



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

REGULAR MEETING  
OF THE BOARD OF COMMISSIONERS

AGENDA

*January 14, 2015*

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. Election of Officers for 2015 - Resolution 809
  - B. Regular Meeting Dates and Times for 2015 – Resolution 810
  - C. Potential Agenda Topics for 2015
  - D. Review of Engineering Consultant Fees for 2015
  - E. Budget Update Report
  - F. Summary of Existing District Projects
  - G. Steel Reservoir Cathodic Protection Systems Construction Contract – Final Acceptance
6. OTHER BUSINESS
7. MANAGER'S REPORT
8. PUBLIC COMMENT OPPORTUNITY
9. ADJOURNMENT



LAKE WHATCOM WATER AND SEWER DISTRICT

AGENDA BILL

DATE SUBMITTED:	January 5, 2015		
TO BOARD OF COMMISSIONERS			
FROM: Lyn Edwards	MANAGER APPROVAL <i>Ralph James</i>		
MEETING AGENDA DATE:	January 14, 2015		
AGENDA ITEM NUMBER:	5.A.		
SUBJECT:	Election of Officers		
LIST DOCUMENTS PROVIDED ⇒ NUMBER OF PAGES INCLUDING AGENDA BILL: 2	1. Resolution #809		
	2.		
	3.		
TYPE OF ACTION REQUESTED	RESOLUTION <input checked="" type="checkbox"/>	FORMAL ACTION/ MOTION <input checked="" type="checkbox"/>	INFORMATIONAL/ OTHER <input type="checkbox"/>

**BACKGROUND / EXPLANATION OF IMPACT**

Per RCW 57.12.010, the Board shall annually elect one of its members as president and another as secretary. See Resolution 809, attached.

**FISCAL IMPACT**

None

**RECOMMENDED BOARD ACTION**

1. Elect a Commissioner to serve as Board President for 2015
2. Elect a Commissioner to serve as Board Secretary for 2015

**PROPOSED MOTION**

1. To elect \_\_\_\_\_ as Board President for 2015
2. To elect \_\_\_\_\_ as Board Secretary for 2015

**LAKE WHATCOM WATER AND SEWER DISTRICT**

**RESOLUTION No 809**

**A Resolution of the Board of Commissioners  
Designating the Elected Officers for Calendar Year 2015**

**WHEREAS**, in accordance with RCW 57.12.010 the "Board shall annually elect one of its members as president and another as secretary";

**NOW, THEREFORE, BE IT RESOLVED** and adopted by the Board of Commissioners on this 14<sup>th</sup> day of January, 2015 that Commissioner \_\_\_\_\_ shall serve as Board President, and that Commissioner \_\_\_\_\_ shall serve as Board Secretary through January 13, 2016

**ADOPTED** by the Board of Commissioners of Lake Whatcom Water and Sewer District, Whatcom County, Washington, at a Regular Meeting thereof, on the 14th day of January, 2015.

\_\_\_\_\_  
Todd Citron, Commissioner

\_\_\_\_\_  
Laura Weide, Commissioner

\_\_\_\_\_  
John W. Millar, Commissioner

\_\_\_\_\_  
Bruce R. Ford, Commissioner

\_\_\_\_\_  
Leslie Mc Roberts, Commissioner

\_\_\_\_\_  
Approved as to form, District legal counsel



LAKE WHATCOM WATER AND SEWER DISTRICT

AGENDA BILL

DATE SUBMITTED:	January 5, 2014		
TO BOARD OF COMMISSIONERS			
FROM: Lyn Edwards	MANAGER APPROVAL <i>[Signature]</i>		
MEETING AGENDA DATE:	January 14, 2014		
AGENDA ITEM NUMBER:	5.B.		
SUBJECT:	Confirm Regular Meeting Dates and Times for 2015		
LIST DOCUMENTS PROVIDED ⇒ NUMBER OF PAGES INCLUDING AGENDA BILL: 2	1. Resolution #810		
	2. Proposed Schedule of Regular Meetings for 2015		
	3.		
TYPE OF ACTION REQUESTED	RESOLUTION <input checked="" type="checkbox"/>	FORMAL ACTION/ MOTION <input checked="" type="checkbox"/>	INFORMATIONAL/ OTHER <input type="checkbox"/>

**BACKGROUND / EXPLANATION OF IMPACT**

The Board establishes regular meeting dates and times each year. For 2014, the regular board meetings were held on the second Wednesday of each month at 6:30 p.m. with a second meeting on the last Wednesday of each month at 8:00 a.m. The Board has the option of changing the regular meeting dates and times for the year if they wish to do so.

**NOTE:** The first meeting in November would normally be held on Wednesday November 11<sup>th</sup> which is the Veterans Day Holiday. The second meeting in November would normally be held on November 25<sup>th</sup> which is scheduled as part of the staff holiday for Thanksgiving (due to every other Friday off). Staff proposes to hold both of these meetings on the Tuesday prior to the normal meeting date. No other scheduling conflicts for 2015 are apparent at this time.

**FISCAL IMPACT**

None

**RECOMMENDED BOARD ACTION**

To review and approve or adjust the regular meeting schedule for 2015

**PROPOSED MOTION**

To adopt Resolution #810 Establishing the Regular Meeting Dates and Times for 2015 as the second Wednesday of each month at 6:30 p.m. and the last Wednesday of the month at 8:00 a.m. with the exception of the first meeting in November which will take place on Tuesday November 10<sup>th</sup> and the second meeting in November which will take place on Tuesday November 24<sup>th</sup>.

List of Proposed Regular Meeting Dates and Times for 2015

Second and Last Wednesday of Each Month

<p><u>JANUARY</u> January 14, 2015 @6:30 p.m. January 28, 2015 @8:00 a.m.</p>	<p><u>JULY</u> July 8, 2015 @6:30 p.m. July 29, 2015 @8:00 a.m.</p>
<p><u>FEBRUARY</u> February 11, 2015 @6:30 p.m. February 25, 2015 @8:00 a.m.</p>	<p><u>AUGUST</u> August 12, 2015 @6:30 p.m. August 26, 2015 @8:00 a.m.</p>
<p><u>MARCH</u> March 11, 2015 @6:30 p.m. March 25, 2015 @8:00 a.m.</p>	<p><u>SEPTEMBER</u> September 9, 2015 @6:30 p.m. September 30, 2015 @8:00 a.m.</p>
<p><u>APRIL</u> April 8, 2015 @6:30 p.m. April 29, 2015 @8:00 a.m.</p>	<p><u>OCTOBER</u> October 14, 2015 @6:30 p.m. October 28, 2015 @8:00 a.m.</p>
<p><u>MAY</u> May 13, 2015 @6:30 p.m. May 27, 2015 @8:00 a.m.</p>	<p><u>NOVEMBER</u> November 10, 2015 @6:30 p.m. November 24, 2015 @8:00 a.m.*</p>
<p><u>JUNE</u> June 10, 2015 @6:30 p.m. June 24, 2015 @8:00 a.m.</p>	<p><u>DECEMBER</u> December 9, 2015 @6:30 p.m. December 30, 2015 @8:00 a.m.</p>

\*November 10<sup>th</sup> and 24<sup>th</sup> are Tuesdays

**LAKE WHATCOM WATER AND SEWER DISTRICT**

**RESOLUTION No 810**

**A Resolution of the Board of Commissioners Establishing the  
Regular Meeting Dates and Times for 2015**

**(Rescinds Resolution #801)**

**WHEREAS**, RCW 42.30.070 requires that the governing body of a public agency, including special purpose districts, shall provide the time for holding regular meetings by resolution;

**NOW, THEREFORE, BE IT RESOLVED** that a regular meeting will be held at 6:30 p.m. on the second Wednesday of each month and a second meeting will be held at 8:00 a.m. on the last Wednesday of the month.

**ADOPTED** by the Board of Commissioners of Lake Whatcom Water and Sewer District, Whatcom County, Washington, at a Regular Meeting thereof, on the 14th day of January, 2015.

\_\_\_\_\_  
Bruce R. Ford, Commissioner

\_\_\_\_\_  
Laura Weide, Commissioner

\_\_\_\_\_  
John W. Millar, Commissioner

\_\_\_\_\_  
Todd Citron, Commissioner

\_\_\_\_\_  
Leslie Mc Roberts, Commissioner

\_\_\_\_\_  
Approved as to form, District legal counsel

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LAKE WHATCOM WATER AND SEWER DISTRICT

AGENDA BILL

DATE SUBMITTED:	January 5, 2015		
TO BOARD OF COMMISSIONERS			
FROM: Patrick Sorensen	MANAGER APPROVAL <i>Patrick Sorensen</i>		
MEETING AGENDA DATE:	January 14, 2015		
AGENDA ITEM NUMBER:	5.C.		
SUBJECT:	Potential Agenda Topics for 2015		
LIST DOCUMENTS PROVIDED ⇒ NUMBER OF PAGES INCLUDING AGENDA BILL: _____	1.		
	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**

At the December 31, 2014 meeting the Board scheduled discussion of potential agenda topics for 2015. Rather than scheduling special meetings to discuss these items, the consensus was that these topics would be added to regular meeting agendas as time permits. Some of the suggestions included selecting categories of topics, planning strategies and future projects.

**FISCAL IMPACT**

n/a

**RECOMMENDED BOARD ACTION**

Discuss/decide extra agenda topics for regular meetings throughout 2015.

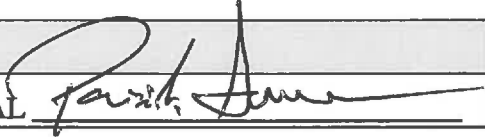
**PROPOSED MOTION**

No motion necessary.



LAKE WHATCOM WATER AND SEWER DISTRICT

AGENDA BILL

DATE SUBMITTED:	January 5, 2015		
TO BOARD OF COMMISSIONERS			
FROM: Patrick Sorensen	MANAGER APPROVAL 		
MEETING AGENDA DATE:	January 14, 2015		
AGENDA ITEM NUMBER:	5.D.		
SUBJECT:	Review of Engineering Consultant Fees for 2015		
LIST DOCUMENTS PROVIDED ⇒	1. Letter from Wilson Engineering dated 12/19/2014		
NUMBER OF PAGES INCLUDING AGENDA BILL:	2.		
	3.		
TYPE OF ACTION REQUESTED	RESOLUTION <input type="checkbox"/>	FORMAL ACTION/ MOTION <input checked="" type="checkbox"/>	INFORMATIONAL/ OTHER <input type="checkbox"/>

**BACKGROUND / EXPLANATION OF IMPACT**

Each year the Board reviews the proposed fees for the District's engineering consultant. Per the terms of their contract they are permitted to appropriately increase their fees to reflect the cost of services. This increase was contemplated when the budget was developed and is built into the 2015 Budget. Wilson Engineering's General Engineering Services Contract expires on September 1, 2015. See the attached letter for a detailed list of proposed charges.

**FISCAL IMPACT**

See list of proposed fees, attached

**RECOMMENDED BOARD ACTION**

Review and discuss the consultant's proposed fees for 2015.

**PROPOSED MOTION**

To approve Wilson Engineering's proposed fees for general engineering services in 2015.





December 19, 2014

Patrick Sorensen, General Manager  
 Lake Whatcom Water and Sewer District  
 1220 Lakeway Drive  
 Bellingham, WA 98229

Re: On-Call Engineering Services Contract  
 Rate Increase Request for 2015

Dear Patrick:

Wilson Engineering, LLC respectfully submits the following rate increase request in accordance with Section 7.4 of the On-Call Engineering Services Contract. The proposed rates for 2015 are presented in the attached 2015 Rate Schedule.

The 2015 rate schedule includes an increase of 0% to 2.67% for office personnel and 0% to 6.25% for field survey and inspection, (reference Table #1) resulting in a weighted average of approximately 2.11%. The highest increase is for the Inspector category. Our inspectors are either Senior CAD Techs or Engineers and the Inspector billing rate is heavily discounted compared to their normal billing rate. We have determined that the discount in billing rate was too steep, especially for engineers. Therefore, we propose a relatively larger increase in the inspector billing rate, which is still discounted substantially from the regular billing rate for the employee. In addition to addressing current inflation, (~1.7% over the preceding 12-months), the 2015 rate increases cover additional staff compensation which is crucial for staff retention, and expansion of our the firm’s client services, (namely a 3D scanning capability in the Survey Department).

Table 1 – Comparison of Wilson Engineering’s 2014 and 2015 Billing Rates

Billing Category	2014 Rate	2015 Rate	Approx. Increase
Principal Engineer	\$150	\$154	2.67%
Sr. Proj. Engineer	\$132	\$135	2.27%
Proj. Engineer	\$120	\$122	1.67%
Engineer II	\$110	\$112	1.82%
Engineer I (EIT)	\$102	\$102	0.00%
GIS Analyst	\$98	\$98	0.00%
Environmental Specialist	--	\$80	New Classification
Sr. CAD Tech.	\$84	\$86	2.38%
CAD Tech	\$75	\$75	0.00%
Inspector	\$75	\$80	6.25%
Clerical	\$70	\$70	0.00%
Sr. PLS	\$128	\$130	1.56%
Hydrographer	\$128	\$132	3.13%
PLS	\$120	\$122	1.67%
Sr. Survey Tech.	\$98	\$100	2.04%
Survey Tech.	\$75	\$77	2.67%
1-Person Survey Crew	\$120	\$122	1.67%
2-Person Survey Crew	\$170	\$174	2.35%
3-Person Survey Crew	\$210	\$215	2.38%
3-D Scanning Survey Crew	--	\$215	New Classification
Hydrographic Survey Crew	\$230	\$240	4.35%

We are also providing a revised list of Key Personnel per Section 2.2 D. There have been a few changes since we last provided the District with a list of our personnel. We added Colin Hopps to our staff as a full-time Survey Technician earlier this year, and just recently added Jessica Amos as a both a CAD Technician and a Survey Technician. We also have a new face in the accounting department, Danica Nielson, to assist Lisa Hunter. We will also be increasing our staff by two as of January 5, 2015 - we are adding Ryan Griggs, EIT as an Engineer I, and Anthony Cavender in our new classification of Environmental Specialist.

We very much enjoy working with the District Board and staff and value our long-term relationship. It is our hope to continue to serve the District with its future engineering needs. We hope these new rates are acceptable to the District, and the appropriate contract Amendment can be prepared and approved.

If you have any questions or require any additional information, please don't hesitate to call.

Very Truly Yours,

WILSON ENGINEERING, LLC



Andrew Law, PE  
Managing Principal



Melanie Mankamy, PE  
Senior Project Manager

Encl. 2015 rates  
2015 Staff List

cc: Bill Hunter, PE, Assistant General Manager / District Engineer



## **WILSON ENGINEERING LLC BILLING RATES**

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### **Billing rates for work performed January 1-December 31, 2015:**

Principal Engineer, \$154 per hour  
Senior Project Engineer, \$135 per hour  
Project Engineer, \$122 per hour  
Engineer II, \$112 per hour  
Engineer I (EIT), \$102 per hour  
GIS Analyst, \$98 per hour  
Environmental Specialist, \$80 per hour  
Senior CAD Design Technician, \$86 per hour  
CAD Design Technician, \$75 per hour  
Inspector, \$80 per hour  
Clerical, \$70 per hour  
Senior Professional Land Surveyor, \$130 per hour  
Hydrographer, \$132 per hour  
Professional Land Surveyor, \$122 per hour  
Senior Survey Technician, \$100 per hour  
Survey Technician, \$77 per hour  
1-Person Survey Crew, \$122 per hour  
2-Person Survey Crew, \$174 per hour  
3-Person Survey Crew, \$215 per hour  
3-D Scanning Survey Crew, \$215 per hour  
Hydrographic Survey Crew \$240 per hour\*

Sub-consultants – reimbursed at cost plus 5%

Reimbursable direct expenses – reimbursed at cost plus 5% - include (but are not limited to) the following:

Project application fees and project permit fees  
Publication of notices  
Reproduction of drawings and construction documents  
Postage and shipping  
Direct expenses for travel, meals and lodging outside of Whatcom and Skagit Counties  
Mileage at project-current IRS mileage rate  
\*Specialized Equipment Rental, at rental rate

**KEY PERSONNEL LIST**  
**Lake Whatcom Water and Sewer District**  
**General Engineering Services**

**CIVIL ENGINEERING**

Andrew Law, P.E.	Managing Member, Principal Engineer
David N. Carpenter, P.E.	Senior Project Engineer
Jeff Christner, P.E.	Senior Project Engineer
Melanie Mankamy, P.E.	Senior Project Engineer
Michael Matthes, P.E., LEED AP ND	Senior Project Engineer
Elizabeth Sterling, P.E.	Senior Project Engineer
Danielle Johnston, PE, LEED AP	Project Engineer
Curtis Schoenfelder, P.E.	Project Engineer
Rhett Winter, P.E., LEED, AP ND	Project Engineer
Scott Wilson, P.E.	Project Engineer
Ryan Griggs, E.I.T.	Engineer I
Reuben Weinshilboum	G.I.S. Analyst
Anthony Cavender	Environmental Specialist
Ria Nickerson	Inspector/ Senior CAD Design Tech /Survey Tech
Jeffery G. Smith	Inspector/ Senior CAD Design Tech /Survey Tech
Cheri Pendarvis	CAD Design Technician
Jessica Amos	CAD Design Technician / Survey Technician

**STRUCTURAL ENGINEERING**

Charles Waugh, P.E., S.E,	Senior Project Engineer
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**LAND AND HYDROGRAPHIC SURVEY**

J. Thomas Brewster, PLS, CFM	Manager, Survey Department, Senior Professional Land Surveyor
Bruce Raper	Senior Survey Technician
Alan Mooers, LSIT	Survey Technician
Steve Hutton	Survey Technician / Inspector
Collette McNabb	Survey Technician
Alger Beal	Survey Technician
Colin Hopps	Survey Technician

**Administrative Staff**

Penny Rings	Office Manager
Lisa Hamilton	Bookkeeper
Danica Nielson	Bookkeeper
Janice Clayton	Receptionist



LAKE WHATCOM WATER AND SEWER DISTRICT

AGENDA BILL

DATE SUBMITTED:	January 5, 2015		
TO BOARD OF COMMISSIONERS			
FROM: Debi Hill	MANAGER APPROVAL <u><i>Debi Hill</i></u>		
MEETING AGENDA DATE:	January 14, 2015		
AGENDA ITEM NUMBER:	5.E.		
SUBJECT:	Monthly Budget Analysis		
LIST DOCUMENTS PROVIDED ⇒ NUMBER OF PAGES INCLUDING AGENDA BILL:	1. Monthly Budget Analysis as of 12/31/2014		
	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



**LAKE WHATCOM WATER AND SEWER**

**INVESTMENTS/CASH AS OF 12/31/2014**

Cash		\$	525,650		
LGIP		\$	501,365		0.09%
FHLB - Pro Equity	Callable	\$	617,000	Sep-15	0.66%
FNMA - ProEquity	Non-callable	\$	500,000	Mar-17	1.05%
FHLB - Pro Equity	Callable	\$	500,000	Jul-18	1.42%
			<hr/>		
		\$	2,644,015		



**MONTHLY BUDGET ANALYSIS**

		2014 Budget	YTD 12/31/2014 100%	
<b>OPERATING FUND - 401</b>				
<b>REVENUES</b>				
401-343-40-10	Water Sales Metered (9% rate increase) *	1,701,326	1,741,625	102%
401-343-50-11	Sewer Service Residential (3% rate increase) *	3,537,394	3,475,249	98%
401-343-50-19	Sewer Service Other (Multi units)	9,500	5,640	59%
401-343-81-10	Combined Fees (Locks, Liens, Transfers, Suspensions)	33,000	39,825	121%
401-359-90-00	Late Charges	65,000	64,049	99%
401-361-11-00	Investment Interest	200	1,595	798%
401-369-10-00	Sale of scrap/junk recycle	-	3,967	
401-369-90-00	Bank Fees	3,000	1,545	52%
401-379-10-20	Permits Operation portion (5 new connection permits)	10,000	34,558	346%
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	89,280	108%
	<b>TOTAL REVENUES</b>	<b>5,442,420</b>	<b>5,462,333</b>	<b>100.4%</b>

**MONTHLY BUDGET ANALYSIS**

	Description	2014 Budget	YTD 12/31/2014	
<b>OPERATING FUND - 401</b>				
401-53X-10-10	Payroll (1% cola plus step increases - 2014)		100%	
401-53X-10-20	Personnel Benefits	1,450,000	1,437,711	99%
401-53X-10-31	Gen Admin Supplies	570,000	507,598	89%
401-53X-10-32	Meetings/Team building	25,000	22,281	89%
401-53X-10-40	Bank Fees ( BofA, Xpress)	2,500	1,511	60%
	Interlocal - Lake Whatcom Management Program	9,500	17,276	182%
	Interlocal - Invasive Species	25,000	8,184	
	Interlocal - Lake Whatcom Tributary Monitor	50,000	50,000	
401-534-10-41-00	Water Quality Assurance Programs (TOTAL)	5,000	1,950	
	County Auditor filing fees (Simplifile)	80,000		
	DataBar (Statement processing)	6,000		
	Answering Service	20,000		
	Simplifile (Lien filing)	1,500		
	BIAS Financial Software			
	Webcheck (Title company transactions)	20,000		
	GE Scada System Software Maintenance	2,000		
	WA State Auditor (2 year audit)	7,500		
	Wilson Engineering	18,500		
	Sewer Comp Plan Update C13-15	10,000		
	Legal counsel	20,886		
	FCS Rate Study	38,000		
	3D - Computer support (Includes new server install)	48,500		
	Docu Ware annual maint/support	30,000		
	Data Pro - Time clock system	5,000		
	Watchguard	1,500		
	CPA firm	1,000		
	ESRI (ARC GIS)	10,000		
	Cartegraph	2,000		
	SCADA/PLC Support (Engineering)	8,000		
	Auto Desk ( Engineering)	5,000		
	Rockwell (Engineering)	1,000		
	Inovise (Engineering)	500		
	Master Meter	2,000		
	Custodial/Building maint. services/Security	2,000		
	Landscaping service	11,000		
	GIS with Whatcom County	4,000		
	Camera Van software	1,000		
	Oasys (Docuware/copy machine contract)	1,500		
	Generator Load Testing	5,000		
	Cyberlock software	20,000		
	Misc (Bid notices etc.)	1,000		
401-53X-10-41-01	Professional Services (TOTAL)	1,000		
401-53X-10-42	Communication	305,386	299,658	98%
401-53X-10-43	Memberships/Dues	40,000	49,212	123%
401-53X-10-44	B&O Taxes	16,000	14,760	92%
401-53X-10-45	Admin Lease	175,000	166,468	95%
401-53X-10-46	Insurance	2,500	2,310	92%
401-53X-10-49	Admin Misc.	102,000	105,538	103%
401-53X-40-43	Training & Travel	6,000	800	13%
401-53X-40-44	Tuition reimbursement	30,000	20,118	67%
401-53X-40-49	Insurance claims	6,000	-	0%
401-53X-50-31	Maintenance Supplies	-	5,380	
401-53X-50-48	Oper Repair/Maint (includes Asset Mgmt tools)	145,000	140,958	97%
	Edge Analytical - water	35,000	65,735	188%
	Emergency Response - sewer tank trucks	7,000	9,984	143%
401-53X-80-41	Operations Contracted (TOTAL)	5,000		
401-534-60-47	Water Ops City of Bellingham	12,000	10,485	87%
401-535-60-47	Sewer Ops City of Bellingham	30,000	34,595	115%
401-53X-80-32	Operations Fuel	800,000	674,017	84%
401-53X-80-34	Safety supplies	30,000	32,839	109%
401-53X-80-34-01	Safety boots	12,000	6,121	51%
401-53X-80-47	General Utilities		2,208	
401-53X-80-49	Laundry	210,000	202,182	96%
	<b>TOTAL OPERATING EXPENSES</b>	<b>2,000</b>	<b>1,911</b>	<b>96%</b>
	Transfers Out to Capital Projects Fund 420	4,095,886	3,881,786	94.8%
	Transfers Out to 2009 Bond Debt Service Fund 450	900,000	947,000	
	Transfers Out to Water Loan Debt Service Fund 470	447,450	447,450	
	<b>TOTAL EXPENDITURES</b>	<b>65,500</b>	<b>65,339</b>	
		<b>5,508,836</b>	<b>5,341,575</b>	<b>97.0%</b>
<b>OPERATING FUND</b>				
	<b>REVENUES</b>			
	<b>EXPENDITURES</b>	<b>5,442,420</b>	<b>5,462,333</b>	
	<b>BEGINNING BALANCE</b>	<b>(5,508,836)</b>	<b>(5,341,575)</b>	
	<b>CASH/INVESTMENTS BALANCE</b>		<b>1,073,881</b>	
			<b>1,194,325</b>	



**MONTHLY BUDGET ANALYSIS**

		Description	2014 Budget	YTD 12/31/2014
<b>SYSTEM REINVESTMENT FUND - 420</b>				
420-343-40-19		DEA Permits	2,500	-
420-361-11-00		Investment Interest	-	-
420-369-90-20		Prior Year Expense Reimb.		38,642
420-379-10-30		Permits Capital Portion (5 permits for 2012)	40,000	64,096
420-379-10-40		Latecomer Fees	500	
420-397-10-00		Transfers In from Operating Fund 401	900,000	947,000
		<b>TOTAL REVENUES</b>	<b>943,000</b>	<b>1,049,738</b>
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	241,933	
	C12-07	Reservoir Drains to Daylight	13,000	
	C12-14	Dead end blow offs	37,960	
	C12-16	Polo Park Bridge	49,351	34,254
	C13-03	SWWTP Generator		173,958
	C13-04	Cathodic Corrosion protection	75,000	
	C13-08	Backup benchtop analyzer	3,000	
	C13-13	Safety Grates at Pump Stations	9,376	6,533
	C13-14	Server upgrade	15,000	15,301
	C13-16	Boulevard Sewer Pump Station	39,246	34,634
		New Projects	935,958	
	C 13-16	Boulevard Sewer Pump Station	570,000	533,127
	C 14-03	Water System Rehab/Replacement projects	120,000	
	C 14-04	CMOM - Sewer I&I	103,000	138,229
	C 14-05	Strawberry Point Pump Station - Predesign	101,958	100,465
	C 14-06	Sewer Push Camera	7,000	
	C 14-07	Lowe Pump Station	7,000	
	C 14-08	SWWTP 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	654
	C 14-12	Admin building irrigation system	-	
		<b>TOTAL EXPENDITURES</b>	<b>1,180,391</b>	<b>1,049,373</b>
<b>SYSTEM REINVESTMENT FUND</b>			<b>REVENUES</b>	<b>943,000</b>
			<b>EXPENDITURES</b>	<b>(1,180,391)</b>
			<b>BEGINNING BALANCE</b>	<b>0</b>
			<b>CASH/INVESTMENTS BALANCE</b>	<b>366</b>
<b>SEWER/STORM WATER CONTINGENCY FUND - 425</b>				
425-361-11-00		Investment Interest	930	869
		<b>TOTAL REVENUES</b>	<b>930</b>	<b>869</b>
425-535-10-41		Comp Plan Stormwater Chapter	4,821	9,653
425-535-10-89		Bank Fees	100	190
425-594-38-64		Machinery/Equipment		1,300
		<b>TOTAL EXPENDITURES</b>	<b>4,921</b>	<b>11,143</b>
<b>SEWER/STORM WATER CONTINGENCY FUND</b>			<b>REVENUES</b>	<b>930</b>
			<b>EXPENDITURES</b>	<b>(4,921)</b>
			<b>BEGINNING BALANCE</b>	<b>932,970</b>
			<b>CASH/INVESTMENTS BALANCE</b>	<b>922,696</b>

**MONTHLY BUDGET ANALYSIS**

		Description	2014 Budget	YTD 12/31/2014
<b>CAPITAL BOND PROJECTS FUND (RESTRICTED) - 430</b>				
430-361-11-00		Investment Interest	-	
		<b>TOTAL REVENUES</b>	-	
430-594-38-63		Capital Outlay	-	
	C09-01	Cable-Ranch-PM Pump stations (Retainage)	57,250	
		<b>TOTAL EXPENDITURES</b>	57,250	-
<b>CAPITAL BOND PROJECTS FUND</b>				
		<b>REVENUES</b>	-	
		<b>EXPENDITURES</b>	(57,250)	
		<b>BEGINNING BALANCE</b>		62,683
		<b>CASH/INVESTMENTS BALANCE</b>		62,683
<b>DWSRF PROJECTS FUND - 440</b>				
440-382-90-31		Division 22 Reservoir		
440-382-90-43		Geneva AC Mains		175,649
		<b>TOTAL REVENUES</b>		175,649
440-594-34-62	C14-01	Division 22 Reservoir		42,048
440-594-34-63	C14-02	Geneva AC Mains		175,649
		<b>TOTAL EXPENDITURES</b>		217,697
<b>DWSRF PROJECTS FUND</b>				
		<b>REVENUES</b>		175,649
		<b>EXPENDITURES</b>		(217,697)
		<b>BEGINNING BALANCE</b>		-
		<b>CASH/INVESTMENTS BALANCE</b>		(42,048)
Expenditures offset by draws as projects progress.				
<b>2009 BOND DEBT SERVICE FUND - 450</b>				
450-361-11-00		Investment interest		
450-397-10-00		Transfers in from Operating Fund 401	447,450	447,450
		<b>TOTAL REVENUES</b>	447,450	447,450
450-535-10-41		Bond Admin Fee	300	300
450-591-35-72		Redemption of Long Term Debt	235,000	235,000
450-591-35-83		Bond Interest payments	212,150	212,150
		<b>TOTAL EXPENDITURES</b>	447,450	447,450
<b>2009 BOND DEBT SERVICE FUND</b>				
		<b>REVENUES</b>	447,450	447,450
		<b>EXPENDITURES</b>	(447,450)	(447,450)
		<b>BEGINNING BALANCE</b>		-
		<b>CASH/INVESTMENTS BALANCE</b>		-
<b>2009 BOND RESERVE FUND (RESTRICTED) - 460</b>				
460-361-11-00		Investment Interest	500	2,860
		<b>TOTAL REVENUES</b>	500	2,860
460-535-10-89		Debt Service Charges	100	205
		<b>TOTAL EXPENDITURES</b>	100	205
<b>2009 BOND RESERVE FUND</b>				
		<b>REVENUES</b>	500	2,860
		<b>EXPENDITURES</b>	(100)	(205)

<b>MONTHLY BUDGET ANALYSIS</b>			<b>2014</b>	<b>YTD</b>
<b>Description</b>			<b>Budget</b>	<b>12/31/2014</b>
	<b>BEGINNING BALANCE</b>			<b>501,157</b>
	<b>CASH/INVESTMENTS BALANCE</b>			<b>503,812</b>
<b>WATER LOANS DEBT SERVICE FUND - 470</b>				
470-397-10-00	Transfers In from Operating Fund 401		65,500	65,339
	<b>TOTAL REVENUES</b>		<b>65,500</b>	<b>65,339</b>
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
	<b>TOTAL EXPENDITURES</b>		<b>65,413</b>	<b>65,412</b>
<b>WATER LOANS DEBT SERVICE FUND</b>				
	<b>REVENUES</b>		<b>65,500</b>	<b>65,339</b>
	<b>EXPENDITURES</b>		<b>(65,413)</b>	<b>(65,412)</b>
	<b>BEGINNING BALANCE</b>			<b>73</b>
	<b>CASH/INVESTMENTS BALANCE</b>			<b>0</b>
<b>ULID 18 LOAN DEBT SERVICE FUND (RESTRICTED) - 480</b>				
480-361-50-00	ULID 18 Interest/Penalties		30,000	31,314
480-368-10-00	Current ULID 18 Principal Payments		50,000	58,262
480-379-10-30	Latecomers Fee		3,000	-
	<b>TOTAL REVENUES</b>		<b>83,000</b>	<b>89,576</b>
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	89,280
	<b>TOTAL EXPENDITURES</b>		<b>83,000</b>	<b>89,575</b>
<b>ULID 18 LOAN DEBT SERVICE</b>				
	<b>REVENUES</b>		<b>83,000</b>	<b>89,576</b>
	<b>EXPENDITURES</b>		<b>(83,000)</b>	<b>(89,575)</b>
	<b>BEGINNING BALANCE</b>			<b>0</b>
	<b>CASH/INVESTMENTS BALANCE</b>			<b>-</b>



**LAKE WHATCOM WATER AND SEWER DISTRICT**  
**AGENDA BILL**

DATE SUBMITTED:	January 5, 2015		
TO BOARD OF COMMISSIONERS			
FROM: Bill Hunter and Staff	MANAGER APPROVAL <i>Paul Hunter</i>		
MEETING AGENDA DATE:	January 14, 2015		
AGENDA ITEM NUMBER:	5.F.		
SUBJECT:	Summary of Existing District Projects		
LIST DOCUMENTS PROVIDED ⇒	1. January 2015 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

<b>Meeting Date</b>		<b>Effective Date</b>		<b>Prepared by</b>	
January 14, 2015		January 8, 2015		LE/BH	
<b>Status of Water and Sewer Permit Issuance</b>					
<b>SCOPE</b>	Provide a monthly update on permit activity.				
<b>STATUS</b>			<b>Permits Issued 2015</b>	<b>Permits Issued 2014</b>	
	No of permits issued		0	15	
	No of permits projected 2015		5		

<b>**Completed Capital Projects in 2014**</b>	
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
C1316	Boulevard Sewer Pump Station

<b>**State Required Report Status**</b>								
<b>Reporting</b>	<b>Name of Report &amp; Preparer</b>	<b>Completed</b>						<b>When Due</b>
MONTHLY	Chlorination Report Agate Heights (Kevin)	Jan	Feb	Mar	Apr	May	June	Postmarked by 10 <sup>th</sup> 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"/>	
	Surface Water Treatment Rule Report (SVWTP) (Kevin)	July	Aug	Sept	Oct	Nov	Dec	Postmarked by 10 <sup>th</sup> 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"/>	
	Department of Revenue (Debi)	Jan	Feb	Mar	Apr	May	June	Due end of following 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"/>	
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"> <li>• Geneva- 4/14</li> <li>• Sudden Valley 4/14</li> <li>• Eagleridge – 4/14</li> <li>• Agate Hghts – 4/14</li> </ul>
	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
OTHER	CPR/First Aid Training (Rich)	Completed 12/18/12	Due Biennially Next Due 2014
	Flagging Card Training (Rich)	Completed 7/22/2013	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 3:30 p.m.

**Dates of Safety Committee Meetings**

January 15, 2015	

**Summary Of Work-Related Injuries & Illnesses**

Year	2015	2014	2013	2012
Total Number of Work Related Injuries	0	1	11	8
Defined as a work related injury or illness that results in: <ul style="list-style-type: none"> <li>• Death</li> <li>• Medical treatment beyond first aid</li> <li>• Loss of consciousness</li> <li>• Significant injury or illness diagnosed by a licensed health care professional</li> <li>• Days away from work (off work)</li> <li>• Restricted work or job transfer</li> </ul>				
Total Number of Days of Job Transfer or Restriction (Light duty or other medical restriction)	0	0	5	24
Total Number of Days Away From Work (At home, in hospital, not at work)	0	0	13	9

# Lake Whatcom Water & Sewer District

## Capital Improvement Projects Staff Report

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### **C1207 Reservoir Overflow Drains to Daylight**

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*Route reservoir overflow drains to daylight.*

#### **C1207-ENG Project Administration and Engineering**

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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**

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### **C1214 Dead End Blow Offs**

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*Install blow offs at water main dead ends.*

#### **C1214-ADM Project Administration**

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

#### **C1214-CON Construction Contract**

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### **C1304 Steel Reservoir Cathodic Protection**

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*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  
9/10/2014 Board of Commissioners awards contract to low bidder - Norton Corrosion Limited from Woodinville, WA - for \$37,650.59 including sales tax.  
9/11/2014 Notice of Intent to Award letter sent to contractor. Staff and contractor working on executing construction contract.  
10/27/2014 Pre-construction meeting with contractor.  
11/3/2014 Construction contract executed.  
12/17/2014 Cathodic protection system are activated. Contractor preparing O&M manuals for submittal to District.

### **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.

## **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.
- 8/23/2014 Published Notice to the Public of Intent to Request Release of Funds in Bellingham Herald. This is required as part of the cultural review process. Have to wait 30 days before beginning test pits or geotechnical borings.
- 9/23/2014 Predesign progress meeting with G&O and District staff. Staff reviewed first 3 chapters of predesign report. G&O will update few minor items and continue final predesign tasks. Set goal to present predesign report to at 1st Board meeting in November.

## **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.
- 8/23/2014 Published Notice to the Public of Intent to Request Release of Funds in Bellingham Herald. This is required as part of the cultural review process. Have to wait 30 days before beginning any excavations for test pits or geotechnical borings.
- 9/30/2014 Neighborhood workshop meeting held at District office. Staff sent invitations to properties adjacent to project limits.
- 11/4/2014 Project / predesign report completed by Wilson. District staff will send to DOH for review/approval. Wilson and District staff continuing to work on detailed plans.
- 11/6/2014 Project report was mailed to DOH for review/approval.



- 12/3/2014 DOH reviewed project report and will provide letter to acknowledge they received it to comply with the DWSRF loan requirements. No issues with report.
- 12/4/2014 Staff, Wilson, and Bob Carmichael are reviewing and updating the District's front end contract documents. Front end documents will be sent to state for review/approval mid-December following completion of updates.
- 1/6/2015 Staff and Bob Carmichael met to review front end contract documents. Updates almost complete.

### **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.

### **C1404 2014 Sewer System Rehab and Replacement**

#### **C1404-CON**

- 8/5/2014 Pro-Vac to begin smoke testing 8/11/2014 in Sudden Valley.
- 9/29/2014 Pro-Vac has completed all originally planned smoke testing and is just about done with additional requested areas.
- 11/4/2014 Pro-Vac completed all work. District staff working to close out project.

#### **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  
V
- 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.
- 10/10/2014 Work complete
- 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.
- 9/24/2014 RH2 presents predesign report to Board of Commissioners. Staff and RH2 will continue with project as described in predesign report.
- 10/15/2014 RH2 and District staff meet with County Public Works Roads and Stormwater department heads. Meeting was to coordinate county road/stormwater projects with District's pump station project.
- 10/29/2014 RH2 submits substantial shoreline development permit to county.
- 11/25/2014 As part of the shoreline permitting process, County sent notices out to properties within 1000 feet of project. Written comments are due December 26, 2014.

**C1406 Sewer Push Camera for 2" and 4" Pipe**

*Procure sewer push camera for small diameter pipe.*

**C1406-ADM**

- 1/7/2015 Staff research crew requirements and various vender options. A system was selected that met the criteria for the best price. Purchase order for camera system issued to vendor. Project complete.

**C1407 Low Sewer PS VFD**

*Replace rotophase with VFD.*

**C1407-ADM**

- 1/5/2015 Staff obtaining quotes for VFD's from vendor. District electrician reviewing electrical panel space requirements and proposed VFD dimensions.

**C1408 SVWTP Spare Raw Water Pump VFD**

*Procure spare VFD for SVWTP raw water pump.*

**C1408-ADM**

- 1/5/2015 Staff collecting nameplate data of existing VFD drives to use for obtaining quotes for the new spare unit.

**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.
- 9/29/2014 Rebar and formwork procured and onsite. District crews will begin forming slab.
- 1/5/2015 Staff will layout finish elevation grades of proposed slab soon. District crews can then begin formwork.

**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:	January 6, 2015		
TO BOARD OF COMMISSIONERS			
FROM: Patrick Sorensen	MANAGER APPROVAL		
MEETING AGENDA DATE:	January 14, 2015		
AGENDA ITEM NUMBER:	5.G.		
SUBJECT:	Steel Reservoir Cathodic Protection Systems Construction Contract – Final Acceptance		
LIST DOCUMENTS PROVIDED ⇒ NUMBER OF PAGES INCLUDING AGENDA BILL: _____	1.		
	2.		
	3.		
TYPE OF ACTION REQUESTED	RESOLUTION <input type="checkbox"/>	FORMAL ACTION/ MOTION <input checked="" type="checkbox"/>	INFORMATIONAL/ OTHER <input type="checkbox"/>

**BACKGROUND / EXPLANATION OF IMPACT**

Norton Corrosion Limited, LLC has completed all contract requirements and punch list items except for delivery of operations and maintenance (O&M) manuals. Staff recommends accepting the project as complete if outstanding manuals are received prior to the Board meeting. Staff will report the status of the O&M manuals at the meeting.

**FISCAL IMPACT**

On September 10, 2014, the Board of Commissioners awarded a construction contract to Norton Corrosion Limited, LLC for a total contract amount of \$37,650.59 including sales tax. Actual expenses are summarized as follows:

Original Construction Contract	\$34,701.00
<u>Change Order #1</u>	<u>\$285.00</u>
Subtotal	\$34,986.00
8.5% Sales Tax	<u>\$2,973.81</u>
<b>Grand Total</b>	<b>\$37,959.81</b>

**RECOMMENDED BOARD ACTION**

See proposed motion.

**PROPOSED MOTION**

Accept the Steel Reservoir Cathodic Protection Systems Project as complete and direct staff to close out the project.



LAKE WHATCOM WATER AND SEWER DISTRICT

AGENDA BILL

DATE SUBMITTED:	January 6, 2015		
TO BOARD OF COMMISSIONERS			
FROM: Patrick Sorensen	MANAGER APPROVAL <i>Patrick Sorensen</i>		
MEETING AGENDA DATE:	January 14, 2015		
AGENDA ITEM NUMBER:	7.0		
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

January 14, 2015

### Board Meeting

#### Important Upcoming Dates:

- **Meetings Associated with the Lake Whatcom Management Program:**
  - **Policy Group Meeting:** The next meeting is set for February 25, 2015. The time has not been set as of yet. There is no January meeting. Remember, all Policy Group Meetings are publicly noticed by the District.
  - **Management Meeting:** My next meeting with the Mayor and County Executive has been set for January 14, 2015 at the District Office.
- **Next Regular Board Meeting:** The next regular meeting is scheduled for Wednesday, January 28, 2015 at 8:00 a.m.
- **Employee Staff Meeting:** The next meeting is set for Thursday, December 15, 2015 at 8:00 a.m. in the Board Room. Commissioner Millar is scheduled to attend this meeting. Scheduling is rotated by alphabetical order each month.
- **Washington Association of Sewer & Water Districts (WASWD) Section III Meeting:** The coming Section III meeting will be on Tuesday, January 13, 2014 at Bob's Burger and Brew in Tulalip at 6:15 p.m. Former State Senator Mary Margaret Haugen will be the guest speaker. She will be talking about the upcoming legislative session and the PW Assistance Account. All WASWD Section III Meetings are publicly noticed by the District.
- **Whatcom Water District's Caucus Meeting:** The next meeting is set for January 21, 2015 at 1:00 p.m. in the District Board Room. This meeting is 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.
- **FYI - Annual Report to Membership from the Water & Sewer Risk Management Pool:** Attached is a brief report on the status of the risk management pool that we belong to. The liability insurance pool 69 districts throughout Washington. Included is a balance sheet as of October 31, 2014. This represents the end of the Pool's fiscal year.
- **FYI - Proposed Revised District Policies Update:** Working with District Counsel Bob Carmichael we are continuing our efforts to create a consolidated District financial policy, a debt policy, and revised construction contract and bidding policies. We are looking at February for initial presentation and discussion.

Mr. Patrick Sorensen, General Manager  
Lake Whatcom Water & Sewer District  
1220 Lakeway Drive  
Bellingham, WA 98229

December 31, 2014

Dear Patrick:

This has been a year of many changes and accomplishments at the Water and Sewer Risk Management Pool. The Executive Committee thought you would appreciate a year-end State of the Pool summary.

We were pleased to welcome a new Executive Director, Mr. Ken Goodwin. Ken brings strong financial and management skills to the Pool; he is a retired CPA, he was the finance manager at Alderwood Water and Wastewater District for 12 years, and he served on the Pool's Executive Committee for 17 years. Working with Ken, the EC reorganized Pool administration, leading to a re-energized and more efficient Pool staff with lower overall cost.

In response to State Risk Manager concerns, we revised our strategy for improving Pool strength. In 2014, we increased our confidence level from 75% to over 90%, and if claims remain near normal, the Pool is projected to exceed 95% confidence in 2015. While we just received the State Auditor finding regarding not meeting one of two solvency tests for 2013, the actions taken (long before this result and finding) have now led to a position where we easily exceed all requirements as a result of our 2014 accomplishments. The Executive Committee also established a policy to pursue and maintain confidence levels at or above 90% as a basis for budgeting and financial planning. Because we have realized such a strong financial position so quickly, we adopted no net increase in total member premiums for 2015.

We revised our risk monitoring approach with our actuary to provide more timely and appropriate reports, including a major analysis in support of our budgeting and planning schedule and more frequent in-person reviews. Along with this, we undertook a re-work of our member charge system to fully reflect cost and experience trends and provide an equitable platform for member premiums. Partially phased in for 2015, the transition to this new model will be completed with the 2016 fiscal year.

Despite a couple of major events, we experienced an excellent claims year, which together with reduced overhead, helped us meet our goals even faster than planned. And the Pool continues a pro-active risk reduction approach with training and work sessions to address topics including water quality sampling, disinfection, driver education, and fraud prevention. While this may seem more related to operations than insurance, the best claim is an avoided claim. The Pool also enjoyed attractive renewals for our excess coverage policies, which we believe is in part based on our pro-active approach to risk management and claims avoidance.

Additionally, we welcomed a new Executive Committee member, Ms. Darcey Peterson, bringing strong water and sewer industry experience to the Pool. Her addition complements an already experienced Executive Committee and dedicated staff. Also, the Pool received interest from several potential new members; it added the Belfair Water District and a large treatment plant for Discovery Water Alliance; and continues in discussions with other interested parties.

Based on all of these results, the Pool is now well positioned to continue and enhance its cost-effective and focused service to all of our members, while enjoying the benefits of our robust financial condition and growing equity position. We continue to evaluate the most cost-effective ways to provide coverage to our members and enhance our risk management strategies. At the same time, barring an unfortunate run of claims experience, it is reasonable to expect little or no increase in total member premiums (other than through added assets).

Enclosed please find the Pool's financial results for fiscal year end, 10/31/2014, for your reference.

It has been a great year and a pleasure serving our members.

Sincerely,

A handwritten signature in black ink that reads "Michael U. Derrick". The signature is written in a cursive, slightly slanted style.

Michael Derrick  
Board President, and  
General Manager, Ronald Wastewater District

Enc.

**Water and Sewer Risk Management Pool  
Balance Sheet  
As of October 31, 2014**

	Oct 31, 14
<b>ASSETS</b>	
<b>Current Assets</b>	
<b>Checking/Savings</b>	
<b>Cash</b>	
1015001 · Investments - LGIP	1,084,300.74
1015002 · US Bank - General Purpose Ch...	19,076.66
1090000 · Petty Cash	50.00
<b>Total Cash</b>	1,103,427.40
<b>Total Checking/Savings</b>	1,103,427.40
<b>Accounts Receivable</b>	
<b>Other Receivables</b>	
Allowance for Doubtful Accounts	-2,158.07
1210000 · Miscellaneous Receivable	7,100.35
<b>Total Other Receivables</b>	4,942.28
120000 · Member Receivables	2,654,118.36
<b>Total Accounts Receivable</b>	2,659,060.64
<b>Other Current Assets</b>	
<b>Prepaid Expenses</b>	
1500000 · Prepaid Insurance	376,657.00
1510000 · Other Prepaid Expense	2,465.65
1560000 · Security Deposit	1,949.08
<b>Total Prepaid Expenses</b>	381,071.73
<b>Total Other Current Assets</b>	381,071.73
<b>Total Current Assets</b>	4,143,559.77
<b>Fixed Assets</b>	
<b>Other Assets</b>	
2210000 · Office Equipment	82,784.99
2900000 · Accumulated Depreciation	-74,258.92
<b>Total Other Assets</b>	8,526.07
<b>Total Fixed Assets</b>	8,526.07
<b>TOTAL ASSETS</b>	4,152,085.84
<b>LIABILITIES &amp; EQUITY</b>	
<b>Liabilities</b>	
<b>Current Liabilities</b>	
<b>Accounts Payable</b>	
Accounts Payable	34,576.49
<b>Total Accounts Payable</b>	34,576.49
<b>Other Current Liabilities</b>	
<b>Current Liabilities</b>	
3250000 · Accrued Annual/Sick Leave	12,987.09
<b>Total Current Liabilities</b>	12,987.09
Member Cont for Future Periods	
3900000 · Member Assessments FY13	2,653,953.98
<b>Total Member Cont for Future Periods</b>	2,653,953.98
<b>Total Other Current Liabilities</b>	2,666,941.07
<b>Total Current Liabilities</b>	2,701,517.56
<b>Long Term Liabilities</b>	
3595010 · Claims Reserves	569,000.00
<b>Total Long Term Liabilities</b>	569,000.00
<b>Total Liabilities</b>	3,270,517.56
<b>Equity</b>	
3900 · Retained Earnings	194,675.18
Net Income	686,893.10
<b>Total Equity</b>	881,568.28
<b>TOTAL LIABILITIES &amp; EQUITY</b>	4,152,085.84



**Water and Sewer Risk Management Pool**  
**Profit & Loss**  
November 2013 through October 2014

	Nov '13 - Oct 14
<b>Ordinary Income/Expense</b>	
<b>Income</b>	
5100000 · Member Assessments	2,656,785.36
5110000 · Additional Premiums (prop/auto)	21,557.77
5120000 · Insurance Services (bonds)	6,322.42
<b>Total Income</b>	2,684,665.55
<b>Gross Profit</b>	2,684,665.55
<b>Expense</b>	
1100600 · Accounting	24,686.01
1700600 · Payroll, Benefits, P/R Taxes	
1700601 · Wages	219,808.98
1700602 · Payroll Taxes	4,182.75
1700603 · Employee Health Insurance	30,143.32
1700604 · Retirement	35,040.90
1700606 · Unemployment	16,224.00
<b>Total 1700600 · Payroll, Benefits, P/R Taxes</b>	305,399.95
7110010 · Claims Reserve Exp-Actuary Adj	-120,000.00
7120010 · Actuarial Study	9,800.00
7120011 · Member Re-Appraisals	5,918.00
7135010 · Claims Adjusting	49,256.69
7135020 · Claims - Current Fiscal Year	
7135035 · Deductible Recovery - CY Claims	-37,881.95
7135020 · Claims - Current Fiscal Year - Ot...	209,253.14
<b>Total 7135020 · Claims - Current Fiscal Year</b>	171,371.19
7135025 · Claims - Prior Fiscal Years	
7135040 · Deductible Recovery - PY Claims	-29,471.48
7135025 · Claims - Prior Fiscal Years - Other	238,000.72
<b>Total 7135025 · Claims - Prior Fiscal Years</b>	208,529.24
7140010 · Insurance Expense	1,089,880.42
7142010 · Insurance Services - (bonds)	6,299.00
7160010 · Legal (Admin.)	54,750.00
7160011 · Legal(claims)	6,120.00
7170010 · Consultants	52,381.25
7180010 · Claims Audit	7,100.00
7190010 · Equipment	367.99
7190020 · Software	607.49
7230050 · Dues & subscriptions - Admin	2,262.35
7240020 · Education - Members	2,800.00
7240055 · Education-Staff & EC	4,343.79
7260020 · Meetings	7,197.75
7310060 · Executive Comm. Reimbursement	4,159.48
7410020 · Lodging and Meals	12,920.83
7430020 · Promotional	2,782.44
7440021 · Transportation	9,335.39
8130060 · Equipment Maintenance	16,364.56
8150600 · Supplies	3,937.38
8210060 · Postage	1,914.28
8250060 · Printing	833.85
8310060 · Rent	34,058.25
8340060 · Telephone	7,177.07
8350060 · State Risk Mgr. Assessment	11,734.40
8550060 · Miscellaneous Expenses	177.36
8900000 · Depreciation (equipment)	5,169.48
<b>Total Expense</b>	1,999,635.89
<b>Net Ordinary Income</b>	685,029.66
<b>Other Income/Expense</b>	
<b>Other Income</b>	
<b>Interest Income</b>	
9100000 · Interest on General Investments	1,845.29
9400000 · Interest on US Bank	18.15
<b>Total Interest Income</b>	1,863.44
<b>Total Other Income</b>	1,863.44
<b>Net Other Income</b>	1,863.44
<b>Net Income</b>	686,893.10