



LAKE WHATCOM WATER AND SEWER DISTRICT
1220 LAKEWAY DRIVE
BELLINGHAM, WASHINGTON 98229

REGULAR MEETING
OF THE BOARD OF COMMISSIONERS

AGENDA

August 13, 2014

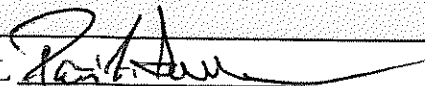
6:30 p.m. – Regular Session

1. CALL TO ORDER
2. PUBLIC COMMENT OPPORTUNITY
At this time, members of the public may address the Commission. Please state your name prior to making comments.
3. ADDITIONS, DELETIONS, OR CHANGES TO THE AGENDA
4. CONSENT AGENDA
5. SPECIFIC ITEMS OF BUSINESS:
 - A. Review Written Comments on Rates
 - B. Monthly Budget Analysis
 - C. Summary of Existing District Projects
6. OTHER BUSINESS
7. MANAGER'S REPORT
8. PUBLIC COMMENT OPPORTUNITY
9. ADJOURNMENT



LAKE WHATCOM WATER AND SEWER DISTRICT

AGENDA BILL

| | | | |
|---|---|---|---|
| DATE SUBMITTED: | August 4, 2014 | | |
| TO BOARD OF COMMISSIONERS | | | |
| FROM: Patrick Sorensen | MANAGER APPROVAL  | | |
| MEETING AGENDA DATE: | August 13, 2014 | | |
| AGENDA ITEM NUMBER: | 5.A. | | |
| SUBJECT: | Review of Written Comments on Rates | | |
| LIST DOCUMENTS PROVIDED ⇒ NUMBER OF PAGES INCLUDING AGENDA BILL: _____ | 1. Copies of letters, e-mails, etc. from customers regarding rates | | |
| | 2. | | |
| | 3. | | |
| TYPE OF ACTION REQUESTED | RESOLUTION <input type="checkbox"/> | FORMAL ACTION/ MOTION <input type="checkbox"/> | INFORMATIONAL/ OTHER <input checked="" type="checkbox"/> |

BACKGROUND / EXPLANATION OF IMPACT

The District has received many comments from our customers regarding the proposed rate increase. The deadline for submitting written comments has been set for August 13, 2014. Staff will continue to collect the comments and will place any last minute submissions on the Board's desks for the meeting.

FISCAL IMPACT

None at this time.

RECOMMENDED BOARD ACTION

Review and discuss the written comments.

PROPOSED MOTION

None at this time.

Lyn Edwards

From: General Inbox
Sent: Monday, August 04, 2014 8:38 AM
To: 'Rick Gordon'
Subject: RE: Recent Rate Hearing

No, we don't have a pie chart, but what a good idea! Our 2014 budget is on our web site if you are interested in the details. Thank you for understanding our dilemma regarding costs. As someone who has worked for the District for over 25 years I can tell you that the staff and the Commissioners do everything they can to keep costs down. Our system is just so elaborate and expensive to run. One of our field crew was at the rate meeting and he commented to me that the backwash water from our water treatment plant in Sudden Valley goes through eight sewage pump stations before it reaches a gravity main! Wow, that was quite an eye-opener for me!

Lyn Edwards | Administrative Assistant



LAKE WHATCOM WATER & SEWER DISTRICT

1220 Lakeway Drive
Bellingham, WA 98229

8am – 5pm, Monday – Thursday
(360) 734-9224, Fax: (360) 738-8250
www.lwwsd.org

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Email from this address is subject to public disclosure pursuant to RCW 42.56.

From: Rick Gordon [mailto:rickgordon49@comcast.net]
Sent: Thursday, July 31, 2014 4:17 PM
To: General Inbox
Subject: Recent Rate Hearing

I was impressed with the information provided and responses by staff. While I would like the district to do what it can to keep rates down, the actions you are proposing seem prudent and wise. The district and its members are between a rock and a hard place with few options but to do what is needed.

I did submit some questions and ideas, most of which would only result in perhaps margin savings.

I do have one questions, do you have a pie chart showing major categories of cost. For example admin staff, operational maintenance staffing, City of Bellingham charges for water and for sewer, infrastructure cost, and maintenance. I'm just curious.

Rick Gordon



LAKE WHATCOM WATER & SEWER DISTRICT

1220 Lakeway Drive
Bellingham, WA, 98229

(360) 734-9224
Fax 738-8250

July 30, 2014

Ms. Alita M. Walton
1213 Lakeview Street
Bellingham, WA 98229

Subject: Proposed Lake Whatcom Water & Sewer District Rate Increase

Dear Ms. Walton:

First, I want to thank you on behalf of the Board of Commissioners for attending the rate hearing on Tuesday, July 29, 2014 at the District office. We appreciate your comments and your letter dated July 28, 2014. I am optimistic that the Board will be incorporating a lower income rate for qualifying senior citizens as was described at the rate hearing. If you are presently on a tax assessment waiver or abatement through Whatcom County I would assume that you would most likely qualify for the proposed rate reduction as was described.

When a new rate structure is finally adopted by the Board later this year information will be made available on the lower income senior program. If you have any other questions please feel free to contact our office. Again, thank you for taking the time to express your concerns.

Sincerely,

A handwritten signature in black ink, appearing to read "Patrick Sorensen", written over a horizontal line.

Patrick Sorensen
General Manager

cc: Board of Commissioners

July 28, 2014

Lake Whatcom Water & Sewer District
1220 Lakeway Drive
Bellingham, WA 98226

TO WHOM IT MAY CONCERN:

I am Alita Walton, a 74 year old senior barely surviving on Social Security. I am also a lifelong resident. I am not on the sewer line but have a septic tank. I couldn't afford to put in the sewer line, yet, I am paying for it. This does not seem fair. I also have many other bills. If I have to pay yet another rate increase for the Lake Whatcom Water & Sewer District, I don't really know what I am going to do as I cannot pay more! I guess I will have to try and sell my property and go without water, I just don't know what to do and this worries me a lot. I don't want to move. I am on a tax assessment waiver or abatement with Whatcom County. Please help me. Thank You.

A handwritten signature in cursive script that reads "Alita M. Walton". The signature is written in dark ink and is positioned above the typed contact information.

Alita M. Walton
1213 Lakeview Street
Bellingham, WA 98229
360-734-2122
amw



LAKE WHATCOM WATER & SEWER DISTRICT

1220 Lakeway Drive
Bellingham, WA, 98229

(360) 734-9224
Fax 738-8250

July 30, 2014

Mr. Rick Gordon
1487 Willowbrook Pl.
Bellingham, WA 98229

Subject: Proposed Lake Whatcom Water & Sewer District Rate Increase

Dear Mr. Gordon:

I would like to thank you on behalf of the Board of Commissioners for attending the rate hearing on Tuesday, July 29, 2014 at the District office. I appreciate you sharing your concerns both on Tuesday evening and your written questions contained within the "Customer Comments" sheet.

You have asked some detailed questions for which I do not have the answers immediately. I want to look into your suggestions. It will take a little time but I will respond to you in the near future. In the interim the Board will consider all of the comments and likely make their decision sometime later this summer or in the early fall. If you have any other questions please feel free to contact our office. Again, thank you for taking the time to express your concerns.

Sincerely,

A handwritten signature in black ink, appearing to read "Patrick Sorensen".

Patrick Sorensen
General Manager

cc: Board of Commissioners



LAKE WHATCOM WATER AND SEWER DISTRICT
Customer Comments

Please note any comments, suggestions or other information that you would like to convey to the District's Board of Commissioners.

- Retain an efficiency consultant to identify steps that can be taken to reduce costs
- assuming sewer is the largest cost - how can this be reduced. why are we using such old technology + approaches?
- Could sewer be reduced by grey water separation used to water lawns.
- Should extensive efforts be made to merge with other water districts - wholly or partial

Optional Information:

Rick Gordon

Name

1487 Willowbrook PL

Address

Bham, WA 98229

City, State, Zip

For example - sharing on staff positions, or Engineers, administrative staff, minimize required staff. Utilize Contractor Customer Billing

- PSE - subsidies or perhaps buy bulk - energy saving appliances
- Should the district offer discounted low flow toilets?

- our highest expenses outside of mortgage taxes - food - health care are Water District 10 + Comcast.

- IF you have a car payment you pay the same per month whether you drive 100 or 1500 miles, part-timers should pay for infrastructure.

- most public agencies utilize accounting staff to track revenues - billings + spending
- Few I am aware of - employ aggressive cost analysis + controls.
- Squeeze the pennies to save us dollars.

Lyn Edwards

From: General Inbox
Sent: Tuesday, July 29, 2014 9:18 AM
To: 'William Hopkins'
Subject: RE: comments on rate increases, etc
Attachments: Rate Comparison.pdf

Mr. Hopkins,

My earlier reply didn't answer your questions, so here goes:

The City of Bellingham has been working towards metering all of their customers. Metering is now required by state law and the City has had to install meters to all of their customers, so it's been done over several years on a gradual basis. I understand that the majority of their customers are now receiving bills reflecting their metered water usage.

Years ago, we bought water from the City of Bellingham to serve our Geneva customers. We have a water treatment plant in Sudden Valley and we did a project that tied the Geneva water system to the Sudden Valley water treatment plant, so all of our customers with the exception of those on the North Shore are receiving water from our water treatment plant. The only water we now purchase from the City is to serve the Eagleridge development in the North Shore area. We also have a small water treatment plant that serves an area around Agate Bay with well water. (Other North Shore residents either have their own well or draw their water directly from the Lake).

Our customers not only have to pay our costs to provide sewer service but also a percentage of the City's costs. The District pumps sewage to the City of Bellingham's Post Point sewage treatment plant. The City just had to complete a federally mandated multi-million dollar upgrade to that plant and a percentage of those costs are factored into our proposed sewer rates.

Response to question #1: Our ratepayers are paying for the extensive sewer system that is required to provide sewer service around the lake in addition to the cost of treating the sewage that is pumped to the City treatment plant. Our infrastructure includes the same number of sewage pump stations as the City of Bellingham uses to serve their entire service area.

Response to question #2: No, the rate increases reflect our costs to provide service and for infrastructure upgrades. We've been gradually raising our rates each January to cover all of our costs and to keep up with inflation. By state law, the District is not allowed to make a profit.

Response to question #3: The District's rates are set by our Board of Commissioners based upon a recommendation from our rate consultant. The 600 cubic feet cutoff is a part of those calculations.

Your closing statement mentions annexation of the area by the City of Bellingham as a cheaper way to get water and sewer service. About five years ago we held extensive negotiations with the City to see if they could serve our customers cheaper. Unfortunately, after several months of negotiating, the City declined. My understanding is that after they evaluated our Capital Improvement Plan they found out that they couldn't serve our customers for less than we charge. I have attached a rate comparison for your information. The area you live in would fall under the category of "Outside City Limits".

I hope this answers your questions.

Lyn Edwards

From: William Hopkins <williamhopkins4@gmail.com>
Sent: Monday, July 28, 2014 1:26 PM
To: General Inbox
Subject: comments on rate increases, etc

Regarding the large rate increases for LWWSD customers, I have several comments. In the Bellingham Herald story about this, the LWWSD manager is quoted as saying, "Lake Whatcom is not a cheap place to drink water from because of conservation measures aimed at preserving the watershed." While this has been and obviously will continue to be true for LWWSD ratepayers, why is it not also true for all the other people who drink water from the lake? Where's the shared sacrifice? Bellingham doesn't even meter their water, and their rates are much lower than ours.

The implication from the information that has been conveyed about this issue is the district is an independent small enclave of people who have the temerity to live in the watershed (yes it has always felt punitive), their water and sewer infrastructure is independent of everyone else, and they need to pay a lot because of economies of scale. Yet we buy water from Bellingham like everyone else in Bellingham (water from the lake is pumped to the Whatcom Falls treatment plant and pumped back to LWWSD ratepayers) and the sewage is treated at the Post Point treatment plant (again, in Bellingham) like everyone in Bellingham. Bellingham and other communities have the same infrastructure issues as LWWSD, yet I'm to believe that economies of scale is the only reason that we, uniquely, have seen steady increases in rates over the years and will see draconian rate increases until 2019 (and no doubt well beyond that). This strains the limits of credulity, and is not sustainable.

I have a few specific questions for the Directors in LWWSD:

1. 1. To what extent are LWWSD ratepayers paying all or nearly all of the costs of improvements and services that benefit everyone whose drinking water comes from Lake Whatcom?
2. 2. Are the rate increases only due to the projected costs of infrastructure upgrades that benefit only the ratepayers of LWWSD?
3. 3. While I think everyone's water should be metered, I have always wondered why for years our metered cutoff has been 600 cu ft. for the two month billing cycle. Where did you come up with this number? Desert communities, Texas, California, and other parts of the country that actually have severe droughts do not have such draconian cutoffs. Does Bellingham charge dramatically more for 4000 X 600 cu. ft./two months of treated water? Is there a rational reason for this cutoff? Or is it an arbitrary number picked out of a hat (as seems to be the case). Again, it feels punitive.

In my mind, this latest news about water and sewer rates for ratepayers in LWWSD now constitutes the strongest case for annexation of the area encompassed by LWWSD to Bellingham. LWWSD has become a cost-ineffective way of delivering these services.

Bill Hopkins

4956 Columbus Ave.

Bellingham, WA 98229

July 25, 2014

To Water District 10 Board of Directors,

Recently we received the proposed water rate increases and would like to respond since we will be out of town during the scheduled hearing. We appreciate the board taking a proactive stand in preserving our natural water source, Lake Whatcom, but it seems as though there is very little information and reason why there would need to be such a substantial increase over the next 5 years. There was a link to the Bellingham Herald on your site and in the article stated there should not be a rate hike for sewer.

We believe it is also the board's responsibility to take in consideration not only the low-income senior/disabled population but the burden even current rates have on the remainder of us. We want to do our part to help those in need but we will not continue if we are given an excessive burden and will become another household needing subsidy. We have 2 people in our household who consistently pay over \$110 per month for water and sewer which seems very high in comparison to other utilities. We also end up paying the overage fee and we do not just let our water run so always surprised to see these additional charges! We have discussed our rates with friends in other states and find our rates are even higher than the drought affected communities.

The small customer base is exactly what the board wanted to protect the lake and now you are using the same justification to increase rates yet again. There have been significant increases in water and sewer rates since we can remember living here but at some point it must stop. I do not fully understand where the 4,000 customer base is derived since there is only 1 water source in Bellingham and many households so maybe it is time to look at collaboration with other districts to avoid such high rate increases. Many homes are not even metered so you would think metering would provide additional funds and we pay much more than others outside our district. We question why we should be paying so much for a resource that is required for human existence.

You state that the rates are high compared to surrounding water and sewer utilities to economy of scale so we do not understand why you would continue to create such a burden for the average household. My husband and I are blessed to hold good jobs but in this economy we even feel pressed since we have not received anything near a 20.5% increase in household income over the past 10 years. Please consider the state of the economy. Many years we have not received any increase. We appreciate your cost saving effort but believe it is time for those of you in position of power and control to look at the big picture and act responsibly just like we do when the checkbook does not balance. To continually deplete the community of their personal funds to balance your checkbook and fill your coffers is not right. It is time to protect those that actually pay for the existence of your service. We are vehemently against such a significant increase and if need be will collect signatures to show that we do not stand alone. It is time to start questioning what is really going on. We truly hope you will not proceed with such an excessive increase as it will be harmful to the average household which bears the burden of all increases!

Respectfully submitted,
John and Cynthia Cashmere



LAKE WHATCOM WATER & SEWER DISTRICT

1220 Lakeway Drive
Bellingham, WA, 98229

(360) 734-9224
Fax 738-8250

August 6, 2014

Mr. John & Ms. Cynthia Cashmere
1507 Austin Ln.
Bellingham, WA 98229

Subject: Your Letter to the District Dated July 25, 2014

Dear Mr. & Ms. Cashmere:

Thank you for your recent letter regarding proposed sewer and water rate increases over the next 5 years. As you are aware, a public comment meeting was held on July 29th and written comments are being accepted through August 14, 2014. I have your letter and it will be presented to our Board of Commissioners.

As described in the informational letter sent to you earlier sewer rates are increasing at an annual rate equivalent to the projected consumer price index and the construction rate of inflation. These proposed rate increases are lower than those in the past because the sewer fund needs less money to support improvements into the future. The sewer portion of your bi-monthly utility bill represents two thirds of the total bill you receive. However, over the next 5 years critical improvements are needed in the water utility. For example \$3.5 million is needed to build a new water reservoir and to replace old asbestos/concrete water mains.


Another \$1 million is needed to fund the repair of two existing water reservoirs and seismically improve others. In addition, another \$3.3 million will be expended over this 5 year time frame to rebuild five sewer pump stations. These are the major projects that will be undertaken among other lesser maintenance projects.

The Board of Commissioners is conscious of the impacts of the rate structure and the funds needed to maintain the system. The proposed increase, particularly the higher water rates, is needed to complete these important projects and to maintain the continued integrity of the system. Because the Geneva/Sudden Valley area is essentially built out, we only have user rates to support on-going maintenance of the system, capital improvements, and debt service.

I hope this helps to explain the intent behind the proposed increase in rates between 2015 through 2019. Please feel free to review the capital improvement plan and the financial consultant's report located at www.lwwsd.org.

Contact me directly at my office should you have any additional questions.

Sincerely,

A handwritten signature in black ink, appearing to read "Patrick Sorensen", with a long horizontal flourish extending to the right.

Patrick Sorensen, ICMA-CM
General Manager

CC: Board of Commissioners

Patrick Sorensen

To: paul.vandavelde@bp.com
Subject: Your July 22, 2014 Email Re Lake Whatcom Water & Sewer District Rate Hearing Comments

Mr. Van De Velde:

Thank you for your recent email regarding your concerns over proposed new sewer rates. As I am sure you are aware, you can find all of the documentation related to the rate study analysis on the District's web site located at www.lwwsd.org. Within this location you can find the 5-year rate study conducted by Financial Consulting Services Group, the rate hearing notification, the power point summary, and a rate comparison with the City of Bellingham. I wish you could have attended the rate hearing the evening of Tuesday, July 29. The Board of Commissioners and the independent financial consultants would like to have addressed your concerns in person. You raised some good questions. I can tell you that we have not purchased vehicles for three secretaries. We do not have three secretaries. Staff regularly share the vehicles for business purposes. All vehicles are typically kept for about 10 years. Likewise, it is actually cheaper and more efficient for the District to have its own vacuum truck. You just cannot rely on renting a truck during an emergency. This vehicle is used all of the time, frequently after hours. The truck purchased last year was used, but with low miles and in excellent condition. It will likely be good for at least 15 + years. The last truck was also used and the District had it for a number of years. It just wore out and was not worth fixing any more. We sold it.

Based upon my 30 years in local government management, the District is run quite efficiently. However, we are always looking for ways to maximize efficiencies. Operations and maintenance costs typically increase the budget annually by the rate of inflation. The District is not dependent on property taxes and is funded entirely through user fees. Because the District is built out and receives few new connection charges, the operations and capital improvement costs are funded almost entirely through user fees. There are three major cost centers. Operations and maintenance, debt service, and capital improvements (CIP). The CIP program is based upon an ongoing 20-year planning program that is updated about every 5 years per State requirements for both the sewer and water programs. In addition we need to address emergencies that happen occasionally. Most of the cost in the proposed new rates involves funding important water projects over the next 5-years. The proposed new rates are needed to fund both out of pocket and future debt service used to pay for these improvements. Sewer rate increases are lower and follow both operational and construction inflation rates.

I hope that I have addressed some of your concerns. Please feel free to contact me at any time if you have any other questions.

Patrick Sorensen | General Manager/ICMA-CM

8am – 5pm, Monday – Thursday
(360) 734-9224, Fax (360) 738-8250



LAKE WHATCOM WATER & SEWER DISTRICT
1220 Lakeway Drive
Bellingham, WA 98229
www.lwwsd.org

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Lyn Edwards

From: Van De Velde, Paul J <paul.vandavelde@bp.com>
Sent: Tuesday, July 22, 2014 8:56 AM
To: General Inbox
Subject: Stop the Madness NOW! NO to a Rate Increase!!

Dear Lake Whatcom Water & Sewer District

Thank you for your correspondence making us aware of your purposed rate increase and review hearing.

I believe like most residence who live in the Lake Whatcom area, between the ridiculous property taxes and now this out of control water and sewer cost, it is very difficult to continue to live in this area.

I have taken the time to go into your budgeting system and review your expenditures over the last several years and I believe your spending habits need to be controlled which in my opinion is not currently happening! It appears that over the last couple of years, you have spent beyond your budget with the purchases of new equipment such as a new vacuum truck this last year, I'm not sure was warranted, three cars for the secretarial staff, are you kidding!

I thought when I saw your new office complex being built, it was a bit extravagant, but I figured as long as you have it budgeted without raising our rates, I could support it, but here we are now! Claiming that with the current rate structure, you cannot afford to operate. That does not surprise me!

What you need to do is NOT continually raise our rate but do a severe budget cut and reduce your extravagant spending practices! Maybe even look at selling that over the top office complex, get into a more cost efficient building and consider renting equipment rather than making these huge purchases!

As I'm sure you can conclude, I am definitely against any more rate increases for water or sewer in the Whatcom Water and Sewer District! Please DO NOT increase our rates! Reduce your overhead NOW!

Thank You for your time!

Paul Van De Velde
2460 Lake Whatcom Blvd.
Bellingham, WA. 98229

Patrick Sorensen

To: karengerhardt@comcast.net
Subject: Your July 22, 2014 Email Re Lake Whatcom Water & Sewer District Rate Hearing
Comments

Dear Mr. Gerhardt:

Thank you for your recent email regarding concerns over proposed new sewer and water rate increases. As I am sure you are aware, you can find all of the documentation related to the rate study analysis on the District's web site located at www.lwwsd.org. Within this location you will find the 5-year rate study conducted by Financial Consulting Services Group (FCSG) earlier this year, the rate hearing notification, and a power point summary. At the Tuesday, July 29, 2014 rate hearing FCSG made a presentation which outlined the need for increased water and sewer rates over the next 5-years. The District needs to make investments primarily in the water system during the upcoming 5-year period in order to enhance the system into the future. The proposed rates, particularly on the water side, are intended to address these improvements. The District reviews its rates every 5-years in order address ongoing maintenance and capital improvement needs in conjunction with our State mandated water and sewer comprehensive plans. The proposed fee increases are developed with these projected needs into the future. Though there is no real comparison between our system and the City's system, the District's proposed rates as illustrated within a rate comparison found on our web site are actually lower than the City of Bellingham's rate structure for water and sewer users in the unincorporated County. However, I can appreciate your concerns about increased rates. We try to keep our rates as low as possible while still meeting the needs of the water and sewer system. Again, I recommend that you review the information we have on the District web site. Please feel to contact me if you have any additional questions.

Sincerely,

Patrick Sorensen | General Manager/ICMA-CM

8am – 5pm, Monday – Thursday
(360) 734-9224, Fax (360) 738-8250



LAKE WHATCOM WATER & SEWER DISTRICT

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Email from this address is subject to public disclosure pursuant to RCW 42.56.

Lyn Edwards

From: Gerhardt's <karengerhardt@comcast.net>
Sent: Tuesday, July 22, 2014 1:39 PM
To: General Inbox
Subject: Rate Increase

I have received your new rate proposal. The proposal is totally unacceptable. The current water rates are already very high as well as higher than any one else. You are operating a monopoly and are imposing fees that are not reasonable. Many of us customer can simply not afford your new rates. As a customer of your Association I strongly object to this new rate proposal.

Respectfully
Werner Gerhardt
4122 Ridgewood Ave,
Bellingham, WA 98229
360-671-0101

respond

From: Leslie McRoberts <lcmcr2@gmail.com>
Sent: Monday, July 21, 2014 5:14 PM
To: Patrick Sorensen
Subject: LWWSD Rates

From a SV member on Facebook:

Linda Bradley As to distance I'm certain there are some customers in Bellingham that have a distance to go before reaching the treatment facility. I know that Bellingham charges LWWSD a fee for treating our waste. LWWSD also buys drinking water from Bellingham when needed to supplement LWWSD customers. However when the sewer line went in along Lake Louise the district also did an intertie to our water treatment facility. Until that time SVCA treatment plant only supplied water to SVCA residence. Now we also supply outside the Valley and the district can take advantage of less cost than buying water from Bellingham. You think we could catch a break. It should also be time that the charge for the new sewer line should be paid off and we should see a reduction in the sewer rates. Guess we need to go to the meeting. As to cost I believe everyone in the watershed pays a fee into Bellingham for their watershed efforts. I think it is lumped somewhere in our billings I can remember this happened years ago but maybe we no longer seemed like double dipping since our dues here in SVCA reflect the density reduction we did voluntarily to help preserve the quality of our lake water.
July 13 at 10:56am · Like · 3

--

Leslie McRoberts - lcmcr2@gmail.com

Patrick Sorensen

To: shariw@seinu49.org
Cc: Commissioners; mayorsoffice@cob.org; Kristine.lytton@leg.wa.gov; Senator Kevin Ranker (kevin.ranker@leg.wa.gov)
Subject: RE: Rate increase lake Whatcom water and sewage district

Dear Ms. Walton:

Thank you for your letter outlining your concerns regarding proposed rate increases dated July 28, 2014. On behalf of the Board of Commissioners I wanted to respond directly to your email. As you are likely aware, I have also responded to a letter from your mother on July 30, 2014, a day after the rate hearing held on Tuesday, July 29. I likewise had the opportunity, along with the Commissioners to talk with Alita that evening during the presentation. If I recall you may have even been at our meeting that evening. In 2002/2003 the Commissioners at the time created Utility Local Improvement District (ULID) # 18 in order to bring needed sewer service into the part of Geneva that your mother lives in. A majority of the property owners connected at the time. For those who choose not to connect, the Board gave them an additional 5 years to decide without any penalties. On October 31, 2007 the Commissioners passed Resolution No. 732 which provided terms for those who opted out of connecting to the sewer ULID after the 5-year period. The Resolution did require those who choose not to connect to pay the bi-monthly sewer bill like the other ratepayers. This was done in order to be consistent and fair with all the customers who agreed to create the ULID 5 years earlier. This is a legally permissible practice followed by other special purpose districts and cities in Washington.

In addition, the Board choose not to enforce collection of the connection charges at the time. These fees would only be collected with interest upon the property owner deciding to connect at any time in the future, or upon failure of a their sewer septic system. After looking at Alita's customer file I see that the actual ULID assessment is being paid by the State of Washington because your mother qualified for an assessment deferral provided for low income senior citizens and disabled persons back in 2008. Because situations like your mothers and other individuals the current Board of Commissioners have been understanding of these economic needs when developing the proposed new rates. The proposed 40% discount off the combined sewer/water bi-monthly bill addressed at the July 29 meeting should significantly assist lower income seniors and disabled persons. I would expect the Commissioners to approve this component of the proposed new rate structure which will begin in January 2015. As you can see it is not an easy task to balance the ongoing maintenance and capital improvement needs of the utility and the special needs of some of our ratepayers.

I hope this proves to be helpful. Please feel free to contact me directly should you have any additional questions.

Patrick Sorensen | General Manager/ICMA-CM

8am – 5pm, Monday – Thursday
(360) 734-9224, Fax (360) 738-8250



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From: Leslie McRoberts
Sent: Friday, August 1, 2014 8:37 PM
To: Patrick Sorensen
Subject: FW: rate increase lake Whatcom water and sewage district

Did someone answer this email?

Leslie

From: Shari Walton <shariw@seiu49.org>
Sent: Monday, July 28, 2014 11:39 AM
To: Laura Weide; Todd Citron; Deb Lambert; Leslie McRoberts; mayorsoffice@cob.org; kristine.lytton@leg.wa.gov; kevin.ranker@leg.wa.gov
Subject: rate increase lake Whatcom water and sewage district

Dear Lake Whatcom Water and Sewage Commissioners, Honorable Mayor Linville, Representative Lytton, and Senator Ranker,

I am writing to you today on the behalf of someone very dear to me, my mother. My mother, Alita Walton is a lifelong resident of Bellingham and Whatcom County. She has been very active in the democratic party as have I. At age 74 there are certain things she should not have to worry about. Having access to clean, affordable water should be one of them. Water is a basic human right necessary to sustain life. I am very worried about the proposed rate hike the commission will be addressing soon.

As my family has lived in Whatcom County for over a hundred years I can fully appreciate the need to spend money to ensure that we clean up some of the damage that has been done to Lake Whatcom, our primary drinking source. With that said however, my mother is not equipped to foot the bill. She is a senior whose only income comes from Social Security, the amount she receives is about 1200 dollars a month. When the sewer was put in her neighborhood she searched in vain for some financial assistance to pay the cost of hooking her home up to the sewer. As she was not able to find any she sadly did not comply. Since that time she has been charged for the sewer she does not use. The rate increase that you are proposing is not something her meager income can accommodate. She is left with two choices, either sell her home that she loves and move into a low income apartment community, or go without other basic needs such as electricity, food and medicine. This is not a choice anyone should face, much less a senior woman living alone. **If you must raise the cost of the sewer you must also do some planning around waivers for those citizens with a true financial need.** I know as a former intern with the House of Representatives in Washington State that reaching out to your elected officials truly can make a difference. I was directly involved in getting many of you elected, knocking on doors, making phone calls, writing letters, now I need your help.

I hope to hear back from you in the near future.
Sincerely,

Shari Walton

Internal Health Care Organizer, SEIU 49
(541) 285-1326



<Lake Whatcom Water and Sewer>

(1) IN: 2014-07-19 04:13PM JIM

For :Office

From:Forest Cat

Co :

Adr :16 Meadow Court

Bellingham

WA

98229

Tel#:(Declined - Call ID:) 3606760266

Msg :I only received the notice of this
rate-change meeting 10 days in advance.

It should be rescheduled with more
advanced notice to the public.

100 response needed to this
email OR message?

***** END OF MESSAGE FOR <Lake Whatcom Water and Sewer> *****



LAKE WHATCOM WATER AND SEWER DISTRICT

AGENDA BILL

| | | | |
|--|--|---|---|
| DATE SUBMITTED: | August 4, 2014 | | |
| TO BOARD OF COMMISSIONERS | | | |
| FROM: Debi Hill | MANAGER APPROVAL <i>Debi Hill</i> | | |
| MEETING AGENDA DATE: | August 13, 2014 | | |
| AGENDA ITEM NUMBER: | 5.B. | | |
| SUBJECT: | Monthly Budget Analysis | | |
| LIST DOCUMENTS PROVIDED ⇒ NUMBER OF PAGES INCLUDING AGENDA BILL: | 1. Monthly Budget Analysis as of 7/31/2014 | | |
| | 2. | | |
| | | | |
| TYPE OF ACTION REQUESTED | RESOLUTION <input type="checkbox"/> | FORMAL ACTION/ MOTION <input type="checkbox"/> | INFORMATIONAL/ OTHER <input checked="" type="checkbox"/> |

BACKGROUND / EXPLANATION OF IMPACT

Information only

FISCAL IMPACT

n/a

RECOMMENDED BOARD ACTION

n/a

PROPOSED MOTION

n/a



MONTHLY BUDGET ANALYSIS

| Description | | 2014 Budget | YTD 7/31/2014 58% | |
|-----------------------------|--|------------------|-------------------------|--------------|
| OPERATING FUND - 401 | | | | |
| REVENUES | | | | |
| 401-343-40-10 | Water Sales Metered (9% rate increase) * | 1,701,326 | 961,206 | 56% |
| 401-343-50-11 | Sewer Service Residential (3% rate increase) * | 3,537,394 | 2,004,142 | 57% |
| 401-343-50-19 | Sewer Service Other (Multi units) | 9,500 | 3,605 | 38% |
| 401-343-81-10 | Combined Fees (Locks, Liens, Transfers, Suspensions) | 33,000 | 20,045 | 61% |
| 401-359-90-00 | Late Charges | 65,000 | 37,252 | 57% |
| 401-361-11-00 | Investment Interest | 200 | 86 | 43% |
| 401-369-10-00 | Sale of scrap/junk recycle | - | 1,430 | |
| 401-369-90-00 | Bank Fees | 3,000 | 1,544 | 51% |
| 401-379-10-20 | Permits Operation portion (5 new connection permits) | 10,000 | 19,891 | 199% |
| 401-395-40-00 | Sale of capital assets | | 5,000 | |
| 401-398-20-00 | Insurance Recoveries | | | |
| 401-397-10-40 | Transfers in from ULID 18 Fund 480 | 83,000 | 71,000 | 86% |
| TOTAL REVENUES | | 5,442,420 | 3,125,201 | 57.4% |

| MONTHLY BUDGET ANALYSIS | | Description | 2014 Budget | YTD 7/31/2014 58% | |
|-----------------------------|--|---|--------------------|-------------------------|--------------|
| OPERATING FUND - 401 | | | | | |
| 401-53X-10-10 | | Payroll (1% cola plus step increases - 2014) | 1,450,000 | 818,920 | 56% |
| 401-53X-10-20 | | Personnel Benefits | 570,000 | 301,689 | 53% |
| 401-53X-10-31 | | Gen Admin Supplies | 25,000 | 12,716 | 51% |
| 401-53X-10-32 | | Meetings/Team building | 2,500 | 1,182 | 47% |
| 401-53X-10-40 | | Bank Fees (BofA, AFTS, Expect) | 9,500 | 7,495 | 79% |
| | | Interlocal - Lake Whatcom Management Program | 25,000 | 3,480 | |
| | | Interlocal - Invasive Species | 50,000 | | |
| | | Interlocal - Lake Whatcom Tributary Monitor | 5,000 | 1,570 | |
| 401-534-10-41-00 | | Water Quality Assurance Programs (TOTAL) | 80,000 | | |
| | | County Auditor filing fees (Simplifile) | 6,000 | | |
| | | DataBar (Statement processing) | 20,000 | | |
| | | Answering Service | 1,500 | | |
| | | BIAS Financial Software | 20,000 | | |
| | | Webcheck (Title company transactions) | 2,000 | | |
| | | GE Scada System Software Maintenance | 7,500 | | |
| | | WA State Auditor (2 year audit) | 18,500 | | |
| | | Wilson Engineering | 10,000 | | |
| | | Sewer Comp Plan Update C13-15 | 20,886 | | |
| | | Legal counsel | 38,000 | | |
| | | FCS Rate Study | 48,500 | | |
| | | 3D - Computer support (includes new server install) | 30,000 | | |
| | | Docu Ware annual maint/support | 5,000 | | |
| | | Data Pro - Time clock system | 1,500 | | |
| | | Watchguard | 1,000 | | |
| | | CPA firm | 10,000 | | |
| | | ESRI (ARC GIS) | 2,000 | | |
| | | Cartegraph | 8,000 | | |
| | | SCADA/PLC Support (Engineering) | 5,000 | | |
| | | Auto Desk (Engineering) | 1,000 | | |
| | | Rockwell (Engineering) | 500 | | |
| | | Inovise (Engineering) | 2,000 | | |
| | | Master Meter | 2,000 | | |
| | | Custodial/Building maint. services/Security | 11,000 | | |
| | | Landscaping service | 4,000 | | |
| | | GIS with Whatcom County | 1,000 | | |
| | | Camera Van software | 1,500 | | |
| | | Oasys (Docuware/copy machine contract) | 5,000 | | |
| | | Generator Load Testing | 20,000 | | |
| | | Cyberlock software | 1,000 | | |
| | | Misc (Bid notices etc.) | 1,000 | | |
| 401-53X-10-41-01 | | Professional Services (TOTAL) | 385,386 | 213,675 | 55% |
| 401-53X-10-42 | | Communication | 40,000 | 30,126 | 75% |
| 401-53X-10-43 | | Memberships/Dues | 16,000 | 13,217 | 83% |
| 401-53X-10-44 | | B&O Taxes | 175,000 | 89,162 | 51% |
| 401-53X-10-45 | | Admin Lease | 2,500 | 1,412 | 56% |
| 401-53X-10-46 | | Insurance | 102,000 | - | 0% |
| 401-53X-10-49 | | Admin Misc. | 1,000 | 595 | 60% |
| 401-53X-40-43 | | Training & Travel | 30,000 | 12,002 | 40% |
| 401-53X-40-44 | | Tuition reimbursement | 6,000 | - | 0% |
| 401-53X-40-49 | | Insurance claims | 5,000 | 57,686 | |
| 401-53X-50-31 | | Maintenance Supplies | 145,000 | 87,048 | 60% |
| 401-53X-50-48 | | Oper Repair/Maint (includes Asset Mgmt tools) | 35,000 | 25,754 | 74% |
| | | Edge Analytical - water | 7,000 | | |
| | | Emergency Response - sewer tank trucks | 5,000 | | |
| 401-53X-60-41 | | Operations Contracted (TOTAL) | 12,000 | 6,680 | 56% |
| 401-534-60-47 | | Water Ops City of Bellingham | 30,000 | 21,369 | 71% |
| 401-535-60-47 | | Sewer Ops City of Bellingham | 800,000 | 444,900 | 56% |
| 401-53X-80-32 | | Operations Fuel | 30,000 | 22,249 | 74% |
| 401-53X-80-34 | | Safety supplies | 12,000 | 198 | 2% |
| 401-53X-80-34-01 | | Safety boots | | 1,639 | |
| 401-53X-80-47 | | General Utilities | 210,000 | 118,585 | 56% |
| 401-53X-80-49 | | Laundry | 2,000 | 1,072 | 54% |
| | | TOTAL OPERATING EXPENSES | 4,095,886 | 2,294,421 | 56.0% |
| | | Transfers Out to Capital Projects Fund 420 | 900,000 | 371,000 | |
| | | Transfers Out to 2009 Bond Debt Service Fund 450 | 447,450 | 106,375 | |
| | | Transfers Out to Water Loan Debt Service Fund 470 | 65,500 | 65,339 | |
| | | TOTAL EXPENDITURES | 5,508,836 | 2,837,135 | 51.5% |
| OPERATING FUND | | REVENUES | 5,442,420 | 3,125,201 | |
| | | EXPENDITURES | (5,508,836) | (2,837,135) | |
| | | BEGINNING BALANCE | 500,000 | 1,073,881 | |
| | | CASH/INVESTMENTS BALANCE | 433,584 | 1,362,522 | |

| MONTHLY BUDGET ANALYSIS | | Description | 2014 Budget | YTD 7/31/2014 |
|---|---------|--|--------------------|------------------|
| SYSTEM REINVESTMENT FUND - 420 | | | | |
| 420-343-40-19 | | DEA Permits | 2,500 | - |
| 420-361-11-00 | | Investment interest | - | |
| 420-369-80-20 | | Prior Year Expense Reimb. | | 38,642 |
| 420-379-10-30 | | Permits Capital Portion (5 permits for 2012) | 40,000 | 37,008 |
| 420-379-10-40 | | Latecomer Fees | 500 | |
| 420-397-10-00 | | Transfers in from Operating Fund 401 | 900,000 | 371,000 |
| | | TOTAL REVENUES | 943,000 | 446,650 |
| 420-534-10-41 | | DEA Contracted Services | 2,500 | |
| 420-534-60-41 | | Contracted Operations | - | |
| 420-534-90-61 | | DEA Refunds | - | |
| 420-594-38-60 | | Capital Outlay | | |
| | | Previous Projects | 231,933 | |
| | C12-07 | Reservoir Drains to Daylight | 13,000 | |
| | C12-14 | Dead end blow offs | 37,960 | |
| | C12-16 | Polo Park Bridge | 49,351 | 32,292 |
| | C13-03 | SVWTP Generator | | 164,645 |
| | C13-04 | Cathodic Corrosion protection | 75,000 | |
| | C13-08 | Backup benchtop analyzer | 3,000 | |
| | C13-13 | Safety Grates at Pump Stations | 9,376 | 3,262 |
| | C13-14 | Server upgrade | 15,000 | 15,301 |
| | C13-16 | Boulevard Sewer Pump Station | 39,246 | 149,373 |
| | | New Projects | 944,000 | |
| | C 13-16 | Boulevard Sewer Pump Station | 570,000 | |
| | C 14-03 | Water System Rehab/Replacement projects | 120,000 | |
| | C 14-04 | CMOM - Sewer I&I | 103,000 | |
| | C 14-05 | Strawberry Point Pump Station - Predesign | 101,958 | 27,261 |
| | C 14-06 | Sewer Push Camera | 7,000 | |
| | C 14-07 | Lowe Pump Station | 7,000 | |
| | C 14-08 | SVWTP Spare Raw Water Pump | 5,000 | |
| | C 14-09 | Dehumidifiers | 5,000 | 4,955 |
| | C 14-10 | Water Service Rebuilds | 12,000 | 7,263 |
| | C 14-11 | Gravel/Asphalt material bin at shop | 5,000 | |
| | C 14-12 | Admin building irrigation system | - | |
| | | TOTAL EXPENDITURES | 1,178,433 | 404,352 |
| SYSTEM REINVESTMENT FUND | | REVENUES | 943,000 | 446,650 |
| | | EXPENDITURES | (1,178,433) | (404,352) |
| | | BEGINNING BALANCE | 300,000 | 0 |
| | | CASH/INVESTMENTS BALANCE | 64,567 | 42,298 |
| SEWER/STORM WATER CONTINGENCY FUND - 425 | | | | |
| 425-361-11-00 | | Investment Interest | 930 | |
| | | TOTAL REVENUES | 930 | - |
| 425-535-10-41 | | Comp Plan Stormwater Chapter | 4,821 | 9,653 |
| 425-535-10-89 | | Bank Fees | 100 | 84 |
| 425-594-38-64 | | Machinery/Equipment | | 1,300 |
| | | TOTAL EXPENDITURES | 4,921 | 11,037 |
| SEWER/STORM WATER CONTINGENCY FUND | | REVENUES | 930 | - |
| | | EXPENDITURES | (4,921) | (11,037) |
| | | BEGINNING BALANCE | 933,450 | 932,970 |
| | | CASH/INVESTMENTS BALANCE | 929,459 | 921,932 |

| MONTHLY BUDGET ANALYSIS | | Description | 2014 Budget | YTD 7/31/2014 |
|--|--------|--|----------------|------------------|
| CAPITAL BOND PROJECTS FUND (RESTRICTED) - 430 | | | | |
| 430-361-11-00 | | Investment interest | - | |
| | | TOTAL REVENUES | - | |
| 430-594-38-63 | | Capital Outlay | - | |
| | C09-01 | Cable-Ranch-PM Pump stations (Retainage) | 57,250 | |
| | | TOTAL EXPENDITURES | 57,250 | - |
| CAPITAL BOND PROJECTS FUND | | REVENUES | - | |
| | | EXPENDITURES | (57,250) | - |
| | | BEGINNING BALANCE | 57,250 | 62,683 |
| | | CASH/INVESTMENTS BALANCE | | 62,683 |
| DWSRF PROJECTS FUND - 440 | | | | |
| 440-382-90-31 | | Division 22 Reservoir | | |
| 440-382-90-43 | | Geneva AC Mains | | 117,784 |
| | | TOTAL REVENUES | | 117,784 |
| 440-594-34-62 | C14-01 | Division 22 Reservoir | | 16,183 |
| 440-594-34-63 | C14-02 | Geneva AC Mains | | 140,259 |
| | | TOTAL EXPENDITURES | | 156,442 |
| DWSRF PROJECTS FUND | | REVENUES | | 117,784 |
| | | EXPENDITURES | | 156,442 |
| | | BEGINNING BALANCE | | |
| | | CASH/INVESTMENTS BALANCE | | (38,659) |
| Expenditures offset by draws as projects progress. | | | | |
| 2009 BOND DEBT SERVICE FUND - 450 | | | | |
| 450-361-11-00 | | Investment interest | | |
| 450-397-10-00 | | Transfers in from Operating Fund 401 | 447,450 | 106,375 |
| | | TOTAL REVENUES | 447,450 | 106,375 |
| 450-535-10-41 | | Bond Admin Fee | 300 | 300 |
| 450-591-35-72 | | Redemption of Long Term Debt | 235,000 | |
| 450-591-35-83 | | Bond interest payments | 212,150 | 106,075 |
| | | TOTAL EXPENDITURES | 447,450 | 106,375 |
| 2009 BOND DEBT SERVICE FUND | | REVENUES | 447,450 | 106,375 |
| | | EXPENDITURES | (447,450) | (106,375) |
| | | BEGINNING BALANCE | - | - |
| | | CASH/INVESTMENTS BALANCE | | |
| 2009 BOND RESERVE FUND (RESTRICTED) - 460 | | | | |
| 460-361-11-00 | | Investment interest | 500 | 2,860 |
| | | TOTAL REVENUES | 500 | 2,860 |
| 460-535-10-89 | | Debt Service Charges | 100 | 84 |
| | | TOTAL EXPENDITURES | 100 | 84 |
| 2009 BOND RESERVE FUND | | REVENUES | 500 | 2,860 |
| | | EXPENDITURES | 100 | 84 |
| | | BEGINNING BALANCE | 501,170 | 501,157 |

| MONTHLY BUDGET ANALYSIS | | Description | 2014 Budget | YTD 7/31/2014 |
|---|--|--------------------------------------|----------------|------------------|
| | | CASH/INVESTMENTS BALANCE | 501,770 | 503,933 |
| WATER LOANS DEBT SERVICE FUND - 470 | | | | |
| 470-397-10-00 | | Transfers In from Operating Fund 401 | 65,500 | 65,339 |
| | | TOTAL REVENUES | 65,500 | 65,339 |
| 470-591-38-79 | | Redemption of Long Term Debt | 56,193 | 56,192 |
| 470-592-34-83 | | Debt Service Interest Loan 119 | 715 | 715 |
| 470-592-34-83 | | Debt Service Interest Loan 064 | 8,505 | 8,505 |
| | | TOTAL EXPENDITURES | 65,413 | 65,412 |
| WATER LOANS DEBT SERVICE FUND | | REVENUES | 65,500 | 65,339 |
| | | EXPENDITURES | (65,413) | (65,412) |
| | | BEGINNING BALANCE | | |
| | | CASH/INVESTMENTS BALANCE | | - |
| ULID 18 LOAN DEBT SERVICE FUND (RESTRICTED) - 480 | | | | |
| 480-361-50-00 | | ULID 18 Interest/Penalties | 30,000 | 23,747 |
| 480-368-10-00 | | Current ULID 18 Principal Payments | 50,000 | 47,632 |
| 480-379-10-30 | | Latecomers Fee | 3,000 | - |
| | | TOTAL REVENUES | 83,000 | 71,379 |
| 480-591-35-73 | | Principal payment | | 294 |
| 480-592-35-83 | | Interest payment | | 1 |
| 480-597-10-01 | | Transfers Out to Operating Fund 401 | 83,000 | 71,000 |
| | | TOTAL EXPENDITURES | 83,000 | 71,295 |
| ULID 18 LOAN DEBT SERVICE | | REVENUES | 83,000 | 71,379 |
| | | EXPENDITURES | (83,000) | (71,295) |
| | | BEGINNING BALANCE | | |
| | | CASH/INVESTMENTS BALANCE | | 84 |



LAKE WHATCOM WATER AND SEWER DISTRICT

AGENDA BILL

| | | | |
|---|--|---|---|
| DATE SUBMITTED: | August 4, 2014 | | |
| TO BOARD OF COMMISSIONERS | | | |
| FROM: Bill Hunter and Staff | MANAGER APPROVAL <i>[Signature]</i> | | |
| MEETING AGENDA DATE: | August 13, 2014 | | |
| AGENDA ITEM NUMBER: | 5.C. | | |
| SUBJECT: | Summary of Existing District Projects | | |
| LIST DOCUMENTS PROVIDED ⇒ | 1. August 2014 Summary of Existing District Projects | | |
| NUMBER OF PAGES INCLUDING AGENDA BILL: | 2. | | |
| | 3. | | |
| TYPE OF ACTION REQUESTED | RESOLUTION <input type="checkbox"/> | FORMAL ACTION/ MOTION <input type="checkbox"/> | INFORMATIONAL/ OTHER <input checked="" type="checkbox"/> |

BACKGROUND / EXPLANATION OF IMPACT

Information only

FISCAL IMPACT

n/a

RECOMMENDED BOARD ACTION

Review and discuss

PROPOSED MOTION

n/a

LAKE WHATCOM WATER AND SEWER DISTRICT

Summary of Existing District Projects

| Meeting Date | Effective Date | Prepared by |
|--|--|---------------------|
| August 13, 2014 | August 7, 2014 | LE/BH |
| Status of Water and Sewer Permit Issuance | | |
| SCOPE | Provide a monthly update on permit activity. | |
| STATUS | | Permits Issued 2014 |
| | No of permits issued | 9 |
| | No of permits projected 2014 | 5 |
| | | Permits Issued 2013 |
| | | 16 |

| **Completed Capital Projects in 2014** | |
|---|---|
| C1410 | Water Service Rebuilds |
| C1409 | Sudden Valley WTP and Agate Heights WTP Dehumidifiers |
| C1314 | Replace Server Hardware |
| C1313 | Safety Grates at Pump Stations |
| C1211 | Wet Well Pressure Transmitters |
| *C1216 | SVCA Polo Park Bridge Replacement Water Main Relocation |
| *C1303 | SVWTP Generator Replacement |
| *C1315 | Sewer Comprehensive Plan Update |

| **State Required Report Status** | | | |
|---|---|--|---|
| Reporting | Name of Report & Preparer | Completed | When Due |
| MONTHLY | Chlorination Report Agate Heights (Kevin) | Jan <input checked="" type="checkbox"/> Feb <input checked="" type="checkbox"/> Mar <input checked="" type="checkbox"/> Apr <input checked="" type="checkbox"/> May <input checked="" type="checkbox"/> June <input checked="" type="checkbox"/> | Postmarked by 10 th of month |
| | | July <input type="checkbox"/> Aug <input type="checkbox"/> Sept <input type="checkbox"/> Oct <input type="checkbox"/> Nov <input type="checkbox"/> Dec <input type="checkbox"/> | |
| | Surface Water Treatment Rule Report (SVWTP) (Kevin) | Jan <input checked="" type="checkbox"/> Feb <input checked="" type="checkbox"/> Mar <input checked="" type="checkbox"/> Apr <input checked="" type="checkbox"/> May <input checked="" type="checkbox"/> June <input checked="" type="checkbox"/> | Postmarked by 10 th of month |
| | | July <input type="checkbox"/> Aug <input type="checkbox"/> Sept <input type="checkbox"/> Oct <input type="checkbox"/> Nov <input type="checkbox"/> Dec <input type="checkbox"/> | |
| | Department of Revenue (Debi) | Jan <input checked="" type="checkbox"/> Feb <input checked="" type="checkbox"/> Mar <input checked="" type="checkbox"/> Apr <input checked="" type="checkbox"/> May <input checked="" type="checkbox"/> June <input checked="" type="checkbox"/> | Due end of following month |
| | | July <input checked="" type="checkbox"/> Aug <input checked="" type="checkbox"/> Sept <input type="checkbox"/> Oct <input type="checkbox"/> Nov <input type="checkbox"/> Dec <input type="checkbox"/> | |
| ANNUALLY | Community Right to Know (Hazardous Materials) (Rich) | Completed March 3, 2014 | Due by March 31st |
| | WA State Cross Connection Report (Rich) | Completed April 24, 2014 | Due Annually |
| | Consumer Confidence Reports (Kevin) | Completed April, 2014 | <ul style="list-style-type: none"> • Geneva- 4/14 • Sudden Valley 4/14 • Eagleridge – 4/14 • Agate Hghts – 4/14 |
| | Hazardous Waste Activity Report (Rich) | Completed March 3, 2014 | Due by March 31st |
| | OSHA 300 Log (Rich) | Completed January 30, 2014 | Due by Feb 28th |
| | Water Use Efficiency Performance Report (Kevin) | Completed April 2014 | Due by July 1st |
| | Washington State Financial Report (Debi) | Completed May 2014 | Due by May 31st |

| Reporting | Name of Report & Preparer | Completed | | | | | | When Due |
|-----------|--|-------------------------------------|-------------------------------------|-------------------------------------|-------------------------------------|-------------------------------------|-------------------------------------|--|
| MONTHLY | Chlorination Report Agate Heights (Kevin) | Jan | Feb | Mar | Apr | May | June | Postmarked by 10 th of month |
| | | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | |
| OTHER | CPR/First Aid Training (Rich) | July | Aug | Sept | Oct | Nov | Dec | Due Biennially Next Due 2014 |
| | Flagging Card Training (Rich) | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | Due Triennially Next Due 2016 |

SAFETY PROGRAM SUMMARY

Completed by Rich Munson

| Annual Safety Training | | | | |
|--|------|-----------------|------|------|
| Staff participates in a local government on-line training system. Each employee is assigned with an individual training course that is relevant to their position. The courses contain check points, quizzes and tests to ensure the training was completed and understood by the employee. Learners can track their progress and manage their training with their workload. | | | | |
| Weekly Crew Safety Meetings | | | | |
| Safety meetings for the field crew take place every Tuesday at 4:45 p.m. | | | | |
| Dates of Safety Committee Meetings | | | | |
| January 8, 2014 | | July 10, 2014 | | |
| February 12, 2014 | | August 12, 2014 | | |
| March 13, 2014 | | | | |
| April 9, 2014 | | | | |
| May 14, 2014 | | | | |
| June 10, 2014 | | | | |
| Summary Of Work-Related Injuries & Illnesses | | | | |
| Year | 2014 | 2013 | 2012 | 2011 |
| Total Number of Work Related Injuries | 0 | 11 | 8 | 5 |
| Defined as a work related injury or illness that results in: <ul style="list-style-type: none"> • Death • Medical treatment beyond first aid • Loss of consciousness • Significant injury or illness diagnosed by a licensed health care professional • Days away from work (off work) • Restricted work or job transfer | | | | |
| Total Number of Days of Job Transfer or Restriction (Light duty or other medical restriction) | 0 | 5 | 24 | 0 |
| Total Number of Days Away From Work (At home, in hospital, not at work) | 0 | 13 | 9 | 0 |

Lake Whatcom Water & Sewer District
Capital Improvement Projects Staff Report

C1207 Reservoir Overflow Drains to Daylight

Route reservoir overflow drains to daylight.

C1207-ENG Project Administration and Engineering

4/2/2014 Staff working with G&O to look at overflow/drain line improvements for Division 22 as part of project C1401.

C1207-CON Construction Contract

C1214 Dead End Blow Offs

Install blow offs at water main dead ends.

C1214-CON Construction Contract

C1214-ADM Project Administration

11/28/2012 Crews researching and inspecting dead end mains. Compiling list of dead ends with proposed installation sketches.

C1304 Steel Reservoir Cathodic Protection

Install cathodic protection systems in District's steel reservoirs: Geneva, Div 30, Div 22, Div 7, & SVWTP Contact Tank.

C1304-ADM Project Administration and Engineering

2/6/2013 Non-Mandatory Prebid Meeting - 10am
10/2/2013 Staff finalizing bid/contract documents.
10/14/2013 Tentative Advertisement for Bids in Bellingham Herald.
10/29/2013 Bid Opening - 2pm. Two bids were received.
11/13/2013 Recommend Board reject all bids and rebid project due to unclear specifications regarding two different types of systems (vertical and horizontal systems).
12/4/2013 Staff refining specifications for re-bid in February/March 2014.
8/2/2014 Advertisement for Bids published in Bellingham Herald
8/19/2014 Non-Mandatory Prebid Meeting at 10am
8/26/2014 Bid Opening - 205pm

C1306 LLR Sewer Air-Vac Valve Replacement

Replace iron/steel air-vac valves with nylon valves.

C1306-ADM Project Administration

4/3/2013 Staff solicited quotes from local suppliers. Ordered and received 9 valves from HD Supply (low quote). There are a total of 14 valves on the force main. Remaining 5 valves will be budgeted and purchased in 2014. Crews will begin installing new valves this spring.
10/2/2013 Crews have replaced a couple valves that failed on other forcemains using this inventory.

C1316 Boulevard Sewer Pump Station

Replace Boulevard Sewer Pump Station.

C1316-PH1 Predesign

9/11/2013 Board approves predesign scope of work for RH2.

- 10/1/2013 District received signed agreements from RH2. Need District attorney and GM signatures for execution. RH2 beginning predesign work.
- 10/30/2013 Staff met with RH2 to review data collected so far and discuss options to include in pre-design report. RH2 is scheduling a pre-application meeting with County - time/date to be determined.
- 11/6/2013 RH2 working on pre-design report. Draft will be ready for staff review in about 2 weeks.
- 12/4/2013 RH2 will present draft pre-design report at 12/11/2013 Board Meeting.
- 12/19/2013 RH2 and staff met with Whatcom County for permit pre-application meeting. No surprises in regards to permitting requirements.
- 1/22/2014 District staff and RH2 met with two neighboring property owners to discuss project and any concerns they might have. We did learn that stormwater (both groundwater and surface runoff) have been a challenge in that area. RH2 updated and finalized predesign report with neighbor comments/concerns.
- 2/4/2014 District staff and RH2 working on scope of work and fee estimate for design phase. Scope/fee will be discussed at 2/12/2014 Board meeting.
- 4/23/2014 Substantial Shoreline Development Permit Public Hearing 130pm at Whatcom County Council Chambers. Shoreline permit was approved.
- 5/7/2017 RH2 pursuing minor misc County permits for project.

C1316-PH2 Design & Bidding

- 2/12/2014 Board authorized phase 2 work - design and bidding.
- 3/6/2014 RH2 working on detailed plans and specifications.
- 3/26/2014 RH2 and District crew review 60% complete drawings. RH2 continuing detailed design incorporating District comments.
- 5/7/2014 District reviewed 90% plans and specs. RH2 finishing design and bid documents.
- 5/9/2014 Advertisement for Bids in Bellingham Herald
- 5/14/2014 Non Mandatory Prebid Meeting
- 5/22/2014 Bid Opening 205pm.
- 5/28/2014 Award Construction Contract at Board Meeting. Awarded to Interwest Construction.
- 6/3/2014 RH2 reviewed bidder responsibility, bid responsiveness, and check references. All looked good. A Notice of Intent to Award was sent to contractor.

C1316-CON Construction - Interwest Construction Inc.

- 6/3/2014 Notice of Intent to Award sent to Interwest Construction, Inc. Contractor gathering bonds, insurance, signing contracts, etc.
- 7/7/2014 Notice to Proceed - 90 calendar day contract
- 8/5/2014 Contractor performing sitework. Bypass pumping to begin next week.
- 10/5/2014 Substantial Completion Date
- 10/25/2014 Final Completion Date

C1401 Division 22 Reservoir

Add new Division 22 Reservoir. Funded by DWSRF Loan. Loan Amount = \$994,850 at 1.5% for 20 years + 4 years for construction.

C1401-PH1 Predesign

- 10/2/2013 DWSRF loan contract will be executed by State on 10/8/2013. Staff will work with Grey and Osborne to prepare scope of work and fee. Scope/fee will be presented to Board tentatively at 11/13/2013 meeting for review/approval.
- 11/6/2013 Loan contract is executed. Execution date was 10/9/2013.
- 1/29/2014 Board approved scope of work and fee for Predesign work.
- 2/4/2014 Staff and G&O compiling AE agreement and exhibits for execution.
- 3/6/2014 Signed AE agreements received from consultant. District attorney doing final review. Agreements will then be executed by Patrick.
- 4/1/2014 G&O and staff had project kick-off meeting. G&O compiling list of information/data to begin predesign work. Topo survey will begin in a couple weeks.
- 5/7/2014 Consultant has performed topographic/boundary survey. Staff compiling water system data needed for consultants predesign work.
- 8/5/2014 G&O working on reservoir sizing after receiving water system data/info from staff. DOH cultural review in progress.

C1402 Geneva Area AC Mains

Replacement of AC water mains in Geneva area. Funded by DWSRF Loan. Loan Amount = \$2,398,750 at 1.5% for 20 years + 4 years for construction.

C1402-PH1 Predesign

- 10/2/2013 DWSRF loan contracts will be executed by State on 10/8/2013. Staff working with Wilson Engineering to develop scope of work and fee. Scope/fee will tentatively be presented to Board at 11/13/2013 meeting.
- 11/6/2013 Loan contract is executed. Execution date was 10/7/2013.
- 12/4/2013 Staff working with Wilson to develop Scope of Work and Fee that includes DWSRF loan contract requirements. Scope/Fee will be presented at 12/11/2013 Board Meeting for approval.
- 12/11/2013 Board authorized GM to execute agreement with Wilson.
- 1/2/2014 AE agreement executed. Work includes predesign, permitting, topographic surveying, design, and bidding.
- 1/7/2014 Site walk-thru with District staff and Wilson engineers and surveyors.
- 1/9/2014 Conference call with DWSRF project manager, Cathy Brockmann. Key District and Wilson staff attended. Meeting covered basic loan contract requirements and setup coordination between parties.
- 2/4/2014 Wilson preparing preliminary drawings for conceptual water main locations/design. Topographic surveying to follow, when desired alignments are identified.
- 3/6/2014 Wilson performing preliminary engineering and topographic surveying.
- 4/2/2014 Wilson continues preliminary engineering and topo surveying work.
- 4/22/2014 Wilson and District staff meet to coordinate project activities. Topographic surveying and predesign work is in full swing.
- 6/3/2014 Wilson continues topographic surveying, mapping, and pre-design.
- 7/9/2014 Wilson presents predesign/project report to Board at meeting. Report is essentially done but will be finalized after receiving public comments after a public meeting tentatively scheduled in September 2014.
- 8/5/2014 Wilson continues topographic surveying, mapping, and development of preliminary plan set to be used at public meeting. DOH cultural review in progress.

C1403 2014 Water System Rehab and Replacement

Combines several separate District projects into one recurring annual project. The intent is to rehabilitate or replace aging water distribution system mains, service lines, hydrants, and valves. As infrastructure is assessed and found nearing end of useful life, it will be scheduled for renewal using this annual project budget.

C1403-ADM

- 1/2/2014 Staff compiling list of water assets for rehab and/or replacement.
- 6/20/2014 Advertisement for Bids in Bellingham Herald
- 7/10/2014 Prebid Meeting
- 7/16/2014 Bid Opening
- 7/30/2014 Board awards contract to Carman's Construction LLC from Oak Harbor in an amount not to exceed \$100k. Budget will allow replacement of approx 23 hydrants in Sudden Valley.
- 7/31/2014 Notice of Intent to Award mailed to Carman's Construction LLC
- 8/5/2014 Staff working with contractor to execute construction contract.

C1403-CON

C1404 2014 Sewer System Rehab and Replacement

C1404-CON

- 8/5/2014 Pro-Vac to begin smoke testing 8/11/2014 in Sudden Valley.

C1404-ADM

- 1/2/2014 Staff compiling list of assets for rehab and/or replacement.
- 4/24/2014 Advertisement sent to Bham Herald
- 4/27/2014 Advertisement in Bham Herald
- 5/5/2014 Pre-Bid Meeting
- 5/15/2014 Bid Opening
- 5/28/2014 Notice of Intent to Award sent to Pro-Vac
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5/28/2014 Tentative - Award Construction Contract at Board Meeting.
8/4/2014 Notice to Proceed set to Pro-Vac - 120 day contract
8/5/2014 Pro-Vac to begin smoke testing in Sudden Valley 8/11/2014.
12/2/2014 Contract Completion Date.

C1405 Strawberry Pt. Sewer PS Improvements

Replace Strawberry Point Sewer Pump Station.

C1405-PH1 Predesign

2/4/2014 Staff and RH2 working on scope of work and fee estimate. Scope/fee will be on the 2/12/2014 Board meeting agenda.
2/12/2014 Board authorizes phase 1 - predesign work.
2/26/2014 Board authorizes a revision to phase 1 not-to-exceed amount.
3/6/2014 Signed AE agreements received from consultant. District attorney doing final review. Agreements will then be executed by Patrick.
3/6/2014 Staff collecting technical information for RH2 to begin preliminary design.
4/2/2014 RH2 reviewing pump station run time data for last couple years. Staff to provide detailed on/off data for selected key dates.
5/7/2014 Topographic survey is done. RH2 continuing predesign work.
8/5/2014 County pre-application submitted. Waiting to hear back from County on meeting date.
8/12/2014 RH2 to meet with District crew to go thru design criteria. Information will be documented in pre-design report which is in progress.

C1406 Sewer Push Camera for 2" and 4" Pipe

Procure sewer push camera for small diameter pipe.

C1406-ADM

C1407 Lowe Sewer PS VFD

Replace rotaphase with VFD.

C1407-ADM

C1408 SVWTP Spare Raw Water Pump VFD

Procure spare VFD for SVWTP raw water pump.

C1408-ADM

C1411 Shop Gravel/Asph Mat'l Bin Improvements

Add concrete slab and vertical row of concrete ecology blocks to gravel/asphalt material bins located as shop.

C1411-ADM

8/5/2014 Crews cleared existing material bin area. Staff reviewing best location for material bins and will begin preparing for concrete slab.

C1412 Admin Building Irrigation System

Install irrigation system at Admin Building.

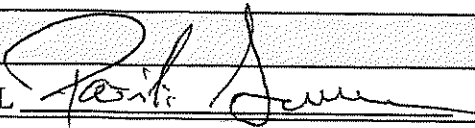
C1412-ADM

4/2/2014 Staff obtaining quotes from landscape companies for installation of irrigation system.



LAKE WHATCOM WATER AND SEWER DISTRICT

AGENDA BILL

| | | | |
|---|---|---|---|
| DATE SUBMITTED: | August 4, 2014 | | |
| TO BOARD OF COMMISSIONERS | | | |
| FROM: Patrick Sorensen | MANAGER APPROVAL  | | |
| MEETING AGENDA DATE: | August 13, 2014 | | |
| AGENDA ITEM NUMBER: | 7 | | |
| SUBJECT: | Manager's Report | | |
| LIST DOCUMENTS PROVIDED ⇒ NUMBER OF PAGES INCLUDING AGENDA BILL: _____ | 1. Manager's Report | | |
| | 2. | | |
| | 3. | | |
| TYPE OF ACTION REQUESTED | RESOLUTION <input type="checkbox"/> | FORMAL ACTION/ MOTION <input type="checkbox"/> | INFORMATIONAL/ OTHER <input checked="" type="checkbox"/> |

BACKGROUND / EXPLANATION OF IMPACT

Updated information from the General Manager in advance of the Board meeting.

FISCAL IMPACT

None

RECOMMENDED BOARD ACTION

None required.

PROPOSED MOTION

None

General Manager Comments

August 13, 2014

Board Meeting

Important Upcoming Dates:

- **Meetings Associated with the Lake Whatcom Management Program:**
 - **Policy Group Meeting:** The next meeting is scheduled for Monday, September 15 at 1:30 p.m. in the Garden Room. Remember, all Policy Group Meetings are publicly noticed by the District.
 - **Management Meeting:** The next meeting has not been scheduled at this time.
- **Next Regular Board Meeting:** The next regular meeting is scheduled for **Wednesday, August 27, 2014** at 8:00 a.m.
- **Employee Staff Meeting:** The next meeting is set for **Wednesday, August 14, 2014 at 8:00 a.m.** in the Board Room. Commissioner McRoberts is scheduled to attend this meeting. Scheduling is rotated by alphabetical order each month.
- **Washington Association of Sewer & Water Districts Section III Meeting:** The next Section III meeting will be held at Bob's Burger & Brew in Tulalip at 6:15 p.m. on **Tuesday, August 12, 2014**. All WASWD Section III Meetings are publicly noticed by the District.
- **Whatcom Water District's Caucus Meeting:** The next meeting is scheduled for **Wednesday, August 20, 2014** from 1:00 p.m. to 3:00 p.m. in the District's Board Room. These meetings are held on the third Wednesday of each month.

Other:

- **Committee Meeting Reports as Needed:** This is a place holder for Board and staff members to report on recent committee meeting reports since the last Board Meeting.
- **Out of Area:** Commissioner Lambert will be out of the area for the August 13 meeting.
- **WASWD Fall Conference:** The Fall Conference will be held in Spokane September 17 through the 19th. Please let me know if you plan on attending. Two Commissioners have expressed an interest.
- **Annual Labor Sponsored Employee Picnic:** The annual summer picnic sponsored by the employee members of AFSCME - Local 114WD will be held on **August 28** between 12:00 p.m. and 1:00 p.m. at the Shop on Lakeview. The Union has invited the Commissioners to attend.
- **WA Department of Health Drinking Water System Award:** The District received the attached award the other day for exceeding all the drinking water standards set by the

State. The District's Water Treatment Operator Kevin Cook received this award on behalf of the District recently while attending training. This is a team effort by all of our operations staff who are certified as water treatment operators. We have received this award before. It is for the "South Shore Water System". The State will be releasing a press statement to the local media in the very near future. Kevin and the employees will receive a letter of thanks from the District for a job well done. It should be noted that we are only 1 of 4 public systems receiving this award in 2014. There are well over 200 public special purpose district and city water utilities in the State. All the more impressive.

High Five Award

Drinking water systems prevent waterborne diseases and protect public health

WMSD South Shore Water System

Exemplifies excellence and stands at the TOP of many highly competent, well-operated water systems dedicated to improving the quality of our drinking water



Clark Halvorson, Director
Office of Drinking Water

August 2014