



LAKE WHATCOM WATER AND SEWER DISTRICT
1220 Lakeway Drive
Bellingham, WA 98229

REGULAR MEETING OF THE BOARD OF COMMISSIONERS
AGENDA


November 28, 2018
8:00 a.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. Adoption of Fiscal Year 2019 Budget
 - B. Presentation of Proposed 2019 District Initiatives
 - C. Summary of Existing District Projects
 - D. Summary of 2018 Budget Status
6. OTHER BUSINESS
7. GENERAL MANAGER'S REPORT
8. PUBLIC COMMENT OPPORTUNITY
9. EXECUTIVE SESSION
Executive Session Per RCW 42.30.140 (4)(a): Considering issues related to collective bargaining with a labor union – 10 minutes
10. ADJOURNMENT



**AGENDA
BILL
Item 4**

Consent Agenda

DATE SUBMITTED:	November 21, 2018	MEETING DATE:	November 28, 2018
TO: BOARD OF COMMISSIONERS		FROM: Rachael Hope	
GENERAL MANAGER APPROVAL			
DISTRICT ENGINEER/ASST MGR APPROVAL			
FINANCE MANAGER APPROVAL			
ATTACHED DOCUMENTS		1. See below	
		2.	
		3.	
TYPE OF ACTION REQUESTED	RESOLUTION <input type="checkbox"/>	FORMAL ACTION/ MOTION <input checked="" type="checkbox"/>	INFORMATIONAL /OTHER <input type="checkbox"/>

****TO BE UPDATED 11.27.18****

BACKGROUND / EXPLANATION OF IMPACT

- Meeting Notes from the 11/14/2018 Board Meeting
- Payroll for Pay Period #24 (11/03/2018 through 11/16/2018) totaling \$42,590.03.
- Payroll Benefits for Pay Period #24 totaling \$47,246.93.
- Accounts Payable Vouchers total to be updated 11/27/18.



LAKE WHATCOM WATER AND SEWER DISTRICT

1220 Lakeway Drive
Bellingham, WA 98229

REGULAR SESSION OF THE BOARD OF COMMISSIONERS Minutes

November 14, 2018

Board President Laura Weide called the Regular Session to order at 6:30 p.m.

Attendees: Commissioner Laura Weide
Commissioner John Carter
Commissioner Todd Citron
Commissioner Bruce Ford
Commissioner Leslie McRoberts
General Manager Justin Clary
Assistant General Manager/District Engineer Bill Hunter
Finance Manager/Treasurer Debi Denton
Operations & Maintenance Manager Brent Winters
Recording Secretary Rachael Hope
District Legal Counsel Bob Carmichael
Consulting Engineer Melanie Mankamy

A list of interested participants is attached.

Consent Agenda

Action Taken

Ford moved, Citron seconded, approval of:

- Meeting Notes from the 10/31/2018 Board Meeting
- Payroll for Pay Period #23 (10/20/2018 through 11/02/2018) totaling \$41,302.53.
- Payroll Benefits for Pay Period #23 totaling \$46,286.57.
- Accounts Payable Vouchers totaling \$115,606.33.

Motion passed.

Septic System Conversion Project Closeout

Hunter explained that the Septic System Conversion Project connected 3 properties that were on septic systems to public sewer. Those properties were: 975 Geneva Street, 1213 Lakeview Street, and 4354 Lakehill Lane. Two of the owners qualify as low-income persons and the District will be reimbursed when the properties are sold, transferred, or change ownership. The third owner will reimburse the District by making 15 equal annual payments, the first of which is due July 1, 2019. The contractor, Len Honcoop Gravel, has completed all work for the original contract amount of \$71,708.32 including 8.5% sales tax, therefore, staff recommends the Board accept the project as complete.

Action Taken

Ford moved, McRoberts seconded, to accept the Septic System Conversions Project as complete and authorize staff to close out the public works project. Motion passed.

Draft 2019 Budget Presentation & Discussion

Denton presented the Board with an updated draft of the 2019 budget for review, which included revisions requested by the Board during its regularly scheduled meeting held on October 31. The Board is expected to be presented with a final draft for consideration of approval at the next meeting on November 28. Discussion followed.

District 50 Year Anniversary Update

Clary updated the Board on preparations for the District's upcoming 50th anniversary milestone. Graphic design is in process in collaboration with Sole Graphics, the District's web designer. Staff is also in the initial planning of the District's annual Recognition and State of the District Banquet to be held in January, which will include recognition of the 50-year anniversary.

General Manager's Report

Clary introduced the Board to Brent Winters, the District's new Operations & Maintenance Manager. Winters gave a short introduction.

Clary recognized District Construction Engineer Kristin Hemenway for her Project Management during the Par Sewer Pump Station Project. Hemenway showed dedication & excellent work ethic in doing whatever it takes to serve the community.

Other Business

Commissioner Ford gave a short report on the Lake Whatcom Data group meeting which he attended along with Clary. Discussion followed.

Executive Session Per RCW 42.30.140 (4)(a): Collective Bargaining - 10 Minutes

Weide recessed the Regular Session to Executive Session at 7:20 p.m. It was estimated that the Executive Session would take about 10 minutes. The purpose of the Executive Session was for considering issues related to collective bargaining with a labor union. Weide recessed the Executive Session and reconvened the Regular Session at 7:30 p.m.

With no further business, Weide adjourned the Regular Session at 7:35 p.m.

Recording Secretary, Rachael Hope

Date Minutes Approved

Laura Weide

Todd Citron

Bruce R. Ford

Leslie McRoberts

John Carter

PAYROLL

CHECK REGISTER

Lake Whatcom W-S District
MCAG #: 2330

11/23/2018 To: 11/23/2018

Time: 10:05:32 Date: 11/20/2018
Page: 1

Trans	Date	Type	Acct #	Chk #	Claimant	Amount	Memo
3693	11/23/2018	Payroll	5	EFT		3,795.30	11/03/2018 - 11/16/2018 PR 24
3694	11/23/2018	Payroll	5	EFT		2,940.40	11/03/2018 - 11/16/2018 PR 24
3695	11/23/2018	Payroll	5	EFT		2,802.60	11/03/2018 - 11/16/2018 PR 24
3696	11/23/2018	Payroll	5	EFT		2,272.80	11/03/2018 - 11/16/2018 PR 24
3697	11/23/2018	Payroll	5	EFT		3,286.17	11/03/2018 - 11/16/2018 PR 24
3698	11/23/2018	Payroll	5	EFT		2,202.07	11/03/2018 - 11/16/2018 PR 24
3700	11/23/2018	Payroll	5	EFT		1,225.78	11/03/2018 - 11/16/2018 PR 24
3701	11/23/2018	Payroll	5	EFT		2,543.81	11/03/2018 - 11/16/2018 PR 24
3702	11/23/2018	Payroll	5	EFT		1,665.14	11/03/2018 - 11/16/2018 PR 24
3703	11/23/2018	Payroll	5	EFT		3,338.04	11/03/2018 - 11/16/2018 PR 24
3704	11/23/2018	Payroll	5	EFT		1,857.10	11/03/2018 - 11/16/2018 PR 24
3705	11/23/2018	Payroll	5	EFT		1,888.66	11/03/2018 - 11/16/2018 PR 24
3706	11/23/2018	Payroll	5	EFT		1,839.08	11/03/2018 - 11/16/2018 PR 24
3707	11/23/2018	Payroll	5	EFT		2,403.50	11/03/2018 - 11/16/2018 PR 24
3708	11/23/2018	Payroll	5	EFT		1,493.89	11/03/2018 - 11/16/2018 PR 24
3709	11/23/2018	Payroll	5	EFT		1,856.44	11/03/2018 - 11/16/2018 PR 24
3710	11/23/2018	Payroll	5	EFT		1,396.24	11/03/2018 - 11/16/2018 PR 24
3711	11/23/2018	Payroll	5	EFT		2,383.78	11/03/2018 - 11/16/2018 PR 24
3699	11/23/2018	Payroll	5	8488		1,399.23	11/03/2018 - 11/16/2018 PR 24
401 Operating Fund						42,590.03	

42,590.03 Payroll: 42,590.03

I do hereby certify, under penalty of perjury, that the above is an unpaid, just, and due obligation as described herein, and that I am authorized to certify this claim.

Sign  Date 11/20/2018

Board Authorization - As the duly elected board for this district we have reviewed the claims listed and approve the payment with our signatures below.

Commissioner

Commissioner

Commissioner

Commissioner

Commissioner

CHECK REGISTER**BENEFITS**Lake Whatcom W-S District
MCAG #: 2330

11/23/2018 To: 11/23/2018

Time: 10:15:35 Date: 11/20/2018

Page: 1

Trans	Date	Type	Acct #	Chk #	Claimant	Amount	Memo
3712	11/23/2018	Payroll	5	EFT	DEPARTMENT OF RETIREMENT SYSTEMS	3,012.00	Pay Cycle(s) 11/23/2018 To 11/23/2018 - DCP
3713	11/23/2018	Payroll	5	EFT	UNITED STATES TREASURY	15,295.61	941 Deposit for Pay Cycle(s) 11/23/2018 - 11/23/2018
3714	11/23/2018	Payroll	5	EFT	WA ST PUBLIC EMP RET PLAN 2	9,948.46	Pay Cycle(s) 11/23/2018 To 11/23/2018 - PERS 2
3715	11/23/2018	Payroll	5	EFT	WA ST PUBLIC EMP RET PLAN 3	2,927.65	Pay Cycle(s) 11/23/2018 To 11/23/2018 - PERS 3
3716	11/23/2018	Payroll	5	8489	AFLAC	354.85	Pay Cycle(s) 11/23/2018 To 11/23/2018 - AFLAC Pre-Tax: Pay Cycle(s) 11/23/2018 To 11/23/2018 - AFLAC Post-Tax
3717	11/23/2018	Payroll	5	8490	AFSCME LOCAL	372.21	Pay Cycle(s) 11/23/2018 To 11/23/2018 - Union Dues; Pay Cycle(s) 11/23/2018 To 11/23/2018 - Union Fund
3718	11/23/2018	Payroll	5	8491	HRA VEBA TRUST (PAYEE)	515.00	Pay Cycle(s) 11/23/2018 To 11/23/2018 - VEBA
3719	11/23/2018	Payroll	5	8492	VANTAGEPOINT TRANSFER AGENTS - 306798	100.00	Pay Cycle(s) 11/23/2018 To 11/23/2018 - ICMA
3720	11/23/2018	Payroll	5	8493	WA ST SUPPORT ENFORCEMENT REGISTRY	208.34	Pay Cycle(s) 11/23/2018 To 11/23/2018 - SUP ENF
3721	11/23/2018	Payroll	5	8494	WASHINGTON STATE HEALTH CARE AUTHORITY	14,512.81	Pay Cycle(s) 11/23/2018 To 11/23/2018 - PEBB Medical; Pay Cycle(s) 11/23/2018 To 11/23/2018 - PEBB ADD LTD: Pay Cycle(s) 11/23/2018 To 11/23/2018 - PEBB Sp Charge

401 Operating Fund

47,246.93

47,246.93 Payroll: 47,246.93

CHECK REGISTER

BENEFITS

Lake Whatcom W-S District

MCAG #: 2330

11/23/2018 To: 11/23/2018

Time: 10:15:35 Date: 11/20/2018

Page: 2

Trans	Date	Type	Acct #	Chk #	Claimant	Amount	Memo
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I do hereby certify, under penalty of perjury, that the above is an unpaid, just, and due obligation as described herein, and that I am aithorized to certify this claim.

Sign  Date 11/20/2018

Board Authorization - As the duly elected board for this district we have reviewed the claims listed and approve the payment with our signatures below.

Commisioner

Commisioner

Commisioner


Commisioner

Commisioner



**AGENDA
BILL
Item 5.A**

**Adoption of
Fiscal Year 2019 Budget**

DATE SUBMITTED:	November 20, 2018	MEETING DATE:	November 28, 2018
TO: BOARD OF COMMISSIONERS		FROM: Justin Clary, General Manager	
GENERAL MANAGER APPROVAL			
DISTRICT ENGINEER/ASST MGR APPROVAL			
FINANCE MANAGER APPROVAL			
ATTACHED DOCUMENTS		1. Fiscal Year 2019 Budget	
		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

Through the powers granted under Revised Code of Washington Title 57 (Water-Sewer Districts) and codified under the District's Administrative Code Title 2, Chapter 2.2 (1):

The General Manager shall develop an operating and capital improvement budget annually for both the water and sewer systems. The annual budget shall provide for the forecasting of revenues and expenditures for the following year. The budget shall be presented to the Board of Commissioners for review and approval prior to the end of December in advance of the budget year.

Using projected revenues based upon prior Board-adopted rate increases (4% and 2.5% water and sewer rates, respectively), actual 2018 operating expenses, and projects defined in the District's water and sewer capital improvement plans, District staff have developed the draft budget for Board consideration. Earlier revisions of the budget were presented during regularly scheduled meetings of the Board held on October 31 and November 14, 2018. Comments provided by the Board during those meetings have been incorporated into the attached Fiscal Year 2019 Budget.

FISCAL IMPACT

The 2019 budget proposes an operating budget of \$4,788,040, a capital budget of \$2,555,200, and a debt service budget of \$867,100, for a total budget of approximately \$8.2 million.

RECOMMENDED BOARD ACTION

Staff recommends adoption of the Fiscal Year 2019 Budget.

PROPOSED MOTION

A recommended motion is "I move to approve the Fiscal Year 2019 Budget, as presented."

2019 ANNUAL BUDGET

LAKE WHATCOM WATER & SEWER DISTRICT



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

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2019 ANNUAL BUDGET



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

APPROVED _____, 2018

BOARD OF COMMISSIONERS

Laura Weide, President, Position 1

Todd Citron, Secretary, Position 2

Bruce Ford, Commissioner, Position 3

Leslie McRoberts, Commissioner, Position 4

John Carter, Commissioner, Position 5

General Manager
Justin Clary

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APPENDIX A
2019 BUDGET

APPENDIX B
2019 CAPITAL AND IMPROVEMENT MAINTENANCE PLAN

APPENDIX C
2019 REVENUE BOND AND LOANS FUND SUMMARY

1 GENERAL MANAGER'S MESSAGE

The 2019 Budget represents the proposed fiscal plans for the Lake Whatcom Water & Sewer District for the 2019 calendar year (please refer to Appendix A for a comprehensive presentation of the 2019 Budget). This budget is the culmination of a collaborative effort between the Board of Commissioners and staff, and aligns with the District's mission *to provide the best possible water and sewer services to District customers at an affordable cost, and in a way that contributes to protecting Lake Whatcom water quality*. This budget was developed around touchstones of the District's financial policies, which embody the principles that guide District budgeting and long-term financial management, reinforcing the key values of fiscal prudence, pay-as-you-go funding to the extent practicable, and strong stewardship through asset management.

Through adherence to its conservative fiscal policies and the prior adopted multi-year rate schedule, the District enters 2019 with stable revenue projections that enable continued maintenance of fully funded operational and capital contingency reserves. Though 2018 has witnessed the highest number of new home starts (27) within recent memory, and informal communications with development partners indicate that 2019 may result in similar quantities, development-related revenue projections have been cautiously budgeted at just over half of 2018's totals. As a result, the 2019 Budget anticipates this growth, yet also maintains a conservative approach in accounting for these revenues.

The budget includes approximately \$8.2 million in expenditures, which is comprised of an operations budget of approximately \$4.7 million, a capital budget of approximately \$2.6 million, and a debt service budget of approximately \$870,000. For 2019, the operations budget increases by approximately 5.8% over 2018 to accommodate staff salary cost-of-living adjustments and benefit increases, hiring an additional maintenance worker to overlap with an anticipated retirement in the Operation Department later in the year, and upgrades to asset management and records management systems. Debt service expenditures will be reduced by \$260,000 from 2018 expenditures with the final Public Works Trust Fund loan payment completed in 2018 that was associated with the Utility Local Improvement District (ULID) 18 project. On the other hand, the District will be completing a much larger capital program than 2018. Much of the increase (approximately \$1.2 million) will in actuality be carryover of projects that did not move through completion in 2018 due to a variety of reasons (external permitting delays and staffing limitations created by management vacancies being the primary two reasons). To maintain the District's multi-year capital improvement programs of continued investment in our water and sewer system infrastructure, the Engineering Department will aggressively manage our full slate of projects, which includes construction associated with renovation or circumvention of three sanitary sewer lift stations, and design and permitting of the renovation of two additional sanitary sewer lift stations (to be constructed in 2020) and the Agate Heights water treatment plant upgrades (also to be constructed in 2020).

The budget has been carefully crafted to emphasize the Board's service priorities while deploying resources in a manner that assures a firm foundation. As a result, the 2019 Budget maintains

reserves at levels defined by District financial policies, while maintaining adequate operating capital and investing in critical infrastructure improvements that are aimed at prolonging the life of our assets and protecting the environment. The 2019 capital improvement program reflects a pay-as-you-go approach funded through a combination of one-time and ongoing resources consistent with the District's asset management philosophy and the 2016 water and sewer utility rate study. The fact that the 2019 investments can be made without reliance on debt is made possible by the ongoing commitment to disciplined fiscal policy and management.

The 2019 Budget also reaffirms the District's ongoing commitment to protecting Lake Whatcom. In 2019, the District will continue its partnership with Whatcom County and the City of Bellingham for water quality monitoring and invasive species inspection programs, and has allocated an additional \$35,000 beyond its partnership commitments to supplement water quality monitoring and preservation of the lake.

Forecasting resources, preparing the budget, monitoring its implementation, and assuring accountability and transparency, all while completing day-to-day work functions, takes an exceptional group of professionals. I want to thank District staff, all of whom had a hand in development of the 2019 Budget. I also want to thank the Board of Commissioners, whose leadership and policy direction has placed the District in a position that enables many of the progressive investments found in this budget. Lastly, I thank the District's customers that make up the Lake Whatcom community, without whom we would not have a purpose.

Sincerely,

A handwritten signature in dark ink, appearing to read "Justin L. Clary". The signature is fluid and cursive, with the first name "Justin" and last name "Clary" clearly distinguishable.

Justin L. Clary
General Manager

2 SUMMARY OF FUNDS

The Lake Whatcom Water & Sewer District (District) is a limited purpose local government authorized under Title 57 Revised Code of Washington (Water-Sewer Districts). Originally formed in 1968 as Whatcom County Water District No. 10, the District's primary function is to provide water and sewer service to customers in an 18-square mile area encompassing much of Lake Whatcom, including Geneva, Sudden Valley and the North Shore of Lake Whatcom. The District is governed by a five member Board of Commissioners (Board) who set the policies and rates of the District, and who adopt an annual operating budget. The annual budget defines the operational and capital improvement programs for that year, as well as maintenance of contingency and reserve funds to respond to unanticipated events, should they occur. The following summarizes each of the District's funds.

2.1 Operating Fund (Fund 401)

This fund is maintained as the primary operating fund of the District. The majority of revenue is derived from rates charged to water and sewer customers. Other revenue sources are interest income, late payment fees, recording fees, permit fees, payments associated with existing utility local improvement districts (ULIDs), and miscellaneous charges and fees. All fees and charges are set by the Board. Funds collected are used to pay for operations and maintenance expenditures in accordance with the Board-approved annual operating budget.

2.2 System Reinvestment Fund (Fund 420)

This is a special fund intended to receive and disburse funds for capital construction projects. This fund is primarily funded through interfund income from the Operating Fund. The fund amount is established through periodic rate studies. Expenses associated with this fund are developed annually in a *Capital Improvement and Maintenance Plan*, which is derived from the capital improvement programs for the sewer and water utilities.

2.3 Sewer/Stormwater Contingency Fund (Fund 425)

This fund was created to ensure that unanticipated projects related to sewer system and stormwater system expenses will be funded, subsequent to Board approval. The fund amount is established through the District's financial policies at one percent of the sewer utility infrastructure replacement cost.

2.4 Water Contingency Fund (Fund 426)

This fund was created to ensure that unanticipated projects related to the water system expenses will be funded, subsequent to Board approval. The fund amount is established through the District's financial policies at one percent of the water utility infrastructure replacement cost.

2.5 Debt Service Fund (Fund 450)

This fund provides redemption of outstanding debt incurred. The 2016 Bond issue interest is paid semi-annually, and the principal is paid annually from Operating Fund revenues. This fund also provides redemption of long term water project loans. Principal and interest on those loans are paid entirely from Operating Fund revenues.

2.6 Bond Reserve Fund (Fund 460)

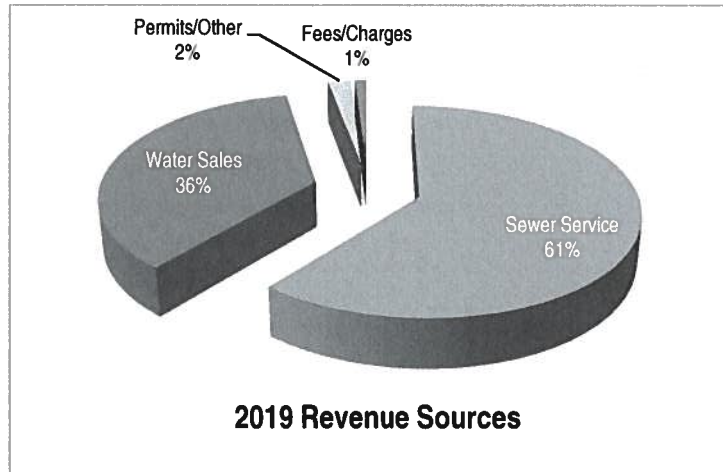
The fund was established by the covenants of the 2016 bond sale and is restricted by definition. A reserve limitation is required to be held in this fund until the outstanding 2016 bonds are paid in full. The bond reserve is fully funded.

3 2019 REVENUE PROJECTIONS

District functions are funded primarily through revenues received through water and sewer service fees, with the relatively small remainder of revenues coming from other fees and charges, and permits and other miscellaneous revenues.

In 2016, the District engaged the services of a utility financing consultant to review the District's operational and capital programs relative to revenue projections. The outcome of the study provided a multi-year approach to

incremental increases to water and sewer rates through 2021 to ensure sufficient funding for operations, outstanding debt service, and system reinvestment through capital projects. Per the Board-approved multi-year rate schedule, 2019 Budget revenues have been based upon water and sewer rate increases of 4 and 2.5 percent, respectively, over 2018 rates. This will result in approximately \$2.5 and \$4.1 million in water and sewer utility revenues, respectively.



The other relatively significant revenue stream is fees the District receives for the connection of new development to its water and sewer systems. These *general facility charges* have been developed based upon the new customer's proportionate share of the cost of constructing the system to which they are connecting, as well as the proportionate share for future system expansion to accommodate that connection's impact. Development within the District increased significantly during 2018, with 27 permits issued for new homes. As a result, general facility charge revenues increased significantly over that of prior years. Although current indications are that 2019 will witness similar levels of new development, the 2019 Budget revenues have been based upon a more conservative number of 15 new homes (resulting in a projection of \$210,000 in associated revenue).

Other revenues (totaling approximately \$167,000), comprised of latecomer and other miscellaneous fees, investment interest, and revenues associated with ULID 18, have been based upon 2018 revenues.

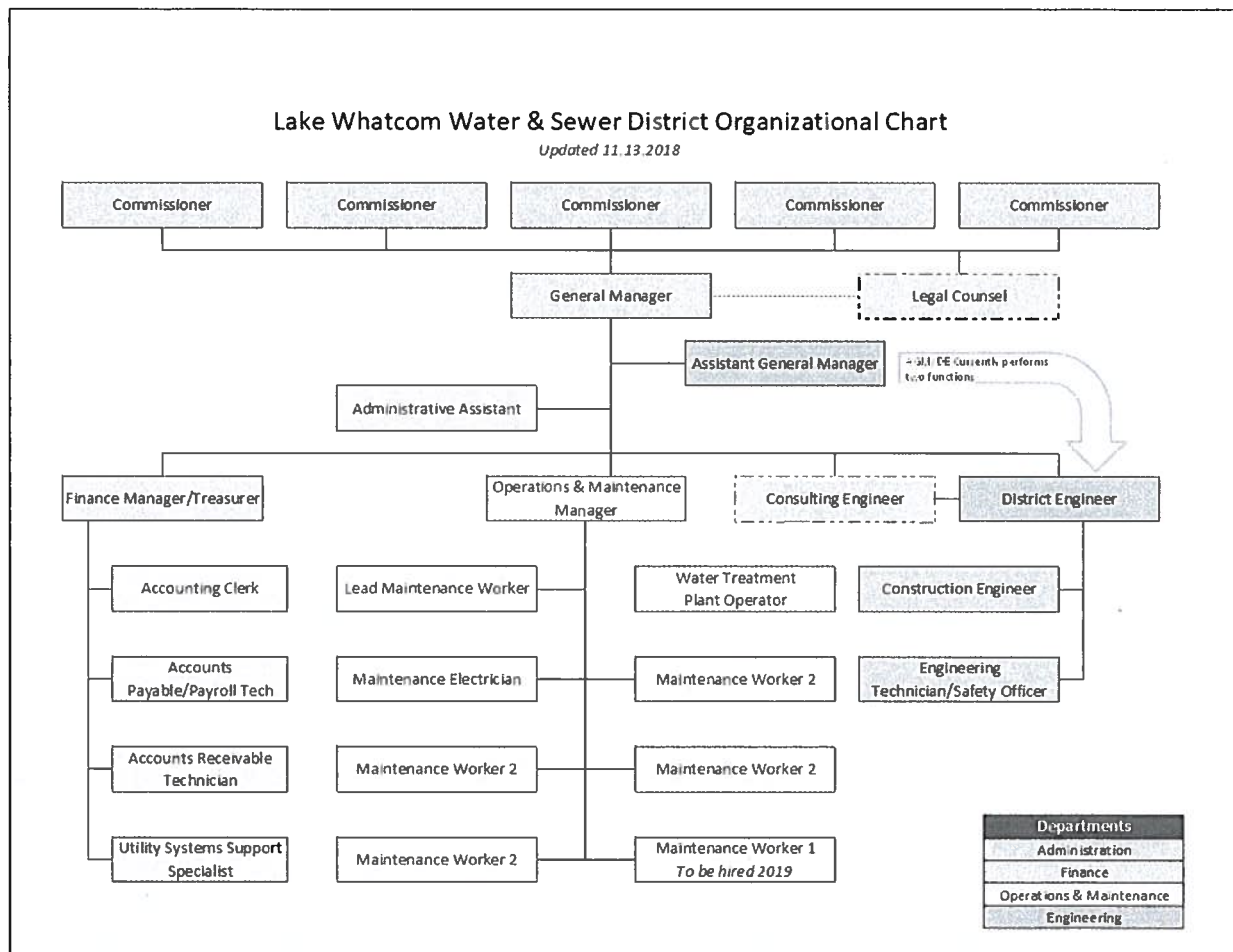
Therefore, based upon prior adopted rate increases and conservative projections of other revenues, the 2019 Budget reflects a total revenue from external sources of \$6,965,145, which is an approximate four percent increase over revenues projected in the 2018 Budget, but roughly equivalent to actual revenues projected through 2018 yearend.

4 2019 EXPENDITURES

4.1 Operating Fund (Fund 401)

As previously stated, the Operating Fund is the primary fund through which District business is conducted. Following provides a summary of the primary expenditures anticipated in 2019.

Personnel. Being a service-oriented organization, staff salary and associated benefits make up a large portion of the overall Operating Fund budget. In 2019, the District will add one Maintenance Worker 1 position beyond the 2018-budgeted 18 full-time equivalent positions. The additional position is consistent with the District's staff succession plan as it will allow for overlap of an entry-level maintenance worker with that of a Maintenance Worker 2 position that is anticipated to retire in fall 2019. Beyond the additional position, personnel-related cost increases from the 2018 Budget are primarily associated with union contract-required cost-of-living adjustments to salaries (estimated at three percent) and increases to healthcare and related benefits (an increase of four percent). The 2019 Organization Chart is:



Professional Services. The District relies on a number of professional- and vendor-related services to efficiently and effectively carry out the business of the District. Such providers include contracting with the District's legal counsel and on-call consulting engineer, support services associated with asset management, infrastructure control, administrative systems, and general services (e.g., custodial, landscape maintenance, security, etc.). Total professional services for 2019 are projected at \$290,000, which is a significant decrease from the 2018 budget, due primarily to costs associated with a salary study and the bi-annual audit performed by the Washington State Auditor's Office not being required in 2019.

City of Bellingham Fees. To protect the quality of Lake Whatcom, all sewage collected by the District is conveyed to the City of Bellingham's sanitary sewer system and treated at the City's Post Point wastewater treatment plant. As a result, the District pays the City of Bellingham for treatment of all sewage collected by the District. Similarly, the District does not have a drinking water source that is connected to the Eagleridge residential neighborhood located on the Lake Whatcom north shore. Therefore, the District purchases water from the City of Bellingham to serve Eagleridge. The total projected cost for water and sewer fees from the City of Bellingham for 2019 is budgeted at \$650,000, which is relatively equivalent to costs projected through 2018 yearend.

Water Quality Partnerships. With Lake Whatcom as the primary source of drinking water within the District, protection of its water quality is crucial. In 2019, the District will continue its partnership with Whatcom County and the City of Bellingham for water quality monitoring and invasive species inspection programs (\$55,000), as well as invest an additional \$35,000 in associated initiatives aimed at protecting water quality within the lake.

Utilities. Electricity to treat and distribute water to District customers, and to pump sewage to the City of Bellingham makes up a significant portion of the District's operating budget. Electricity costs, together with other utilities, are budgeted at \$230,000 for 2019, up approximately ten percent from the 2018 Budget to account for rate increases and growth within the District.

Operating Reserve. An operating reserve is maintained within the Operating Fund to provide a liquidity cushion; it protects the utilities from the risk of short-term variation in the timing of revenue collection and the payment of expenses. Like other types of reserves, operating reserves also serve another purpose in that they help smooth rate increases over time. In accordance with District financial policies, an operating reserve is maintained equivalent to the cost of operating the sewer and water utilities for 60 days (\$800,000). Also per District policies, in any year where operating reserves exceed the maximum days of operations expenses at yearend (60 days), that excess cash is transferred to the System Reinvestment Fund for capital projects. For 2019, \$75,000 of excess cash is projected for reinvestment in District infrastructure.

2018 Fund Carryover. Due to external permitting delays and limited engineering staff availability resulting from management vacancies that occurred in 2018, \$1.2 million in Operating Fund monies were not transferred to the System Reinvestment Fund because the associated capital projects were not completed. As a result, these funds will be carried over to 2019 when the associated projects will be completed.

4.2 System Reinvestment Fund (Fund 420)

In 2019, the District will undertake an aggressive program of capital improvement, system maintenance, and system reinvestment projects. The *2019 Capital Improvement and Maintenance Plan*, included as Appendix B, provides a comprehensive description of the projects that will be completed under this fund.

Category	Project	Cost ¹
Capital Improvement Projects		
Sewer	Country Club Lift Station Design, Permitting & Construction	\$563,700
Sewer	Geneva Lift Station/Force Main Design, Permitting & Construction	\$660,600
Sewer	Euclid Lift Station Design, Permitting & Construction	\$298,000
Sewer	Dellesta and Edgewater Lift Stations Design & Permitting	\$59,500
Sewer	Camp Firwood ATS	\$2,000
Sewer	Airport Lift Station Generator and Lakewood Lift Station Easement	\$35,000
Sewer	Northshore Force Main Stream Crossing Protection	\$75,000
Water	Dead End Blowoffs	\$8,800
Water	Geneva Booster Station Renovation	\$40,000
Water	ShakeAlert Pilot Program	\$5,000
Water	Division 7 Reservoir FEMA Grant Application	\$5,000
Water	Agate Heights Water Treatment Plant and Opal Booster Pump Upgrades	\$22,000
General	Replace Backhoe	\$105,000
Subtotal		\$1,879,600
Maintenance Projects		
Sewer	Flat Car Lift Station Pump Renovation	\$28,000
Sewer	AB PLC-5 Replacements, Uninterrupted Power Service Improvements	\$100,000
General	Replace Tires – 5-Yard Dump Truck	\$3,600
Subtotal		\$131,600
System Reinvestment Projects		
Sewer	Edgewater Lift Station Design & Bidding	\$100,000
Sewer	Update Sewer Comprehensive Plan	\$85,000
Sewer	Rehabilitation and Replacement Projects	\$40,000
Water	Water Meters (40) and Replacement Registers (200)	\$45,000
Water	Fire Flow Improvements (2 projects)	\$17,000
Water	Little Strawberry Bridge Water Main Replacement Pre-design	\$20,000
Water	Sudden Valley & Agate Heights Water Treatment Plant Component Replacements	\$72,000
Water	Field Chlorine Injection System	\$5,000
Water	Safety Improvements – Division 7, Division 22, and Geneva Reservoirs	\$25,000
Water	Sudden Valley Water Treatment Plant Facility Improvement Plan	\$50,000
Water	Rehabilitation and Replacement Projects	\$25,000
General	District Office Improvements (Irrigation, Parking/Drainage Improvements, and Front Access	\$60,000
Subtotal		\$544,000
TOTAL		\$2,555,200

¹ Costs presented in table are rounded, please refer to Appendices A and B for specific projected costs.

4.3 Sewer/Stormwater Contingency Fund (Fund 425)

The fund amount, as established through the District's financial policies at one percent of the sewer utility infrastructure replacement cost, is \$785,000. To meet District financial policies, \$15,000 will be transferred into the fund from the Operating Fund; however, as this is contingency fund, no expenditures are budgeted for 2019.

4.4 Water Contingency Fund (Fund 426)

The fund amount, as established through the District's financial policies at one percent of the water utility infrastructure replacement cost, is \$460,000. To meet District financial policies, \$20,000 will be transferred into the fund from the Operating Fund; however, as this is contingency fund, no expenditures are budgeted for 2019.

4.5 Debt Service Fund (Fund 450)

This fund accounts for debt service repayment associated with prior District capital improvements and are summarized in the *Revenue Bonds and Loan Funds Summary* (Appendix C). Total 2019 expenditures to make principal and interest payments on District low interest loan and bond obligations will be \$867,100. Payments will be associated with:

- Geneva AC Pipe Mains Replacement Project
- Division 22 Water Reservoir Construction Project
- 2009 Bond (financed renovation of three sewer lift stations and system-wide telemetry upgrades)
- 2016 Bond (re-funded the 2009 Bond, as well as financed the renovation of two sewer lift stations and the District's portion of upgrades to the City of Bellingham's Post Point wastewater treatment plant)

Of note, payments associated with Debt Loan 064 (associated with ULID 18) were completed in 2018, reducing expenditures from this fund relative to 2018 expenditures by approximately \$240,000.

4.6 Bond Reserve Fund (Fund 460)

No expenditures are anticipated in 2019 from this fund. A fund balance of approximately \$770,000 will be carried over from 2018.

APPENDIX A

2019 BUDGET



LAKE WHATCOM WATER AND SEWER FUND SUMMARY 2019

	401	420	425	426	450	460	
	OPERATING	SYSTEM REINVESTMENT	SEWER / STORM WATER CONTINGENCY	WATER CONTINGENCY	DEBT SERVICE	BOND RESERVE (RESTRICTED)	TOTAL
2019 REVENUES AND TRANSFERS IN	6,965,145	1,600,000	15,000	20,000	867,100	-	9,467,245
2019 EXPENDITURES AND TRANSFERS OUT	(7,290,140)	(2,600,000)	-	-	(867,100)	-	(10,757,240)
CASH/INVESTMENTS 2018 CARRYOVER	1,200,000	1,000,000	770,000	440,000	-	772,334	4,182,334
PROPOSED 2019 YEAR END BALANCE	\$875,005	\$0	\$785,000	\$460,000	\$0	\$772,334	\$2,892,339
ALLOCATED TO OPERATING RESERVE	-\$800,000						
AVAILABLE 2019 YEAR END BALANCE	\$75,005						

LAKE WHATCOM WATER AND SEWER DISTRICT					
	Description	Actual 2016	Actual 2017	Adopted 2018	Budget 2019
	OPERATING FUND - 401				
	REVENUES				
401-333-66-00-01	North Shore Consolidation Feasibility Study		29,986		
401-333-97-00-00	FEMA Aug 2015 Storm Assistance		14,280		
401-343-40-10	Water Sales Metered (4% base rate increase) *	2,099,344	2,269,645	2,437,545	2,526,043
401-343-41-10	Permits (15 new connection permits)	66,580	171,830	143,480	210,000
401-343-50-11	Sewer Service Residential (2.5% rate increase) *	3,734,240	3,849,280	3,949,323	4,058,102
401-343-50-19	Sewer Service Other	4,361	3,961	4,000	4,000
401-343-50-80	Latecomer's Fees	6,766	6,772	-	-
401-343-81-10	Combined Fees	29,564	27,211	30,000	30,000
401-359-90-00	Late fees	54,573	56,798	50,000	50,000
401-361-11-00	Investment Interest	1,332	11,163	20,000	50,000
401-361-40-00-80	ULID 18 Interest/Penalties	20,166	18,631	8,000	5,000
401-368-10-00-80	ULID 18 Principal Payments	45,368	60,796	50,000	30,000
401-369-10-00	Sale of scrap metal and surplus	2,641	448	1,000	2,000
401-369-10-01	Miscellaneous	1,235	2,756	-	-
401-369-40-00	Judgements and Settlements	-	-	-	-
401-395-10-00	Sale of Capital Assets	-	-	-	-
401-395-20-00	Insurance Recoveries	-	4,083	-	-
	TOTAL REVENUES	6,066,170	6,527,640	6,693,348	6,965,145

LAKE WHATCOM WATER AND SEWER DISTRICT

	Description	Actual 2016	Actual 2017	Budget 2018	Budget 2019
	OPERATING - 401				
	EXPENDITURES				
401-53X-10-10	Admin Payroll (3% cola plus step increases - 2019)	519,076	640,699	652,846	674,270
401-53X-10-20	Admin Personnel Benefits (Medical, Retirement etc)	179,628	246,153	274,332	284,390
401-53X-10-31	Gen Admin Supplies/Equipment	25,633	27,178	30,000	30,000
401-53X-10-31-01	Meetings/Team building	2,540	3,063	3,000	3,000
401-53X-10-40	Web pay/Bank Fees	25,422	33,320	30,000	40,000
	Interlocal - Invasive Species (City)				50,000
	Interlocal - Lake Whatcom Tributary Monitor (County)				5,000
	North Shore Sampling (County)				30,000
	Mutt Mits				5,000
401-534-10-41	Water Quality Assurance Programs (IOT.ML)	58,181	8,856	55,000	90,000
	County Auditor Filing Fees				6,500
	Statement processing				25,000
	Answering Service				2,000
	Time clock system				2,000
	Financial Software Maintenance				10,000
	Web Check services				5,000
	CPA (Internal audit and Financial statements)				6,000
	Docuware maintenance and upgrade				15,000
	Legal Counsel				60,000
	Computer support				25,000
	Firewall renewal				15,000
	Anti virus subscription				1,000
	Building security for offices				2,000
	Building custodial				10,000
	Pest control				500
	Landscaping service				4,000
	South Whatcom Fire (hydrant maintenance)				1,000
	Scada System Software Maintenance - Operations				7,500
	Engineering Consultant				20,000
	Camera Van Software				1,500
	SCADA/PLC Support - Engineering/Operations				5,000
	Cartograph - Engineering/Operations				30,000
	Auto Desk - Engineering				1,000

LAKE WHATCOM WATER AND SEWER DISTRICT

Description	Actual 2016	Actual 2017	Budget 2018	Budget 2019
GIS Partnership (County)				1,000
Rockwell - Engineering/Operations				500
IT Pipes				1,500
ESRI - ARC GIS				1,500
Innovyze - Engineering				2,500
Master Meter				2,000
Cyberlock software				1,000
Whatcom County Emergency Management				20,000
Misc (Bid notices etc.)				5,000
Professional Services (TOT.ML)	300,587	367,846	334,000	290,000
Communication	49,276	49,463	50,000	50,000
Admin Lease (copy/printers now leased)	1,796	1,820	2,000	7,000
Property Insurance	129,198	135,190	140,000	134,000
Admin Misc.	1,867	1,192	1,000	1,000
Memberships/Dues	12,843	14,215	17,000	17,000
WA State Dept of Revenue/Taxes/Permits	200,780	202,182	205,000	215,000
Training & Travel	21,814	20,463	35,000	35,000
Tuition reimbursement	-	286	1,000	1,000
Operations/Maintenance Supplies	196,312	147,259	150,000	280,000
Small Assets/tools	-	-	-	20,000
Operations Repair/Maint contracted work	111,230	176,712	190,000	40,000
Insurance Claims	5,000	-	5,000	5,000
Operations Contracted (water testing/generator load testing)	7,613	18,979	8,500	22,500
Water City of Bellingham	37,823	40,386	40,000	45,000
Sewer City of Bellingham Treatment Fee	616,004	643,912	640,000	650,000
Operations Payroll (3% cola plus step increases - 2019)	986,544	926,386	954,742	1,066,380
Operations Personnel Benefits (Medical, Retirement etc)	382,279	402,301	446,472	503,000
Fuel	15,232	27,422	24,000	28,000
Safety Supplies	5,657	12,429	10,000	10,000
Safety Supplies Boots	1,158	2,019	2,500	2,500
Emergency Preparedness	-	428	10,000	10,000
General Utilities (Electric, gas, water, garbage)	203,339	191,704	208,000	230,000
Laundry	3,544	3,901	4,000	4,000
Post Point Principal Payments	73,213	-	-	-
Post Point Interest Payments	120,426	-	-	-
OPERATING EXPENDITURES	4,294,015	4,345,764	4,523,392	4,788,040

LAKE WHATCOM WATER AND SEWER DISTRICT

Description	Actual 2016	Actual 2017	Budget 2018	Budget 2019
TRANSFERS				
Transfers Out to System Reinvestment Fund 420	372,111	1,043,087	1,505,000	1,600,000
Transfers Out to Sewer/Storm Water Contingency Fund 425		149,000	60,000	15,000
Transfers Out to Water Contingency Fund 426	600,000		120,000	20,000
Transfers Out to DWSRF Projects Fund 440	65,334	6,299		-
Transfers Out to Debt Service Fund 450	443,050	832,727	649,775	867,100
Transfers Out to Bond Reserve Fund 460	250,000	-		-
Transfers Out to Water Loan Debt Service Fund 470	215,470	-	289,110	-
TOTAL TRANSFERS	1,945,965	2,031,113	2,623,885	2,502,100
OPERATING FUND				
OPERATING REVENUES	6,066,170	6,527,640	6,693,348	6,965,145
OPERATING EXPENDITURES	(4,294,015)	(4,345,764)	(4,523,392)	(4,788,040)
TRANSFERS	(1,945,965)	(2,031,113)	(2,623,885)	(2,502,100)
2018 BALANCE CARRYOVER				1,200,000
2019 ALLOCATED TO OPERATING RESERVES				(800,000)
PROPOSED AVAILABLE 2019 YEAR END BALANCE				75,005

LAKE WHATCOM WATER AND SEWER DISTRICT

	Description	Actual 2016	Actual 2017	Budget 2018	Budget 2019
	SYSTEM REINVESTMENT - 420				
420-343-40-19	DEA Permits	7,100	84,570	-	-
420-379-10-30	Permits Capital Portion (moved to General Fund 2018)	123,443	97,223	-	-
420-379-10-40	Latecomer Fees (Moved to General Fund 2017)	4,102	529	-	-
420-397-10-00	Transfers In from Operating Fund 401	372,111	1,043,087	1,505,000	1,600,000
	TOTAL REVENUES	506,756	1,225,409	1,505,000	1,600,000
420-534-10-41	DEA Contracted Services	-	30,460	-	-
420-534-90-61	DEA Refunds	2,866	-	-	-
	Capital Outlay - Budget only			2,005,000	-
420-594-38-62	Capital Outlay - Structures	185,766	223,899	-	-
420-594-38-63	Capital Outlay - Water/Sewer Systems	268,752	295,815	-	-
420-594-38-64	Capital Outlay - Machinery/Equipment	50,094	154,878	-	-
	Active Projects to be completed (See CIP detail - 2019)			-	1,925,000
	New Capital Projects (see CIP detail - 2019)			-	675,000
	TOTAL EXPENDITURES	507,478	705,052	2,005,000	2,600,000
SYSTEM REINVESTMENT FUND	REVENUES	506,756	1,225,409	1,505,000	1,600,000
	EXPENDITURES	(507,478)	(705,052)	(2,005,000)	(2,600,000)
	CASH/INVESTMENTS BALANCE CARRYOVER			500,000	1,000,000
	PROPOSED 2019 YEAR END BALANCE				-

LAKE WHATCOM WATER AND SEWER DISTRICT

[illegible]

LAKE WHATCOM WATER AND SEWER DISTRICT

	Description	Actual 2016	Actual 2017	Budget 2018	Budget 2019
	DEBT SERVICE - 450				
450-391-20-00-50	2016 Bond Proceeds	5,508	-	-	-
450-397-10-00-70	Transfers In from Operating Fund 401 - Water loan projects	215,470	184,652	289,110	219,694
450-397-10-00-50	Transfers In from Operating Fund 401 - Bond payments	443,050	648,075	649,775	647,406
	TOTAL REVENUES	664,028	832,727	938,885	867,100
450-535-10-41-50	Bond Admin Fee	-	600	-	-
450-591-34-77-41	Redemption of Long Term Debt Geneva AC Mains	119,938	119,938	119,937	119,937
450-591-34-77-42	Redemption of Long Term Debt Div 22 Reservoir	-	-	53,831	53,831
450-591-34-77-73	Redemption of Long Term Debt Loan 064	47,252	47,252	47,252	-
450-592-34-83-41	Debt Service Interest Geneva AC Mains	41,624	34,182	32,383	30,584
450-592-34-83-42	Debt Service Interest Div 22 Reservoir	-	-	30,982	15,342
450-592-34-83-73	Debt Service Interest Loan 064	6,615	5,670	4,725	-
450-591-35-72-50	2009 Bond Principal Payments	250,000	265,000	275,000	285,000
450-591-35-72-51	2016 Bond Principal Payments	-	125,000	130,000	130,000
450-592-35-83-50	2009 Bond Interest Payments	116,925	30,900	20,300	10,332
450-592-35-83-51	2016 Bond Interest Payments	58,687	227,175	224,475	222,074
	TOTAL EXPENDITURES	641,041	855,717	938,885	867,100
	DEBT SERVICE FUND				
	REVENUES				
	EXPENDITURES	664,028	832,727	938,885	867,100
	CASH/INVESTMENTS BALANCE CARRYOVER	(641,041)	(855,717)	(938,885)	(867,100)
	PROPOSED 2019 YEAR END BALANCE				-

LAKE WHATCOM WATER AND SEWER DISTRICT

	Description	Actual 2016	Actual 2017	Budget 2018	Budget 2019
	BOND RESERVE - 460				
460-361-11-00	Investment Interest (to Operating Fund)	-	9,870	-	-
460-397-10-00-60	Transfers In from Operating Fund 401	250,000	-	-	-
	TOTAL REVENUES	250,000	9,870	0	0
460-535-10-41	Investment Service Charges	199	765	-	-
	TOTAL EXPENDITURES	199	765	0	0
BOND RESERVE FUND	REVENUES	250,000	9,870	-	0
	EXPENDITURES	(199)	(765)		0
	CASH/INVESTMENTS BALANCE CARRYOVER				772,334
	PROPOSED 2019 YEAR END BALANCE				772,334

APPENDIX B

2019 CAPITAL AND IMPROVEMENT MAINTENANCE PLAN

Active Capital Improvement Projects

(values updated 10/18/2018)

Category	Project #	Project Title / Tasks	Projected Budget to Completion	Projected Spending Thru 2018	Amt Remaining to include in 2019 Budget	Notes
Rate Funded Projects						
Sewer	C1611	Country Club Sewer Pump Station - HDD BHC Design, Permitting, Bidding BHC Services During Construction - Estimate Agency Permitting Fees Construction - Estimate	\$ 206,222.00 \$ 80,000.00 \$ 15,000.00 \$ 450,000.00	\$ 180,000.00 \$ - 7,574.70 -	\$ 26,222.00 \$ 80,000.00 \$ 7,425.30 \$ 450,000.00	Incl Amend #4 BHC estimate \$75k BHC estimate \$435k
Sewer	C1705	Geneva and Par Sewer Pump Stations RH2 Design, Permitting, Bidding Par RH2 Services During Construction Par Construction Contract	\$ 269,288.00 \$ 67,067.00 \$ 438,340.00	\$ 269,288.00 \$ 67,067.00 \$ 438,340.00	\$ - \$ - \$ -	Incl Amend #3 Incl Amend #3
		Geneva RH2 Services During Construction Estimate Geneva Pump Station Construction Estimate Geneva Force Main Construction Estimate	\$ 70,000.00 \$ 500,000.00 \$ 90,622.83	\$ - \$ - \$ -	\$ 70,000.00 \$ 500,000.00 \$ 90,622.83	Estimate RH2 estimate \$493k RH2 estimate range \$65k - \$100k
Water	C1716A	Dead End Blowoffs	\$ 20,000.00	\$ 11,158.37	\$ 8,841.63	need to budget for remaining
Water	C1716B	Geneva Booster Station - PRV's, Backflow, Roof	\$ 40,000.00	\$ -	\$ 40,000.00	
Water	C1801	Shake Alert Pilot Program	\$ 20,000.00	\$ 15,000.00	\$ 5,000.00	
Sewer	C1802	Dellesta, Edgewater & Euclid Sewer Pump Stations Euclid - RH2 Design, Permitting, Bidding Euclid - RH2 Services During Construction - Estimate Agency Permitting Fees Euclid Construction - Estimate	\$ 93,512.00 \$ 50,000.00 \$ 5,000.00 \$ 200,000.00	\$ 50,000.00 \$ - 875.00 -	\$ 43,512.00 \$ 50,000.00 \$ 4,125.00 \$ 200,000.00	Phase 1A requested budget from RH2 10/17/2018 requested budget from RH2 10/17/2018
Sewer	C1803	Dellesta, Edgewater - RH2 Predesign, Permitting	\$ 99,489.00	\$ 40,000.00	\$ 59,489.00	Phase 1B
General	C1809	Camp Finwood ATS Replace Backhoe	\$ 10,000.00	\$ 8,000.00	\$ 2,000.00	Incl PO for ATS & fence matl
Sewer	C1810	Airport Sewer PS Generator & Lakewood PS Esmt	\$ 105,000.00	\$ -	\$ 105,000.00	Order placed with state bid
Sewer	M1811	North Shore Sewer FM Stream Crossing Protection Wilson Design, Permitting Wilson Services During Construction - Estimate Construction - Estimate	\$ 45,000.00 \$ 19,800.00 \$ 10,000.00 \$ 65,000.00	\$ 10,000.00 \$ 19,800.00 \$ - \$ -	\$ 35,000.00 \$ - \$ 10,000.00 \$ 65,000.00	Wilson Task Order Wilson Estimate Wilson Estimate
Water	C1813	Div 7 Reservoir - Seismic FEMA Grant Application	\$ 15,000.00	\$ 10,147.50	\$ 4,852.50	
Water	C1814	Agate Heights WTP and Opal Booster Upgrades Wilson Predesign, Permitting, DOH Project Report	\$ 42,046.00	\$ 20,000.00	\$ 22,046.00	Wilson Task Order
Grand Total for Rate Funded Projects			\$ 3,026,386.83	\$ 1,147,250.57	\$ 1,879,136.26	

Lake Whatcom Water and Sewer District - Capital Improvement Plan 2019 thru 2024

Program Area / CIP Project # / CIP Project Name		Fund	Total	2019	2020	2021	2022	2023	2024
Maintenance - General									
0195	VEH42 5-yard Dump Truck - Replace Tires		3,600	3,600					
	Subtotal		3,600	3,600					
Maintenance - Sewer									
0190	Flat Car Sewer Pump Station - Replace Volute, Impeller, Wear Rings (for pumps #1 and #3)		28,000	28,000					
0192	AB PLC-5 Replacements, UPS Improvements		100,000	100,000					
	Subtotal		128,000	128,000					
Maintenance - Water									
W0005	Reservoirs - Inspection & Maintenance		30,900						30,900
	Subtotal		30,900						30,900
System Reinvestment - General									
0198	District Office - Irrigation, Asphalt Patching, Surface Drainage, Front Door Concrete Steps		60,000	60,000					
A0005	Accounting & Administration Server - Replace/Update Hardware, Network Security, & OS		51,500		25,750			25,750	
E0002	Replace 5-yard Dump Truck		127,308						127,308
E0008	Replace Flush and Vac Truck		432,600		432,600				
V0001	Replace Tool Truck (7 tool trucks in fleet)		200,850		66,950		66,950		66,950
V0002	Replace Administrative Staff Vehicle (4 cars in fleet)		26,780		26,780				
	Subtotal		899,038	60,000	92,700	459,380	66,950	25,750	194,258
System Reinvestment - Sewer									
0032a	Agate Bay Sewer Pump Station - Predesign and Shorelines Permitting		100,000			100,000			
0032b	Agate Bay Sewer Pump Station - Design and Bidding		125,000					125,000	
0032c	Agate Bay Sewer Pump Station - Construction		525,000						525,000
0044b	Edgewater Pump Station - Design and Bidding		100,000	100,000					
0044c	Edgewater Pump Station - Construction		500,000		500,000				
0053b	Dellesta Pump Station - Design and Bidding		100,000		100,000				
0053c	Dellesta Pump Station - Construction		500,000			500,000			
0055a	Rocky Ridge Pump Station - Predesign and Shorelines Permitting		100,000		100,000				
0055b	Rocky Ridge Pump Station - Design and Bidding		100,000			100,000			
0055c	Rocky Ridge Pump Station - Construction		555,000				555,000		
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		595,000					595,000	
0155	Lake Whatcom Boulevard - Replace ~200LF at Gravity Outlet		54,636		54,636				
0157	Install Ball Check Valves at Cable, Ranch House, Flat Car, Beaver		109,273				109,273		
0161	Stationary Generator Closed Loop Cooling Retrofit - North Point, SV, Flat Car, Beaver		218,545					218,545	

Program Area / CIP Project # / CIP Project Name

		Fund	Total	2019	2020	2021	2022	2023	2024
0171	Sudden Valley Sewer Pump Station - Recondition Electrical Controls		163,909						163,909
0193	COB Post Point WWTP Biosolids Handling (LWWSD Cost Share 4.8%)		1					1	
A0010	Update Sewer Comprehensive Plan (Current Plan Dated 6-14-2014)		85,000	85,000					
E0003	Replace Sewer Camera Vehicle		79,942				79,942		
E0004	Replace Camera Equipment		40,314				40,314		
S0001a	Sewer System Rehab and Replacement Projects		40,000	40,000					
S0001b	Sewer System Rehab and Replacement Projects		60,000		60,000				
S0001c	Sewer System Rehab and Replacement Projects		330,000					165,000	165,000
	Subtotal		4,681,621	225,000	814,636	700,000	984,529	1,103,546	853,909

System Reinvestment - Water

0084a	Agate Heights Water System - Phase 1 WTP Upgrade 1/3 capacity (from 30gpm to 60gpm) - Design, Bid, SDC		55,000		55,000				
0084b	Agate Heights Water System - Phase 1 WTP Upgrade 1/3 capacity (from 30gpm to 60gpm) - Construction		85,000		85,000				
0144	South Shore Water System - 1992 SVWTP 0.235MG Chlorine Contact Tank Seismic Retrofit - Priority 2		170,465						170,465
0164	Demolish Old Concrete Reservoir at 1010 Lakeview Street		35,000		35,000				
0166	South Shore Water System - SVWTP - Convert from Chlorine Gas to Liquid		100,000			100,000			
0177	Water Meters (40) and Replacement Registers (200)		45,000	45,000					
0187	Fire Flow Improvements - Remove Deficient Fire Hydrant ID 22-112 (Low flow and pressure) at top of Kinglet Ct		2,000	2,000					
0188	Fire Flow Improvements - Hydraulic Model Calibration of Assumed Pipe Friction Loss Factor (C-Factor) in Areas of Fire Flow Deficiencies		15,000	15,000					
0189	Fire Flow & Seismic Improvements - Replace Division 7 Reservoir (Applied for \$1.5M Grant + \$215k matching District Funds = \$1.7M Total Project Cost)		215,000		215,000				
0191	Little Strawberry Bridge Water Main Replacement - Phase 1 Pre-Design & Cost Estimate		20,000	20,000					
0194	SVWTP & AHWTP Misc Component Replacements		72,000	72,000					
0196	Field Chlorine Injection System for Water Main Disinfection after Depressurization		5,000	5,000					
0197	Reservoir Cage/Railing Improvements at Top of Fixed Ladders (Div 7, Div 22, & Geneva)		25,000	25,000					
0199	SVWTP 20-year Facility Improvement Plan		50,000	50,000					
0200	Division 30 Reservoir Safety Railing Around Perimeter		30,000		30,000				
0201	Convert Eageridge Booster to Metering Station		30,000		30,000				
W0002a	Water System Rehab and Replacement Projects		50,000	25,000	25,000				
W0002b	Water System Rehab and Replacement Projects		70,000		70,000				
W0002c	Water System Rehab and Replacement Projects		660,000				220,000	220,000	220,000
	Subtotal		1,734,465	259,000	475,000	170,000	220,000	220,000	390,465
	Grand Total		7,477,624	675,600	1,382,336	1,329,380	1,271,479	1,380,196	1,438,632

* Note: Cost Estimates in 2019 Dollars

CAPITAL PROJECT NARRATIVE

Project Name:	Update Sewer Comprehensive Plan
CIP #:	A0010

Asset Register:	LWWSD → Sewer				
Failure Mode:	<u>Capacity</u>	<u>Level of Service</u>	<u>Mortality</u>	<u>Efficiency</u>	
Business Risk Exposure:	NA	= 1 x 1 x 1 (PoF x CoF x Redundancy)			
Remaining Life:	1	Consumed Life:	5	Effective Life:	6

PURPOSE and DESCRIPTION OF THE PROJECT

The current plan was approved by Washington State Department of Ecology on June 6, 2014. The District updates the plan every 6-years.

The purpose of the sewer comprehensive plan is to provide an overview of the existing sewage installations and treatment facilities operated and maintained by Lake Whatcom Water and Sewer District. In addition, it addresses potential future facilities development and projected population growth. The plan covers the following topics:

- system owner/operator information,
- sewer system layout including a description of the existing system boundaries, description of existing collection facilities including recently completed improvements,
- discussion of development trends within sewer district boundaries,
- discussion of existing and future collection and treatment issues such as existing and future sewer flows, and infiltration/inflow (I&I),
- discussion of sewer rate structure and revenue planning,
- discussion of present and future development alternatives within the district boundaries,
- outline of future improvement projects within the District.

Additional guidance is provided in Title 57 RCW Water-Sewer Districts:

RCW 57.16.010 - Before ordering any improvements or submitting to vote any proposition for incurring any indebtedness, the district commissioners shall adopt a general comprehensive plan for the type or types of facilities the district proposes to provide. A district may prepare a separate general comprehensive plan for each of these services and other services that districts are permitted to provide, or the district may combine any or all of its comprehensive plans into a single general comprehensive plan.

RCW 57.16.010 (2) - For a general comprehensive plan for a sewer system, the commissioners shall investigate all portions and sections of the district and select a general comprehensive plan for a sewer system for the district suitable and adequate for present and reasonably foreseeable future needs thereof. The general comprehensive plan shall provide for treatment plants and other methods and services, if any, for the prevention, control, and reduction of water pollution and for the treatment and disposal of sewage and industrial and other liquid wastes now produced or which may reasonably

CAPITAL PROJECT NARRATIVE

be expected to be produced within the district and shall, for such portions of the district as may then reasonably be served, provide for the acquisition or construction and installation of laterals, trunk sewers, intercepting sewers, syphons, pumping stations or other sewage collection facilities, septic tanks, septic tank systems or drainfields, and systems for the transmission and treatment of wastewater. The general comprehensive plan shall provide a long-term plan for financing the planned projects and the method of distributing the cost and expense of the sewer system and services, including the creation of local improvement districts or utility local improvement districts; and provide whether the whole or some part of the cost and expenses shall be paid from revenue or general obligation bonds.

The estimated budget to update the plan is \$85,000.

Cost estimates in 2019 dollars.

For further information about this project call Bill Hunter.

Revision History

- Created 11/5/2018.

CAPITAL PROJECT NARRATIVE

Project Name:	Edgewater Pump Station Retrofit
CIP #:	0044

Asset Register:	LWWSD → Sewer → Pump Stations → Edgewater				
Failure Mode:	Capacity	Level of Service	Mortality	Efficiency	
Business Risk Exposure:	30	= 10 x 3 x 1 (PoF x CoF x Redundancy)			
Remaining Life:	-4 years	Consumed Life:	44 years	Effective Life:	40 years

PURPOSE and DESCRIPTION OF THE PROJECT

Project includes retrofitting existing Smith & Loveless wet well mounted pump station with new single speed pumps, controls, telemetry, pressure transducers for monitoring the wet well level, backup high and low floats and a pole mounted work light manually switched at control panel. The retrofit is part of a District wide pump station plan to replace all 30+ year old equipment.

The existing pump station was installed in the 1974 and is located adjacent to Lake Whatcom. The station has two existing 1.5 HP pumps; each have a design point of 100 GPM at 20-feet TDH. The wet well diameter is 6-feet and the power service is currently 3-phase / 230V. Check valves are inaccessible for maintenance and cleaning. If a check valve ever jams it would be a major project to access the check valves for service.

Budget Estimate (*Based on Boulevard, Strawberry Pt., Country Club and Geneva/Par Costs*)

Phase A – begin 2 years before construction

(Budgeted Active Project #C1802)

Predesign, Shoreline Permit: \$100,000

Phase B – begin 1 year before construction

(Included in 2019 CIP Budget)

Design, Bidding: \$100,000

Phase C – construction year

(Scheduled for 2020 CIP Budget)

Services During Construction: \$ 75,000

Construction: \$425,000

Grand Project Total: \$700,000

Cost estimate in 2017 dollars.

CAPITAL PROJECT NARRATIVE

Historical Pump Station Replacement Cost Data

<u>Boulevard (2014)</u>	
Pre-design and Permitting	\$90k
Design and Bidding	\$100k
Services During Construction	\$90k
Construction	\$353k
Total	\$633k
<u>Strawberry Pt (2016)</u>	
Pre-design and Permitting	\$103k
Design and Bidding	\$95k
Services During Construction	\$50k
Construction	\$400k
Total	\$648k
<u>Country Club (2016)</u>	
Pre-design, Permitting, Design, Bidding	\$153k
<u>Geneva (with Stationary Generator) & Par (2017)</u>	
Pre-design and Permitting	\$102k
Design, Bidding and Services During Construction	\$146k
Geneva Construction Engineer's Estimate	\$650k
Par Construction Engineer's Estimate	\$477k
Total	---

For further information about this project contact 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.
- Revised 10/24/2017 by KH: Updated narrative and updated budget numbers based on recent pump station projects.
- Updated 11/5/2018 by BH: Added notes on budget scheduling for each phase.

CAPITAL PROJECT NARRATIVE

Project Name:	Water Meter Registers
CIP #:	0177

Asset Register:	LWWSD → Water → Distribution System → Services				
Failure Mode:	Capacity	Level of Service	Mortality	Efficiency	
Business Risk Exposure:	10	= 10 x 1 x 1 (PoF x CoF x Redundancy)			
Remaining Life:	0	Consumed Life:	10	Effective Life:	10

PURPOSE and DESCRIPTION OF THE PROJECT

It has been more than a decade since the District completed rebuilding customer water services and installing radio-read water meters. These original radio-read meters had a 10 year battery life. Over the last several years the District has been replacing an ever increasing number of meter registers as they fail.

In 2017 and 2018 a large number of these older models to reached the end of their service life and were replaced. It appears that these were the peak replacement years.

In 2019 staff is projecting about 200 older generation (10-year life) registers will need to be replaced which is starting to taper off compared to the previous years. Staff is also estimating about 40 new meters should be stocked for new development.

The newer generation meters have an improved expected service life of 20 years.

Budget Estimate

200 New Registers x \$165/ea	\$33,000
40 New Meters x \$216/ea	\$8,640
Subtotal	\$41,640
8.7% Sales Tax	\$3,623
Total	\$45k

Cost estimate in 2019 dollars.

For further information about this project call Bill Hunter.

CAPITAL PROJECT NARRATIVE

Revision History

- Created 8/2/2006.
- Revised 1/5/2010 by BH: Adjusted materials cost to closer match recent brass bids. Deleted labor since it is already in the general budget.
- Revised 10/26/2011 by BH: Reduced annual budget from \$30k (85 rebuilds/year) to 15k (40-50 rebuilds/year) to better match available District labor resources.
- Revised 11/20/2013 by BH: Updated number of remaining rebuilds and annual budget.
- Revised 10/25/2017 by RM: Updated purpose, description and budget estimate
- Revised 11/6/2018 by BH: Updated description and budget estimate.

CAPITAL PROJECT NARRATIVE

Project Name:	Fire Flow Improvements – Remove Deficient Fire Hydrant #22-122
CIP #:	0187

Asset Register:	LWWSD → Water → Distribution System				
Failure Mode:	Capacity	Level of Service	Mortality	Efficiency	
Business Risk Exposure:	NA	= __ x __ x 1 (PoF x CoF x Redundancy)			
Remaining Life:	NA	Consumed Life:	NA	Effective Life:	NA

PURPOSE and DESCRIPTION OF THE PROJECT

This project removes a fire hydrant identified in the 2018 Water System Plan as having deficient fire flow.

It is the only hydrant where sufficient fire flow cannot be reasonably achieved, and it is not needed. The District standard spacing for hydrants is 600 feet, and all parcels in this vicinity are within 600 feet of other hydrants.

Hydrant #22-112 is located at the upper end of Kinglet Court.

An amount of \$2k is included in the 2019 budget to remove the hydrant and install a blow-off assembly used for flushing the main.

Cost estimate in 2019 dollars.

For further information about this project call Bill Hunter.

Revision History

- Created 11/6/2018 by BH.

CAPITAL PROJECT NARRATIVE

Project Name:	Fire Flow Improvements – Hydraulic Model Calibration of Assumed Pipe Friction Loss Factor in Areas of Fire Flow Deficiencies
CIP #:	0188

Asset Register:	LWWSD → Water → Distribution System				
Failure Mode:	Capacity	Level of Service	Mortality	Efficiency	
Business Risk Exposure:	NA	= __ x __ x 1 (PoF x CoF x Redundancy)			
Remaining Life:	NA	Consumed Life:	NA	Effective Life:	NA

PURPOSE and DESCRIPTION OF THE PROJECT

This project was identified in the 2018 Water System Plan.

Project includes additional field testing for hydraulic model calibration to determine the appropriate friction factor (C factor) to use in the model. The C factor was reduced globally based on limited field tests which had a significant negative impact on available fire flow in the higher elevation areas. If the current C factor is correct and these are "real" (not modeling) deficiencies, the District will explore options to eliminate the deficiencies.

A budget amount of \$15k is included for 2019 for analyzing 4 to 8 areas in the water system. District staff will work with the consulting engineer to flow hydrants as needed for data collection. The estimate includes data reduction, updating the hydraulic model if warranted by the data, and updating the fire flow tech memo as needed.

Cost estimate in 2019 dollars.

For further information about this project call Bill Hunter.

Revision History

- Created 11/6/2018 by BH.

CAPITAL PROJECT NARRATIVE

Project Name:	Flat Car Sewer Pump Station – Replace Volute, Impeller, Wear Rings (for Pumps #1 and #3)
CIP #:	0190

Asset Register:	LWWSD → Sewer → Pump Stations → Flat Car				
Failure Mode:	Capacity	Level of Service	Mortality	Efficiency	
Business Risk Exposure:	10	= 10 x 2 x 0.5 (PoF x CoF x Redundancy)			
Remaining Life:	0 years	Consumed Life:	15 years	Effective Life:	15 years

PURPOSE and DESCRIPTION OF THE PROJECT

Replace worn volute, impeller, and wear rings on pumps #1 and #3 at Flat Car Sewer Pump Station.

Flat Car Sewer Pump Station was constructed in 2003. The liquid end of the pumps lasted 15 years with uncoated parts. Pump #2 parts were replaced in 2018 for \$14k and were ordered with a ceramic coating that should extend part service life compared to the original parts.

Estimate is \$28k in 2019 dollars.

Revision History

- Created 11/6/2018 by BH.

CAPITAL PROJECT NARRATIVE

Project Name:	Little Strawberry Bridge Water Main Replacement
CIP #:	0191

Asset Register:	LWWSD → Water → Distribution System				
Failure Mode:	Capacity	Level of Service	Mortality	Efficiency	
Business Risk Exposure:	NA	= __ x __ x 1 (PoF x CoF x Redundancy)			
Remaining Life:	NA	Consumed Life:	NA	Effective Life:	NA

PURPOSE and DESCRIPTION OF THE PROJECT

Multiple leaks were repaired in 2018 on a short section of water main hung from the concrete bridge on Little Strawberry Lane in Sudden Valley. The main is coated steel that has reached the end of its serviceable life.

This project is split into 2 phases:

Phase 1 (2019) - Includes preliminary engineering and development of a construction cost estimated to replace the main. 2019 Budget includes \$20k for Phase 1.

Phase 2 (future) - A future CIP project will be scheduled using preliminary engineering and cost estimate information developed in Phase 1.

Cost estimate in 2019 dollars.

For further information about this project call Bill Hunter.

Revision History

- Created 11/6/2018 by BH.

CAPITAL PROJECT NARRATIVE

Project Name:	AB PLC-5 Replacements and UPS Improvements
CIP #:	0192

Asset Register:	LWWSD → Sewer → Pump Stations LWWSD → Water → Booster Pump Stations				
Failure Mode:	Capacity	Level of Service	<u>Mortality</u>	Efficiency	
Business Risk Exposure:	27	= 9 x 3 x 1 (PoF x CoF x Redundancy)			
Remaining Life:	5 years	Consumed Life:	15 years	Effective Life:	20 years

PURPOSE and DESCRIPTION OF THE PROJECT

In June of 2017, the Allen Bradley PLC-5 Control System was discontinued by Rockwell Automation and is no longer available or supported. Since Rockwell is no longer supplying replacement parts for these systems, many users are looking for used or surplus parts for replacement parts that can be hard to find, expensive, and have no guaranty. Rockwell is encouraging customers to migrate from the PLC-5 Control System to the ControlLogix PLC platform, for which, hardware component and support is readily available.

The District has several sites that use these older style PLC's:

- Sudden Valley Sewer Pump Station
- Flat Car Sewer Pump Station
- Beaver Sewer Pump Station
- Division 30 Booster Station

This project is intended to begin the replacement process of discontinued PLC's as well as make uninterruptable power supply (UPS) improvements for better facility reliability.

The scope of work and budget to complete the project is not known at this time. A **budget amount of \$100k** is recommended by staff to:

- Select a general electrical/control engineering consultant through the Request for Qualifications (RFQ) selection process. This consultant would be retained with an Architectural/Engineering (AE) Agreement for a 5-year term. Individual project Task Orders will developed and authorized as needed for all types of general electrical/controls engineering services needed by the District.
- Develop a Task Order scope to figure out the best way to migrate each site to the new PLC's and what UPS improvements can be made to increase facility reliability.
- With the remaining 2019 budget, prepare bid documents, bid the work, and contract with a contractor to begin the migration.
- Develop future CIP budgets to finish the work.

Revision History

- Created 11/6/2018 by BH.

CAPITAL PROJECT NARRATIVE

Project Name:	SVWTP & AHWTP Misc Component Replacements
CIP #:	0194

Asset Register:	LWWSD → Water → Water Treatment Plants				
Failure Mode:	Capacity	Level of Service	Mortality	Efficiency	
Business Risk Exposure:	18	= 9 x 2 x 1 (PoF x CoF x Redundancy)			
Remaining Life:	4	Consumed Life:	26	Effective Life:	30

PURPOSE and DESCRIPTION OF THE PROJECT

Replace worn out components at Sudden Valley Water Treatment Plant (SVWTP) and Agate Height Water Treatment Plant (AHWTP). Replacements include:

- \$1.5k SVWTP Raw Water pH Probe
- \$36k SVWTP Transmission Pump Control Valves (4 valves)
- \$12k SVWTP Transmission Pipeline Surge Valves (2 valves)
- \$4.5k SVWTP Raw Water Flow Meter
- \$1.5k SVWTP CL2 Contact Tank Pressure Transmitter (used to measure tank level)
- \$12k SVWTP Spare Transfer Pump
- \$4.5 AHWTP Finish Water Flow Meter

\$72k Total Budget

Cost estimate in 2019 dollars.

For further information about this project call Kevin Cook.

Revision History

- Created 11/06/2018 by BH.

CAPITAL PROJECT NARRATIVE

Project Name:	VEH42 5-Yard Dump Truck – Replace Tires
CIP #:	0195

Asset Register:	LWWSD → General Facilities				
Failure Mode:	Capacity	Level of Service	Mortality	Efficiency	
Business Risk Exposure:	NA	= __ x __ x 1 (PoF x CoF x Redundancy)			
Remaining Life:	NA	Consumed Life:	NA	Effective Life:	NA

PURPOSE and DESCRIPTION OF THE PROJECT

Replace worn out tires on VEH42 5-yard dump truck. (Note that all the other large equipment tires were checked for wear and only VEH42 needed replacements.)

Estimate is \$3,600

Cost estimate in 2019 dollars.

For further information about this project call Bill Hunter.

Revision History

- Created 11/6/2018 by BH.

CAPITAL PROJECT NARRATIVE

Project Name:	Field Chlorine Injection System for Water Main Disinfection after Depressurization
CIP #:	0196

Asset Register:	LWWSO → Water → Distribution System				
Failure Mode:	Capacity	Level of Service	Mortality	Efficiency	
Business Risk Exposure:	NA	= __ x __ x 1 (PoF x CoF x Redundancy)			
Remaining Life:	NA	Consumed Life:	NA	Effective Life:	NA

PURPOSE and DESCRIPTION OF THE PROJECT

Procure chlorine injection system for use in the field to chlorinate water mains after depressurization.

Estimate is \$5,000

Cost estimate in 2019 dollars.

For further information about this project call Bill Hunter.

Revision History

- Created 11/6/2018 by BH.

CAPITAL PROJECT NARRATIVE

Project Name:	Reservoir Cage/Railing Improvements at Top of Fix Ladders
CIP #:	0197

Asset Register:	LWWSD → Water → Reservoirs				
Failure Mode:	Capacity	Level of Service	Mortality	Efficiency	
Business Risk Exposure:	NA	= __ x __ x 1 (PoF x CoF x Redundancy)			
Remaining Life:	NA	Consumed Life:	NA	Effective Life:	NA

PURPOSE and DESCRIPTION OF THE PROJECT

Field staff has requested that safety cage / railing improvements be installed at the top of fixed ladders on several reservoirs (Division 7, Old Division 22, and Geneva). The project will improve fall protection safety for District staff as they routinely inspect and maintain the reservoirs.

The 2019 budget includes \$25k to begin making these improvements.

Cost estimate in 2019 dollars.

For further information about this project call Bill Hunter.

Revision History

- Created 11/6/2018 by BH.

CAPITAL PROJECT NARRATIVE

Project Name:	District Office Minor Facility Repairs and Improvements
CIP #:	0198

Asset Register:	LWWSD → General Facilities				
Failure Mode:	Capacity	<u>Level of Service</u>	<u>Mortality</u>	Efficiency	
Business Risk Exposure:	NA	= __ x __ x 1 (PoF x CoF x Redundancy)			
Remaining Life:	NA	Consumed Life:	NA	Effective Life:	NA

PURPOSE and DESCRIPTION OF THE PROJECT

District administrative office facility repairs and improvements located at 1220 Lakeway Drive. Work includes:

\$5k Install irrigation system

\$25k Upper parking lot asphalt patching (approx. 16-ft x 75-ft = 1,200 sf area)

\$25k Front entrance parking lot surface drainage grading / asphalt patching (approx. 40-ft x 30-ft = 1,200 sf area)

\$5k Replace front entrance garden stepping pavers with concrete steps/walkway

\$60k Total Budget

Cost estimate in 2019 dollars.

Asphalt patching estimate based on 2018 Asphalt Patching project which was about \$20 per square foot (including tax) for excavation and disposal of asphalt, prep with crushed rock and compaction, 2" of asphalt and hot asphalt seal at edges. Unit price cost does not include saw cutting of asphalt.

For further information about this project call Bill Hunter.

Revision History

- Created 10/24/2018 by BH.

CAPITAL PROJECT NARRATIVE

Project Name:	SVWTP 20-Year Facility Improvement Plan
CIP #:	0199

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

PURPOSE and DESCRIPTION OF THE PROJECT

Background:

The Sudden Valley Treatment Plant was upgraded in 1992 to increase raw water and transmission pumping capacities to match the capacity of the filtration system. Additional objectives included increasing the reliability of the plant and complying with the EPA's Surface Water Treatment Rules (SWTR). The plant treats, disinfects, and delivers water to the distribution system, with 100% backup capacity of all pumping systems, and diesel standby generator capable of operating the plant at full capacity. The treatment plant is a direct filtration treatment plant with disinfection provided by chlorine gas.

The disinfection contact time provided by the tank was investigated in detail in a study by the Department of Health in 2016. This study concluded that the baffling efficiency (T10/T) used to calculate contact time in the tank should be adjusted from 0.7 to 0.3. This change resulted in a requirement to increase chlorine concentration to meet the required chlorine contact time (CT).

The plant is typically operated at half its capacity, approximately 700 gpm. Because the transfer pump that pumps into the CT reservoir is a constant speed pump that pumps at 1400 gpm and is operates on and off while the plant is operating based on a float, the Department of Health has set a minimum contact tank depth of 16.5 ft (155,000 gallons) based on a flow rate of **1,000 gpm on a 60-minute basis**. Options could be investigated to utilize additional water system components for the calculation of contact time.

Purpose:

The purpose of this project is to:

- Identify and document specific operational, maintenance, renewal, and replacement needs for the next 20-years which includes everything (concrete building structure, underground vaults, motors, pumps, piping, valves, electrical, controls, heating and ventilation, chemical handling, lab space, etc.)
- Prioritize the improvements
- Analyze physical space requirements for identified improvements.
- Develop several conceptual plans that could accommodate all the components (it is likely that additional floor space is needed).

CAPITAL PROJECT NARRATIVE

- Sequence improvements into logical phases such that each phase can build upon previous phases.
- For each phase, develop conceptual cost estimates along with a written narrative which describes the scope of work and assumptions.

Some of the needs/goals identified to date include:

- Switch from chlorine gas to liquid chlorine
- Variable frequency drives for transfer and transmission pumps (as part of motor control center panel replacements)
- Lab workspace improvements
- Replace Alum tank (front windows will need to be removed, possible replace with rollup door)
- Complete fiber circuit from Afternoon Beach Sewer Pump Station to Sudden Valley Sewer Pump Station (this completes District owned fiber communication from Operations Facility to SVWTP)

The amount to complete such a facility plan is not known. An amount of \$50k is included in the 2019 to begin the process. Staff recommends soliciting for a specialized engineering consultant team (civil, mechanical, electrical, controls) through the Request for Qualifications (RFQ) process. Once a consultant is selected staff will work with the consultant to develop an initial scope of work to try fit within the 2019 budget amount.

For further information about this project contact Bill Hunter.

Revision History

- Created 11/6/2018 by BH.

CAPITAL PROJECT NARRATIVE

Project Name:	Sewer System Rehabilitation and Replacement Projects
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:	\$165,000 (annual target)

2019 budget includes \$40,000 for minor sewer system rehab and replacement projects that are not identified as specific CIP projects. Some of the work identified to date includes:

- Lake Louise Sewer Pump Station – Protection from Stormwater Surface Runoff
- Misc repairs and I&I

Cost estimate in 2019 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.
- 11/6/2018. Updated budget for year 2019. BH.

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 Water & Sewer Rate Update dated 1/24/2017)

2017	\$200k	
2018	\$210k	
2019	\$220k	**Note that the 2019 budget includes \$259k of capital water projects, of which \$25k is set aside for the miscellaneous water system rehab and replacement projects (CIP #W0002a) identified below
2020	\$230k	
2021	\$240k	
2022	\$250k	

Miscellaneous water system rehab and replacement projects identified for 2019 include:

- Installing PRV vault drains at 5 PRV sites (Cascade, Rock Ridge, Hillside, Dutch Harbor, & Fremont)

Cost estimates in 2019 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.
- Updated 11/17/2017 by BH.
- Updated 11/5/2018 by BH.

APPENDIX C

2019 REVENUE BOND AND LOANS FUND SUMMARY

REVENUE BONDS AND LOANS SUMMARY


The District has obtained publicly funded loans to construct projects. The project title, loan remaining, funding source, agency and interest rates are noted as follows:

Project Title	Balance Remaining 1/1/2019	Funding Source	Agency	End Date	Rate
Geneva AC Mains	\$ 2,038,938	Rates	Drinking Water State Revolving Fund	2035	1.5%
Division 22 Reservoir	\$ 1,022,780	Rates	Drinking Water State Revolving Fund	2037	1.5%
2016 Revenue Bonds Outstanding	\$ 6,160,000	Rates		2035	2.25%
2009 Revenue Bonds Outstanding	\$ 285,000	Rates		2019	4.0%
Total Debt Outstanding - 1/1/2019	\$ 9,506,718				



**AGENDA
BILL
Item 5.B**

**Presentation of
2019 District Initiatives**

DATE SUBMITTED:	November 20, 2018	MEETING DATE:	November 28, 2018
TO: BOARD OF COMMISSIONERS		FROM: Justin Clary, General Manager	
GENERAL MANAGER APPROVAL			
DISTRICT ENGINEER/ASST MGR APPROVAL			
FINANCE MANAGER APPROVAL			
ATTACHED DOCUMENTS		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

Recognizing that the Lake Whatcom Water & Sewer District's mission is to *provide the best possible water and sewer services to District customers at an affordable cost, and in a way that contributes to protecting Lake Whatcom water quality*, the District Board of Commissioners annually adopts a budget that aligns with this mission and defines a work program under which the District will operate for the coming year. As a local government with finite revenue streams, the District's draft 2019 Budget defines the 2019 work program for both operation of and capital improvements to District facilities. That said, with a staff of professionals with a wide-range of expertise, the District also has the capacity to undertake additional initiatives beyond day-to-day operational requirements and capital improvement obligations that are aimed at enhancing District operations/services.

Based upon one-on-one interviews with Board members and District staff, the management team has developed a list of initiatives for 2019. The proposed initiatives have been created to largely be completed under the fiscal constraints of the 2019 Budget (i.e., limited to no impact to the budget) and within anticipated workload capacity (please note that some of the initiatives are anticipated to be a multi-year effort). The attached memorandum presents the proposed initiatives for the Board's consideration.

FISCAL IMPACT

The proposed initiatives are largely anticipated to be conducted within the 2019 Budget. Should the addition of resources or services be identified during the course of initiative implementation, the associated costs will be brought to the Board for approval prior to initiating that work.

RECOMMENDED BOARD ACTION

No action is requested at this time.

PROPOSED MOTION

None required.



LAKE WHATCOM WATER & SEWER DISTRICT

1220 Lakeway Drive
Bellingham, WA, 98229

(360) 734-9224
Fax 738-8250

MEMORANDUM

To: Board of Commissioners
Lake Whatcom Water & Sewer District

Date: November 20, 2018

From: Justin Clary
General Manager

RE: Proposed 2019 District Initiatives

Recognizing that the Lake Whatcom Water & Sewer District's (District) mission is *to provide the best possible water and sewer services to District customers at an affordable cost, and in a way that contributes to protecting Lake Whatcom water quality*, the District Board of Commissioners (Board) annually adopts a budget that aligns with this mission and defines a work program under which the District will operate for the coming year. As a local government with finite revenue streams, the District's 2019 Budget defines the 2019 work program for both operation of and capital improvements to District facilities. That said, with a staff of professionals with a wide-range of expertise, the District also has the capacity to undertake additional initiatives beyond day-to-day operational requirements and capital improvement obligations that are aimed at enhancing District operations/services.

Based upon one-on-one interviews with Board members and District staff, the management team has developed a list of initiatives for 2019. The proposed initiatives have been created to largely be completed under the fiscal constraints of the 2019 Budget (i.e., limited to no impact to the draft budget) and within anticipated workload capacity (please note that some of the initiatives are anticipated to be a multi-year effort). The purpose of this memorandum is to present the proposed initiatives for the Board's consideration.

1) Administrative and Organizational Document Review/Revision

A change in management can afford the opportunity to revisit an organization's administrative and policy documents. With recent laws requiring update to some of the District's manuals, and a significant lapse of time since a review has been completed of others, District management will lead reviews of the following:

- **Personnel Policies & Procedures Manual.** The District's personnel policies and procedures manual brings structure to the organization by defining day-to-day decision making processes and setting employee expectations. While the manual is considered largely up-to-date, the management team has identified areas requiring addition/revision (e.g., addition of a workplace violence prevention policy, clarification to the drug testing policy, and update to the military leave policy and addition of Paid Family & Medical Leave Act policy to comply with state law).

- **Administrative Code.** Although the Administrative Code was revised as recently as June 2018, a review of the code by management will be conducted to identify any potential revisions that enhance the District's services or brings the code into compliance with current law. Anticipated revisions will include, at a minimum, refinement of the District's purchasing, purchasing services, professional services, and public works construction services sections of the code.
- **Commissioner Protocol Manual.** It has been a number of years since the last review of the Commissioner Protocol Manual. As such, a work session with the Board is recommended to review and reinforce (and revise, as necessary) protocols defined within the manual.
- **Health & Safety Program.** With both a new general manager and operations and maintenance manager now aboard, a comprehensive review of the District's Health & Safety Program will be undertaken to ensure all work is being conducted in accordance with current laws and best management practices, and to reinforce with District staff the importance of continuous adherence to safety.
- **File Management System.** As a public agency, efficient and effective management of District documents is critical to maintain compliance with state law, as well as to ensure consistent management of day-to-day operations. Therefore, staff will overhaul the District's electronic filing system on its server, as well as digitize hard copy files into the District's electronic data management software (DocuWare).

2) Community/Public Relations Enhancement

As a public service provider, clear and routine communications is critical in establishing an effective and positive relationship with our customers. Similarly, a well-managed public relations strategy can effectively build the District's reputation with external partners. Therefore, the District will undertake an effort to enhance its public relations efforts:

- **Website.** The District made an investment in renovating its website this past year; District staff will routinely maintain and update, as necessary, the website to remain current.
- **Social Media Program.** It is now accepted that social media tools can improve interactivity between government agencies and the public, reaching new and different populations from traditional media sources. However, a social media program should be thoughtfully developed to ensure both its effectiveness and compliance with state laws, and once initiated, routinely administered to maintain its viability. District staff will develop and implement a social media program to enhance the District's community relations.
- **Press Releases.** To enhance the District's presence in Whatcom County, staff will periodically issue press releases, as appropriate, that highlight District successes.

- 50-year Anniversary. Fifty years of service to the Lake Whatcom community is a major milestone. The District will undertake a series of internal and external events that celebrates this significant achievement.
- Fact Sheets. District staff will develop a series of fact sheets that serve as tools for educating the public on District services (and successes).

3) Lake Whatcom Water Quality

Preservation of the water quality in Lake Whatcom is critical to ensuring the District's efficient provision of water to our customers.

- Management Program. The District will continue to participate at all levels (technical, policy, financial) of the Lake Whatcom Management Program.
- Onsite Septic System Impact Assessment. District staff will continue its sustained, multi-year effort in increasing the focus of the Lake Whatcom Management Program on the assessment of onsite septic systems' impacts on Lake Whatcom water quality.
- Onsite Septic System Conversion Program. During 2018, the District was successful in connecting three properties previously using onsite septic systems to the District's sanitary sewer collection system. District staff will continue this effort in 2019.

4) Board Technology Upgrades

To utilize efficiencies available through technology, the District will implement a series of technology upgrades for the Board.

- Electronic Board Packets. To mitigate the use of natural resources and impacts to administrative staff workloads, the District will explore conversion from producing hard copies of Board meeting packets to electronic only.
- Board-issued Tablets. Under current operational practice, should the District ever be faced with a lawsuit that requires disclosure of documents/emails prepared by Board members, each member's personal computer could be subject to disclosure. To eliminate this liability, the District will explore issuance of tablets to each member for all District-related business.

5) Asset Management

Asset management provides a systematic approach for optimizing the allocation of District resources (both infrastructure and equipment). With the District's implementation of a GIS-based asset management system in the early 2000s, we have been an early adopter of geospatial asset management. With such a significant investment, the District will continue to enhance the capabilities of our system through the following (note that the 2019 Budget includes investment in additional modules for our Cartegraph asset management system that support these initiatives):

- Continued progress on visual inspection and GPS location of every District asset, including update of GIS maps and the Cartegraph system (this will include

completing the locating of the remaining portion of District infrastructure [part of Sudden Valley] and may include enlisting the services of an intern).

- Continued development and refinement of a preventative maintenance program utilizing Cartegraph for automatic work order and task generation.

6) Operations & Maintenance Workload/Capacity Analysis

Using the capabilities of Cartegraph, the District will more accurately track the use of resources (labor, equipment, and supplies) to gain a better understanding of the allocation of those resources between functions (capital, routine operations, and repair/maintenance) and utilities (sewer, water, or combined).

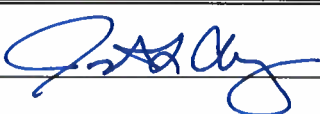
7) New Development Process Refinement

The significant increase in new connections in the District has highlighted the need to refine the process in which new connections are permitted, inspected, and approved. To gain efficiencies in the overall process, District staff will work with development partners (Whatcom County Planning & Development Services, Sudden Valley Community Association, etc.) to ensure that District review and approval of connections to our water and sewer systems are appropriately integrated with our partners' development programs.



**AGENDA
BILL
Item 5C**

**Summary of Existing
District Projects**

DATE SUBMITTED:	November 21, 2018	MEETING DATE:	November 28, 2018
TO: BOARD OF COMMISSIONERS		FROM: Bill Hunter	
GENERAL MANAGER APPROVAL			
DISTRICT ENGINEER/ASST MGR APPROVAL			
FINANCE MANAGER APPROVAL			
ATTACHED DOCUMENTS		1. Summary of Existing District Projects	
		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

Staff presentation of Summary of Existing District Projects and priorities

FISCAL IMPACT

Not applicable at this time.

RECOMMENDED BOARD ACTION

Review and discuss.

PROPOSED MOTION

Not applicable at this time.



Lake Whatcom Water & Sewer District Summary of Existing District Projects

Prepared for the November 28, 2018 Board Meeting
Data Compiled 11/21/18 by RH, BH, RM, KH

Status of Water and System Capacities				
	South Shore ID# 95910	Eagleridge ID# 08118	Agate Heights ID# 52957	Johnson Well ID# 04782
DOH Approved ERUs	**	85	54	2
Connected ERUs	3832	70	44	2
Remaining Capacity (ERUs)	**	15	10	0
Permitted ERUs Under Construction	32	0	0	0
Pre-paid Connection Certificates & Expired Permits	17	0	5	0
Water Availabilities (trailing 12 months)	33	0	0	0
Subtotal - Commitments not yet connected	82	0	5	0
Available ERUs	**	15	5	0

** Per DOH, water system capacity is sufficient for buildout. Oct 2018

Completed District Projects in 2018	
Proj #	Project Name
C1407	Lowe Sewer Pump Station VFDs
C1605	Water System Plan Update
C1607	North Shore Water Quality Sampling
C1610	Little Strawberry Water Leak on Bridge
C1703	Utility System Support Specialist Vehicle
C1704	Business Server Hardware Replacement
C1707	Level Transmitter Replacement at Beaver & Flatcar Pump Stations
C1709	2017 Sewer Capacity Management Operation Maintenance
C1804	SVWTP Turbidimeters and Chlorine Analyzers
C1805	Water Meter Registers
M1806	Water Facilities Inspection & Maintenance
C1807	Replace Light Duty Truck
C1808	Replace Tool Truck
M1812	CMOM Manhole, Wet Well, and Vault Pressure Grouting
A1815	Compulsory Sewer Connections
A1816	Salary Survey
A1817	Web Site Update
M1819	2018 Asphalt Patching

State Required Report Status															
Monthly Reports															
Name Of Report			Completed												
Chlorination Report Agate Heights Prepared by: Kevin	Postmarked by the 10th of month		Jan x	Feb x	Mar x	Apr x	May x	June x	July x	Aug x	Sept x	Oct x	Nov x	Dec 	
Surface Water Treatment Rule Report (SVWTP) Prepared by: Kevin	Postmarked by the 10th of month		Jan x	Feb x	Mar x	Apr x	May x	June x	July x	Aug x	Sept x	Oct x	Nov x	Dec 	
Department of Revenue Prepared by: Debi	Due end of following month		Jan x	Feb x	Mar x	Apr x	May x	June x	July x	Aug x	Sept x	Oct x	Nov 	Dec 	
Community Right to Know (Hazardous Materials) Prepared by: Rich	March 31		February 14, 2018												
Annual Reports															
Name Of Report	Deadline		Completed												
WA State Cross Connection Report Prepared by: Rich	May		March 15, 2018												
OSHA 300 Log Prepared by: Rich	February 1		January 23, 2018												
Water Use Efficiency Performance Report Prepared by: Kevin	July 1		March 20, 2018												
Consumer Confidence Reports Prepared by: Kevin	May		Geneva 6/19/18		SV 6/19/18		EagleR 6/19/18		Agate Ht 6/19/18						
Hazardous Waste Activity Report Prepared by: Rich	March 31		Inactive site, no longer need to report												
Report Number of Sewer ERUs to City of Bellingham Prepared by:	January 15		March 21, 2018												
Other Reports															
Name Of Report	Deadline		Completed												
Water Right Permit No. G1-22681 Development Extension	Due Every 5 Years Next Due Feb 15, 2023		March 20, 2018												
Water Right Permit No. S1-25121 Development Extension	Due Every 5 Years Next Due March 30, 2023		March 20, 2018												
CPR/First Aid Training Coordinated by: Rich	Due Biennially Next Due 2019		May 24, 2017												
Flagging Card Training Coordinated by: Rich	Due Triennially Next Due 2019		August 3, 2016												

Safety Program Summary Completed by Rich Munson			
Summary of Annual Safety Training 2018 Testing Period - Jan 1, 2018 to June 30, 2018			
	Enrollments	Completions	% Complete
Engineering - Managers	40	40	100%
Engineering - Staff	21	21	100%
Field Crew	206	191	93%
Office - Managers	19	19	100%
Office - Staff	52	52	100%
Overall	338	323	96%

Safety meetings for the field crew take place every Tuesday or Wednesday at 5:00 pm.

Dates of Completed Safety Committee Meetings					
Wednesday, January 17, 2018	Wednesday, June 14, 2018	Tuesday, October 9, 2018			
Thursday, February 15, 2018	Tuesday, July 24, 2018	Tuesday, November 20, 2018			
Thursday, April 12, 2018	Monday, August 27, 2018				
Thursday, May 17, 2018	Thursday, September 13, 2018				
Summary of Work-Related Injuries & Illnesses					
	2018	2017	2016	2015	2014
Total Number of Work Related Injuries Defined as a work related injury or illness that results in: • Death • Medical treatment beyond first aid • Loss of consciousness • Significant injury or illness diagnosed by a licensed health care professional • Days away from work (off work) • Restricted work or job transfer	0	1	0	1	1
Total Number of Days of Job Transfer or Restriction (light duty or other medical restriction)	0	13	0	0	
Total Number of Days Away from Work (at home, in hospital, not at work)	0	4	0	0	
Near Misses	2	1			

Developer Extension Agreements			
D1801	Sudden Valley Community Association - Area Z Fire Hydrant		
Scope	Installation of Fire Hydrant		
Sign Date	8/16/2018	Expiration Date	8/16/2021 (3 years)
Prior to Commencing Construction		Prior to Final Acceptance	
<input type="checkbox"/> 1. District Engineer approves design <input type="checkbox"/> 2. Reimbursement of District Engineer review costs <input checked="" type="checkbox"/> 3. Copy of insurance policy <input checked="" type="checkbox"/> 4. Copies of recorded easement <i>n/a: to be recorded prior to final acceptance, property owned by Sudden Valley Community Association</i> <input type="checkbox"/> 5. Copies of permits <input checked="" type="checkbox"/> 6. Pay Developer Conformance Deposit <i>Receipt #16291 8/14/18</i> <input checked="" type="checkbox"/> 7. Developer delivers performance bond <i>Assignment of savings account received in the amount of \$135,798 and dated 8/14/2018. This will cover up to \$90,532 of constructed facilities</i> <input type="checkbox"/> 8. Pays 25% of total amount of general facilities connection fees due to District <i>n/a: no new connection</i> <input checked="" type="checkbox"/> 9. Pays District Administration, Legal Services, and Inspection Deposit <i>Receipt #16291 8/14/18</i> <input type="checkbox"/> 10. District Issues Notice to Proceed w/Construction		<input type="checkbox"/> 1. District inspects & approves facilities as complete <input type="checkbox"/> 2. District receives water meters for each service <input type="checkbox"/> 3. District accepts record drawings <input type="checkbox"/> 4. District accepts easements & title insurance <input type="checkbox"/> 5. District receives warranty bond or like security <input type="checkbox"/> 6. District receives maintenance bond <input type="checkbox"/> 7. District receives and approves Bill of Sale <input type="checkbox"/> 8. District receives a copy of recorded plat or legal description <input type="checkbox"/> 9. District receives legal description of property <input type="checkbox"/> 10. District receives Latecomers Reimbursement fees due to other Developers (if applicable) <input type="checkbox"/> 11. Developer pays any applicable Supplemental DEA Processing/General Administrative fees <input type="checkbox"/> 12. District receives signed and notarized Latecomers Reimbursement Agreement (when applicable) <input type="checkbox"/> 13. Developer has reimbursed the District for all incurred costs associated with DEA <input type="checkbox"/> 14. Developer has met and completed all local, state, and federal permit requirements <input type="checkbox"/> 15. Copies of recorded easement on file with District	
Tasks/Notes			
<ul style="list-style-type: none"> 7/3/2018 DEA Application Received 7/25/2018 Board Authorizes DEA with Conditions 8/7/2018 SVCA Submits Hydraulic Analysis 8/14/2018 SVCA submits drawings, DEA, assignment of savings, insurance certificate, check for \$6,750 (\$5,000 deposit for review & inspection, \$1,000 conformance deposit, and \$750 for processing fee), and shallow pipe depth memo. 9/5/2018 District completes review of hydraulic analysis. 1,250 GPM for 90 minutes is available. 9/5/2018 SVCA submits revised plans. Review on hold until SVCA makes another deposit of \$5,329.66 to cover legal and engineering review. 			



District Projects

Staff Report

11/20/2018

C1504 Reservoir Site Security

Install site security system at 1 reservoir site. Pilot project to evaluate equipment, configuration, and telemetry options.

01 Administration

- 5/4/2015 District staff have done initial research on available security camera systems and motion detection. List of equipment and options is in development. Initial pilot site will be the SVWTP.
- 12/21/2016 Staff ordered equipment. Should arrive soon. Equipment will be installed at SVWTP. Motion detection from camera system will be integrated into SCADA system for alarm monitoring by District crews.
- 1/19/2017 Equipment has been received. District staff will begin installation soon.
- 11/20/2017 Staff working to contract with electrician to install conduit and cabling at SVWTP.
- 1/25/2018 Quote from electrician is larger than expected. Staff re-evaluating wiring schematic and conduit run options.
- 10/23/2018 Staff obtaining updated quote from electrical contractor with option to route conduit on outside of building.
- 11/20/2018 Electrical contractor scheduled to start work on 11/26/2018.

C1611 Country Club Sewer Pump Station

Rehabilitation of Country Club Sewer Pump Station.

01 Administration

- 4/6/2016 Selection of consultant is in conjunction with general engineering services RFQ.
- 8/9/2016 Staff working with BHC to develop scope of work
- 9/8/2016 AE agreement finalized and being routed for execution. Scope/fee was approved by board on 8/31/2016. Work to begin as soon as agreement is executed.
- 11/2/2016 District attended Center Condo Owner's Association board meeting to present and coordinate the project. Association gave District needed letter of authorization to pursue Whatcom County permits for construction - of either option (pump station or direction drill).
- 12/21/2016 AE Agreement Amendment being routed for execution that includes scope for geotech test borings to determine directional drilling feasibility. BHC and GeoEngineers are scheduling work and preparing permit applications.
- 8/30/2017 Board authorizes Amendment 2 to AE Agreement. This work includes detailed geotechnical design for horizontal directional drilling.
- 9/13/2017 Board authorizes Amendment 3 to AE Agreement. This work include additional permitting and detailed design thru bidding.
- 11/8/2017 Staff attended Center Condo Owner's Association board meeting to brief board of progress and to coordinate future work.

02 Predesign

- 10/11/2016 Held predesign meeting with BHC and District staff. BHC beginning preliminary design.
- 11/21/2016 Staff and BHC working on scope amendment to investigate horizontal direction drilling as the primary option. This option has the potential to eliminate the need for the pump station.

- 3/21/2017 Consultant completed 3 test bores to determine feasibility of horizontal direction drilling. They did not encounter any hard rock. One bore had sandstone the last 5 feet.
- 4/19/2017 District received copy of Geotechnical Data Report that documents soil conditions found during exploratory boring. Geotechnical engineers are working on a 2nd report that will discuss and recommend horizontal drilling methodology for construction and bid documents.
- 5/17/2017 District received copy of draft geotech report regarding Trenchless (HDD) Alternative Evaluation. BHC also reviewing report and coordinating with subconsultant.
- 6/22/2017 Geotechnical subconsultant addressing District and BHC review comments and will be including a discussion on auger drilling in addition to the horizontal drilling method.
- 7/12/2017 Consultants presented horizontal direction drilling and conventional auger bore alternates to Board. Staff will make a recommendation a next Board meeting on the preferred alternative.

03 Permitting

- 10/20/2016 Pre-Application meeting with Whatcom County to review anticipated permitting requirements.
- 11/7/2016 District and GeoEngineers met with Whatcom County Critical Areas Biologist to review potential critical areas.
- 12/22/2016 GeoEngineers submitted shoreline exemption permit application for test borings to Whatcom County.
- 11/16/2017 Held 2nd pre-application meeting with County staff. 2nd meeting was necessary due to scope change from replacement of pump station to horizontal directional drilling. Consultants are preparing permit applications for project to be submitted early December.
- 1/25/2018 Consultants are still preparing permit applications. Draft applications are expected any day for District review. Staff has rescheduled construction from summer 2018 to summer 2019. A revised CIP plan will be presented to board for approval on 1/31/2018.
- 2/12/2018 Staff have reviewed draft permit application package and is coordinating with consultant to address minor comments.
- 3/8/2018 District received permit application materials from consultant. Staff working to obtain Center Condo and SVCA notarized signatures.
- 4/13/2018 Permit applications submitted to Whatcom County.
- 4/17/2018 Corps and JARPA documents sent to agencies.
- 5/10/2018 County issued SEPA notice to agencies and property owners within 1000-feet of project for comment period. Written comments are due by June 10, 2018.
- 5/11/2018 District received Nationwide Permit 12 (Utility Line Activities) from Army Corps of Engineers.
- 6/10/2018 Written SEPA comments to County due.
- 6/18/2018 As of today the shorelines administrator said he is still waiting on comments from critical areas staff, and that he'd check-in with those staff tomorrow.
- 7/5/2018 County in process of reviewing permit applications.
- 9/19/2018 County critical areas staff still reviewing details proposed plan. BHC and GeoEngineers are in contact with County staff to make sure they have everything they need to complete application processing and to schedule a shoreline hearing date.
- 10/18/2018 All additional information requested by County critical areas has been submitted. Waiting for shorelines hearing date.

05 Design

- 10/18/2017 BHC and Geoengineers working on detailed design and permit application submittal for HDD.
- 12/6/2017 District received Wetland Delineation Report, HDD Design Report, and Design Report from BHC. Staff is reviewing and coordinating with consultant.
- 2/12/2018 Staff received 30% complete plans for review and comment.

C1705 Geneva and Par Sewer Pump Station Improvements

Sewer pump station improvements for Geneva and Par stations.

01 Administration

- 1/19/2017 Staff developing Request for Proposal.
- 1/28/2017 Request for Proposals published in Bellingham Herald.
- 2/17/2017 Proposals are due.
- 2/21/2017 Selection committee meets to review proposals.
- 2/23/2017 RH2 was selected and approved by the Board for the project. Staff and consultant working to execute an AE Agreement.
- 4/10/2017 AE Agreement executed.
- 6/22/2017 Staff working with RH2 to execute amendment to survey an alternate alignment for a possible gravity main from Par Sewer Pump Station to a manhole at the Sudden Valley Marina. This alternate alignment is longer, but does not have to cross Austin Creek. Alignment feasibility will be discussed in the predesign report.
- 10/11/2017 Board approved Amendment 2 to AE Agreement that includes detailed design through bidding for both Geneva and Par Sewer Pump Stations.
- 11/14/2017 Staff met with neighbor onsite to discuss project concerns. Neighbor may attend 11/29/2017 board meeting to voice concerns.

02 Predesign

- 4/18/2017 RH2 performed pump tests at both stations to collect hydraulic operating parameters for design.
- 7/20/2017 Staff reviewing draft predesign report. Presentation to Board tentatively scheduled for August 9th.
- 8/9/2017 RH2 presents Geneva Pump Station alternatives to Board. District select submersible pump alternative with exterior permanent generator.
- 9/26/2017 RH2 presents Par Sewer Pump Station alternative, including eliminating the pump station and installing gravity mains.

03 Permitting

- 9/14/2017 RH2 and District meet with County staff for pre-application meeting. RH2 gathering application information and will submit to County as soon as possible.
- 10/13/2017 RH2 submitted shorelines permit application to County for Geneva Sewer Pump Station.
- 12/13/2017 Neighbors had discussion with Board regarding placement of generator and control panels for the Geneva Sewer Pump Station. Staff will explore the possibility of locating the Generator on the east side of the right-of-way. RH2 and staff will contact County and east neighbor to get their input. Staff will keep Board informed with progress to address neighbor's concerns.
- 1/25/2018 County permitting is progressing. Still no public hearing date scheduled.
- 6/20/2018 Geneva Sewer Pump Station Shorelines Substantial Development Public Hearing at 130pm in County Council Chambers.
- 6/26/2018 Consultant and County working on final shorelines staff report following the substantial shoreline development hearing.
- 9/19/2018 County staff coordinating with DOE to issue shoreline permit.

04 Predesign and Permitting

- 5/1/2017 RH2 and staff met to go through predesign alternatives and options. RH2 is working on producing the predesign report. Topographic surveying is done at both sites. Topo maps will be completed soon.

05 Design

- 12/18/2017 RH2 is working on detailed plans, specifications, and estimates.
- 1/9/2018 RH2 working on 60% bid docs for district review and coordination. Goal is to submit to district by the end of January 2018.
- 2/12/2018 District received 90% complete plans, specs, and cost estimate for final review before advertising for bids.

06 Bidding

- 3/1/2018 Advertisement for bids published in Bellingham Herald.
- 3/13/2018 Non-mandatory pre-bid meeting 2pm

- 3/16/2018 Addendum #1 issued.
- 4/12/2018 Bid opening 205pm. 3 bids received.
- 4/25/2018 Tentative award contract at Board meeting.

10 Construction

- 5/10/2018 Construction contract executed.
- 5/14/2018 Notice to proceed issued.
- 6/11/2018 Pre-construction meeting with contractor, District, SV, and County. Contractor is planning to mobilize onto site July 2, 2018.
- 7/17/2018 Contractor onsite. Tasks include vegetation removal, site clearing, excavation around underground piping, and installation of temporary bypass pump system.
- 8/20/2018 Construction work in progress. Approximately 25% done.
- 9/19/2018 Site work just about done. Next up is pump installation, hatches, electrical, and controls.
- 10/11/2018 Substantial Completion Date of original contract. (150 calendar days from Notice to Proceed)
- 10/23/2018 Majority of electrical panels, controls and wiring installed. Restoration site work and landscaping is nearing completion. Late arrival of pump bases delayed pump installation and startup.
- 11/14/2018 New station put online. Beginning 10-day test period.

C1708 Ball Check Valves at Airport and Beaver Sewer Pump Stations.

Install 2 ball check valves at Airport and 1 ball check valve at Beaver.

- 1/18/2017 District crew verified measurements of existing swing check valves. Proposed ball check valves will fit. Staff will order new ball check valves.

01 Administration

- 6/22/2017 District solicited quotes from 3 vendors. A purchase order has been issued for the ball check valves. They should arrive soon.
- 7/20/2017 District received ball check valves. District crews to install valves.
- 10/23/2018 Check valve position switches have been ordered that were needed. Valves will be installed and in service by end of 2018.

C1716A Dead End Blowoffs

Installing new blowoffs on dead end mains

01 Administration

- 1/19/2017 Staff researching each site to determine detailed scope of work for each location.
- 5/25/2017 Crews continue to pick away at blow-off installation. 8 of 41 done.
- 6/22/2017 Crews installed a few more. 12 of 41 done.
- 7/20/2017 14 done.
- 11/20/2017 15 of 41 done.
- 12/18/2017 16 done.
- 3/21/2018 19 done.
- 4/19/2018 22 done.
- 5/21/2018 25 done.
- 6/19/2018 32 done.
- 7/17/2018 32 done.
- 9/19/2018 33 done.

C1716B Geneva Booster Station - PRV's and Backflow Assembly

Replace pumps at Geneva Booster Station at Scenic Ave with pressure reducing valves following hydraulic modeling verification. Replace old backflow assembly at City intertie.

01 Administration

- 2/27/2017 Wilson prepared engineer's brief sheet that includes details PRV sizing and configuration. Staff will begin preparing a bill of materials and order parts. It is anticipated District crews will perform the work.
- 6/22/2017 Staff coordinating with City on what they need for a backflow assembly.
- 7/20/2017 Staff considering COB suggestion to move intertie to top of ridge on Parkstone at COB/District boundary.
- 9/20/2017 District considered moving PRV station per City suggestion. There are more benefits to the District to keep the Geneva Booster building and infrastructure. District staff is preparing the design report and construction drawings for submittal to DOH for installation of a PRV. Project will be coordinated with the water comp plan update in progress. We still need to coordinate with the City before going too much further in design/planning.
- 10/23/2018 Staff asking Wilson for Task Order proposal to submit DOH design report for approval and to assist in coordination with COB.

C1801 Shake Alert Pilot Program

Integrate ShakeAlert earthquake early warning signal into SCADA system that will automatically close valve on new Division 22 Reservoir No. 2 and activate audible alarms at the Administrative Building, Shop, and Sudden Valley Water Treatment Plant.

01 Administration

- 1/25/2018 Staff reviewing USGS ShakeAlert License Agreement and Terms of Service and RH2 ShakeAlert Pilot Application scope of work.
- 5/14/2018 Staff reviewed scope of work and is working with RH2 to execute agreement.
- 5/30/2018 Agreement with RH2 executed.
- 6/18/2018 ShakeAlert application completed and submitted to USGS.
- 8/17/2018 USGS approved application. Staff coordinating with RH2 on installation and programming details.
- 9/19/2018 Staff putting together purchase order for ShakeAlert device.
- 9/27/2018 Order placed for ShakeAlert device.

C1802 Edgewater, Dellesta, Euclid Sewer Pump Station Improvements

Replace/renew Edgewater and Dellesta sewer pump stations that were installed in the 1970's. Replace/renew electrical controls and install permanent standby generator at Euclid sewer pump station.

01 Administration

- 1/25/2018 Staff developing RFP for selection of engineering consultant. 1st phase will include predesign and shorelines permitting in 2018.
- 2/10/2018 Request for Proposals published Bellingham Herald.
- 3/7/2018 RFP submittals due at 1pm. Distribute RFP's to selection committee by end of week.
- 3/22/2018 Consultant selection committee meets to review and rank consultant proposals.
- 3/29/2018 Board selects RH2 as the most qualified consultant for projects to board. Staff will begin scope/fee negotiations with the consultant.
- 5/21/2018 Staff working with RH2 on initial scope of work. Intent is to have board authorize scope/fee at 5/30/2018 board meeting.
- 6/14/2018 Agreement executed with RH2.

02 Predesign

- 6/18/2018 Surveyors beginning site survey at Euclid.
- 7/17/2018 Survey of Euclid 80-percent complete. Flow testing of Dellesta and Edgewater complete.
- 8/20/2018 RH2 prepared 3 alternatives for generator and pump station control panel placement. Engineering staff is reviewing with District field crews.

9/19/2018 Staff reviewed conceptual design layouts for Edgewater and Dellesta stations. RH2 making a few minor revisions before preparing pre-application meeting packet for County. RH2 finalizing permit application package for Euclid sewer pump station.

10/24/2018 Dellesta & Edgewater PS. Design criteria review with District staff and RH2.

03 Permitting

10/25/2018 Euclid PS. Pre-application meeting scheduled with County, District staff, and RH2.

11/20/2018 RH2 preparing permit applications based on information from pre-application meeting with County.

C1803 Camp Firwood Standby Generator

Recent severe snow/ice/wind weather events have made the process of getting a portable generator to the station difficult. The access road is a long steep gravel road that can have deep snow, ice, and downed trees blocking access. This project includes installing an automatic transfer switch and replacing the wood security fence around the station. A portable generator will be parked and wired to the ATS to automatically start during fall, winter, and spring months and would be removed when the camp is active during summer.

01 Administration

1/3/2018 Staff met with Camp Firwood maintenance staff to discuss pump station generator options. The simplest solution is to install an automatic transfer switch (ATS) and hookup a portable generator when the camp is closed to campers (fall, winter, and spring). This would provide automatic emergency power when we need it during the wet season. We can try this for several seasons. If it works as we think, we will not need a permanent generator at the site.

9/12/2018 Staff obtained 3 quotes for transfer switch. GSA quote was low quote. Staff ordered switch through GSA. Staff ordered materials to replace wooden fence around pump station. Fence work will occur after camp season this fall.

10/23/2018 District staff begin rebuilding security fence around station.

05 Design

2/27/2018 ATS sized by electrical engineer. Staff working procurement thru GSA.

C1809 Replace Backhoe

Replace backhoe

01 Administration

2/12/2018 Staff looking into equipment available on Washington State bid.

5/21/2018 Staff working with vendor on state bid to put together order.

9/13/2018 Staff issued purchase order for new backhoe using Washington State bid.

C1810 Airport PS Stationary Generator & Lakewood PS Access Easement

Install stationary generator at Airport Sewer Pump Station. Record easements for both stationary generator at Airport and new access easement to Lakewood Sewer Pump Station.

01 Administration

4/19/2018 Staff review GSA quote and will be placing order soon. This will also include the ATS for Camp Firwood.

5/21/2018 Staff reviewed potential generator locations on site. The best place for installation is next to the control/electrical panels. This location, however, is not in the County road right-of-way, but on WWU Lakewood Facility land. Staff plans to try working with WWU to obtain an easement for the generator. This will require survey and engineering support from Wilson. A task order will be developed for Wilson to assist District staff in this process. An access easement to the District's Lakewood Sewer Pump Station serving WWU will also be part of the discussions.

7/17/2018 Staff coordinating with WWU to obtain easement to place stationary generator.

- 8/1/2018 Staff met with WWU to discuss easement. Wilson is preparing easement documents for review and routing. We also brought up that the District need an access route/easement to get to the Lakewood pump station. WWU suggested to try and resolve both easements at once. Staff needs to meet with Wilson onsite to figure out the best access route to Lakewood pump station. Then, Wilson can prepare that easement document as well before routing the total package to WWU.
- 10/17/2018 Wilson Task Order issued to assist in preparing and recording new easements on WWU property.
- 11/8/2018 Staff met with WWU to review Airport and Lakewood proposed easements. WWU to process Airport easement. WWU requested District contact adjacent property owner to Lakewood Pump Station to open easement discussions with them before WWU will consider giving access easement for that location.
- 11/16/2018 Staff met with property owner adjacent to Lakewood Sewer Pump Station to discuss proposed access easement.

05 Design

- 2/27/2018 Generator sizing completed by electrical engineer. Staff now working on site plans and GSA procurement of generator.

C1813 Division 7 Reservoir FEMA Seismic and ShakeAlert Grant Application

Revise FEMA grant application to include ShakeAlert components. Total grant could be as high as \$1.1M

01 Administration

- 2/28/2018 Grant application submitted to FEMA.
- 4/19/2018 Staff heard that state level emergency management accepted the application and forwarded it on to the federal level.

C1814 Agate Heights WTP and Opal Booster Upgrades

Increase treatment and pumping capacity from 30gpm to 60 gpm.

01 Administration

- 2/12/2018 Staff asked Wilson to prepare Task Order to assist with preliminary design and permitting.
- 3/28/2018 Staff and Wilson toured two treatment plants that have "Atec" iron/manganese removal package treatment plant systems at Pole Road Water Association. Tour facilitated project scope development with staff and Wilson.
- 4/19/2018 Task order scope of work is being developed by staff and Wilson. Once a draft is complete it will be presented to the Board for authorization.
- 7/25/2018 Wilson task order reviewed and authorized by board.
- 7/26/2018 Task order executed. Wilson is beginning work.

04 Predesign and Permitting

- 9/19/2018 ATEC treatment system pilot testing scheduled for October 2018.
- 10/18/2018 Pilot testing of ATEC treatment system finished.

M1811 North Shore Sewer Force Main Stream Crossing Protection

Ductile iron sewer force main pipe is exposed in stream bed on North Shore. Project scope includes permitting, design, and construction of pipe protection.


01 Administration

- 2/12/2018 Staff executed Wilson Task Order for per permitting and design phase.



**AGENDA
BILL
Item 5D**

Monthly Budget Summary

DATE SUBMITTED:	November 21, 2018	MEETING DATE:	November 28, 2018
TO: BOARD OF COMMISSIONERS		FROM: Debi Denton	
GENERAL MANAGER APPROVAL			
DISTRICT ENGINEER/ASST MGR APPROVAL			
FINANCE MANAGER APPROVAL			
ATTACHED DOCUMENTS		1. Monthly Budget Summary ending 10/31/18	
		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

N/A

PROPOSED MOTION

N/A



LAKE WHATCOM WATER AND SEWER FUND SUMMARY 2018

	401	420	425	426	431	450	460	
	OPERATING	SYSTEM REINVESTMENT	SEWER/ STORM WATER CONTINGENCY	WATER CONTINGENCY	2016 BOND FUND	DEBT SERVICE	BOND RESERVE (RESTRICTED)	TOTAL
2018 REVENUES AND TRANSFERS IN	5,892,079	1,515,391	25,000	-	183,450	1,128,070	-	8,743,990
2018 EXPENDITURES AND TRANSFERS OUT	(6,659,339)	(853,774)	(23,019)	-	(345,520)	(1,126,689)	-	(9,008,341)
CASH/INVESTMENTS 2017 CARRYOVER	2,131,222	520,357	770,229	440,000	396,681	-	772,334	5,030,823
	\$1,363,962	\$1,181,974	\$772,210	\$440,000	\$234,611	\$1,381	\$772,334	\$4,766,472
ALLOCATED TO OPERATING RESERVES	-\$850,000							
	\$513,962							

	LAKE WHATCOM WATER AND SEWER EXPENDITURES		
	Description	BUDGET 2018	10/31/2018 83%
OPERATING FUND - 401			
EXPENDITURES			
401-53X-10-10	Admin Payroll (3% cola plus step increases - 2018)	652,846	505,248 77%
401-53X-10-20	Admin Personnel Benefits (Medical, Retirement etc)	274,332	223,325 81%
401-53X-10-31	Gen Admin Supplies/Equipment	30,000	20,978 70%
401-53X-10-31-01	Meetings/Team building	3,000	2,562 85%
401-53X-10-40	Web pay/Bank Fees	30,000	32,805 109%
	Interlocal - Lake Whatcom Management Program (City)		
	Interlocal - Invasive Species (City)		
	Interlocal - Lake Whatcom Tributary Monitor (County)		
401-534-10-41	Water Quality Assurance Programs (TOTAL)	55,000	50,000
	Simplifile (County Auditor Filing Fees)	6,500	
	Data Bar (Statement processing)	25,000	
	Answering Service	2,000	
	Data Pro (Time clock system)	2,000	
	BIAS Financial Software Maintenance	8,000	
	Web Check services	5,000	
	CPA (Internal audit and Financial statements)	6,000	
	WA State Audit	9,000	
	Salary study	15,000	
	Docuware/Web site maintenance and upgrade	5,000	
	Legal Counsel	100,000	
	3D - Computer support	25,000	
	3D - Firewall renewal	15,000	
	3D - Anti virus subscription	1,000	
	Building security for offices	1,500	
	Building custodial	9,500	
	Pest control	500	
	Landscaping service	4,500	
	South Whatcom Fire (hydrant maintenance)	3,500	
	GE Scada System Software Maintenance - Operations	7,500	
	Wilson Engineering	20,000	
	Camera Van Software	1,500	
	SCADA/PLC Support - Engineering/Operations	5,000	
	Cartograph - Engineering/Operations	6,000	
	Auto Desk - Engineering	1,000	
	GIS Partnership	1,000	
	Rockwell - Engineering/Operations	500	
	IT Pipes	1,500	

	LAKE WHATCOM WATER AND SEWER EXPENDITURES			
	Description	BUDGET 2018	10/31/2018	
	ESRI - ARC GIS	1,500		
	Innovyze - Engineering	2,500		
	Master Meter	2,000		
	Generator Load Testing	15,000		
	Cyberlock software	-		
	Whatcom County Emergency Management	20,000		
	Misc (Bid notices etc.)	5,000		
401-53X-10-41-01	Professional Services (TOTAL)	334,000	487,281	146%
401-53X-10-42	Communication	50,000	44,169	88%
401-53X-10-45	Admin Lease (new copy machines now leased)	2,000	6,884	344%
401-53X-10-46	Property Insurance	140,000	132,807	95%
401-53X-10-49	Admin Misc.	1,000	1,042	104%
401-53X-10-49-01	Memberships/Dues	17,000	15,795	93%
401-53X-10-49-02	WA State Dept of Revenue Taxes/Permits	205,000	180,844	88%
401-53X-40-43	Training & Travel	35,000	24,385	70%
401-53X-40-43-01	Tuition reimbursement	1,000	-	0%
401-53X-50-31	Maintenance Supplies	150,000	154,389	103%
40153X-50-31-01	Small assets		2,962	
401-53X-50-48	Operations Repair/Maint	190,000	122,166	64%
401-53X-50-49	Insurance Claims	5,000	2,366	47%
401-53X-60-41	Operations Contracted	8,500	4,747	56%
401-534-60-47	Water City of Bellingham	40,000	35,515	89%
401-535-60-47	Sewer City of Bellingham Treatment Fee	640,000	534,571	84%
401-53X-80-10	Operations Payroll (3% cola plus step increases - 2018)	954,742	829,475	87%
401-53x-80-10-01	Operations Capital Projects Payroll	-	-	
401-53X-80-20	Operations Personnel Benefits (Medical, Retirement etc)	446,472	360,160	81%
401-53X-80-32	Fuel	24,000	21,175	
401-53X-80-35	Safety Supplies	10,000	16,440	
401-53X-80-35-01	Safety Supplies Boots	2,500	1,517	
401-53X-80-35-02	Emergency Preparedness	10,000	720	
401-53X-80-47	General Utilities	208,000	183,505	88%
401-53X-80-49	Laundry	4,000	3,436	
	OPERATING EXPENDITURES	4,523,392	4,001,269	88%

	LAKE WHATCOM WATER AND SEWER EXPENDITURES		
	Description	BUDGET 2018	10/31/2018
TRANSFERS			
	Transfers Out to System Reinvestment Fund 420	1,505,000	1,505,000
	Transfers Out to Sewer/Storm Water Contingency Fund 425	60,000	25,000
	Transfers Out to Water Contingency Fund 426	120,000	-
	Transfers Out to Debt Service Fund 450	938,885	1,128,070
	TOTAL EXPENDITURES	7,147,277	6,659,339
OPERATING FUND			
	OPERATING REVENUES	6,693,348	5,892,079
	EXPENDITURES	(7,147,277)	(6,659,339)
	2017 BALANCE CARRYOVER	1,750,000	2,131,222
	ALLOCATED TO OPERATING RESERVES	(850,000)	(850,000)
		446,071	513,962

LAKE WHATCOM WATER AND SEWER REVENUE

	Description	Budget 2018	ACTUAL 10/31/2018 83%
OPERATING FUND - 401			
REVENUES			
401-333-97-00	FEMA 2015 Storm Grant		250
401-343-40-10	Water Sales Metered (8.5% base rate increase) *	2,437,545	2,024,073
401-343-41-10	Permits (10 new connection permits)	143,480	323,947
401-343-50-11	Sewer Service Residential (2.5% rate increase) *	3,949,323	3,299,270
401-343-50-19	Sewer Service Other	4,000	3,736
401-343-50-80	Latecomer's Fees	-	6,772
401-343-81-10	Combined Fees	30,000	22,573
401-359-90-00	Late fees	50,000	48,863
401-361-11-00	Investment Interest	20,000	54,368
401-361-40-00-80	ULID 18 Interest/Penalties	8,000	8,714
401-368-10-00-80	ULID 18 Principal Payments	50,000	29,371
401-369-10-00	Sale of scrap metal and surplus	1,000	2,146
401-369-10-01	Miscellaneous	-	4,863
401-369-40-00	Judgements and Settlements		47,533
401-395-10-00	Sale of Capital Assets		15,600
401-398-20-00-01	Insurance recovery	-	0
	TOTAL REVENUES	6,693,348	5,892,079 88%

LAKE WHATCOM WATER AND SEWER

INVESTMENTS/CASH AS OF 10/31/2018

Petty Cash	\$ 1,600		
Cash	\$ 572,559		0.45%
Public Funds Account	\$ 56,977		2.00%
LGIP	\$ 1,002,116		2.23%

	\$ 1,633,252		
	PAR VALUE	YIELD	
FICO - ProEquity		Dec-18	0.90%
FFCB - ProEquity	\$ 625,000	Oct-19	1.44%
FHLB - ProEquity	\$ 500,000	Feb-20	2.48%
FFCB - ProEquity	\$ 500,000	Aug-20	1.10%
RFCO-ProEquity	\$ 750,000	Jan-21	2.71%


US Bank	\$ 3,475,000		
TOTAL	\$ 5,108,252		
USE OF FUNDS:			
Reserved	\$ 772,000		
Restricted	\$ 1,212,000		
Unrestricted	\$ 3,124,252		

	\$ 5,108,252		



**AGENDA
BILL
Item 7**

General Manager's Report

DATE SUBMITTED:	November 21, 2018	MEETING DATE:	November 28, 2018
TO: BOARD OF COMMISSIONERS	FROM: Justin Clary		
GENERAL MANAGER APPROVAL			
DISTRICT ENGINEER/ASST MGR APPROVAL			
FINANCE MANAGER APPROVAL			
ATTACHED DOCUMENTS	1. General 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.



LAKE WHATCOM WATER AND SEWER DISTRICT

General Manager's Report

Upcoming Dates & Announcements

Regular Meeting – Wednesday, November 28, 2018 – 8:00 a.m.

Important Upcoming Dates

Lake Whatcom Water & Sewer District			
Next Regular Board Meeting	Wed Dec 12, 2018	6:30 p.m.	Board Room
Next Employee Staff Meeting	Thu Dec 13, 2018	8:00 a.m.	Board Room Commissioner Ford to Attend
Finance Committee Meeting	January 2019	TBD	Small Conference Room
Safety Committee Meeting	December 2018	TBD	Maintenance Facility
Lake Whatcom Management Program			
Data Group Meeting	Thu Jan 10, 2019	9:00 a.m.	City of Bellingham PW Offices 2221 Pacific Street
Policy Group Meeting	February 2019	TBD	City of Bellingham's Fireplace Room 625 Halleck Street <i>Enter through the Halleck St entrance</i>
Management Meeting	None Planned		Last meeting – March 28, 2018
Other Meetings			
WASWD Section III Meeting	Tue Dec 11, 2018	6:15 p.m.	Bob's Burgers, 8822 Quil Ceda Pkwy, Tulalip, WA
Water Utility Coordinating Committee	Thu Nov 30, 2018	2:00 p.m.	Whatcom Co. Health Offices 509 Girard Street
Whatcom Water Districts Caucus Meeting	Wed Dec 19, 2018	1:00 p.m.	Board Room

Other Announcements & Reminders

Committee Meeting Reports

Safety Committee – last meeting was held on November 20, 2018

Upcoming Important Agenda Topics and Meetings

- December 2018 Board Meeting – tentatively anticipate collective bargaining agreement with AFSCME Local 114 WD for Board consideration

General Manager Updates

Capital Projects

- Par Sanitary Sewer Lift Station start up conducted on November 13
- Division 22 Water Reservoir 1-year warranty inspection conducted on November 16

Post Point Wastewater Treatment Plant Solids Disposal Upgrades

- City of Bellingham staff rescheduled the presentation project cost and schedule to City Council to its regularly scheduled meeting on January 28

Lake Whatcom Management Program

- Justin Clary scheduled to meet with Clare Fogelsong (City of Bellingham Natural Resource Policy Manager) on November 27

Whatcom County Coordinated Water System Plan Revision

- District continues to participate in the Water Utility Coordinating Committee's efforts, as charged by the Whatcom County Council, to revise the Coordinated Water System Plan to address definition of *timely, reasonable, and transparent*, as they relate to determination of water service

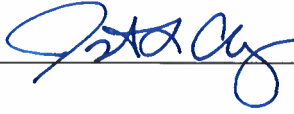
Community/Public Relations

- District staff developing a social media program to increase public relations
- Justin Clary met with Chief Ralston and Assistant Chief Topel of South Whatcom Fire Authority on November 19
- Press release associated with the District's 50th Anniversary issued November 21



**AGENDA
BILL
Item 9**

Executive Session

DATE SUBMITTED:	November 20, 2018	MEETING DATE:	November 28, 2018
TO: BOARD OF COMMISSIONERS	FROM: Rachael Hope, Administrative Assistant		
GENERAL MANAGER APPROVAL			
DISTRICT ENGINEER/ASST MGR APPROVAL			
FINANCE MANAGER APPROVAL			
ATTACHED DOCUMENTS	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

Executive Session for the purpose of considering issues related to collective bargaining with a labor union, under RCW 42.30.140 section 4(a).

The Executive Session is expected to last 10 minutes.

This agenda item is a placeholder for the board to go into Executive Session.

FISCAL IMPACT

N/A

RECOMMENDED BOARD ACTION

N/A

PROPOSED MOTION

N/A