



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

REGULAR MEETING
OF THE BOARD OF COMMISSIONERS

AGENDA

December 14, 2016

11

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. Draft 2017 Budget
 - B. Abandoned Water Tank
6. OTHER BUSINESS
7. MANAGER'S REPORT
8. PUBLIC COMMENT OPPORTUNITY
9. ADJOURNMENT



LAKE WHATCOM WATER AND SEWER DISTRICT

AGENDA BILL

DATE SUBMITTED:	December 6, 2016		
TO BOARD OF COMMISSIONERS			
FROM: Patrick Sorensen	MANAGER APPROVAL <i>[Signature]</i>		
MEETING AGENDA DATE:	December 14, 2016		
AGENDA ITEM NUMBER:	5.A.		
SUBJECT:	Draft 2017 Budget		
LIST DOCUMENTS PROVIDED ⇒ NUMBER OF PAGES INCLUDING AGENDA BILL: _____	1. Draft 2017 Budget		
	2.		
	3.		
TYPE OF ACTION REQUESTED	RESOLUTION <input type="checkbox"/>	FORMAL ACTION/ MOTION <input checked="" type="checkbox"/>	INFORMATIONAL/ OTHER <input checked="" type="checkbox"/>

BACKGROUND / EXPLANATION OF IMPACT

At the November 30, 2016 meeting, the Board briefly reviewed the proposed Budget for 2017. The Draft 2017 Budget is attached for consideration.

FISCAL IMPACT

None at this time.

RECOMMENDED BOARD ACTION

Review and consider the proposed Budget for 2017.

PROPOSED MOTION

To adopt the 2017 Budget as presented.



LAKE WHATCOM WATER AND SEWER DISTRICT

2017 ANNUAL BUDGET



FY 2017 BUDGET

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FY 2017 Budget

Lake Whatcom Water & Sewer District
1220 Lakeway Drive
Bellingham, Washington
98229

Approved: December 14, 2016

Board of Commissioners:

Laura Weide, President

Todd Citron, Secretary

John Carter, Commissioner

Curt Casey, Commissioner

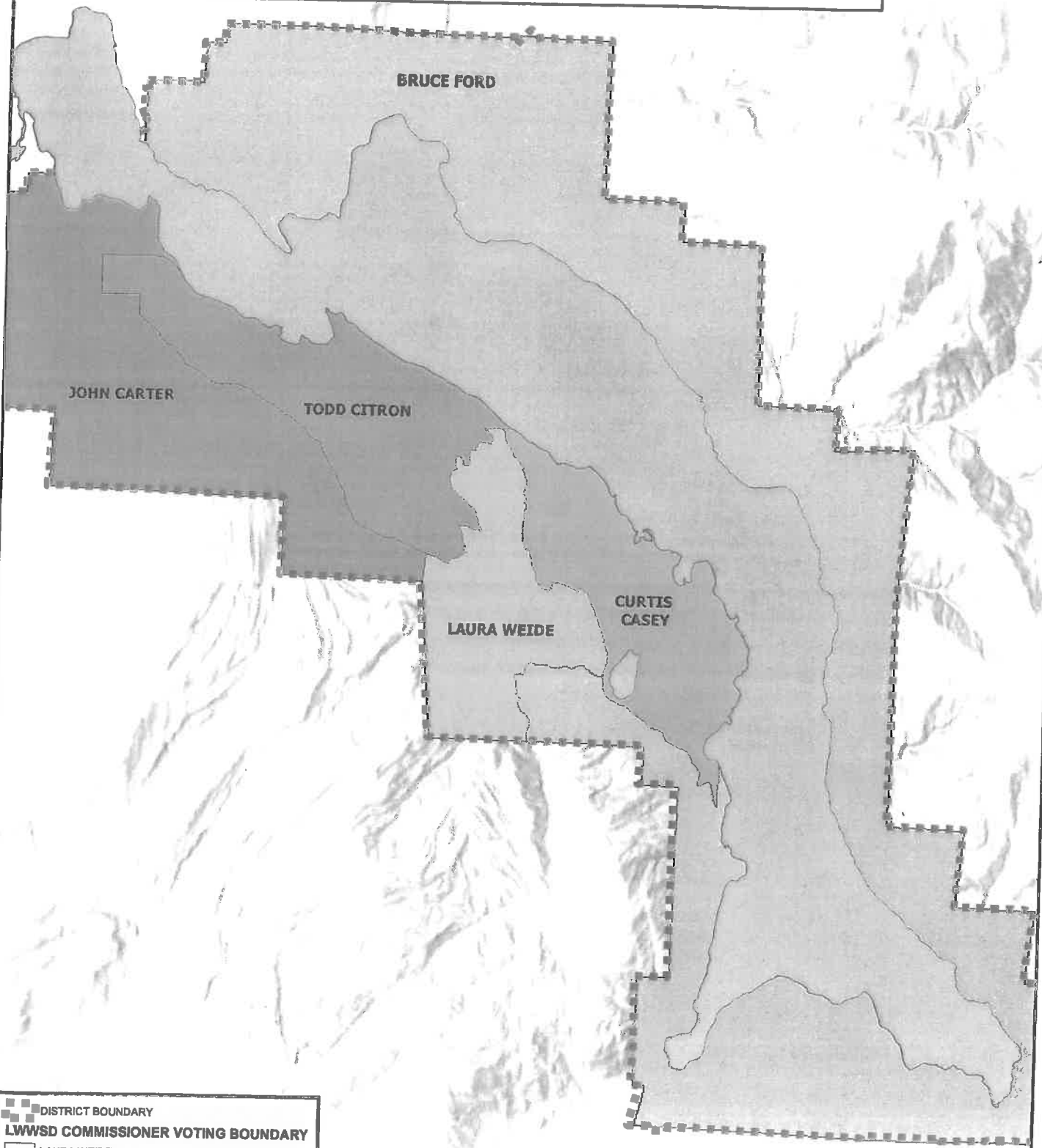
Bruce Ford, Commissioner

General Manager
Patrick Sorensen

December 14, 2016



LAKE WHATCOM WATER & SEWER DISTRICT COMMISSIONER VOTING BOUNDARY



DISTRICT BOUNDARY

LWWSD COMMISSIONER VOTING BOUNDARY

LAURA WEIDE

JOHN CARTER

BRUCE FORD

CURTIS CASEY

TODD CITRON

006



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

(360) 734-9224
FAX 738-8250

December 14, 2016

Board of Commissioners
Lake Whatcom Water and Sewer District
1220 Lakeway Drive
Bellingham, WA 98229

Re: Proposed 2017 Budget

Dear Commissioners:

Attached are a copy of the proposed 2017 budget and a summary of related topical issues for your consideration and discussion:

Expenditure & Revenue Highlights

Overall net expenditures are proposed to increase by approximately 3.75% over last year's approved 2016 Budget. One of the primary reasons for this includes labor cost increases. A cost of living increase of 2.4% and step increases for those qualified is provided for in the proposed budget. This is consistent with the terms of our labor agreement with AFSCME Local 114WD.

The District is entering into the second year of a three year contract in January. Another component of our labor costs includes an 11% increase in health and life insurance rates. The District purchases its insurance through the State's Public Employees Benefits Board (PEBB). This is the first significant increase in rates over the last three years. Rate increases in general within the private sector and with other public entities have increased by as much as 20% or more throughout the U.S. and this region. In addition, the employer cost to the State of Washington's retirement system (PERS) will be increasing by 3.3% in January.

In keeping with the District's succession plan in addressing upcoming employee retirements over the next three years we are recommending that a new full time Utility Systems Support Specialist position be added in mid-year 2017 in preparation of the pending retirement of our existing Specialist position in 2018. This is a critical position that will require training over a period of time in advance of the pending retirement. In addition, we are also budgeting for the planned promotion of an existing Maintenance Worker II position to a Maintenance Worker Lead position. This position was created in late 2016 in conjunction with our succession planning efforts and previously approved by the Board of Commissioners. General liability insurance will also be increasing by 7% in 2017. Because

of projected revenue increases Washington Department of Revenue business and occupation taxes (B&O Tax) will increase by 4%. Other operating expenses are projected to increase through the normal rate of inflation.

As described above, overall revenue in 2017 is projected to increase by approximately 4%. As called for within the District's adopted water and sewer rate plan, water rates will increase by 8.75% in January while sewer rates will increase by 2.5%. These rates are connected to projected operating and capital costs outlined in the previously adopted comprehensive planning process. The new rates were adopted previously in 2014 following a 5-year rate study. These rates were again re-evaluated this fall for their adequacy. In addition, we are conservatively budgeting for only 10 new connections in 2017. We planned for 5 connections in 2016 and realized 19. Remaining ULID No.18 payments, which are nearly paid off have been decreasing each year, and are projected to bring in approximately \$550,000 over 2017. Again, these funds are unrestricted in their use as the original loan has been paid off, and continue to be available for general operations.

Operating Reserves (Working Capital)

An operating reserve is designated to provide a liquidity cushion; it protects the utility from the risk of short-term variation in the timing of revenue collection or payment of expenses. Like other types of reserves, operating reserves also serve another purpose; they help smooth rate increases over time. In 2017 we are proposing 60 days of sewer and 90 days of water expenses which is within the industry standard of 45 - 60 days for sewer utilities and 60 - 90 days for water utilities. In 2016 our operating reserve was 45 days of sewer expenses. We are increasing this reserve by 15 days.

Capital Contingencies (Water and Sewer/Stormwater)

In addition to protecting against variations in the timing of operating costs and revenues, it is prudent to maintain a capital contingency reserve to meet unexpected emergency capital outlays. We have traditionally used replacement costs to derive the targeted reserve dollar amount which equates to 1% (up from .5% in FY 2016) of the replacement cost of fixed assets. In the 2017 budget we provide for a \$750,000 sewer reserve and a \$440,000 water reserve. Both exceed the minimum capital contingency requirement.

Rate Fund System Reinvestment

The District has a policy of setting aside a certain amount of rate revenue each year for system reinvestment. Funding depreciation expense meets several standards for responsible rates: financial integrity, rate equity, and adequacy of capital funding. For 2017 the District has budgeted system reinvestment at \$1,588,000.

Projects and Significant Activities in 2016

Each year the District initiates projects from its ongoing 6-year Capital Improvement Program that are critical to maintaining our existing water and sewer systems. These projects are identified within the District's Water and Wastewater Comprehensive Plan's and within the long-range financial and rate plan. The largest and most time consuming project over the last three years has been the Geneva AC Water Main Replacement Project. Initiated in 2015 the project was completed in 2016. Approximately 2.5 miles of water lines were replaced in the streets of the Geneva neighborhood.

Design and pre-bid preparation work for the new Division 22 water tank in Sudden Valley was also initiated in 2015. Though it will not be fully completed until 2017, much of the work was completed in 2016. The Strawberry Point Sewer Pump Station replacement project was also completed in 2016. Both the Geneva AC and the Division 22 projects were financed through a low interest \$3.3 million Washington State Department of Health (WDOH) loan received previously.

The District also completed a first time seismic assessment of its existing 5 steel water tank reservoirs. This effort will provide direction to us in the future as we plan for upgrading identified deficiencies within our comprehensive planning process. In 2016 the District also started design to the Country Club Sewer Pump Station. In addition, the District received a \$30,000 grant from the WDOH to study the financial feasibility of consolidating its Eagleridge and Agate Heights water systems along with a number of small private systems along the Northshore of Lake Whatcom. This work was initiated in the fall of 2016 and should be completed during the coming summer.

The District also initiated the Northshore Water Quality Sampling program in the late fall which will run into the summer of 2017 in order to evaluate the impact of existing onsite sewage disposal systems along the shore line. This commitment is an extension of the District's prior years goal to evaluate the value of connecting 80 + homes along Northshore Road and the shore line that are served by these existing older septic systems in an urbanized area. This is an evolutionary process of study and evaluation that will likely involve the City of Bellingham and Whatcom County. Finally, the District refunded its 2009 bond issue saving approximately \$1.1 million by issuing a 2016 bond at a lower rate and in turn paying off a \$2 million loan nearly 20 years early to the City of Bellingham for our share of required wastewater treatment plant improvements. Each of these is but a sample of the important work undertaken in 2016.

Looking Forward Into 2017

In 2017 the District will move forward on completing and closing out the Division 22 Water Reservoir. In addition to moving forward to the North Shore water system consolidation study and the water quality study the District will also be updating our water comprehensive plan in the new year. In 2017 the District is scheduled to both design and upgrade the Country Club Sewer Pump Station. Potentially this may involve eliminating the pump station. We will also be initiating the permitting and design work associated with both the Lakewood and Geneva Sewer Pump Stations. Financially, we are scheduled to replace 3 older vehicles in 2017.

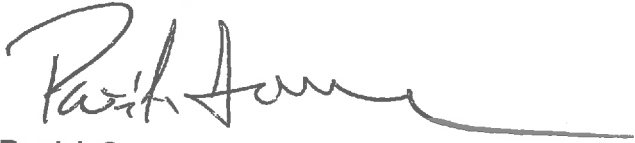
Each of these highlighted projects fall within the framework of the District's existing critical planning documents such as our Water and Sewer Comprehensive Plans and the previously adopted water and sewer rate schedule. Together these documents along with the policy direction provided by the Board of Commissioners serve the District in matching up needed resources to implement critical capital improvements and ongoing maintenance requirements.

In Conclusion

Again, the District's financial condition remains healthy and solvent. We follow long established conservative financial budgeting practices. Debt service requirements continue to be met. Resources are being saved for future capital requirements and unforeseen

emergencies. The on-going effort of planning and preparing for the future along with the operational maintenance requirements of the District are being met. This continues to be a result of the dedication and diligence exhibited by the Board of Commissioners in establishing governing policies and by the commitment and efficiency of staff in carrying out these policies. As always, recognition needs to be given to the employees of the District who are responsible for doing a great job in managing the resources we are entrusted with on behalf of the ratepayers.

Respectfully submitted,

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

Patrick Sorensen
General Manager



OPERATING FUND SUMMARY 401

This fund is maintained as the primary operating fund of the District. The majority of the revenue is derived from rates charged to water and sewer customers. Other revenue sources are interest income, late payment fees, recording fees, permit fees and miscellaneous charges and fees. All fees and charges are set by the Board of Commissioners. Funds collected are used to pay for operating and maintenance expenditures in accordance with the annual operating budget.



SYSTEM REINVESTMENT FUND SUMMARY 420

The System Reinvestment Fund is a special fund intended to receive and disburse funds for capital construction projects. This fund is primarily funded through interfund income from the General Fund. It is additionally funded annually in an amount established through the rate study. Other income is in the form of grants, loans, latecomer fees and permits. The System Reinvestment Fund expenses are derived from the "Capital Improvement and Maintenance Plan" attached to the fiscal year 2017 budget.



SEWER/STORM WATER CONTINGENCY FUND SUMMARY 425

The Sewer/Storm Water Contingency Fund was created to ensure that unforeseen projects related to sewer system and storm water system expenses will have funding, as approved by the Board. The funding level is established at 1% of utility plant replacement cost.

WATER CONTINGENCY FUND SUMMARY 426

The Water Contingency Fund was created to ensure that unforeseen projects related to the water system will have funding, as approved by the Board. The funding level is established at 1% of utility plant replacement cost.



2016 BOND CAPITAL PROJECTS FUND 431

The 2016 Bond Capital Projects Fund was created to track the bond issue proceeds. Funds were utilized to refund the remaining 2009 issue, pay off the City of Bellingham Post Point portion and finance two capital projects.

DWSRF PROJECTS FUND SUMMARY 440

(DRINKING WATER STATE REVOLVING FUND)

The DWSRF Projects Fund is a special fund for the utilization of two Drinking Water State Revolving Fund loans. One project replaces aging water mains including all of the asbestos concrete (AC) water mains in the Geneva service area with ductile iron (DI) water mains. The other project constructs a new .5 MG (million gallon) reservoir to keep up with population growth primarily due to infilling in Geneva and Sudden Valley. These projects will be finalized during the 2017 budget year.



DEBT SERVICE FUND SUMMARY 450

The Debt Service Fund serves to provide redemption of outstanding debt incurred. The 2016 Bond issue interest is paid semi-annually, and the principal is paid annually from General Fund revenues. This fund also serves to provide redemption of long term water project loans. Principal and interest are paid entirely from General Fund revenues. A "Revenue Bonds and Loan Funds Summary" is included in the budget document.

BOND RESERVE FUND SUMMARY 460

This fund was established by the covenants of the 2016 bond sale and is restricted by definition. A reserve limitation is required to be held in the Reserve Fund until the outstanding 2016 bonds are paid in full. The bond reserve is fully funded.



LAKE WHATCOM WATER AND SEWER FUND SUMMARY 2017

	401	420	425	426	431	440	450	460	
	OPERATING	SYSTEM REINVESTMENT	SEWER/ STORM WATER CONTINGENCY	WATER CONTINGENCY	2016 BOND FUND	DWSRF PROJECTS	DEBT SERVICE	BOND RESERVE (RESTRICTED)	TOTAL
2017 REVENUES AND TRANSFERS IN	6,298,017	1,658,000	103,750	2,500	-	229,950	890,172	3,850	9,186,239
2017 EXPENDITURES AND TRANSFERS OUT	(6,916,728)	(1,658,000)	(210,200)	-	(156,923)	(1,058,100)	(913,162)	(200)	(10,915,313)
CASH/INVESTMENTS 2016 CARRYOVER	1,750,000	-	887,000	440,000	156,923	828,150	22,990	773,200	4,858,263
PROPOSED 2017 YEAR END BALANCE	\$1,129,289	\$0	\$780,550	\$442,500	\$0	\$0	\$0	\$776,850	\$3,129,189
ALLOCATED TO OPERATING RESERVES	-\$800,000								
AVAILABLE 2017 YEAR END BALANCE	\$329,289								

LAKE WHATCOM WATER AND SEWER DISTRICT

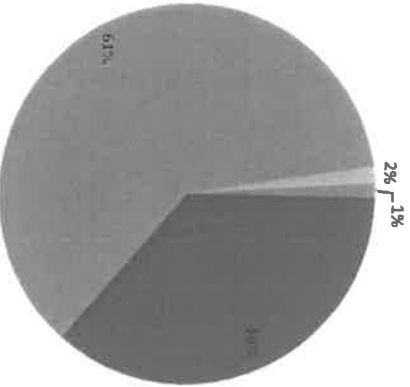
YEAR 2017 TRANSFERS

017

DESCRIPTION	FROM FUND	AMOUNT	TO FUND	AMOUNT
For System Reinvestment	401	1,588,000	420	1,588,000
For Debt Service	401	890,172	450	890,172
For Sewer/Storm Water Contingency	401	200,000	425	200,000
TOTAL TRANSFERS		<u>\$ 2,678,172</u>		<u>\$ 2,678,172</u>

OPERATING FUND - 401**REVENUES**

Description	Actual 2014	Actual 2015	Adopted 2016	Budget 2017
401-343-20-00	-	-	-	-
401-343-40-10	-	-	-	-
401-343-50-11	1,744,440	1,986,211	2,142,363	2,279,985
401-343-50-19	3,480,670	3,680,523	3,740,663	3,844,032
401-343-81-10	5,640	4,711	5,000	5,000
401-359-90-00	39,825	29,762	30,000	30,000
401-361-11-10	64,178	59,921	60,000	50,000
401-361-40-00-80	1,639	824	1,000	1,500
401-368-10-00-80	-	-	-	15,000
401-368-10-00	-	-	-	40,000
401-368-10-01	3,967	1,720	-	2,500
401-369-90-00	-	-	-	-
401-379-10-20	1,545	-	-	-
401-395-20-00	34,558	31,905	10,000	30,000
401-395-40-00	-	15,943	-	-
401-397-10-00-80	5,000	-	-	-
	89,280	73,517	60,000	-
TOTAL REVENUES	5,470,742	5,885,037	6,049,026	6,298,017



Legend:

61% Sewer Service

36% Water Sales

1% Fees/Charges

2% Permits/Other

* Per Resolution 806 effective 1/1/2015
Scheduled annual rate increase

	Description	Actual 2014	Actual 2015	Adopted 2016	Budget 2017
OPERATING FUND - 401					
EXPENDITURES					
401-53X-10-10	Admin Payroll (2.4% cola plus step increases - 2017)	1,437,711	544,028	628,294	639,252
401-53X-10-20	Admin Personnel Benefits (Medical/Retirement etc)	507,598	191,599	207,280	269,830
401-53X-10-31	Gen Admin Supplies/Equipment	22,314	23,715	21,000	25,000
401-53X-10-31-01	Meetings/Team building	1,511	1,693	1,500	1,500
401-53X-10-40	Web pay/Bank Fees	17,405	27,760	20,000	20,000
	Interlocal - Lake Whatcom Management Program				
	Interlocal - Invasive Species				
401-53X-10-41	Interlocal - Lake Whatcom Tributary Monitor	60,134	53,274	65,000	65,000
	Water Quality Assurance Programs (TOTAL)				
	County Auditor Filing Fees (Simplify)				4,500
	Data Bar (Statement processing)				21,000
	Answering Service				1,700
	Data Pro (Time clock system)				1,500
	BIAS Financial Software				20,000
	Web Check services				5,000
	WA State Auditor				22,000
	CPA (Internal audit and Financial statements)				6,000
	Docuware/Web site maintenance and upgrade				5,000
	Legal Counsel				60,000
	3D - Computer support				20,000
	Watchguard				1,000
	Building security for offices				1,500
	Building custodial				7,700
	Pest control				600
	Landscaping service				5,500
	South Whatcom Fire (hydrant maintenance)				2,000
	GE Scada System Software Maintenance - Operations				7,500
	Wilson Engineering				7,000
	Camera Van Software				1,500
	SCADA/PLC Support - Engineering/Operations				5,000
	Cartograph - Engineering/Operations				8,000
	Auto Desk - Engineering				1,000
	GIS Partnership				1,000
	Rockwell - Engineering/Operations				500
	IT Pipes				1,500
	ESRI - ARC GIS				1,500
	Innovyze - Engineering				2,500
	Master Meter				2,000
	Generator Load Testing				22,000
	Cyberlock software				1,000
	Whatcom County Emergency Management				20,000
	Misc (Bid notices etc.)				3,000
401-53X-10-41-01	Professional Services (TOTAL)	300,258	227,893	231,500	270,000
401-53X-10-42	Communication	49,212	47,297	46,000	50,000
401-53X-10-43	Memberships/Dues	14,760	-	-	-
401-53X-10-44	WA State Dept of Revenue Taxes	166,468	-	-	-

	Description	Actual 2014	Actual 2015	Adopted 2016	Budget 2017
401-53X-10-45	Admin Lease				
401-53X-10-46	Property Insurance	2,310	1,796	2,000	2,000
401-53X-10-49	Admin Misc.	105,538	121,322	125,000	138,000
401-53X-10-49-01	Memberships/Dues	800	712	1,000	1,000
401-53X-10-49-02	WA State Dept of Revenue Taxes/Permits	-	11,077	12,000	15,000
401-53X-40-43	Training & Travel	-	186,096	191,500	208,000
401-53X-40-43-01	Tuition reimbursement	20,118	28,446	35,000	35,000
401-53X-50-31	Maintenance Supplies	-	-	1,000	1,000
401-53X-50-48	Operations Repair/Maint	140,958	142,319	145,000	180,000
401-53X-50-49	Insurance Claims	65,735	72,502	65,000	130,000
401-53X-60-41	Operations Contracted	5,360	11,633	5,000	5,000
401-53X-60-47	Water City of Bellingham	10,485	8,748	10,000	9,000
401-53X-60-47	Sewer City of Bellingham Treatment Fee	34,595	37,083	40,000	40,000
401-53X-80-10	Operations Payroll (2.4% cola plus step increases - 2017)	674,017	564,405	600,000	615,000
401-53X-80-20	Operations Personnel Benefits (Medical, Retirement etc)	-	967,141	908,270	951,544
401-53X-80-32	Fuel	-	349,954	355,800	414,930
401-53X-80-35	Safety Supplies	32,839	27,817	30,000	20,000
401-53X-80-35-01	Safety Supplies Boots	6,121	17,346	12,000	10,000
401-53X-80-35-02	Emergency Preparedness	2,208	1,898	2,500	2,500
401-53X-80-47	General Utilities				
401-53X-80-49	Laundry	202,182	188,528	195,000	208,000
401-591-35-77	Post Point Principal Payments	1,911	2,829	3,000	4,000
401-592-35-83	Post Point Interest Payments	-	69,560	73,213	-
		-	124,080	120,426	-
	OPERATING EXPENDITURES	3,882,548	4,052,551	4,154,383	4,340,556
TRANSFERS					
	Transfers Out to System Reinvestment Fund 420				
	Transfers Out to Sewer/Storm Water Contingency Fund 425	947,000	392,000	530,000	1,588,000
	Transfers Out to Water Contingency Fund 426				100,000
	Transfers Out to DWSRF Projects Fund 440		85,095	600,000	-
	Transfers Out to Debt Service Fund 450	447,450	448,252	443,050	890,172
	Transfers Out to Bond Reserve Fund 460			250,000	-
	Transfers Out to Water Loan Debt Service Fund 470	65,339	117,185	215,470	-
	TOTAL EXPENDITURES	5,342,337	5,095,083	6,182,903	6,918,728
OPERATING FUND					
	OPERATING REVENUES	5,470,742	5,470,741	6,049,026	6,298,017
	EXPENDITURES	(5,342,337)	(5,095,083)	(6,182,903)	(6,918,728)
	2016 BALANCE CARRYOVER				1,750,000
	2017 YEAR END ALLOCATED TO OPERATING RESERVES				(800,000)
	PROPOSED AVAILABLE 2017 YEAR END BALANCE				329,289

	Description	Actual 2014	Actual 2015	Adopted 2016	Budget 2017
SYSTEM REINVESTMENT FUND - 420					
420-369-90-20	Prior Year Reimbursement				
420-343-40-19	DEA Permits	38,642	-		
420-379-10-30	Permits Capital Portion (10 new connection permits)				
420-379-10-40	Latecomer Fees	64,096	47,555	40,000	70,000
420-397-10-00	Transfers In from Operating Fund 401				
		947,000	392,000	530,000	1,598,000
	TOTAL REVENUES	1,049,738	439,555	570,000	1,658,000
420-534-10-41	DEA Contracted Services				
420-534-90-61	DEA Refunds	-			
420-594-38-62	Capital Outlay - Structures				
420-594-38-63	Capital Outlay - Water/Sewer Systems	104,392	135,917	570,000	-
420-594-38-64	Capital Outlay - Machinery/Equipment	750,766	290,768		-
		194,215	12,493		-
	Active Projects to be completed in 2017				
	New 2017 Capital Projects (see CIP detail - 2017)				777,500
					880,500
	TOTAL EXPENDITURES	1,049,373	439,198	570,000	1,658,000
SYSTEM REINVESTMENT FUND					
	REVENUES				
	EXPENDITURES	1,049,738	439,555	570,000	1,658,000
	CASH/INVESTMENTS BALANCE CARRYOVER	(1,049,373)	(439,198)	(570,000)	(1,658,000)
	PROPOSED 2017 YEAR END BALANCE				-

Active Capital Improvement Projects

(values updated 11/8/2016)

Category Project # Project Title / Tasks

Projected Budget
to Completion

Spent to Date

Amount
Remaining

Notes

Grant, Loan, and Bond Funded Projects

Water	C1401	Division 22 Reservoir							
		Permit fees, advertising, legal, printing	\$	35,000.00	\$	32,934.58	\$	2,065.42	
		Engineering Consultant - Gray & Osborne	\$	288,414.00	\$	185,652.27	\$	102,761.73	Phase 1, 2, & 3
		Construction - T Bally	\$	1,402,525.00	\$	594,580.00	\$	807,945.00	Thru pay estimate #3
		DWSRF Loan Fee	\$	9,850.00					
		DWSRF Loan Fee - Amendment	\$	3,000.00					
		Total Project Cost	\$	1,738,789.00	\$	813,166.85	\$	912,722.15	Amendment application in progress
		DWSRF Loan	\$	994,850.00					
		DWSRF Loan Amendment	\$	303,000.00					
		Balance Funded by 2016 Revenue Bond	\$	440,939.00					Amendment application in progress
		Total Project Funding	\$	1,738,789.00					Bond planned for \$800k
Water	C1613	Northshore Water System Consolidation	\$	30,000.00	\$	304.00	\$	29,696.00	
		Funding by DOH Grant	\$	30,000.00					

Sewer/Storm Water Contingency Fund Projects

Sewer	C1607	Northshore Water Quality Sampling							
		PH1 - Herrera Sampling & Analysis Plan	\$	19,052.00	\$	11,956.80	\$	7,095.20	
		PH2 - Herrera Implement Sampling & Analysis	\$	68,295.00	\$	-	\$	68,295.00	
		Project Total	\$	87,347.00	\$	11,956.80	\$	75,390.20	
Storm	C1612	Cedar Hills Water Main Relocation	\$	134,012.15	\$	-	\$	134,012.15	County storm water treatment project
		Grand Total for Sewer/Storm Water Contingency Fund Projects	\$	221,359.15	\$	11,956.80	\$	209,402.35	

Rate Funded Projects

Sewer	C1407	Lowes Sewer PS VFD	\$	10,000.00	\$	6,548.68	\$	3,451.32	
Water	C1504	Reservoir Site Security	\$	5,000.00	\$	-	\$	5,000.00	
Water	C1505	Reservoir Seismic Vulnerability Assessment							
		BHC Consultants	\$	35,018.00	\$	35,018.00	\$	-	
		GeoTest	\$	3,953.11	\$	3,953.11	\$	-	
Sewer	C1506B	Whatcom Falls MH Repair							
		PH1 - Wilson Design	\$	35,228.00	\$	23,724.55	\$	11,503.45	
Sewer	C1603	CON - Construction - Carman	\$	126,886.39	\$	121,039.09	\$	5,847.30	Thru final pay estimate
Water	C1605	Marina-Tomb Stationary Generator	\$	40,000.00	\$	33,217.21	\$	6,782.79	
Water	C1606	Water System Plan Update	\$	100,000.00	\$	-	\$	100,000.00	
Water	C1610	Replace SCADA Workstation Hardware	\$	10,000.00	\$	7,328.48	\$	2,671.52	
Water	C1611	Little Strawberry Water Leak on Bridge	\$	10,000.00	\$	-	\$	10,000.00	
Sewer		Country Club Sewer Pump Station							
		PH1 - BHC Design, Permitting, Bidding	\$	153,093.00	\$	999.70	\$	152,093.30	
		Services During Construction - Estimate	\$	80,000.00	\$	-	\$	80,000.00	
		Construction - Estimate	\$	400,000.00	\$	-	\$	400,000.00	
		Grand Total for Rate Funded Projects	\$	1,009,178.50	\$	231,828.82	\$	777,349.68	

Lake Whatcom Water and Sewer District - Capital Improvement Plan 2017 thru 2022

Program Area / CIP Project # / CIP Project Name

Both Water and Sewer

Fund	Total	2017	2018	2019	2020	2021	2022
A0005	Accounting & Administration Server - Replace/Update Hardware, Network Security, & OS	30,000	15,000		15,000		
E0001	Replace Backhoe (budget estimate for new unit)	166,108			166,108		
V0001	Replace Tool Truck (6 tool trucks in fleet)	130,000	65,000		65,000		
V0002	Replace Administrative Staff Vehicle (3 cars in fleet)	26,000	26,000				
V0003	Replace Locator / Meter Reading Van	28,000	28,000				
V0004	Replace Light Truck	30,000		30,000			
	Subtotal	410,108	134,000	30,000	246,108		

Sewer System

0032a	Agate Bay Pump Station - Predesign and Shorelines Permitting	100,000					
0032b	Agate Bay Pump Station - Design and Bidding	100,000			100,000		
0032c	Agate Bay Pump Station - Construction	500,000				100,000	
0038a	Geneva Pump Station - Predesign and Shorelines Permitting	100,000	100,000				500,000
0038b	Geneva Pump Station - Design and Bidding	100,000	100,000				
0038c	Geneva Pump Station - Construction	475,000		475,000			
0044a	Edgewater Pump Station - Predesign and Shorelines Permitting	100,000			100,000		
0044b	Edgewater Pump Station - Design and Bidding	100,000					
0044c	Edgewater Pump Station - Construction	475,000			100,000		
0050a	Par Lane Pump Station - Permitting, Design, Bidding	175,000				475,000	
0050b	Par Lane Pump Station - Construction	400,000		175,000			
0053a	Dellesta Pump Station - Predesign and Shorelines Permitting	100,000			400,000		
0053b	Dellesta Pump Station - Design and Bidding	100,000		100,000			
0053c	Dellesta Pump Station - Construction	475,000			100,000		
0055a	Rocky Ridge Pump Station - Predesign and Shorelines Permitting	100,000		100,000		475,000	
0055b	Rocky Ridge Pump Station - Design and Bidding	100,000		100,000			
0055c	Rocky Ridge Pump Station - Construction	500,000			500,000		
0056a	Lakewood Pump Station - Predesign and Shorelines Permitting	100,000	100,000				
0056b	Lakewood Pump Station - Design and Bidding	100,000	100,000				
0056c	Lakewood Pump Station - Construction	475,000		475,000			
0128b	Procure Additional Backup Generator - Strawberry Canyon Extension Cord	20,000	20,000				
0128c	Procure Additional Backup Generator - 82KW Portable Generator	61,800		61,800			
0150	Beaver and Flat Car Level Transmitter Replacement	50,000	50,000				
A0010	Update Sewer Comprehensive Plan (Current Plan Dated 6-14-2014)	68,959		68,959			
S0001a	EPA Capacity, Management, Operations, & Maintenance (CMOM) Projects - Sewer 1&I	820,000	164,000	164,000	164,000	164,000	164,000
S0001b	EPA Capacity, Management, Operations, & Maintenance (CMOM) Projects - Sewer 1&I	25,000	25,000				
	Subtotal	5,720,759	495,000	1,375,800	1,107,959	864,000	664,000

Water System

0060a	Eagleridge Fire Pump Control Upgrade - Develop project scope and estimate	5,000	5,000					
0060b	Eagleridge Fire Pump Control Upgrade - Construction	35,000		35,000				
0108	Replace SVWTP Booster Station Roof	30,000	30,000					
0125	Mechanical Staff Gauge for SVWTP Clearwell Reservoir	4,000	4,000					
0130	Eagleridge Booster Station Controls Reconfiguration and PLC Programming	50,000	50,000					
0141	SVWTP Floor Coating	5,000	5,000					
0149	SVWTP Chemical Feed Pumps, Benchtop Turbidimeter	7,500	7,500					
W0002a	Water System Rehab and Replacement Projects	400,000			100,000	100,000	100,000	100,000
W0002b	Water System Rehab and Replacement Projects	80,000	40,000	40,000				
W0002d	Water Meters - Radio Read Module Replacement	660,000	110,000	110,000	110,000	110,000	110,000	110,000
W0003	SVWTP Filter 3&4 Media - Replace	22,148						
W0005	Reservoirs - Inspection & Maintenance	25,000		25,000				
W0007	SVWTP Filter 1&2 Media - Replace	22,148						

* Note: Cost Estimates in 2017 Dollars

Subtotal	1,345,795	251,500	210,000	210,000	232,148	232,148	210,000
Grand Total	7,476,662	880,500	1,585,800	1,347,959	1,342,256	1,446,148	874,000

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CAPITAL PROJECT NARRATIVE

Project Name:	Geneva Pump Station Replacement
CIP #:	0038

Asset Register:	LWWSD → Sewer → Pump Stations → Geneva				
Failure Mode:	Capacity	Level of Service	Mortality	Efficiency	
Business Risk Exposure:	30	= 10 x 3 x 1 (PoF x CoF x Redundancy)			
Remaining Life:	-2 years	Consumed Life:	42 years	Effective Life:	40 years

PURPOSE and DESCRIPTION OF THE PROJECT

Project includes retrofitting existing Smith & Loveless wet well mounted pump station with new pumps, controls, telemetry, and pole mounted work light manually switched at control panel.

The existing pump station was installed in 1974. Two existing 7.5 HP pumps each have a design point of 100 GPM at 65-feet TDH. Check valves are inaccessible for maintenance or cleaning. If a check valve ever jams, it would be a major project to access them for service. The retrofit is part of a District wide pump station plan to replace all 30+ year old equipment.

This pump station is located adjacent to Lake Whatcom and pumps into the gravity collection system to be re-pumped by Cable St PS. The wet well level will be monitored via pressure transducer with backup high/low floats. Pumps can be single speed. The wet well diameter is six-feet and the power service is currently 3-phase/ 230V.

Budget Estimate (Based on Boulevard, Strawberry Pt., & Country Club Costs)

Phase A – begin 2 years before construction	
Predesign, Shoreline Permit:	\$100,000
Phase B – begin 1 year before construction	
Design, Bidding:	\$100,000
Phase C – construction year	
Services During Construction:	\$75,000
<u>Construction:</u>	<u>\$400,000</u>
Grand Project Total:	\$675,000

CAPITAL PROJECT NARRATIVE

Historical Pump Station Replacement Cost Data

<u>Boulevard (2014)</u>	
Predesign and Permitting	\$90k
Design and Bidding	\$100k
Services During Construction	\$90k
Construction	\$353k
Total	\$633k
<u>Strawberry Pt (2016)</u>	
Predesign and Permitting	\$103k
Design and Bidding	\$95k
Services During Construction	\$50k
Construction	\$400k
Total	\$648k
<u>Country Club (2016)</u>	
Predesign, Permitting, Design, Bidding	\$153k

Cost estimate in 2017 dollars.

For further information about this project call Bill Hunter.

Revision History

- Created 8/1/2006.
- Revised 8/2/2006 by MMM: Revised project scope, added budget.
- Revised 8/3/2006 by BH: Added to purpose.
- Revised 8/28/2006 by MMM: Revised PS description.
- Revised 12/6/2007 by BH: Adjusted budget to reflect recent Plum/Strawberry Canyon project costs.
- Revised 8/6/2009 by BH: Adjusted budget to reflect recent Tomb PS project.
- Revised 10/4/2011 by BH: Updated budget numbers to be a bit more conservative.
- Revised 12/5/2016 by BH: Updated budget numbers base on recent pump station projects.

CAPITAL PROJECT NARRATIVE

Project Name:	Lakewood Pump Station Replacement
CIP #:	0056

Asset Register:	LWWSD → Sewer → Pump Stations → Lakewood				
Failure Mode:	Capacity	Level of Service	Mortality	Efficiency	
Business Risk Exposure:	30	= 10 x 3 x 1 (PoF x CoF x Redundancy)			
Remaining Life:	-2 years	Consumed Life:	42 years	Effective Life:	40 years

PURPOSE and DESCRIPTION OF THE PROJECT

Project includes retrofitting existing Smith & Loveless wet well mounted pump station with new submersible pumps, controls, telemetry, and pole mounted work light manually switched at control panel.

The existing pump station was installed in 1974. Two existing 15 HP pumps each have a design point of 100 GPM at 85-feet TDH. Check valves are inaccessible for maintenance or cleaning. If a check valve ever jams, it would be a major project to access them for service. The retrofit is part of a District wide pump station plan to replace all 30+ year old equipment.

The wet well diameter is ____-feet and the power service is currently 3-phase/ 230V. The service area for this very small (about 5 residences and the WWU Lakewood facility). It is re-pumped by Airport PS.

Budget Estimate (Based on Boulevard, Strawberry Pt., & Country Club Costs)

Phase A – begin 2 years before construction	
Predesign, Shoreline Permit:	\$100,000
Phase B – begin 1 year before construction	
Design, Bidding:	\$100,000
Phase C – construction year	
Services During Construction:	\$75,000
<u>Construction:</u>	<u>\$400,000</u>
Grand Project Total:	\$675,000

Historical Pump Station Replacement Cost Data

CAPITAL PROJECT NARRATIVE

Boulevard (2014)

Predesign and Permitting	\$90k
Design and Bidding	\$100k
Services During Construction	\$90k
Construction	\$353k
Total	\$633k

Strawberry Pt (2016)

Predesign and Permitting	\$103k
Design and Bidding	\$95k
Services During Construction	\$50k
Construction	\$400k
Total	\$648k

Country Club (2016)

Predesign, Permitting, Design, Bidding	\$153k
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Cost estimate in 2017 dollars.

For further information about this project call Bill Hunter.

Revision History

- Created 8/2/2006.
- Revised 8/2/2006 by MMM: Revised project scope, added budget.
- Revised 8/3/2006 by BH: Added to purpose.
- Revised 12/6/2007 by BH: Adjusted budget up slightly.
- Revised 8/6/2009 by BH: Adjusted budget to reflect recent Tomb PS project.
- Revised 10/4/2011 by BH: Updated budget numbers to be a bit more conservative.
- Revised 12/5/2016 by BH: Updated budget numbers base on recent pump station projects.

CAPITAL PROJECT NARRATIVE

Project Name:	Eagleridge Fire Pump Control Upgrade
CIP #:	0060

Asset Register:	LWWSD → Water → Pump Stations → Eagleridge				
Failure Mode:	Capacity	Level of Service	Mortality	Efficiency	
Business Risk Exposure:	20	= 10 x 2 x 1 (PoF x CoF x Redundancy)			
Remaining Life:	-6	Consumed Life:	26	Effective Life:	20

PURPOSE and DESCRIPTION OF THE PROJECT

Update fire pump controls and electrical service. The update increases reliability of the fire pumps to deliver fire fighting water, at the expense of operating to the point of fire pump/motor failure. Current electrical code values delivery of water to protect life and property more than protecting the mechanical/electrical components.

Existing fire pumps have starters that have automatic overload protection which is set very close to full load running amps. An automatic shutdown of fire pumps could occur during fire pump operation. Existing disconnects are not rated for use as service equipment. Disconnecting means must be lockable in the closed position. Existing overcurrent protective devices are 80 amp breakers. Current code calls for overcurrent protection for full lock rotor current. Each motor is approximately 218 amps. For detailed project information, see report by Ken Zangari dated April 24, 2006.

Project includes control and service updates to increase reliability of fire pumps per current electrical code.

Budget Estimate

0060a - 2017

Develop Scope and Cost Estimate: \$5,000

0060b – 2018 (scope and cost estimates to be developed in 0060a, numbers below are order of magnitude estimates)

Construction: \$30,000
Contract Administration: \$5,000

Total: \$40,000

For further information about this project call Bill Hunter.

Revision History

- Created 7/21/2006 by BH.
- Updated 12/5/2016 by BH. Created initial action item to get a better handle on actual scope of work and a construction cost estimate)

CAPITAL PROJECT NARRATIVE

Project Name:	Sudden Valley WTP Pump Station Roof
CIP #:	0108

Asset Register:	LWWSD → Water → South Shore → Sudden Valley WTP				
Failure Mode:	Capacity	Level of Service	Mortality	Efficiency	
Business Risk Exposure:	90	= 9 x 10 x 1 (PoF x CoF x Redundancy)			
Remaining Life:	6	Consumed Life:	24	Effective Life:	30

PURPOSE and DESCRIPTION OF THE PROJECT

The SVWTP Pump Station roof needs to be upgraded. The existing roof is approximately 2000 square feet in area, and constructed of asphalt shingles. The replacement roof will be constructed of a 26 gauge metal with a corrosion resistant coating. The benefits of a metal roof compared to a composition shingle roof include, withstanding high winds, less weight putting less stress on the structure, fire proof resulting in lower insurance rates and increased safety, environmentally friendly, 100% recyclable, and longevity.

Budget Estimate

Phase 1 - Engineering	
Engineering (Plans, Specs & Est.):	\$0
Phase 2 - Construction	
Bid & Contract Administration & Inspection:	\$0
Construction:	\$30,000
Subtotal:	\$30,000
 Total:	 \$30,000

Cost in 2012 dollars.

For further information about this project contact Carl Hathcock.

Revision History

- Created 11/19/2012 by CH.
- Updated 12/5/2016 by BH. Adjusted cost estimate to account for inflation from 2012.

CAPITAL PROJECT NARRATIVE

Project Name:	Staff Gauge at SVWTP Contact Tank
CIP #:	0125

Asset Register:	LWWSD → Water → Treatment Plant → Sudden Valley				
Failure Mode:	<u>Capacity</u>	Level of Service	Mortality	Efficiency	
Business Risk Exposure:		= _ x _ x _ (PoF x CoF x Redundancy)			
Remaining Life:	N/A	Consumed Life:	N/A	Effective Life:	60

PURPOSE and DESCRIPTION OF THE PROJECT

Install a staff gauge, liquid level indicator, at the Sudden Valley Water Treatment Plant to provide a visual indicator of the stored water level.

The water level at the SVWTP contact tank is currently measured and monitored through the District's SCADA system. The installation of a staff gauge at the reservoir will provide a way to quickly determine the water level without use of a computer. Changes in the water level of the tank will raise or lower a float, which will move an indicator cable to display a level on a gaugeboard mounted to the exterior of the tank. The gauge will be visible from the treatment plant parking lot so that all staff can see the gauge and will be able to easily identify a water storage issue.

Budget Estimate: \$4,000 (2017 dollars)

Assumes installation by District crew.

For further information about this project call Bill Hunter

Revision History

- Created 12/6/2015 by KH.

CAPITAL PROJECT NARRATIVE

Project Name:	Procure Additional Backup Generators
CIP #:	0128

Asset Register:	LWWSD → Sewer → Pump Stations				
Failure Mode:	Capacity	Level of Service	Mortality	Efficiency	
Business Risk Exposure:	9	= 3 x 3 x 1 (PoF x CoF x Redundancy)			
Remaining Life:	N/A	Consumed Life:	N/A	Effective Life:	30

PURPOSE and DESCRIPTION OF THE PROJECT

Several recent wind storm and wide spread power outage events (August 29th storm and a couple in October/November 2015) highlighted a challenge and urgency for District crews to get portable generators to several smaller but critical sewer pump stations.

Staff recommends procuring an additional generator, installing a permanent extension cord at Strawberry Canyon, and installing a stationary generator to serve both Marin and Tomb.

Phase A (2016): Completed in 2016

Phase B (2017): The station is situated at the end of a long narrow dead end cul-de-sac in Sudden Valley. Maneuvering a generator into position is difficult. The original concept was to install a permanent extension cord at Strawberry Canyon sewer pump station with a receptacle at a location to simplify and expedite portable generator hookup. As staff looked into the details of this concept, the possible receptacle locations did not provide the benefit originally thought. The pump motors run off a typical single phase 240v system similar to that of a residence. Staff explored a different solution that installs a small propane generator and auto transfer switch. The alternate solution is a little more capital, but provides a huge benefit of a permanent stationary generator and frees up a larger and more expensive portable generator for use at other stations.

Phase C (2018): Procure an additional portable generator.

Budget Estimate

Phase B (2017):	
\$15,000	Propane powered stationary generator
<u>\$ 5,000</u>	Slab, site work, field wiring
\$20,000	Total estimate

Phase C (2018): \$60,000 (82KW trailered generator from GSA)

CAPITAL PROJECT NARRATIVE

Assumes site prep and installation by District crews. Cost estimate in 2017 dollars. For further information about this project call Bill Hunter

Revision History

- Created 12/2/2015 by BH.
- Updated 12/5/2016 by BH. Revised Phase C scope of work.

CAPITAL PROJECT NARRATIVE

Project Name:	Eagleridge Booster Station Controls Reconfiguration and PLC Programming
CIP #:	0130

Asset Register:	LWWSD → Water → Pump Stations → Eagleridge				
Failure Mode:	Capacity	Level of Service	Mortality	Efficiency	
Business Risk Exposure:	20	= 10 x 2 x 1 (PoF x CoF x Redundancy)			
Remaining Life:	-6	Consumed Life:	26	Effective Life:	20

PURPOSE and DESCRIPTION OF THE PROJECT

Eagleridge Booster Station, installed in 1990, is a closed-zone, packaged booster pump station, which includes pumps, control panels, and instrumentation. LWWSD does not currently have the ability to monitor and control the booster pump station through its on-site telemetry system and remote Supervisory Control and Data Acquisition System (SCADA) as the packaged pump station is a standalone system, which does not interface with the SCADA system. This project involves preparing schematic electrical plans for interfacing the packaged pump station control system with the existing telemetry system, and to provide control system software development services for the on-site telemetry system.

LWWSD will be performing the electrical construction work associated with the control system upgrades, in-house. A controls engineering consultant will provide on-site field assistance with testing, implementing, and commissioning the control system software upgrades.

Budget Estimate

Controls Engineering and Programming	
Design Schematics:	\$8,000
PLC Programming, O&M Manuals:	\$35,000
<u>Electrical Permits, Materials, Etc:</u>	<u>\$7,000</u>
Total:	\$50,000

For further information about this project call Bill Hunter.

Revision History

- Created 1/22/2015 by BH.
- Updated 12/6/2016 by BH. Updated budget estimate based on consultant estimate for proposed scope of work.

CAPITAL PROJECT NARRATIVE

Project Name:	SVWTP Floor Coating
CIP #:	0141

Asset Register:	LWWSD → Water → Treatment Plant → Sudden Valley			
Failure Mode:	Capacity	Level of Service	Mortality	Efficiency
Business Risk Exposure:		= _ x _ x _ (PoF x CoF x Redundancy)		
Remaining Life:		Consumed Life:	Effective Life:	

PURPOSE and DESCRIPTION OF THE PROJECT

Clean, repair and coat concrete floor surfaces in the Sudden Valley Water Treatment Plant with an epoxy based concrete floor paint and urethane top coat.

The existing concrete floor in the treatment plant is the original concrete from the early 1970's construction of the plant. The existing concrete floor is degrading with moderate amounts of cracking and peeling. The aged surface is difficult to clean, slippery when wet and the cracks are an avenue for pests within the treatment plant. The proposed epoxy floor coating project will begin with crack sealing and surface preparation and rehabilitation of the peeled areas. The proposed epoxy based floor coating will contain an aggregate to provide surface traction and a chemical resistant urethane coating for durability, resistance to chemicals and for ease in cleaning and maintaining the coating.

Budget Estimate: \$5,000 (2017 dollars)

Assumes work to be done by District crew.

Revision History

- Created 12/18/2015 by BH.
- Updated 12/6/2016 by KH.

CAPITAL PROJECT NARRATIVE

Project Name:	SVWTP Benchtop Turbidimeter and Spare Chemical Feed Pumps
CIP #:	0149

Asset Register:	LWWSD → Water → Treatment Plants → SVWTP				
Failure Mode:	Capacity	Level of Service	Mortality	Efficiency	
Business Risk Exposure:	N/A	= _ x _ x _1 (PoF x CoF x Redundancy)			
Remaining Life:	N/A	Consumed Life:	N/A	Effective Life:	N/A

PURPOSE and DESCRIPTION OF THE PROJECT

This project procures spare chemical feed pumps for Sudden Valley and Agate Water Treatment Plants. It also includes purchasing a benchtop turbidimeter which will be required by the Washington State Department of Health to grab sample verify readings from the continuous turbidimeters.

Budget Estimate:

SVWTP Spare Chemical Feed Pumps	\$3,500
Agate WTP Spare Chemical Feed Pumps	\$2,000
SVWTP Benchtop Turbidimeter	<u>\$2,000</u>
Total	\$7,500

Cost estimate in 2017 dollars.

For further information about this project call Bill Hunter or Kevin Cook.

Revision History

- Created 12/6/2016 by BH.

CAPITAL PROJECT NARRATIVE

Project Name:	Beaver and Flat Car Level Transmitter Replacement
CIP #:	0150

Asset Register:	LWWSD → Sewer → Pump Stations → Lakewood				
Failure Mode:	Capacity	Level of Service	Mortality	Efficiency	
Business Risk Exposure:	20	= 10 x 2 x 1 (PoF x CoF x Redundancy)			
Remaining Life:	1 year	Consumed Life:	14 years	Effective Life:	15 years

PURPOSE and DESCRIPTION OF THE PROJECT

Three pump stations installed with the Lake Louise Road Sewer Interceptor Project in 2002 are all controlled using ultra-sonic level transmitters. In early 2016 the level transmitter at Sudden Valley Sewer Pump Station began to fail requiring an emergency construction contract to make repairs. This project replaces similar transmitters at the two other stations - Flat Car and Beaver.

Budget Estimate

The cost for the C1609 Sudden Valley Pump Station Emergency Repair Project was about \$25,000.

The estimate for Flat Car and Beaver is 2 x \$25k = \$50k

Cost estimate in 2017 dollars.

For further information about this project call Bill Hunter.

Revision History

- Created 12/5/2016 by BH.

CAPITAL PROJECT NARRATIVE

Project Name:	Accounting & Administrative Server – Replace/Update Hardware, Network Security, & OS
CIP #:	A0005

Asset Register:	LWWSD → General → Admin Building → IT				
Failure Mode:	Capacity	<u>Level of Service</u>	<u>Mortality</u>	Efficiency	
Business Risk Exposure:	30	= 10 x 3 x 1 (PoF x CoF x Redundancy)			
Remaining Life:	0 years	Consumed Life:	3 years	Effective Life:	3 years

PURPOSE and DESCRIPTION OF THE PROJECT

Replace/update accounting and administrative server, network security firewalls, and operating systems. Information technology professionals typically recommend a server hardware refresh cycle every 3 to 4 years as best practice.

The District currently utilizes a single server running several virtualized servers. The servers are essential to daily operations including accounting and customer service (BIAS), electronic document management of district archive files (Docuware), computerize maintenance management system (Cartegraph), geographic information system (GIS), data files, and shared calendars.

District customers, Board of Commissioners, and management expect a very high level of service delivered by the server. Continuous service with no more than one 4-hour or longer unplanned outage during business hours per year is management's level of service goal. To meet this level of service, replacement of server hardware should follow industry best practice of a 3-year replacement cycle.

Budget Estimate: \$15,000.00 (2017 dollars)

For further information about this project call Bill Hunter.

Revision History

- Created 7/19/2006.
- Update 8/2/2006.
- Update description 11/7/2012. Bill Hunter.
- Updated 12/5/2016 by BH. Updated budget estimate.

CAPITAL PROJECT NARRATIVE

Project Name:	EPA Capacity, Management, Operations, & Maintenance (CMOM) Projects – Sewer I&I
CIP #:	S0001

Asset Register:	LWWSD → Sewer → Collection System				
Failure Mode:	<u>Capacity</u>	Level of Service	Mortality	<u>Efficiency</u>	
Business Risk Exposure:	15	= 3 x 5 x 1 (PoF x CoF x Redundancy)			
Remaining Life:		Consumed Life:		Effective Life:	

PURPOSE and DESCRIPTION OF THE PROJECT

Combines several separate District projects into one annual project. The goal is to find and repair inflow and infiltration (I&I) sources. District crews camera sewer mains during wet season months searching for I&I.

The annual project scope and focus will vary based on the type of high priority items discovered during the previous wet season. Types of work include: sewer main slip lining (spot repairs and full lengths), pressure grouting service tees, pressure grouting manhole leaks/voids, rebuild/seal manholes, smoke testing, and other efforts to reduce I&I.

Engineering (Plans, Specs & Est.):	District Staff
Bid & Contract Administration:	District Staff
Construction:	\$164,800 (annual target)

Annual Budget: **2017 Reduced to \$25,000 to allocate more \$ for other major sewer projects (Geneva and Lakewood Pump stations)**

2018 and beyond = \$164,000

Cost estimate in 2017 dollars.

For further information about this project call Bill Hunter.

Revision History

- 10/26/2011. Combined separate I&I related projects into one annual project budget. Bill Hunter. Footnote: October 2011 Pro-Vac Estimate (Hank) for Smoke Testing: \$0.65/LF and can test approximately 10,000 LF per day.
- 11/18/2013. Minor budget updates. Bill Hunter.
- 12/6/2016. Updated budget for year 2017. BH.

CAPITAL PROJECT NARRATIVE

Project Name:	Replace Tool Trucks
CIP #:	V0001

Asset Register:	LWWSD → General → Vehicles and Equipment → Tool Truck				
Failure Mode:	Capacity	<u>Level of Service</u>	<u>Mortality</u>	Efficiency	
Business Risk Exposure:	N/A	= _ x _ x _ (PoF x CoF x Redundancy)			
Remaining Life:	N/A	Consumed Life:	N/A	Effective Life:	N/A

PURPOSE and DESCRIPTION OF THE PROJECT

Project includes replacing a Tool Truck approximately every 3 years. There are 6 Tool trucks currently in the fleet.

The District has targeted a 15 to 18 year replacement schedule. The trucks are well maintained and should last their targeted service life. The replacement cycle assumes trucks may need to have a few major repairs but the overall cost is less than purchasing trucks on a more frequent schedule.

Existing tool trucks average 12,000 – 15,000 miles per year. After 15-years of service a truck would have 180,000 to 225,000 miles.

Budget Estimate : \$65,000 (2017 dollars)

Revision History

- Updated 12/5/2016 by BH. Updated description and budget estimate based on current state bid prices.

CAPITAL PROJECT NARRATIVE

Project Name:	Replace Administrative Staff Vehicle
CIP #:	V0002

Asset Register:	LWWSD → General → Vehicles and Equipment → Staff Vehicle				
Failure Mode:	Capacity	<u>Level of Service</u>	<u>Mortality</u>	Efficiency	
Business Risk Exposure:	N/A	= _ x _ x _ (PoF x CoF x Redundancy)			
Remaining Life:	N/A	Consumed Life:	N/A	Effective Life:	N/A

PURPOSE and DESCRIPTION OF THE PROJECT

Project includes replacement of Administrative Staff passenger vehicles

As of 12/6/2016 there are 3 administrative staff vehicles. The target service life is 12 years. One replacement vehicle every 4 years will meet this target. The oldest vehicle will be taken out of service and auctioned as surplus.

Vehicles in Service	Age	Mileage as of 12/6/2016	Average Annual Mileage
2000 Mazda Protégé	16	60,590	3,788
2006 Chevrolet Impala	10	42,685	4,268
2011 Ford Escape	5	33,178	6,636

Budget Estimate: \$26,000 (2017 dollars)

Revision History

- Created 7/19/2006. RM.
- Updated 9/20/2010. Revised cost estimate based on 2010 State Bid price for Ford Escape. Revised replacement frequency. BH.
- Updated 12/6/2016 by BH. Updated description, vehicle list and stats, estimate based on state bid prices for a Ford Escape.

CAPITAL PROJECT NARRATIVE

Project Name:	Replace Meter Reading Van
CIP #:	V0003

Asset Register:	LWWSD → General → Vehicles and Equipment → Meter Reading Van				
Failure Mode:	Capacity	<u>Level of Service</u>	<u>Mortality</u>	Efficiency	
Business Risk Exposure:	N/A	= _ x _ x _ (PoF x CoF x Redundancy)			
Remaining Life:	N/A	Consumed Life:	N/A	Effective Life:	N/A

PURPOSE and DESCRIPTION OF THE PROJECT

Project includes replacement of the Meter Reading Van. The van is utilized every day and all day by the Utility System Support Specialist to perform field customer service, meter reading, maintenance, and utility locates.

The existing van purchased in June 2006 is starting to exhibit heavy wear and tear along with increased repairs and maintenance requirements. A 10-year target service life appears to be about the sweet spot in terms of getting the best value out of the asset before reliability becomes an issue.

Budget Estimate: \$28,000 (2017 dollars)

For further information about this project call Rich Munson.

Revision History

- Created 7/19/2006.
- Updated 12/5/2016 by BH. Updated description and budget estimate based on state bid prices.

CAPITAL PROJECT NARRATIVE

Project Name:	Water System Rehabilitation and Replacement Projects
CIP #:	W0002

Asset Register:	LWWSD → Water → Distribution System			
Failure Mode:	Capacity	<u>Level of Service</u>	<u>Mortality</u>	Efficiency
Business Risk Exposure:	18	= 9 x 2 x 1 (PoF x CoF x Redundancy)		
Remaining Life:		Consumed Life:		Effective Life:

PURPOSE and DESCRIPTION OF THE PROJECT

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. The annual project scope and focus will vary based on the type of high priority items discovered during the previous year.

Target Water System Reinvestment (per 2016 rate study)

2017	\$200k
2018	\$210k
2019	\$220k
2020	\$230k
2021	\$240k
2022	\$250k

For 2017, the Water System Rehab and Replacement Projects include:

\$110,000 for Water Meter Radio Read Module Replacement (assumes 667 new units at \$165/each)

\$40,000 for additional water main blow off assemblies, repair and maintenance to existing blow off assemblies, capping and abandoning dead-end water mains without current service connections, maintenance and addition of water main gate valves, and replacement of Lakeway/Scenic booster pumps with pressure reducing valves.

The 2017 Capital Improvement Plan utilizes the balance of the annual target water system reinvestment for specific water system improvement projects that are individually named and described in the 2017 Capital Improvement Plan.

CAPITAL PROJECT NARRATIVE

Cost estimates in 2017 dollars.

For further information about this project call Bill Hunter.

Revision History

- Created 8/2/2006.
- 11/20/2013. Combined separate water related projects into one recurring annual project budget. Bill Hunter.
- Updated 12/5/2016 by BH. Revised target amounts and updated scope for 2017.

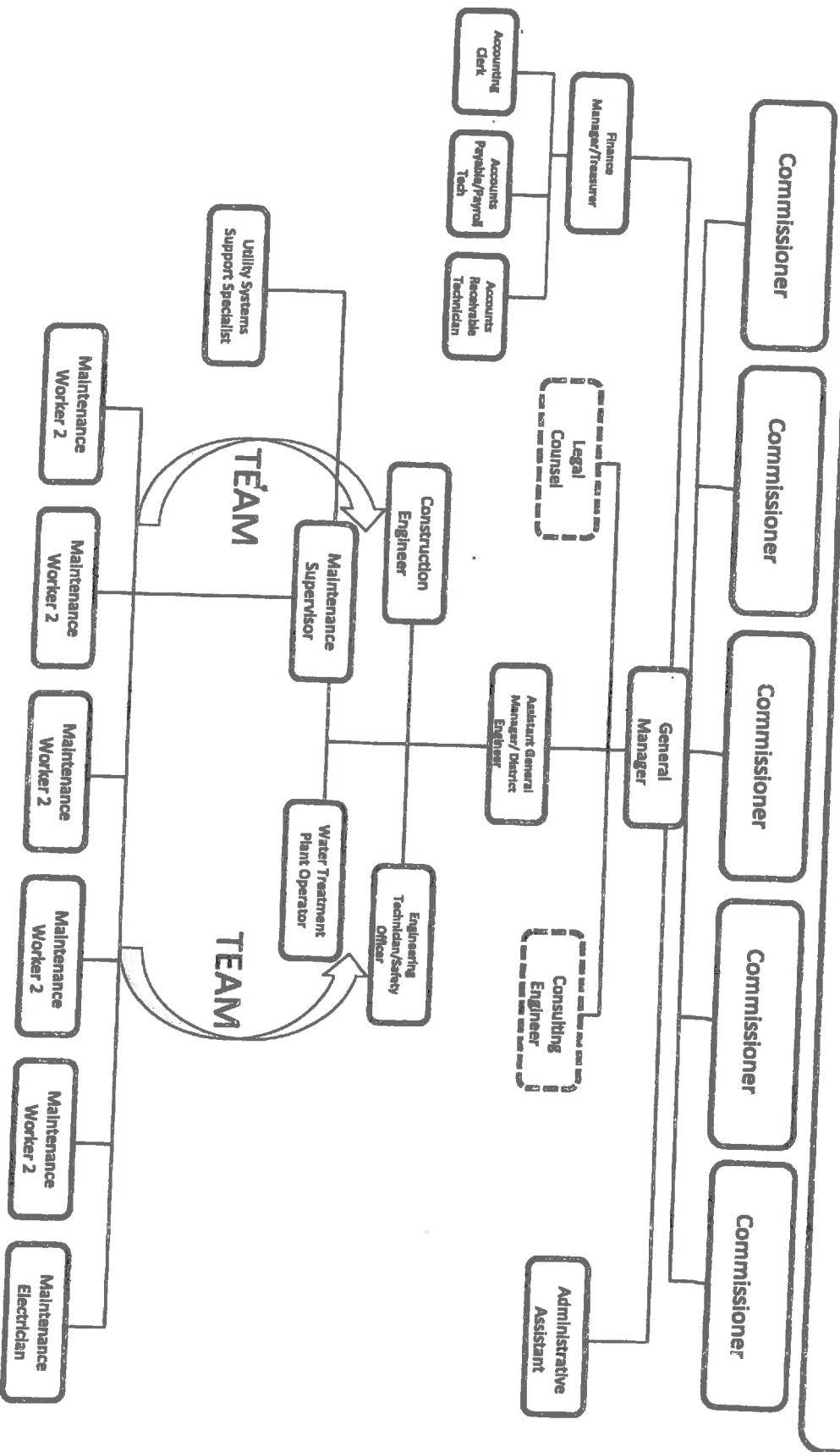
	Description	Actual 2014	Actual 2015	Adopted 2016	Budget 2017
SEWER/STORM WATER CONTINGENCY FUND - 425					
425-361-11-00-25	Investment Interest .5%				
425-397-10-00-10	Transfers In from Operating Fund 401	869	4,345	5,020	3,750
					100,000
	TOTAL REVENUES	869	4,345	5,020	103,750
425-535-10-41	Stormwater Comp Plan (See Active Projects C1315 PH2)				
425-535-10-42	Investment Service Charges	9,654	-	-	-
	SVCA Culverts	190	197	200	200
	SV Sewer Pump Station Emergency Repairs			10,000	
	North Shore Sampling			25,000	
	Cedar Hills Storm Drain Relocate			20,000	75,000
425-594-38-64				135,000	135,000
	Machinery/Equipment		1,300		
	TOTAL EXPENDITURES	9,844	1,497	190,200	210,200
SEWER/STORM WATER CONTINGENCY FUND					
	REVENUES				
	EXPENDITURES	869	4,345	5,020	103,750
	CASH/INVESTMENTS BALANCE CARRYOVER	(9,844)	(1,487)	(190,200)	(210,200)
	PROPOSED 2017 YEAR END BALANCE				887,000
					780,550
WATER CONTINGENCY FUND 426					
426-361-11-00-26	Investment Interest .5%				
426-397-10-00-26	Transfers In from Operating Fund 401			-	2,500
	TOTAL REVENUES				-
		-	-	600,000	2,500
426-535-10-41-26	Investment Service Charges				
426-594-38-63-26	Capital Outlay - Water Systems			-	-
426-597-10-00-26	Transfer Out to Operating Fund 101			160,000	
	TOTAL EXPENDITURES			160,000	-
		-	-	160,000	-
WATER CONTINGENCY FUND					
	REVENUES				
	EXPENDITURES			600,000	2,500
	CASH/INVESTMENTS BALANCE CARRYOVER			(160,000)	-
	PROPOSED 2017 YEAR END BALANCE				440,000
					442,500

	Description	Actual 2014	Actual 2015	Adopted 2016	Budget 2017
2016 BOND CAPITAL PROJECTS FUND 431					
431-391-20-00-00	Bond proceeds			6,409,492	
431-392-00-00-00	Bond premium			923,843	
	TOTAL REVENUES			7,333,335	-
431-591-35-77-31	City of Bellingham Post Point Principal			2,219,591	
431-592-35-83-31	City of Bellingham Post Point Interest			8,570	
431-592-38-00-00	2016 Bond Issuance Costs			101,783	
431-599-38-00-00	2009 Refunded Bonds			3,803,391	
431-594-38-63-31	Capital Outlay - Strawberry Point Pump Station			371,850	156,923
431-597-10-00-36	Transfer Out to Division 22 Reservoir Project Fund 440			828,150	
	TOTAL EXPENDITURES			7,333,335	156,923
2016 BOND CAPITAL PROJECTS FUND					
	REVENUES			7,333,335	-
	EXPENDITURES			7,333,335	(156,923)
	CASH/INVESTMENTS BALANCE CARRYOVER				156,923
	PROPOSED 2017 YEAR END BALANCE				-
DWSRF PROJECTS FUND - 440					
440-333-66-46-41	Geneva AC Mains				
440-333-66-48-42	Division 22 Reservoir	175,649	1,844,943		-
			44,718	994,950	229,950
440-397-10-40	Transfers In from 2016 Bond Fund 431				
	Transfers In from Operating Fund 401 for Div 22		4,585	828,150	-
	Transfers In from Operating Fund 401 For Geneva AC Mains		80,510		
	TOTAL REVENUES	175,649	1,974,756	1,823,000	229,950
440-594-34-62	Division 22 Reservoir	42,048	13,441	1,823,000	1,058,100
440-594-34-63	Geneva AC Mains	175,649	2,279,861		-
	TOTAL EXPENDITURES	217,697	2,293,302	1,823,000	1,058,100
DWSRF PROJECTS FUND					
	REVENUES	175,649	1,974,756	1,823,000	229,950
	EXPENDITURES	(217,697)	(2,293,302)	(1,823,000)	(1,058,100)
	CASH/INVESTMENTS BALANCE CARRYOVER				828,150
	PROPOSED 2017 YEAR END BALANCE				-
Expenditures offset by draws as projects progress.					

	Description	Actual 2014	Actual 2015	Adopted 2016	Budget 2017
DEBT SERVICE FUND - 450					
450-391-20-00-50	2016 Bond Proceeds				
450-397-10-00-70	Transfers In from Operating Fund 401 - Water loan projects	65,339	117,185	5,508	
450-397-10-00-50	Transfers In from Operating Fund 401 - Bond payments	447,450	448,252	215,470	264,987
				443,050	625,185
	TOTAL REVENUES	512,789	565,437	664,028	890,172
450-535-10-41-50	Bond Admin Fee		503	100	100
450-591-34-77-41	Redemption of Long Term Debt Geneva AC Mains				
450-591-34-77-42	Redemption of Long Term Debt Div 22 Reservoir				43,023
450-591-34-77-72	Redemption of Long Term Debt Loan 119	8,940	62,583	47,252	119,937
450-592-34-83-41	Debt Service Interest Geneva AC Mains	47,252	47,252	41,624	-
450-592-34-83-42	Debt Service Interest Div 22 Reservoir				47,252
450-592-34-83-72	Debt Service Interest Loan 119	715	417	-	14,923
450-592-34-83-73	Debt Service Interest Loan 064	8,505	6,930	6,615	34,182
450-591-35-72-50	2009 Bond Principal Payments				5,670
450-591-35-72-51	2016 Bond Principal Payments	235,000	245,000	250,000	265,000
450-592-35-83-50	2009 Bond Interest Payments				125,000
450-592-35-83-51	2016 Bond Interest Payments	212,150	202,750	192,950	30,900
	TOTAL EXPENDITURES	512,562	565,435	538,541	227,175
DEBT SERVICE FUND					
	REVENUES				913,162
	EXPENDITURES	512,789	565,437	664,028	890,172
	CASH/INVESTMENT'S BALANCE CARRYOVER	(512,562)	(565,435)	(538,541)	(913,162)
	PROPOSED 2017 YEAR END BALANCE				22,990

	Description	Actual 2014	Actual 2015	Adopted 2016	Budget 2017
BOND RESERVE FUND (RESTRICTED) - 460					
460-361-11-00	Investment Interest .5%				
460-397-10-00-60	Transfers In from Operating Fund 401	2,860	9,813	10,000	3,850
				250,000	
	TOTAL REVENUES				
460-535-10-41		2,860	9,813	260,000	3,850
	Investment Service Charges	205	197	200	200
	TOTAL EXPENDITURES				
		205	197	200	200
BOND RESERVE FUND (RESTRICTED)					
	REVENUES				
	EXPENDITURES	2,860	9,813	260,000	3,850
	CASH/INVESTMENTS BALANCE CARRYOVER	(205)	(197)	(200)	(200)
	PROPOSED 2017 YEAR END BALANCE				773,200
					776,850

Lake Whatcom Water & Sewer District Organization Chart



LAKE WHATCOM WATER AND SEWER DISTRICT

PERSONNEL SUMMARY

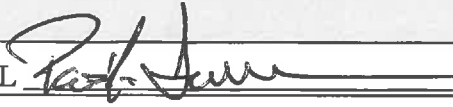
2017 BUDGET DATA

POSITION	NO. OF EMPLOYEES	ANNUAL GROSS	ADMINISTRATION	OPERATIONS
General Manager	1	\$ 150,436	\$ 150,436	
Asst. Manager/Engineer	1	128,860	128,860	
Finance Manager/Treasurer	1	108,370	108,370	
Administrative Assistant	1	77,018	77,018	
Accounts Receivable	1	63,365	63,365	
Accounts Payable/Payroll	1	63,365	63,365	
Accounting Clerk	0.5	22,838	22,838	
Commissioners		25,000	25,000	
Construction Engineer	1	93,642		\$ 93,642
Engineering Tech/Safety Officer	1	77,018		77,018
Utility Systems Specialist	1	69,861		69,861
Water Treatment Plant Operator	1	80,873		80,873
Maintenance Supervisor	1	98,317		98,317
Maintenance Worker 2	4.5	310,842		310,842
Maintenance Worker 1	1	51,854		51,854
Maintenance Electrician	1	89,137		89,137
Overtime		40,000		40,000
Stand-By		40,000		40,000
Sub-Totals	18	<u>\$1,590,796</u>	<u>\$ 639,252</u>	<u>\$ 951,544</u>
Social Security		\$ 121,696	\$ 48,903	\$ 72,793
PERS		196,038	76,904	119,133
Unemployment		6,175	2,275	3,900
Worker's Comp (L&I)		27,066	5,046	22,020
Medical/Dental Benefits		299,934	123,274	176,660
Def Comp Match		21,937	8,346	13,591
Sick Leave Buy Out		4,594	2,982	1,612
Longevity		1,920		1,920
HRA VEBA		<u>5,400</u>	<u>2,100</u>	<u>3,300</u>
Sub-Totals		<u>\$ 684,760</u>	<u>\$ 269,830</u>	<u>\$ 414,929</u>
GRAND TOTALS		<u><u>\$2,275,556</u></u>	<u><u>\$ 909,082</u></u>	<u><u>\$ 1,366,473</u></u>



LAKE WHATCOM WATER AND SEWER DISTRICT

AGENDA BILL

DATE SUBMITTED:	December 6, 2016		
TO BOARD OF COMMISSIONERS			
FROM: Patrick Sorensen	MANAGER APPROVAL 		
MEETING AGENDA DATE:	December 14, 2016		
AGENDA ITEM NUMBER:	5.B.		
SUBJECT:	Abandoned Water Tank		
LIST DOCUMENTS PROVIDED ⇒ NUMBER OF PAGES INCLUDING AGENDA BILL:	1. Meeting Minutes for 10/1/1997		
	2. Meeting Minutes for 7/14/2004 and 8/11/2004		
	3. Partial Copy of Record of Survey dated 11/1/2004		
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 November 30, 2016 meeting, BHC Consultants gave a presentation regarding their assessment of the District's five welded steel reservoirs and their ability to withstand a major earthquake. BHC also provided recommendations to improve the resilience and safety of each individual reservoir. One of the questions raised at that time was what should be done with the District's out of service water tank on Lakeview Street. A brief history of the tank:

1. In 1952 the Geneva Water Corporation acquired an easement and small piece of property for the purpose of constructing and maintaining a water storage tank and associated pipe lines.
2. The concrete water tank was one of the Geneva Water Corporation assets that were transferred to the District in 1977.
3. In 1997 the property owner Norman Neufeld requested that the District demolish the out of service water tank because it appeared to be a hazard. As a result of Neufeld's request, Wilson Engineering evaluated the tank and prepared a report regarding its structural integrity. The report stated that the tank was structurally sound at that time. The Board consequently denied Neufeld's request. (See 10/1/1997 Minutes)
4. In 2004, new property owner David Feldberg requested authorization to demolish the District's out of service water tank at his expense, but wanted the District to assist with draining the tank and capping the waterline. (See 7/14/2004 Minutes)
5. The District's legal and engineering consultants investigated the ramifications of disposing of the tank, property and associated easements and reported their findings back to the Board. (See 8/11/2004 Minutes).

6. After reviewing the information, the Board decided to keep the property in District possession for future use and authorized Wilson Engineering to do a survey of the property. (See 8/11/2004 Minutes and partial copy of the survey).
7. During the week of November 28, 2016 David Feldberg phoned the General Manager to complain about the concrete water tank and express his continuing concerns about its safety. See the attached pictures of the tank and the adjacent house that was built by Feldberg for his daughter and grandchild in 2004.

FISCAL IMPACT

None at this time.

RECOMMENDED BOARD ACTION

Discuss the disposition of the out of service concrete water tank on Lakeview Street.

PROPOSED MOTION

No proposed motion at this time.

- Infiltration and Inflow

Discussion regarding infiltration and inflow activities was tabled until the October 29 meeting.

- Needs Assessment

Freeland reported that individual departments from the City will schedule visits with District staff to begin the needs assessment. The Commissioners asked that the reports be distributed to them as they are completed.

- Out-of-Service Water Tank

In response to a letter from Mr. Norman Neufeld and direction from the Commission, Curtis prepared a report regarding the structural integrity of the out-of-service water tank located near 1010 Lakeview. She indicated that the tank was structurally sound. The Commissioners directed the Manager to advise Mr. Neufeld that they do not wish to have the tank demolished at this time.

- Commissioner Re-Districting

Kingsley asked if staff should proceed with investigation of commissioner re-districting. Freeland and Commissioner Peterson agreed. Discussion was held regarding whether to make all positions "at large". Freeland suggested holding a public hearing to get input on the issue. The Commissioners scheduled a public hearing at the November 19 regular meeting.

- Maintenance Report

Manager Petersen presented a maintenance report prepared by staff. He noted that the reports are a new attachment to the monthly Staff Report. The Commissioners thanked the Manager for the report.

- Teleconference Attendance

The Commissioners authorized the General Manager's attendance at the AWWA teleconference titled "The Educated Consumer, Communicating with and Involving the Public in Drinking Water Issues."

- Staff Report

Commissioner Peterson asked about the status of creating an inventory control policy. Freeland indicated that he would begin drafting a policy soon. Commissioner Peterson asked about a request to upgrade the Cable Street water main. Manager Petersen noted that the upgrade is in the planning stages and will address pressure issues in the area.

- Miscellaneous Water Usage

Commissioner Peterson asked how water used for construction purposes is billed. Manager Petersen replied that water usage for construction is metered and is included in the first billing. Freeland inquired about charging and tracking quantities of bulk water purchases. Manager Petersen reported that a hydrant

Lake Whatcom Water and Sewer District
Regular Meeting of the Board of Commissioners
July 14, 2004

Board President Todd Citron called the Executive Session to order at 6:00 pm. Other District representatives present included Commissioners Blair Ford and Thomas Hadd, General Manager Jim Neher, and legal counsel Brian Hansen. The purpose of the Executive Session was to discuss personnel and actual litigation. Citron adjourned Executive Session at 6:30 pm. Citron convened Regular Session at 6:32 pm. Joining the Regular Session were engineer Margaret Curtis, Accounting Manager Jacqueline Hager and Recording Secretary Lyn Edwards. Commissioners D'Onofrio and Kingsley-Lambert were excused from the meeting. A list of interested participants is on file.

- Public Comment

Sudden Valley resident **Owen Ward** requested to address the Board during the ULID #18 Assessment Default Policy discussion. The Board agreed.

- Customer Request

Feldberg – Request for authorization to demolish abandoned water tank

Neher informed the Board that, at the October 1, 1997 meeting, the Board considered a request from former property owner Norman Neufeld to accelerate demolition of the District's abandoned concrete water tank located across the street from the District office. Neufeld stated that the reason for the request was that the tank appeared to be a hazard and that it encroached on his property. The Board denied Neufeld's request stating that they did not wish to have the tank demolished at that time.

In his June 24, 2004 letter to the Board, new property owner David Feldberg is requesting authorization to demolish the District's abandoned concrete water tank. He proposes to remove the tank at his expense, but would like the District's assistance to drain the tank and cap off the water line that fed the tank. The Board discussed Feldberg's request. Staff and consultants were directed to investigate the legal and physical ramifications of disposing of the tank, property, and associated easements prior to further discussion of the matter at the August 11th Regular Meeting.

- Geneva Hills Developer Extension Agreement

Neher reported that the Developer Extension Agreement for Geneva Hills expires July 17, 2004. In his June 24, 2004 letter to the Board, developer Lee Piculell requests a one-year time extension to complete the sewer and water facilities for the Geneva Hills development. The Board discussed Piculell's request.

Action Taken

Ford moved, Hadd seconded, to approve a one-year time extension for the Geneva Hills Developer Extension Agreement making the new expiration date July 17, 2005. Motion passed.

- Right of Way Franchise Agreement

Hansen presented a draft Franchise Agreement with Whatcom County for Board consideration. The agreement, if approved, will grant a non-exclusive franchise to the District for a period of 25 years to operate and maintain water mains, water distribution lines, sewer mains, sewer collection lines, and all electrical and communications utilities

Lake Whatcom Water and Sewer District
Regular Meeting of the Board of Commissioners
August 11, 2004

Board President Todd Citron called the Regular Session to order at 6:30 pm. Other District representatives present included Commissioners Blair Ford, Deborah Kingsley, and Thomas Hadd, General Manager Jim Neher, engineer Liz Sterling, Accounting Manager Jacqueline Hager, and Recording Secretary Lyn Edwards. Commissioner Vincent D'Onofrio was excused from the meeting. A list of interested participants is on file.

Citron asked for a moment of silence to recognize and support Commissioner Vincent D'Onofrio.

- Additions, Deletions, or Changes to the Agenda

Citron announced that an Executive Session to discuss personnel issues will follow the Regular Session.

- Customer Requests

Feldberg

Neher reported that at the July 14th Regular Meeting, the Board considered a request from adjacent property owner David Feldberg for authorization to demolish the District's abandoned concrete water tank at his expense. Staff and consultants were directed to investigate the legal and physical ramifications of disposing of the tank, property, and associated easements prior to further discussion of the matter at the August 11th Regular Meeting. The Board reviewed and discussed the information provided by the District's legal counsel and engineer.

Action Taken

Kingsley moved, Hadd seconded, to authorize a survey of the lot and easements and to keep the property in District possession for future use.

Motion passed.

Sullivan – Resolution #697

In his July 29th letter to the Board, property owner Phil Sullivan requests that the District segregate (move) a ULID #18 assessment for his property in the Geneva area. A ULID segregation must be done by formal resolution. The Board discussed Resolution #697.

Action Taken

Kingsley moved, Ford seconded, to approve Resolution #697. Motion passed.

- ULID #18 Assessment Default Policy

Hager presented Delinquent Assessment, Final Cost Certification, and Debt Service reports for Board review. Discussion of property foreclosure and loan repayment issues ensued. The Board agreed to put the item on the May 2005 agenda and send a letter to delinquent property owners at that time.

- Staff Report

The Board reviewed and discussed the August Staff Report.

LEGAL DESCRIPTIONS:**S.W.D., A.F. #1071737**

THE NORTH 50 FEET OF LOT 49, CLARKE'S ACRE TRACTS; AN ADDITION TO BELLINGHAM, WASHINGTON, ACCORDING TO THE PLAT THEREOF, RECORDED IN VOLUME 6 OF PLATS, PAGE 7, RECORDS OF WHATCOM COUNTY, WASHINGTON.

S.W.D., A.F. #1309207

LOTS 8 THROUGH 17, INCLUSIVE "CLARKE'S ACRE TRACTS TO BELLINGHAM," ACCORDING TO THE PLAT RECORDED IN VOLUME 6 OF PLATS, PAGE 7, RECORDS OF WHATCOM COUNTY, WASHINGTON.

CORNER NOTES:

1. FOUND 4"X 4" CONCRETE MONUMENT, ACCEPTED AS THE QUARTER CORNER OF SECTION PER A.F. #1454174.

2. FOUND Cased MONUMENT, ACCEPTED AS NE CORNER OF SECTION 35 AND C.L. INTERSECTION OF CABLE AND AUSTIN STREET A.F. #1380891 AND #98021014

3. FOUND Cased MONUMENT, ACCEPTED AS C.L. INTERSECTION OF CABLE AND LAKEWOOD STREET A.F. #1380891 AND #98021014

4. FOUND BRASS DISK IN CORNER ACCEPTED AS C.L. INTERSECTION OF CABLE AND LAKEVIEW STREET A.F. #1380891.

5. HELD CALCULATED POSITION 1/4 CORNER PER A.F. #1380891, #1488311, #911213003, #9503 AND #2010502826.

6. HELD CALCULATED POSITION CENTER 1/4 CORNER OF SECTION PER A.F. #1380891, #1488311, #911213003, #950303010 AND #2010502826.

7. FOUND "CHRISTIE" RE-BAR CAP PER TURNER S.P.-AF #2040500675 (0.3' SOUTH AND R/W LINE)

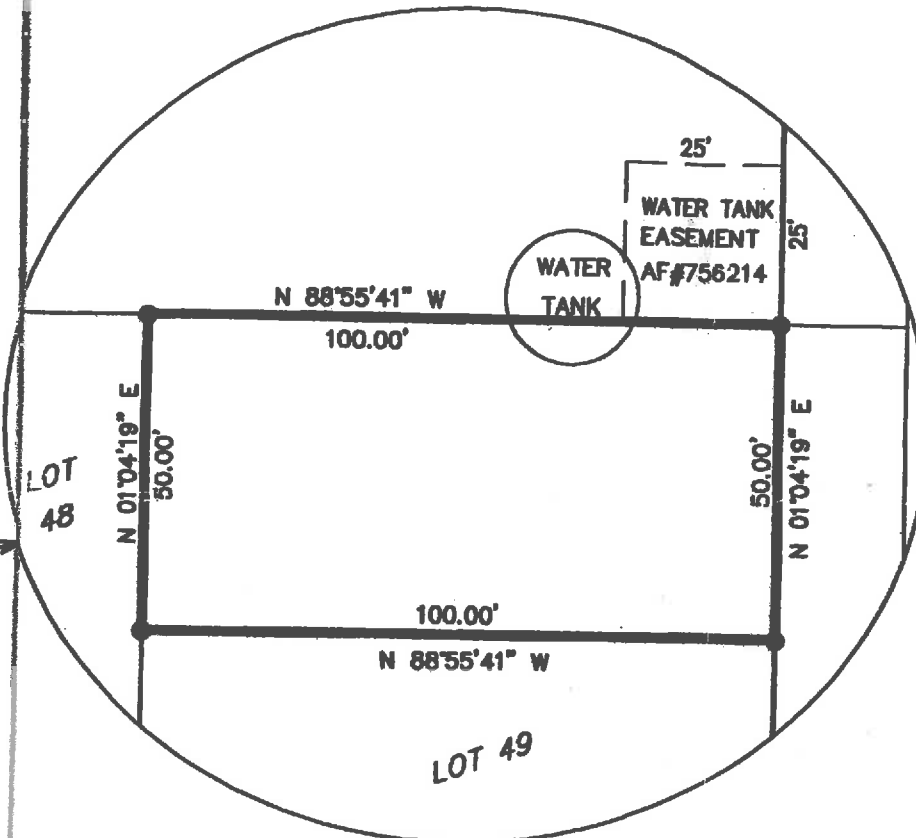
8. FOUND "CHRISTIE" RE-BAR CAP PER TURNER S.P.-AF #2040500675 (0.2' SOUTH AND WEST)

BASIS OF BEARINGS IS THE QUARTER OF SECTION 35, TAKEN FROM FOUND MONUMENTS AS NOTED AND RECORDED AS AF #1454174.

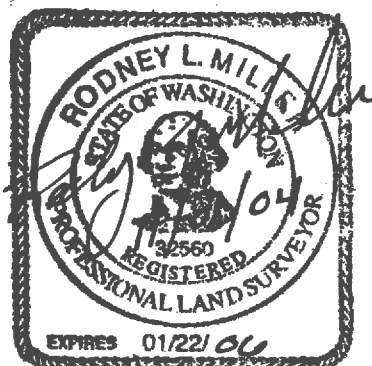
SECTIONAL SUBDIVISION IS RECORDED AS AF #1454174, AF #2010502826, VERIFIED 1-SECOND, DIRECT READING, LARGER THAN 1:10,000.

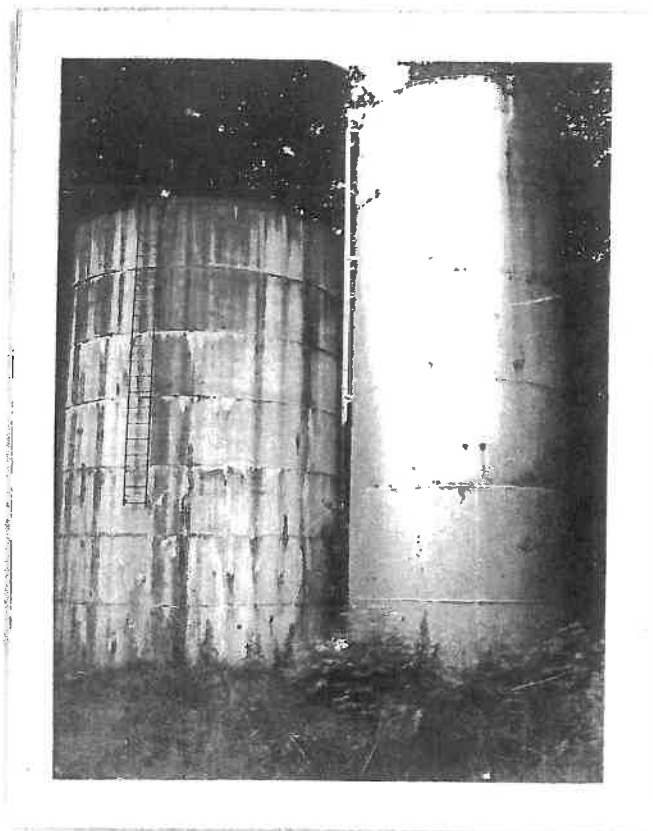
SURVEYOR'S NOTE: THE CABLE AND LAKEWOOD STREET (DEPOT STREET) CABLE STREET (NORTH LINE OF PLAT OF KERSHAW'S ACRE TRACTS, PAGE 38, TO WIT: "THE BASELINE OF SECTION 34 AND ALL OTHER RIGHT ANGLES TO IT, EXCEPT AS DESCRIBED ON THE PLAT OF VOLUME 6 OF PLATS, PAGE 7, CONTINUATIONS OF SIMILARLY KERSHAW'S ACRE TRACTS AND THE AUDITOR'S OFFICE OF WHATCOM COUNTY, WASHINGTON."

LAKEWOOD LANE
(DEPOT STREET)



DETAIL "A"
1"=30'





The tank on the right has been
demolished. The concrete tank
is on the left. Circa 1950s







LAKE WHATCOM WATER AND SEWER DISTRICT

AGENDA BILL

DATE SUBMITTED:	December 6, 2016		
TO BOARD OF COMMISSIONERS			
FROM: Patrick Sorensen	MANAGER APPROVAL <i>Patrick Sorensen</i>		
MEETING AGENDA DATE:	December 14, 2016		
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

December 14, 2016

Board Meeting

6:30 p.m.

Important Upcoming Dates:

- **Meetings Associated with the Lake Whatcom Management Program:**
 - **Policy Group Meeting:** The next meeting will be held in February 2017. The date and location has not been officially set, though I expect it to be in the same location and at the same time.
 - **Management Meeting:** A meeting between the Mayor, County Executive and the General Manager has been rescheduled from December 8, 2016 to January 19, 2017 at 1:30 p.m. in City Hall. The topic will be to reconcile city, county, and district budgets as they relate to our responsibilities for Lake Whatcom. We will also be addressing the potential for City and County participation in the District's North Shore water testing project.
- **Next Regular Board Meeting:** The next regular meeting will be held on **Wednesday, December 28, 2016** at 8:00 a.m.
- **Employee Staff Meeting:** The next staff meeting is set for **Thursday, December 15, 2016** at 8:00 a.m. in the Board Room. Commissioner Weide is scheduled to attend this meeting.
- **Employee Safety Committee Meeting:** The next meeting is set for **December 15, 2016** at 9:00 a.m. in the small conference room.
- **Washington Association of Sewer & Water Districts (WASWD) Section III Meeting:** The next Section III meeting will be held at Bob's Burger & Brew in Tulalip off I-5 at **6:15 p.m. on December 13, 2016.**
- **Whatcom Water District's Caucus Meeting:** The next Caucus meeting is set for **December 21, 2016** at 1:00 p.m. in the Board Room.

Other:

- **Committee Meeting Reports as Needed:** This is a place holder for Board and staff members to report on recent committee meetings, such as the Lake Whatcom Policy Group, since the last Board Meeting.