



LAKE WHATCOM WATER & SEWER DISTRICT

1220 Lakeway Drive
Bellingham, WA, 98229

(360) 734-9224
Fax 738-8250

MEMORANDUM

Date: August 20, 2020
From: Lake Whatcom Water & Sewer District
RE: Meeting Procedures During the Covid-19 Emergency

Lake Whatcom Water & Sewer District continues to operate under adjusted procedures in order to provide continuous service to our customers. That said, we are taking precautions in an effort to protect the health and safety of our staff, commissioners, and customers. Our lobby is currently closed to the public, and we are practicing social distancing guidelines as suggested by Governor Inslee and the CDC.

For the foreseeable future, Commissioners will be attending regular meetings by phone. Per Governor Inslee's [Proclamation No. 20-28.3](#) amending his Stay Home, Stay Health proclamation, the District will provide access to interested public via phone/internet utilizing the GoToMeeting platform.

If you would like to attend the August 26 regular meeting, details can be found below. In this evolving climate, we are committed to doing everything possible to provide opportunity for public comment as well as promote health and safety. As such, the District requests that if possible, public submit comments in written form by noon the day before a scheduled meeting for inclusion in the meeting discussion.

We appreciate your understanding and patience during these uncertain times. If you have any questions, please contact Administrative Assistant Rachael Hope at rachael.hope@lwwsd.org or 360-734-9224.

8.26.20 Regular Board Meeting

8.26.20 Board Meeting
Wed, Aug 26, 2020 8:00 AM - 10:00 AM (PDT)

Please join my meeting from your computer, tablet or smartphone.
<https://global.gotomeeting.com/join/274560469>

You can also dial in using your phone.
United States: [+1 \(872\) 240-3412](tel:+18722403412)

Access Code: 274-560-469



LAKE WHATCOM WATER AND SEWER DISTRICT

1220 Lakeway Drive
Bellingham, WA 98229

REGULAR MEETING OF THE BOARD OF COMMISSIONERS

AGENDA

August 26, 2020


8:00 a.m. – Regular Session

1. CALL TO ORDER
2. ROLL CALL
3. CONFIRMATION OF COMPLIANCE WITH REMOTE MEETING ATTENDANCE PROTOCOLS
4. PUBLIC COMMENT OPPORTUNITY
At this time, members of the public may address the Board of Commissioners. Please state your name prior to making comments.
5. ADDITIONS, DELETIONS, OR CHANGES TO THE AGENDA
6. CONSENT AGENDA
7. SPECIFIC ITEMS OF BUSINESS
 - A. Presentation—Effective Utility Management Self-Assessment Results
 - B. Analysis of Conversion to Biennial Budget Discussion
 - C. Agate Creek Restoration Project Public Works Construction Contract Award
8. OTHER BUSINESS
9. STAFF REPORTS
 - A. General Manager
 - B. Engineering Department
 - C. Finance Department
 - D. Operations Department
10. PUBLIC COMMENT OPPORTUNITY
11. ADJOURNMENT



**AGENDA
BILL
Item 6**

Consent Agenda

DATE SUBMITTED:	August 20, 2020	MEETING DATE:	August 26, 2020
TO: BOARD OF COMMISSIONERS	FROM: Rachael Hope		
GENERAL MANAGER APPROVAL			
ATTACHED DOCUMENTS	1. See below		
TYPE OF ACTION REQUESTED	RESOLUTION <input type="checkbox"/>	FORMAL ACTION/ MOTION <input checked="" type="checkbox"/>	INFORMATIONAL /OTHER <input type="checkbox"/>

****TO BE UPDATED 8.25.2020****

BACKGROUND / EXPLANATION OF IMPACT

- Minutes for the 8/12/20 Special Work Session
- Minutes for the 8/12/20 Regular Board Meeting
- Payroll for Pay Period #17 (08/08/2020 through 08/21/2020) total to be added
- Payroll Benefits for Pay Period #17 total to be added
- Accounts Payable Vouchers total to be added

FISCAL IMPACT

Fiscal impact is as indicated in the payroll/benefits/accounts payable quantities defined above. All costs are within the Board-approved 2020 Budget.

RECOMMENDED BOARD ACTION

Staff recommends the Board approve the Consent Agenda.

PROPOSED MOTION

A recommended motion is:

"I move to approve the Consent Agenda as presented."



LAKE WHATCOM WATER AND SEWER DISTRICT

1220 Lakeway Drive
Bellingham, WA 98229

WORK SESSION OF THE BOARD OF COMMISSIONERS

Minutes

August 12, 2020

Board President Laura Abele called the Work Session to order at 5:34 p.m.

Attendees: Commissioner Laura Abele
Commissioner Todd Citron
Commissioner John Carter
Commissioner Bruce Ford
Commissioner Leslie McRoberts
Recording Secretary Rachael Hope
General Manager Justin Clary
District Engineer/Assistant GM Bill Hunter

No public were in attendance.

All attendees participated remotely by phone or video conferencing.

Roll Call

General Manager Justin Clary performed a roll call to identify those in attendance, as well as confirm that all participants were able to be heard and hear each other clearly. He also verbally confirmed that this meeting was noticed in accordance with Resolution No. 859 allowing remote meeting attendance as well as in compliance with current statutory requirements.

Effective Utility Management Assessment

The Effective Utility Management (EUM) assessment process has been developed by industry professionals to help water and wastewater utilities make informed decisions and practical, systematic changes to enhance level-of-service and achieve excellence in utility performance. The process provides a practical approach to assessing, managing, and measuring a utility's performance through identification of opportunities and challenges that allows for developing an action plan for areas requiring additional focus. Ten attributes are identified within the EUM assessment process that comprise a comprehensive framework related to operations, infrastructure, customer satisfaction, community sustainability, natural resource stewardship, and financial performance of a water and/or wastewater utility.

Clary guided the Board through completion of the assessment process. The purpose of this process is to gain a comprehensive understanding of how the District's performance of each of the ten attributes are viewed relative to each other by each internal group (board, management, and staff), and as-a-whole. This allows for identifying any significant differences in perception of District performance specific to each attribute between the groups, so that we may all gain a better understanding of others' perspectives. Ultimately, the assessment process should allow for the identification and prioritization of specific attributes to focus the District's resources on improving (i.e., strategic level-of-service enhancement). Discussion followed.

With no further business, Abele adjourned the Work Session 6:28 p.m.

Recording Secretary, Rachael Hope

Date Minutes Approved

Laura Abele

Todd Citron

Bruce R. Ford

Leslie McRoberts

John Carter



LAKE WHATCOM WATER AND SEWER DISTRICT

1220 Lakeway Drive
Bellingham, WA 98229

REGULAR SESSION OF THE BOARD OF COMMISSIONERS

Minutes

August 12, 2020

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

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

No public were in attendance.

All attendees participated remotely by phone or video conferencing. No public were in attendance.

Roll Call

General Manager Justin Clary performed a roll call to identify those in attendance, and then verbally confirmed that the meeting was noticed in accordance with Resolution No. 859 allowing remote meeting attendance as well as in compliance with current statutory requirements. It was confirmed that all participants were able to be heard and hear each other clearly.

Consent Agenda

Action Taken

Carter moved, Ford seconded, approval of:

- **Minutes for the 7/29/20 Regular Board Meeting**
- **Q2 Payroll Taxes totaling \$8,173.61**
- **Payroll for Pay Period #16 (07/25/2020 through 08/07/2020) totaling \$43,774.52**
- **Payroll Benefits for Pay Period #16 totaling \$50,461.42**
- **Accounts Payable Vouchers totaling \$68,694.70**

Motion passed.

Customer Appeal – Water/Sewer Utility Bill - Monahan

Denton explained that the District received a letter from Ryan Monahan dated July 29, 2020, requesting an appeal to the Board for relief from water consumption charges. Mr. Monahan's appeal is associated with water utility charges incurred as a result of a leaking toilet supply line that occurred sometime prior to July 9, 2020. District Administrative Code allows for leak adjustments (Section 2.10.8); however, leak adjustments are only allowed for "...water bills resulting from in-ground water service line breaks between the water meter and the outermost exterior walls of the structure." Therefore, an adjustment due to a leaking toilet supply line is not a qualifying event. Discussion followed.

Action Taken

Citron moved, McRoberts seconded, to uphold the District Administrative Code as written and implemented by the General Manager, and decline Mr. Monahan's appeal for leak adjustment. Motion passed.

Interlocal Agreement with the City of Bellingham for Emergency Water Services through the Scenic Avenue Intertie

Clary recounted that prior to the 2002 construction of the water main that connected the District's South Shore Water System with its distribution system in Geneva, the District purchased water from the city of Bellingham via an intertie located at the intersection of Lakeway Drive and Scenic Avenue. Water was purchased through an interlocal agreement executed between the city and District in 1970. Since connection of Geneva to the South Shore Water System, the intertie has not been used. However, the District identified the potential for creating system resiliency through maintaining the intertie for emergency situations. Since cessation of the regular use of the intertie, city water pressures have been increased to the point that the booster station is not necessary. The District worked with the city and Washington State Department of Health to convert the booster station to an intertie to be used in the event of an emergency on the District's side of the intertie. As a condition of the booster station conversion, the city indicated a desire to replace the 1970 agreement with a new interlocal agreement that is representative of current conditions.

Action Taken

Carter moved, Citron seconded, to approve the interlocal agreement with the city of Bellingham for emergency water services as presented. Motion passed.

General Manager Job Description Update

Clary recalled that an updated draft of the General Manager Job Description was presented to the Board at the July 29 regularly scheduled meeting. At that time, the Board requested revision to, or clarification of, four (4) specific elements of the description, including removing redundancy in duties and physical requirements and strengthening expectations relative to implementation of the District's health and safety program. Staff implemented revisions and presented a new draft for Board approval.

Action Taken

McRoberts moved, Citron seconded, to approve the job description for the District position of General Manager as presented. Motion passed.

Nooksack River Basin Water Rights Adjudication

Clary communicated that the Lake Whatcom Water and Sewer District (District) is located within the Washington State watershed management area designated as Water Resource Inventory Area (WRIA) No. 1, which is primarily comprised of the Nooksack River Basin. The Washington State Department of Ecology (Ecology) recently completed a multiple-decade-long process of adjudicating water rights within the Yakima River Basin, and is now considering other candidate basins within which to initiate the adjudication process. Adjudication is a legal process in which a Superior Court determines whether a water right is valid, how much water can be used, and its priority relative to other water rights in a defined basin. With a long history of disputes relative to water rights, the Nooksack River Basin is one of the four basins that Ecology is considering initiating the adjudication process within, and is anticipated to make a recommendation to the Washington State Legislature in September.

Much of the discussion regarding adjudication of water rights in the Nooksack River Basin is taking place during the WRIA No. 1 Planning Unit meetings. The District is a part of the Whatcom Water District Caucus, which has a seat on the planning unit representing the District, Birch Bay Water and Sewer District, Whatcom County Water District No. 2, Whatcom County Water District No. 7, Whatcom County Water District No. 13, Glacier Water District, and Columbia Valley Water District. The Whatcom Water District Caucus meets monthly (third Wednesday of each month) to discuss business being considered by the WRIA No. 1 Planning Unit. It is anticipated that the Caucus will at some point be asked to take a position regarding whether or not it supports adjudication of the Nooksack River Basin.

Staff recommended that the District hold off on formally considering a position on the matter until it has had the chance to review the Ecology report (the Legislature will likely not act on Ecology's recommendation until the 2021 session). Discussion followed.

General Manager's Report

Clary provided the Board with updates on several areas of business, including the District's ongoing response to the COVID-19 pandemic, an update on capital projects, and briefly touched on the upcoming Post Point biosolids project being undertaken by the city of Bellingham. Discussion followed.

With no further business, Abele adjourned the Regular Session 7:38 p.m.

Recording Secretary, Rachael Hope

Date Minutes Approved

Laura Abele

Todd Citron

Bruce R. Ford


Leslie McRoberts

John Carter



**AGENDA
BILL
Item 7.A**

**Presentation—Effective Utility
Management Self-Assessment
Results**

DATE SUBMITTED:	August 20, 2020	MEETING DATE:	August 26, 2020
TO: BOARD OF COMMISSIONERS	FROM: Justin Clary, General Manager		
GENERAL MANAGER APPROVAL			
ATTACHED DOCUMENTS	1. none		
TYPE OF ACTION REQUESTED	RESOLUTION <input type="checkbox"/>	FORMAL ACTION/ MOTION <input type="checkbox"/>	INFORMATIONAL /OTHER <input checked="" type="checkbox"/>

BACKGROUND / EXPLANATION OF IMPACT

The Effective Utility Management (EUM) assessment process has been developed by industry professionals to help water and sewer utilities make informed decisions and practical, systematic changes to enhance level-of-service and achieve excellence in utility performance. District staff, management, and board have gone through the self-assessment process over the past few months. The results of the self-assessment process, both by each group and in aggregate, will be presented to the Board and discussion facilitated to identify board-defined areas of focus.

FISCAL IMPACT

No impact is anticipated.

RECOMMENDED BOARD ACTION

No action is recommended at this time.


PROPOSED MOTION

Not applicable.



**AGENDA
BILL
Item 7.B**

**Biennial Budget
Analysis Discussion**

DATE SUBMITTED:	August 20, 2020	MEETING DATE:	August 26, 2020
TO: BOARD OF COMMISSIONERS	FROM: Debi Denton, Finance Manager		
GENERAL MANAGER APPROVAL			
ATTACHED DOCUMENTS	1. Biennial Budget Analysis Memorandum		
TYPE OF ACTION REQUESTED	RESOLUTION <input type="checkbox"/>	FORMAL ACTION/ MOTION <input type="checkbox"/>	INFORMATIONAL /OTHER <input checked="" type="checkbox"/>

BACKGROUND / EXPLANATION OF IMPACT

The Lake Whatcom Water and Sewer District (District) operates as a special purpose district authorized under [Title 57 Revise Code of Washington](#) (RCW). Title 57 “authorizes water and sewer district to establish operating and capital improvement policies.”

However, because the statute does not specify budgetary requirements, water and/or sewer districts may (but are not required to) adopt budget policies as a fiscal management tool (which would be considered a best practice). While some water and/or sewer districts do not adopt formal budgets, most do. For those that do, common forms include annual and biennial budgets.

Resolution No. 767, adopted by the Board of Commissioners on November 24, 2010, set District policy for the annual development and adoption of budgets. This policy is codified in Section 2.2.1 of the District Administrative Code (The General Manager shall develop an operating and capital improvement budget annually for both the water and sewer systems). Since its implementation, the annual budget process has proven to be an effective means of managing the District’s finances. That said, as a water and sewer district, the District’s primary functions are the operation of its water and sewer utilities. With an effective six-year capital improvement program and forecastable revenues and expenditures, conversion to a biennial budget process would be relatively seamless and could create long-term workload efficiencies. As such, the District general manager included as a 2020 initiative analysis of conversion to a biennial budget process. The purpose of this memorandum is to facilitate Board discussion regarding consideration of transition to the biennial budget process.

FISCAL IMPACT

No impact is anticipated.

RECOMMENDED BOARD ACTION

No action is recommended at this time.

PROPOSED MOTION

Not applicable.



LAKE WHATCOM WATER & SEWER DISTRICT

1220 Lakeway Drive
Bellingham, WA, 98229

(360) 734-9224
Fax 738-8250

MEMORANDUM

To: Board of Commissioners Date: August 20, 2020

From: Debi Denton, Finance Manager/Treasurer
Justin Clary, General Manager

RE: Biennial Budget Analysis

The Lake Whatcom Water and Sewer District (District) operates as a special purpose district authorized under [Title 57 Revise Code of Washington](#) (RCW). Title 57 “authorizes water and sewer district to establish operating and capital improvement policies.” However, because the statute does not specify budgetary requirements, water and/or sewer districts may (but are not required to) adopt budget policies as a fiscal management tool (which would be considered a best practice). While some water and/or sewer districts do not adopt formal budgets, most do. For those that do, common forms include annual and biennial budgets.

Resolution No. 767, adopted by the Board of Commissioners on November 24, 2010, set District policy for the annual development and adoption of budgets. This policy is codified in Section 2.2.1 of the District Administrative Code (The General Manager shall develop an operating and capital improvement budget annually for both the water and sewer systems). Since its implementation, the annual budget process has proven to be an effective means of managing the District’s finances. That said, as a water and sewer district, the District’s primary functions are the operation of its water and sewer utilities. With an effective six-year capital improvement program and forecastable revenues and expenditures, conversion to a biennial budget process would be relatively seamless and could create long-term workload efficiencies. As such, the District general manager included as a 2020 initiative analysis of conversion to a biennial budget process. The purpose of this memorandum is to facilitate Board discussion regarding consideration of transition to the biennial budget process.

Requirements for a Biennial Budget:

Because there is not a statutory budgeting requirement for water and/or sewer districts, the transition to a biennial budget is left solely to the Board’s discretion. This would be accomplished through adopting a resolution that amends Resolution No. 767 and revises Administrative Code Section 2.2.1. Subsequent budgets would then follow the biennial budget process.

Another distinction of a biennial budget is the recommendation for a “mid-biennium review and modification.” The purpose of the review is essentially to tune up the budget for any needed refinements.

Reasons Supporting a Biennial Budget:

- **Saves Time**

The most common reason for using a twenty four month appropriation is to consolidate the amount of effort invested in the budget process. This is true for the finance staff, as well as engineering and operations department staff preparing the budget materials, and for the Board, which reviews the materials and eventually adopts a budget.

While it is agreed that it takes more effort and time to prepare a biennial budget than an annual budget, it does not take significantly more time. As a result, over the two-year period, there is a substantial time savings. While this benefit may be obvious as it relates to staff, the Board would likely also realize a significant time savings that could then be invested in other matters.

During the “off budget year” staff may use time that would typically be allocated toward budget development under the annual budgeting process to refine strategic plans, perform special project analysis, or complete other assignments. The District could also use the off-budget year to assess the lessons learned and make improvements each cycle.

Not having to produce a budget document in the “off” year is mentioned as a big plus by many entities.

- **Longer Perspective**

Another advantage of using a biennial budget is the longer perspective it gives the organization in its budgetary planning. A budget is an inexact estimate of revenues and authorization of permitted expenditures. The longer view emphasizes the planning aspect of budgeting. The biennial budget process helps create the time and focus attention on future biennia, rather than just finding a way to balance revenues and expenditures.

A vivid analogy to emphasize the benefits of a longer perspective is provided by staff from an agency operating under the biennial budget format: “It forces us to think longer term and take longer term actions. It is fairly easy to kick the can down the road and save the tough decisions for the next year. With a biennial budget, it is harder to do that.”

Another way to look at it is that a biennial budget is more transparent on full project costs. Many capital improvement projects cover a two year span (considering design, permitting, and construction) and a biennial budget would allow for the full project cost to be considered in one process.

Reasons Against a Biennial Budget:

- **Loss of control**

A common concern of elected bodies is a loss of control over budgeted expenditures. To alleviate this, District staff need to ensure the Board's comfort by providing sufficient time for deliberations so the Board does not feel pressured.

It will also require discipline to manage the mid-biennium budget review as a "tune-up" of the budget and not another full blown budget process. The recommended approach is to be more focused on the big picture as opposed to the line items.

- **Difficulty in forecasting**

Another reason cited against the use of biennial budgets is the difficulty in forecasting revenues and variable expenditures. However, as a water/sewer utility with fixed rates implemented at least 3 years into the future, revenues are relatively predictable. On the expenditure side, forecasting staff costs such as payroll and benefits can be tricky (i.e., annual salary adjustments follow regional inflationary adjustments and annual healthcare cost increases can vary significantly). The capital improvement plan is forecasted out 6 years and, while it is reviewed and updated annually, with priority shifts the actual budgeted amount is set through the multi-year rate study. That being said, as a utility district that conducts a rate study every 4-5 years, we have a guideline to follow during the budget process.

- **Software limitations**

The District's current financial software package (BIAS) does not support a biennial budget. Staff is currently working with BIAS to develop a budget module that would support fiscal management under a biennial budget, if the Board elects to convert to this process.

Forms of Biennial Budgets:

The concept of a two-year budget is pretty straightforward and is just like it sounds. Rather than a twelve-month window during which the funds can be committed to accomplish the purpose of the district, a biennium provides for a twenty-four-month window. However, there are variations on this theme.


One of the concerns about using a biennial approach are that staff may not discipline themselves adequately and may spend more of the budget than they should too early in the biennium. As a result, one can restrict access to the second year of the biennium. This restriction is often implemented through the actual adopting resolution. For example, the District would appropriate funds for only the first year while displaying numbers for the second year in the budget as "endorsed".

So, there are lots of ways to do biennial budgets – from adopting only the first year and endorsing the second, to adopting two annual budgets, to adopting a biennial amount and setting up the “spending rules” in a number of different ways.



**AGENDA
BILL
Item 7.C**

**Agate Creek Restoration
Contract Award**

DATE SUBMITTED:	August 20, 2020	MEETING DATE:	August 26, 2020
TO: BOARD OF COMMISSIONERS	FROM: Justin Clary, General Manager		
GENERAL MANAGER APPROVAL			
ATTACHED DOCUMENTS	1. none		
TYPE OF ACTION REQUESTED	RESOLUTION <input type="checkbox"/>	FORMAL ACTION/ MOTION <input checked="" type="checkbox"/>	INFORMATIONAL /OTHER <input type="checkbox"/>

BACKGROUND / EXPLANATION OF IMPACT

The District completed a project in 2019 (District Project No. M1811) that encased the portion of an exposed 8-inch diameter sewer force main in concrete that was located on the bottom of Agate Creek. As part of the project, the Washington State Department of Fish and Wildlife (WDFW) required raising the streambed in the immediate vicinity of the force main with rock to facilitate fish passage. A requirement of the permit associated with the project is to monitor the performance of the constructed project for a five-year period to ensure fish passage viability (i.e., a drop of not greater than 0.8-feet does not occur within the project area).

District staff monitored the performance of the project through the 2019-2020 winter. The project remained intact until the significant precipitation event that occurred in early February 2020 that resulted in flooding throughout much of Whatcom County. During inspection of the project site on February 7, 2020, it was noticed that much of the rock placed downstream of the crossing had washed away. The District immediately notified WDFW, and it was agreed that a joint site visit would be conducted once flows dissipated. However, then the COVID-19 pandemic occurred, which delayed the meeting until June 10. Based upon that meeting, Wilson Engineering has prepared a design for restoring the streambed (with larger rock). To meet the Lake Whatcom watershed land disturbance window, work must be completed by September 30. The project has been solicited for public works contract bids to qualifying contractors on the MRSC Small Works Roster (Stream Restoration category), with bid opening scheduled for Monday, August 24. To facilitate meeting the construction window, staff recommends that the Board award the contract during its August 26 meeting to ensure sufficient time to meet the construction window. As this project was not included in the 2020 Budget, Board action includes allocation of sewer utility funds to perform the repairs, and authorization to the general manager to execute the construction contract.

FISCAL IMPACT

Actual fiscal impact will be dependent upon the August 24 bid outcome; the engineer's estimate for the project is \$31,031.

RECOMMENDED BOARD ACTION

Staff recommends that the Board award the Agate Creek Streambed Restoration contract to the lowest responsible bidder, which will be entirely funded by utilizing a portion of the \$197,375 of remaining unallocated sewer capital funds carried over from 2019.

A verbal recommendation for the lowest responsible bidder will be made at the Board meeting.

PROPOSED MOTION

Recommended motions are:

"I move to direct \$_____ of the unallocated sewer capital funds carried over from 2019 towards the Agate Creek Restoration construction contract."


"I move to award the Agate Creek Restoration construction contract to _____, for a total contract price of \$_____ including 8.5% sales tax and authorize the General Manager to execute the contract."

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**AGENDA
BILL
Item 9.A**

**General Manager's
Report**

DATE SUBMITTED:	August 20, 2020	MEETING DATE:	August 26, 2020
TO: BOARD OF COMMISSIONERS	FROM: Justin Clary, General Manager		
GENERAL MANAGER APPROVAL			
ATTACHED DOCUMENTS	1. General Manager's Report		
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, August 26, 2020 – 8:00 a.m.

Important Upcoming Dates (Note—all meetings are tentative due to COVID-19)

Lake Whatcom Water & Sewer District			
Regular Board Meeting	Wed Sep 9, 2020	6:30 p.m.	Remote Attendance
Employee Staff Meeting	Thu Sep 10, 2020	8:00 a.m.	Remote Attendance Commissioner Carter to attend
Investment Comm. Meeting	Wed Oct 28, 2020	10:00 a.m.	Remote Attendance
Safety Committee Meeting	Wed Sep 16, 2020	8:00 a.m.	Remote Attendance
Lake Whatcom Management Program			
Data Group Meeting	Thu Sep 10, 2020	9:00 a.m.	Remote Attendance
Policy Group Meeting	Wed Sep 23, 2020	3:00 p.m.	Remote Attendance
Joint Councils Meeting	2020 Meeting Cancelled	-	-
Other Meetings			
WASWD Section III Meeting	Tue Sep 8, 2020	7:00 p.m.	Remote Attendance
Whatcom Water Districts Caucus Meeting	Wed Sep 16, 2020	1:00 p.m.	Remote Attendance
Whatcom County Council of Governments Board Meeting	Wed Oct 14, 2020	3:00 p.m.	Council of Governments Offices 314 E Champion Street

Committee Meeting Reports

Safety Committee:

- No committee meeting has been held since last board meeting.

Investment Committee:

- No committee meeting has been held since last board meeting.

Upcoming Important Board Meeting Topics

- Sudden Valley Water Treatment Plant Alternative Analysis
- Division 7 Reservoir Pre-design Update
- Onsite Sewage System Impact Assessment Findings

2020 Initiatives Status

Administration and Operations

Level-of-Service Analysis

- Facilitate Board development of level-of-service standards for District operations.
The initial step in completing the Effective Utility Management process is to conduct a self-assessment at varying levels of the organization. The self-assessment has been completed by the

board, management team and staff. Results will be presented during the August 26 board meeting.

Six-Year Business Plan

- Develop department-specific business plans that define staffing, facility, and equipment needs necessary to meet level-of-service standards over the six-year planning horizon.

To be initiated following completion of the Effective Utility Management self-assessment.

Rate Study

- Conduct rate study for the water and sewer utilities for the five-year planning horizon.

Staff are preparing the request for proposal bid package.

Biennial Budget

- Facilitate Board consideration of shifting from an annual to a biennial budget.

The board is scheduled to discuss the pros and cons of operating under a biennial budget during the August 26 board meeting.

Bond Rating Review

- Pursue a higher bond rating.

Staff plans to complete in fall.

Staffing Succession Plan

- Develop a staffing succession plan to address anticipated retirements over the next five years.

The plan is under development.

Job Description Review

- Update all District job descriptions that have not been revised in the last three years.

Review of job descriptions has been broken into departments and the management team.

Review of management team job descriptions are complete, and review of Finance and Engineering department descriptions are underway.

Emergency Response/System Security

Risk and Resilience Assessment

- Develop an America's Water Infrastructure Act-compliant Risk and Resilience Assessment.

Plan is under development with assistance from the Whatcom County Sheriff's Office under the District's interlocal agreement for emergency planning services.

Cybersecurity Assessment

- Conduct a cybersecurity assessment of the District's IT infrastructure.

Through the District's insurance provider, implemented ongoing staff/board cybersecurity training platform in November 2019.

As part of the AWIA Risk and Resilience Assessment, staff have begun mapping the District's IT system.

Emergency Vendor Contracts

- Pursue contracts with applicable vendors for on-call contracts, including contracts for support during periods of emergency response.

A public works contract template specific to unit-priced contracting has been developed.

Community/Public Relations

General

- Website
The District's web content is being updated on a regular basis, including regular posts specific to District operations in response to the COVID-19 pandemic.
- Social Media
Posts are being made to District Facebook and LinkedIn pages regularly; Nextdoor is regularly monitored for District-related posts.
- Press Releases
Press releases were issued on March 16, 18, 20, and 25 specific to District operations relative to the COVID-19 pandemic. A press release recognizing Drinking Water Week was issued on May 5, and one summarizing the results of the District's 2018-19 audit was issued May 20.

Intergovernmental Relations

- *J. Clary and B. Hunter held a conference call with city of Bellingham staff on August 12 regarding the Post Point wastewater treatment plant solids handling and nutrient removal projects.*
- *At the request of the WASWD executive director, J. Clary attended WASWD Government Relations committee meeting on August 13*
- *J. Clary and R. Munson attended a meeting with Department of Homeland Security, Department of Health, and Whatcom County Emergency Response staff August 13 regarding the Northwest Washington Water Resiliency Assessment Project.*
- *J. Clary and B. Hunter met with South Water Fire Authority management on August 20 regarding District-Fire Authority coordination.*
- *J. Clary scheduled to represent WASWD during the August 25 meeting regarding the statewide Updating Washington's Growth Management Framework process.*

EnviroStars Certification

- Gain EnviroStars Green Business certification.
The District has completed 11 of 20 required core measures and earned a total of 205 points (core and elective measures) in the certification process. Once all core measures are complete, the District will be certified at the Tier 1-Leader level (300 points are required for Tier 2-Partner).

Lake Whatcom Water Quality

Management Program

- Attend meetings of Lake Whatcom Management Program partners.
An Interjurisdictional Coordinating Team meeting is scheduled for August 25.

Onsite Septic System Impact Assessment

- Lead effort in water quality monitoring to assess the impacts of septic systems on the lake.
Herrera has conducted all five scoped monitoring events (on March 3 and 24, April 27, May 11, and June 2). A draft of the assessment report was received on August 18; the city/county/district team is currently reviewing the document.


Onsite Septic System Conversion Program

- Pursue connection of septic-served parcels within 200 feet of District sewer system.
Of the three properties noticed in 2019, two have connected (January 7 and July 2); owners of the remaining property have been in contact with the District. Based upon Board authorization, that property has until August 2021 to connect.
A white paper to facilitate analysis of the District's septic conversion policy was issued to the Board on April 9; during its meeting on July 29, the Board elected not to revise the program.



**AGENDA
BILL
Item 9.B**

**Engineering Department
Report**

DATE SUBMITTED:	August 20, 2020	MEETING DATE:	August 26, 2020
TO: BOARD OF COMMISSIONERS		FROM: Bill Hunter, District Engineer	
GENERAL MANAGER APPROVAL			
ATTACHED DOCUMENTS		1. Engineering Department Report	
		2. Summary of District Projects	
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 regarding District projects and current priorities in advance of the Board meeting.

FISCAL IMPACT

None.

RECOMMENDED BOARD ACTION

None required.

PROPOSED MOTION

None.



Lake Whatcom Water & Sewer District Engineering Department Report

Prepared for the August 26, 2020 Board Meeting
Data Compiled 08/20/20 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	57	2
Connected ERUs	3865	70	44	2
Remaining Capacity (ERUs)	**	15	13	0
Permitted ERUs Under Construction	30	0	0	0
Pre-paid Connection Certificates & Expired Permit	15	0	5	0
Water Availabilities (trailing 12 months)	55	0	0	0
Subtotal - Commitments not yet connected	100	0	5	0
Available ERUs	**	15	8	0

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

Annual Reports		
Name Of Report	Deadline	Completed
Report Number of Sewer ERUs to City of Bellingham Prepared by: Bill	January 15	March 3, 2020
Other Reports		
Name Of Report	Deadline	Last 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

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 checked="" type="checkbox"/> 1. District Engineer approves design <input checked="" 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 checked="" 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 checked="" 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 checked="" type="checkbox"/> 10. District Issues Notice to Proceed w/Construction		<input checked="" type="checkbox"/> 1. District inspects & approves facilities as complete <input type="checkbox"/> N/A 2. District receives water meters for each service <input checked="" type="checkbox"/> 3. District accepts record drawings <input checked="" 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 checked="" type="checkbox"/> 7. District receives and approves Bill of Sale <input type="checkbox"/> N/A 8. District receives a copy of recorded plat or legal description <input checked="" type="checkbox"/> 9. District receives legal description of property <input type="checkbox"/> N/A 10. District receives Latecomers Reimbursement fees due to other Developers (if applicable) <input checked="" type="checkbox"/> 11. Developer pays any applicable Supplemental DEA Processing/General Administrative fees <input type="checkbox"/> N/A 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 checked="" 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. 			
Continued on next page			

Developer Extension Agreements (cont'd)	
D1801	Sudden Valley Community Association - Area Z Fire Hydrant
Tasks/Notes (cont'd)	
<ul style="list-style-type: none"> • 12/17/2018 Deposit of \$5,329.66 received • 1/23/2019 Meeting with SVCA to review revised plans received 1/9/2019 • 2/26/2019 SVCA submits revised plans • 3/20/2019 District returns plan review comments to Wilson Engineering • 4/1/2019 Deposit of \$2031.91 received. • 4/9/2019 District approves plans and issues notice to proceed. • 6/3/2019 Preconstruction meeting with SVCA, contractor, and Wilson to coordinate construct and inspections. Contractor will be starting work soon. • 8/5/2019 Punch list inspection • 8/15/2019 Final acceptance checklist/punch list sent to SVCA • 9/19/2019 Deposit of \$13,842.73 received. • 10/22/2019 District Preparing Bill of Sale, Easement, and Supplemental Conditions agreemnt • 11/7/2019 District receives record drawings • 11/18/2019 Supplemental conditions and municipal utility easement sent to SVCA • 11/18/2019 Deposit of \$2,136.39 received. • 12/16/2019 District reviewing SVCA's proposed changes to bill of sale and supplemental conditions and municipality utility easement agreement received 12/16/19 • 1/15/2020 District receives signed supplemental conditions and municipality utility easement agreement • 2/11/2020 District receives and signs bill of sale • 3/6/2020 Bill of Sale Recorded • 3/17/2020 Sent status letter to SVCA for final acceptance, need maintenance bond & ecology permit documentation to close out project 	

Summary of District Projects


Report Prepared 8/19/2020

Line	Project	Project Title / Tasks	Approved Budget	Spent to Date	Amount Remaining	2020 Schedule											
#	Number					J	F	M	A	M	J	J	A	S	O	N	D
-16	C1708	Ball Check Valves at Austin and Beaver Sewer Pump Stations	\$8,519	\$8,961	\$442												
-14	C1716B	Geneva Booster Station - PRV's, Backflow, Roof	\$40,000	\$38,920	\$1,080												
-12	A1901	Whatcom County Region GIS Imagery Partnership 2019 Flight	\$1,000	\$1,000	\$0												
-11	C1904	Comprehensive Sewer Plan Update	\$79,832	\$80,143	\$311												
-10	C2001	Demolish Old Concrete Reservoir at 1010 Lakeview St	\$55,000	\$46,438	\$8,562												
-9	C2004	Quick Connect Fitting Kit for CAT Backhoe	\$4,000	\$3,343	\$657												
-8	C2005	Used Forklift	\$20,000	\$19,457	\$543												
-7	C2008	Tool Truck with Snowplow and Sander Attachments	\$86,300	\$0	\$86,300												
-6	C2009	Flush-Vac Truck	\$525,000	\$0	\$525,000												
-5	A2020	Design and Construction Standards Update	\$8,175	\$6,613	\$1,562												
-4	A2022	Onsite Records Management Assessment	\$5,952	\$5,952	\$0												
-3	M2023	District Facilities Pavement Striping	\$2,476	\$0	\$2,476												
2	C1716A	Dead End Blowoffs	\$20,000	\$18,668	\$1,332												
4	C1802	Dellesta, Edgewater & Euclid Sewer Pump Stations	\$1,057,472	\$332,398	\$725,074												
15.5	M1811	North Shore FM Stream Crossing Protection (FIX WASHOUT)	\$0	\$2,973	\$2,973												
16	C1814	Agate Heights WTP and Opal Booster Upgrades	\$124,320	\$63,051	\$61,269												
20	A1902	Compulsory Sewer Connections	\$20,000	\$563	\$19,438												
22	C1908	Fire Flow Improvements - Hydraulic Model Calibration	\$15,000	\$4,557	\$10,444												
23	C1909	Little Strawberry Bridge Water Main Predesign & Estimate	\$20,000	\$0	\$20,000												
24	C1910	SVWTP and AHWTP Misc Component Replacement	\$72,000	\$60,262	\$11,738												
25	C1913	SVWTP 20-Year Facility Plan	\$159,710	\$32,849	\$126,861												
26	M1917	AB PLC-5 Replacements and UPS Improvements	\$100,000	\$0	\$100,000												
27	A1919	OSS Impact Assessment	\$100,000	\$79,706	\$20,294												
29	C2002	Johnson Well Storage Building - New Siding and Paint	\$27,500	\$0	\$27,500												
30	C2003	Sewer System Rehab and Replacement Projects	\$71,460	\$33,765	\$37,695												
33	C2006	SCADA Telemetry - Managed Ethernet Switches	\$20,000	\$0	\$20,000												
34	C2007	Administrative Server Hardware	\$25,000	\$0	\$25,000												
37	C2010	Beaver, Flat Car, SVPS Motor Leads	\$18,000	\$0	\$18,000												
38	C2011	Convert Eagleridge Booster to Metering Station	\$30,000	\$624	\$29,376												
39	C2012	Austin-Fremont PRV Rebuild	\$10,000	\$0	\$10,000												
40	C2013	Geneva and Div 22 Res Impressed Current Cathodic Protection	\$40,000	\$0	\$40,000												
41	C2014	Water Meters and Registers	\$13,000	\$4,230	\$8,770												
42	C2015	Fire Hydrant Flow Testing Kit	\$3,500	\$0	\$3,500												
43	C2016	SVWTP Misc Component Replacement	\$40,000	\$0	\$40,000												
44	C2017	Fire Hydrant Stortz Adapters	\$12,000	\$180	\$11,820												
45	M2018	Annual Asphalt Patching	\$35,000	\$11,750	\$23,250												
46	M2019	Annual Tree Trimming	\$10,000	\$0	\$10,000												
48	A2021	AWIA Risk Assessment and Emergency Response Plans	\$10,000	\$0	\$10,000												
49	M2024	Landscape Maintenance		\$0	\$0												
50	A2025	Rate Study		\$0	\$0												
NOTATION LEGEND																	
A	Administrative Project					p											
C	Capital Project					a											
M	Maintenance Project					c											
	Sewer Project (Green Font)					t											
	Water Project (Blue Font)																
	Sewer and Water Project (Black Font)																



**AGENDA
BILL
Item 9.C**

**Finance Department
Report**

DATE SUBMITTED:	August 20, 2020	MEETING DATE:	August 26, 2020
TO: BOARD OF COMMISSIONERS	FROM: Debi Denton, Finance Manager		
GENERAL MANAGER APPROVAL			
ATTACHED DOCUMENTS	1. Monthly Budget & Investment Report		
	2. Monthly Adjustment Report		
	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 regarding District finances in advance of the Board meeting.

FISCAL IMPACT

None.

RECOMMENDED BOARD ACTION

None required.

PROPOSED MOTION

None.

LAKE WHATCOM WATER AND SEWER FUND SUMMARY 2020



	401	402	460	
	WATER	SEWER	BOND RESERVE (RESTRICTED)	TOTAL
2020 REVENUES	1,595,528	2,605,711	-	4,201,239
2020 EXPENDITURES	(1,555,066)	(1,936,834)	-	(3,491,900)
2019 BALANCE CARRYOVER	987,272	1,363,375	772,335	3,122,982
2019 CONTINGENCY CARRYOVER	460,000	787,088		1,247,088
	-----	-----	-----	-----
2020 BALANCE	\$1,487,734	\$2,819,340	\$772,335	\$5,079,409
2020 ALLOCATED TO OPERATING RESERVES	-\$520,000	-\$420,000		-\$940,000
2020 ALLOCATED TO CONTINGENCY	-\$460,000	-\$796,088		-\$1,256,088
AVAILABLE 2020 BALANCE	\$507,734	\$1,603,252	\$772,335	\$2,883,321

LAKE WHATCOM WATER AND SEWER DISTRICT				
	Description	Budget 2020	7/31/2020	58%
WATER - 401				
REVENUES				
	EPA Grant Water Quality			
401-333-66-00-00	North Shore Sampling Interlocal Agreement	40,000		
401-343-40-10	Water Sales Metered (4% base rate increase) *	2,632,739	1,461,474	55.51%
401-343-41-10	Permits (15 new connection permits) \$6,000	90,000	99,136	110.15%
401-343-81-10	Combined Fees (Increase in Lien and Lock fees)	35,000	9,892	28.26%
401-359-90-00	Late fees	55,000	14,585	26.52%
401-361-11-00	Investment Interest	30,000	10,128	33.76%
401-369-10-00	Sale of scrap metal and surplus	3,000	69	0.023
401-369-10-01	Miscellaneous	1,000	244	24.40%
401-369-40-00	Judgements and Settlements	-	-	
401-395-10-00	Sale of Capital Assets	-	-	
401-395-20-00	Insurance Recoveries	-	-	
	TOTAL REVENUES	2,886,739	1,595,528	55.27%
	* Per Resolution 844 effective 1/1/2020			
	Scheduled annual rate increase			

LAKE WHATCOM WATER AND SEWER DISTRICT				
	Description	Budget 2020	7/31/2020	58%
SEWER - 402				
REVENUES				
402-343-41-10-02	Permits (15 new connection permits) \$9,000	135,000	122,238	90.55%
402-343-50-11	Sewer Service Residential (2.5% rate increase) *	4,186,946	2,450,578	58.53%
402-343-50-19	Sewer Service Other	4,500	2,616	58.13%
402-343-50-80	Latecomer's Fees	-	-	0
402-361-11-00-02	Investment Interest	30,000	8,376	27.92%
402-361-40-00-80	ULID 18 Interest/Penalties	4,000	3,833	95.83%
402-368-10-00-80	ULID 18 Principal Payments	15,000	9,475	63.17%
402-369-10-00-02	Sale of scrap metal and surplus	3,000	69	0.023
402-369-10-00-02	Miscellaneous	1,000	244	24.40%
402-369-40-02	Judgements and Settlements	-	8,282	0
402-395-10-00-02	Sale of Capital Assets	-	-	0
402-395-20-02	Insurance Recoveries	-	-	0
	TOTAL REVENUES	4,379,446	2,605,711	59.50%
	* Per Resolution 844 effective 1/1/2020			
	Scheduled annual rate increase			

LAKE WHATCOM WATER AND SEWER DISTRICT

	Description	Budget	7/31/2020	58%
WATER - 401	OPERATING EXPENDITURES			
401-534-10-10	Admin Payroll (2.2% cola plus step increases - 2020)	353,900	213,044	60.20%
401-534-10-20	Admin Personnel Benefits	174,250	89,832	51.55%
401-534-10-31	Gen Admin Supplies/Equipment (Master Meter Software)	35,000	16,695	47.70%
401-534-10-31-01	Meetings/Team building	2,000	795	39.75%
401-534-10-40	Merchant Services Fees	10,000	6,365	63.65%
401-534-10-40-01	Bank Fees		570	
	Interlocal - Invasive Species (City) (8% increase)	55,000	50,000	
	Interlocal - Lake Whatcom Tributary Monitor (County)	5,000	6,276	
	North Shore Sampling (County Interlocal Agreement)	100,000	79,705	
	Mutt Mits	5,000	5,575	
401-534-10-41	Water Quality Assurance Programs (TOTAL)	165,000		
	County Auditor Filing Fees	3,000		
	Statement processing	12,500		
	Answering Service	750		
	Time clock system	750		
	Financial Software Maintenance	5,000		
	Web Check services	2,500		
	CPA (Financial statements)	3,000		
	Rate Study	15,000		
	State Audit	8,000		
	Docuware maintenance and upgrade	4,500		
	Computer support	15,000		
	Anti virus subscription	500		
	Building security	1,000		
	Building custodial	5,000		
	Pest control	500		
	Landscaping service	3,000		
	South Whatcom Fire (hydrant maintenance)	1,000		
	Scada System Software Maintenance - Operations	3,750		
	Cyber Security AWIA Assessment	5,000		
	SCADA/PLC Support - Engineering/Operations	5,000		
	Cartegraph - Engineering/Operations	2,500		
	Auto Desk - Engineering	500		
	GIS Partnership (County)	500		
	Rockwell - Engineering/Operations	250		

LAKE WHATCOM WATER AND SEWER DISTRICT

	Description	Budget	7/31/2020	58%
	IT Pipes	750		
	ESRI - ARC GIS	750		
	Innovyze - Engineering	1,250		
	Master Meter	2,000		
	Cyberlock software	500		
	Whatcom County Emergency Management	10,000		
	Misc (Bid notices etc.)	2,500		
401-534-10-41-01	Professional Services (TOTAL)	116,250	71,172	61.22%
401-534-10-41-02	Water Engineering Services	5,000	13,503	270.06%
401-534-10-41-03	Water Legal Services	20,000	11,699	58.50%
401-534-10-41-04	DEA expenditures		2,200	
401-534-10-42	Communication	30,000	17,784	59.28%
401-534-10-45	Admin Lease (copy/printers)	5,000	3,148	62.96%
401-534-10-46	Property Insurance	72,000	-	0.00%
401-534-10-49	Admin Misc.	500	25	5.00%
401-534-10-49-01	Memberships/Dues/Permits	10,000	12,952	129.52%
401-534-10-49-02	WA State Dept of RevenueTaxes/County Stormwater fees	115,000	62,039	53.95%
401-534-40-43	Training & Travel	17,500	5,034	28.77%
401-534-40-43-01	Tuition reimbursement	500	-	0.00%
401-534-50-31	Operations/Maintenance Supplies	75,000	91,721	122.29%
401-534-50-31-01	Small Assets/tools	25,000	29,283	117.13%
401-534-50-48	Operations Repair/Maint contracted work	60,000	27,614	46.02%
401-534-50-49	Insurance Claims	2,500	-	0.00%
401-534-60-41	Operations Contracted (water testing)	7,500	6,752	90.03%
401-534-60-47	Water City of Bellingham	45,000	6,183	13.74%
401-534-80-10	Operations Payroll (2.2% cola plus step increases - 2020)	575,561	357,071	62.04%
401-534-80-20	Operations Personnel Benefits (Medical,Retirement etc)	247,590	150,087	60.62%
401-534-80-32	Fuel	15,000	5,757	38.38%
401-534-80-35	Safety Supplies (Ergonomic Assessment)	10,000	4,042	40.42%
401-534-80-35-01	Safety Supplies Boots	1,250	504	40.32%
401-534-80-35-02	Emergency Preparedness	5,000	2,478	49.56%
401-534-80-43-00	Water - Operatoins Training/Travel/Certification		211	
401-534-80-47	General Utilities (Electric, gas, water, garbage)	110,000	69,133	62.85%
401-534-80-49	Laundry	2,000	906	45.30%
	Payroll liability		168	
	WATER OPERATING EXPENDITURES	2,313,301	1,420,323	61.40%

LAKE WHATCOM WATER AND SEWER DISTRICT

	Description	Budget	7/31/2020	58%
<i>DEBT SERVICE</i>				
401-591-34-77-01	Redemption of Long Term Debt Geneva AC Mains	119,938		
401-591-34-77-02	Redemption of Long Term Debt Div 22 Reservoir	65,475		
401-592-34-83-01	Debt Service Interest Geneva AC Mains	28,785		
401-592-34-83-02	Debt Service Interest Div 22 Reservoir	17,678		
<i>SYSTEM REINVESTMENT</i>				
	2019 System Reinvestment Projects	105,000		
	2020 System Reinvestment Projects	397,400		
401-534-10-41-20	20 Year Plan for SVWTP C19-13		32,454	
401-594-34-62-01	Water Structures		69,374	
401-594-34-63-01	Water System		19,357	
401-594-34-64-01	Water Equipment		13,558	
WATER FUND	TOTAL WATER REVENUES	2,886,739	1,595,528	
	TOTAL WATER EXPENDITURES	(3,047,577)	(1,555,066)	
	2019 BALANCE CARRYOVER	987,272	987,272	
	2019 CONTINGENCY CARRYOVER	460,000	460,000	
	2020 ALLOCATED TO OPERATING RESERVES	(520,000)	(520,000)	
	2020 ALLOCATED TO WATER CONTINGENCY	(460,000)	(460,000)	
	AVAILABLE 2020 YEAR END BALANCE	306,434	507,734	

LAKE WHATCOM WATER AND SEWER DISTRICT

	Description	Budget	7/31/2020	58%
SEWER - 402				
OPERATING EXPENDITURES				
402-535-10-10	Admin Payroll (2.2% cola plus step increases - 2020)	353,900	213,044	60.20%
402-535-10-20	Admin Personnel Benefits	174,250	89,830	51.55%
402-535-10-31	Gen Admin Supplies/Equipment	20,000	17,455	87.28%
402-535-10-31-01	Meetings/Team building	2,000	1,023	51.15%
402-535-10-40	Merchant Services Fees	10,000	6,365	63.65%
402-535-10-40-01	Bank Fees	-	460	
	County Auditor Filing Fees	3,000		
	Statement processing	12,500		
	Answering Service	750		
	Time clock system	750		
	Financial Software Maintenance	5,000		
	Web Check services	2,500		
	CPA (Internal audit and Financial statements)	3,000		
	Rate study	15,000		
	State audit	8,000		
	Docuware maintenance and upgrade	4,500		
	Computer support	15,000		
	Cyber Security AWIA Assessment	5,000		
	Anti virus subscription	500		
	Building security for offices	1,000		
	Building custodial	5,000		
	Pest control	500		
	Landscaping service	3,000		
	Scada System Software Maintenance - Operations	3,750		
	Camera Van Software	1,500		
	SCADA/PLC Support - Engineering/Operations	5,000		
	Cartegraph - Engineering/Operations	2,500		
	Auto Desk - Engineering	500		
	GIS Partnership (County)	500		
	Rockwell - Engineering/Operations	250		
	IT Pipes	750		
	ESRI - ARC GIS	750		
	Innovyze - Engineering	1,250		

LAKE WHATCOM WATER AND SEWER DISTRICT

	Description	Budget	7/31/2020	58%
	Cyberlock software	500		
	Whatcom County Emergency Management	10,000		
	Misc (Bid notices etc.)	2,500		
402-535-10-41-01	Professional Services (TOTAL)	114,750	70,572	61.50%
402-535-10-41-02	Engineering Services	5,000	9,321	186.42%
402-535-10-41-03	Legal Services	20,000	15,591	77.96%
402-535-10-41-04	DEA expenditures		-	
402-535-10-42	Communication	30,000	17,821	59.40%
402-535-10-45	Admin Lease (copy/printers)	5,000	3,148	62.96%
402-535-10-46	Property Insurance	72,000	-	0.00%
402-535-10-49	Admin Misc.	500	60	12.00%
402-535-10-49-01	Memberships/Dues/Permits	8,000	7,284	91.05%
402-535-10-49-02	WA State Dept of RevenueTaxes/County Stormwater fees	115,000	62,039	53.95%
402-535-40-43	Training & Travel	17,500	3,912	22.35%
402-535-40-43-01	Tuition reimbursement	500	-	0.00%
402-535-50-31	Operations/Maintenance Supplies	75,000	21,103	28.14%
402-535-50-31-01	Small Assets/tools	25,000	15,636	62.54%
402-535-50-48	Operations Repair/Maint contracted work	60,000	57,936	96.56%
402-535-50-49	Insurance Claims	2,500	-	0.00%
402-535-60-41	Operations Contracted (generator load testing)	15,000	985	6.57%
402-535-60-47	Sewer City of Bellingham Treatment Fee	680,000	500,932	73.67%
402-535-80-10	Operations Payroll (2.2% cola plus step increases - 2020)	483,494	287,317	59.43%
402-535-80-20	Operations Personnel Benefits (Medical,Retirement etc)	247,590	119,892	48.42%
402-535-80-32	Fuel	13,000	7,149	54.99%
402-535-80-35	Safety Supplies (Ergonomic Assessment)	10,000	4,005	40.05%
402-535-80-35-01	Safety Supplies Boots	1,250	504	40.32%
402-535-80-35-02	Emergency Preparedness	5,000	2,478	49.56%
402-535-80-43-00	Operations Training/Travel/Certification		851	
402-535-80-47	General Utilities (Electric, gas, water, garbage)	100,000	67,441	67.44%
402-535-80-49	Laundry	2,000	1,368	68.40%
	SEWER OPERATING EXPENDITURES	2,668,234	1,605,522	60.17%

LAKE WHATCOM WATER AND SEWER DISTRICT

	Description	Budget	7/31/2020	58%
DEBT SERVICE				
402-591-35-72-03	2016 Bond Principal Payments	425,000	-	
402-592-35-83-03	2016 Bond Interest Payments	218,176	109,088	
SYSTEM REINVESTMENT				
	2019 Sewer System Reinvestment Projects	770,000		
	2020 Sewer System Reinvestment Projects	491,500		
	Sewer Comp Plan C19-04		23,076	
402-594-35-62-02	Sewer Structures		139,036	
402-594-35-63-02	Sewer System		37,128	
402-594-35-64-02	Sewer Equipment		22,984	
402-594-35-64-02	Sewer Equipment (Flush/Vac Truck)	525,000		
SEWER FUND	TOTAL SEWER REVENUES	4,379,446	2,605,711	
	TOTAL SEWER EXPENDITURES	(5,097,910)	(1,936,834)	
	2019 BALANCE CARRYOVER	1,363,375	1,363,375	
	2019 CONTINGENCY CARRYOVER	787,000	787,000	
	2020 ALLOCATED TO SEWER OPERATING RESERVES	(420,000)	(420,000)	
	2020 ALLOCATED TO SEWER CONTINGENCY	(796,000)	(796,088)	
	AVAILABLE 2020 YEAR END BALANCE	215,911	1,603,164	



LAKE WHATCOM WATER AND SEWER

INVESTMENTS/CASH AS OF 7/31/2020

Petty Cash	\$	1,600	
Cash	\$	714,153	0.35%
Public Funds Account	\$	502,479	0.10%
LGIP	\$	1,035,404	0.31%

	\$	2,253,636	

		PAR VALUE		YIELD
RFCO-ProEquity	Non-callable	\$ 1,071,488	Jan-21	2.71%
FHLB - Pro equity	Callable	\$ 1,002,619	Nov-22	1.55%
FHLB - Pro equity	Non-callable	\$ 751,663	Apr-23	0.80%

US Bank	\$	2,825,770
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TOTAL	\$	5,079,406
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USE OF FUNDS:

Reserved	\$	772,334
Contingency	\$	1,256,088
Unrestricted	\$	3,050,984

\$	5,079,406
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Jul-20

ADJUSTMENTS


20000478	\$ 57.71	Broken freeze plate
60001462	\$ 16.70	Construction usage by District
180012037	\$ 691.17	Water Leak Adjustment (2 cycles)

TOTAL	\$ 765.58
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**AGENDA
BILL
Item 9.D**

**Operations Department
Report**

DATE SUBMITTED:	August 20, 2020	MEETING DATE:	August 26, 2020
TO: BOARD OF COMMISSIONERS	FROM: Brent Winters, Operations Manager		
GENERAL MANAGER APPROVAL			
ATTACHED DOCUMENTS	1. Operations Department Report		
	2. Status of District Water & Sewer Systems		
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 regarding District operations in advance of the Board meeting.

FISCAL IMPACT

None.

RECOMMENDED BOARD ACTION

None required.

PROPOSED MOTION

None.



Lake Whatcom Water & Sewer District Operations & Maintenance Department Report

Prepared for the August 26, 2020 Board Meeting
Data Compiled 08/20/20 by RH, BW, RM

State Required Report Status														
Monthly Reports														
Name Of Report		Completed												
Chlorination Report Agate Heights Prepared by: Kevin	Postmarked by the 10th of month	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	
		x	x	x	x	x	x	x	x					
Surface Water Treatment Rule Report (SVWTP) Prepared by: Kevin	Postmarked by the 10th of month	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	
		x	x	x	x	x	x	x	x					
Annual Reports														
Name Of Report	Deadline	Completed												
WA State Cross Connection Report Prepared by: Rich	May	May 6, 2020												
OSHA 300 Log Prepared by: Rich	February 1	January 27, 2020												
Water Use Efficiency Performance Report Prepared by: Kevin	July 1	February 24, 2020												
Community Right to Know (Hazardous Materials) Prepared by: Rich & Brent	March 31	January 14, 2020												
Consumer Confidence Reports Prepared by: Kevin	June 30	Geneva		SV		EagleR		Agate Ht						
		6/1/20		6/1/20		6/1/20		6/1/20						
Other Reports														
Name Of Report	Deadline	Last Completed												
CPR/First Aid Training Coordinated by: Rich	Due Biennially Next Due 2021	March 23, 2019												
Flagging Card Training Coordinated by: Rich	Due Triennially Next Due 2022	June 6, 2019												

Safety Program Summary			
Completed by Rich Munson & Brent Winters			
Summary of Annual Safety Training			
<i>2020 Testing Period - Jan 1, 2020 to May 1, 2020</i>			
	Enrollments	Completions	% Complete
Engineering - Managers	69	69	100%
Engineering - Staff	25	25	100%
Field Crew - Managers	224	224	100%
Office - Managers	15	15	100%
Office - Staff	52	52	100%
Overall	385	385	100%

Safety meetings for the field crew take place every Friday at 7 a.m.

Dates of Completed Safety Committee Meetings						
1/21/2020	5/20/2020					
2/18/2020	6/18/2020					
3/17/2020	7/29/2020					
4/30/2020						
Summary of Work-Related Injuries & Illnesses						
	Current Month	2020	2019	2018	2017	2016
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						
Total Number of Days of Job Transfer or Restriction (light duty or other medical restriction)						
Total Number of Days Away from Work (at home, in hospital, not at work)						
Near Misses						
Safety Coordinator Update						

Status of District Water and Sewer Systems
Prepared by Brent Winters Operations and Maintenance Manager
8/26/2020 Board Meeting

Safety Activities	
<ol style="list-style-type: none"> Continuing social distancing of crew. Kevin Cook is reporting directly to the water plant, the rest of the crew is reporting directly to their assigned vehicle and then attending the morning briefing via "Go to Meeting." No injuries or near misses. Daily safety reminders directly relevant to the day's tasks. Jobsite tailgate meetings by project lead. 	
Water Utility Activities	
<i>Water Treatment Plants</i> <ol style="list-style-type: none"> Sudden Valley <ol style="list-style-type: none"> Plant is operating well, averaging 0.60 million gallons per day (MGD). Working with Gray & Osborne on the Capital Upgrades Project. Transmission pump control valve and surge anticipator replacement project has been completed by the District crew. Agate Heights <ol style="list-style-type: none"> Plant is operating well, assisting Engineering as needed with Capital Upgrades project. 	
<i>Distribution System</i> <ol style="list-style-type: none"> District crew installed 3 new water connections this reporting period. Repaired 1 water lateral leak this reporting period. Excavated and installed six (6) pressure reducing station vault drains. Cleaned and inspected reservoir roofs. 	
Sewer Utility Activities	
<i>Lift Stations</i> <ol style="list-style-type: none"> Lift stations are in normal operation. Tri-County Marine is performing scheduled maintenance to six generators. 	
<i>Collection System</i> <ol style="list-style-type: none"> Televising new sewer connections after they are completed. Replaced failed Scenic sewer flow meter. Replaced sub- standard problematic lateral at 8 Meadow Ct. Contractors installed 4 new sewer connections this reporting period. 	
Fleet	
<i>Vehicles</i> <ol style="list-style-type: none"> All vehicles are in service. 	
<i>Equipment</i> <ol style="list-style-type: none"> All equipment is in service. New vac truck is on order (October delivery). New service truck is on order (September delivery). 	
Facilities	
<i>Shop Building</i> <ol style="list-style-type: none"> Performing shop and grounds maintenance as fill in work between projects. 	
Development	
<ol style="list-style-type: none"> Inspector is actively working with thirteen (13) contractors making connection to our systems. 	