attending were Commissioners Bill Anderson, Rod Keppler, and Anne Backstrom. Also present were General Manager Patrick Curran, District Engineer Rick Gilmore, Finance Manager Brad Nelson; Eric Delfel and Doug Jacobson with Gray & Osborne; and John Milne with Inslee, Best, Doezie, & Ryder P.S., Attorney for the District.

1.) **CALL TO ORDER:** Commissioner Backstrom called the meeting to order at 5:30 p.m.

2.) **ELECTION OF OFFICERS:**

Following discussion, by motion made, seconded and carried unanimously, the Commissioners elected Commissioner Bill Anderson as President, Commissioner Rod Keppler as Vice President, and Commissioner Anne Backstrom as Secretary for 2012. Commissioner Anderson then presided over the remainder of the meeting.

3.) **APPROVAL OF MINUTES:** The Minutes of the special meeting of December 22, 2011, were unanimously approved as circulated.

4.) **FINANCIAL MATTERS:**

a.) **Payroll, Vouchers and Check(s) Approval**

After 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	.01-001-.01-043	\$196,919.33
Sewer Maintenance	743 5418666	.01-001-.01-017	500,958.87
Sewer Capital Improve.	743 5448666	.01-001-.01-001	87,491.23
Revolving Check Fund		2447- 2454	24,969.25
Total Warrants			\$810,338.68

b.) **Reservoir No. 2-Verizon Ground Lease Proposal**

Mr. Curran presented a verbal summary to the Board of Commissioners of email correspondence with Mr. Bill Powell, Site Acquisition Specialist with Cascadia PM, and two maps of the proposed lease area for the generator, regarding the Reservoir No. 2 Verizon Ground Lease proposal, for their review. After discussion of various matters the Commissioners directed Mr. Curran to continue discussion of this matter with Mr. Powell.

5.) MAINTENANCE & OPERATION

a.) Proposed AWWD-SLWSD Interlocal Agreement

Mr. Curran presented a verbal summary to the Board of Commissioners of an email and attached draft AWWD-SLWSD Wholesale Water Supply Agreement from Mr. John Milne, for their review. After discussion of various matters, the Commissioners directed Mr. Curran to continue his discussions of this matter with Alderwood staff.

b.) Master Meter No. 9 and Reservoir No. 2 Upgrades

Mr. Gilmore presented a verbal summary to the Board of Commissioners of a memo, Gray and Osborne Scope of Work and Fee Proposal with attached Exhibit "A" Scope and Estimated Costs, Project Budget Estimate, and a Master Meter No. 9 Preliminary Site Plan, regarding the Master Meter No. 9 and Reservoir No. 2 Upgrade project, for their review. Staff requested the Board review the Scope of Work and approve the Fee Proposal for design for the identified improvements in an amount not to exceed \$89,800.00 without prior District written authorization. Following discussion the Board of Commissioners, by motion passed unanimously, approved the proposal and authorized Gray and Osborne to perform the design services for a fee amount not to exceed \$89,800.00 without prior District written authorization and approved the Scope of Work for the identified improvements and set the total Project Budget, including the Design work, at \$833,100.00 based on the Gray & Osborne estimate.

6.) CAPITAL IMPROVEMENT PROJECTS

a.) 4th Quarter Bill of Sale Receipt Report

Mr. Gilmore presented the 2011 4th Quarter Bill of Sale Receipt Report to the Board of Commissioners listing the accepted Bills of Sale for Developer Extensions, representing \$436,296.67 of utility infrastructure added to the District by Developer contribution. This brings the total Developer contribution to \$1,401,357.68 for the year of 2011. The Board of Commissioners acknowledged District's receipt of the following Bills of Sale:

4th Quarter	Water	Sewer
Apple Tree West Short Plat		\$6,140.76
Stonewater Creek Div. 1	\$225,019.20	205,136.71
Total Value	\$225,019.20	\$211,277.47
Total Developer Contributed Value- Water and Sewer Facilities 4th Quarter	\$436,296.67	

b.) Request for Authorization to Execute Encroachment Agreement-Bella Park Easement

Mr. Gilmore presented a verbal summary to the Board of Commissioners of a Staff report and draft Encroachment Agreement regarding the Plat of Bella Park, located North of 126th Street SE, adjacent to the Plat of Silver Lake Meadows. Staff requested the Board authorize the General Manager to sign the Encroachment Agreement and direct staff to write a letter of encroachment acknowledgement to the County following the recordation of the fully executed agreement on the impacted lots. Following discussion, by motion passed unanimously, the Board authorized the General Manager to sign the Encroachment Agreement and to write a letter of encroachment acknowledgement to the County following the recordation of the fully executed agreement on the impacted lots.

7.) STAFF REPORTS

a.) District Engineer:

No further report.

b.) Finance Manager:

No further report.

c.) General Manager:

Mr. Curran advised the Commissioners that Andrew Fisher was going to attend a Sonic Wall network security course that will cost \$2000.00.

d.) Attorney:

No further report.

The General Manager requested an Executive Session to discuss litigation matters pursuant to RCW 42.30.110 (1) (i) regarding potential Litigation involving a contract dispute with the City of Everett; A motion was made, seconded and unanimously approved by the Board of Commissioners to convene to an Executive Session on that basis to discuss this matter. Before convening the Executive Session at 5:55 p.m., President Anderson advised that the Executive Session would be concluded at 6:05 p.m. The Executive Session concluded at 6:05 p.m. and the open public meeting was reconvened.

There being no further business before the Board, the meeting was adjourned.

This ends the Minutes of the January 12, 2012 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

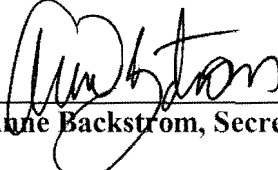
I, the undersigned, Secretary of the Board Commissioners of Silver Lake Water and Sewer District, Snohomish County, Washington (the "District"), hereby certify as follows:

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 January 12, 2012 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 January 26, 2012, 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 26th day of January 2012.

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



Anne Backstrom, Secretary