



## LAKE WHATCOM WATER & SEWER DISTRICT

1220 Lakeway Drive  
Bellingham, WA, 98229

(360) 734-9224  
Fax 738-8250

# MEMORANDUM

Date: November 5, 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 November 12 special meeting (note this meeting is on a Thursday instead of Wednesday), 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](mailto:rachael.hope@lwwsd.org) or 360-734-9224.

### **October 28 Special Board Meeting**

November 12, 2020 Special Board Meeting  
Thu, Nov 12, 2020 6:30 PM - 8:30 PM (PST)

**Please join my meeting from your computer, tablet or smartphone.**

<https://global.gotomeeting.com/join/440474725>

**You can also dial in using your phone.**

United States: [+1 \(872\) 240-3412](tel:+18722403412)

**Access Code:** 440-474-725

New to GoToMeeting? Get the app now and be ready when your first meeting starts: <https://global.gotomeeting.com/install/440474725>



## LAKE WHATCOM WATER AND SEWER DISTRICT

1220 Lakeway Drive  
Bellingham, WA 98229

### SPECIAL MEETING OF THE BOARD OF COMMISSIONERS

## AGENDA

*November 12, 2020*


6:30 p.m. – Special 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. Resolution No. 869—Extension of Suspension of Utility Late Fees and Shut-offs
  - B. Draft 2021 Budget Presentation
8. OTHER BUSINESS
9. STAFF REPORTS
  - A. General Manager
10. PUBLIC COMMENT OPPORTUNITY
11. EXECUTIVE SESSION  
*Executive Session per RCW 42.30.110(1)(g): To review the performance of a public employee (General Manager performance evaluation) – 30 minutes*
12. ADJOURNMENT



**AGENDA  
BILL  
Item 6**

**Consent Agenda**

DATE SUBMITTED:	November 5, 2020	MEETING DATE:	November 12, 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 11.12.2020\*\***

**BACKGROUND / EXPLANATION OF IMPACT**

- Minutes for the October 28, 2020 Regular Board Meeting
- 3<sup>rd</sup> Quarter Payroll Taxes totaling \$7,807.19
- Payroll for Pay Period #22 (10/17/2020 through 10/30/2020) totaling \$43,403.27
- Payroll Benefits for Pay Period #22 totaling \$50,657.76
- 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

### REGULAR SESSION OF THE BOARD OF COMMISSIONERS

## Minutes *October 28, 2020*

Board President Laura Abele called the Regular Session to order at 8:00 a.m.

<b>Attendees:</b> 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

Also present was District Engineering Technician/Safety Officer Rich Munson.

All attendees participated remotely by phone or video conferencing.

#### **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, Citron seconded, approval of:**

- **Minutes for the September 30, 2020 Regular Board Meeting**
- **Minutes for the October 14, 2020 Regular Board Meeting**
- **Payroll for Pay Period #21 (10/03/2020 through 10/16/2020) totaling \$47,692.37**
- **Payroll Benefits for Pay Period #21 totaling \$52,214.52**
- **Accounts Payable Vouchers totaling \$109,475.84**

**Motion passed.**

#### **Beaver and Flat Car PLC and UPS Improvements Contact Award**

Hunter explained that the Allen Bradley PLC-5 (Programmable Logic Controller) Control System was discontinued by the manufacturer in 2017, and is no longer available or supported. Since discontinuation, competition for used or surplus parts has made them hard to find, expensive, and lacking manufacturer guaranty.

The District has several facilities that use the discontinued PLCs. District Capital Improvement Project No. M1917 is intended to begin the replacement of discontinued PLCs, as well as to make uninterruptable power supply (UPS) improvements for better reliability. As part of this project, the District retained RH2 Engineering through an on-call architectural/engineering professional services agreement that was executed on June 1, 2020 and expires December 31, 2025.

Beaver and Flat Car sewer lift stations were identified as a first project to undertake in a progression of several future projects to complete all of the replacements. The two stations were selected because they are very similar stations that allow for duplication of cost efficiencies, PLC and UPS improvements will provide the biggest impact on overall system resiliency, and conceptual cost estimates were close to keeping within the 2020 budgeted amount. Discussion followed.

**Action Taken**

**Citron moved, McRoberts seconded, to allocate \$18,190.75 from unallocated sewer capital project funds to District Project No M1917 for a new total budget of \$118,190.75. Motion passed.**

**Citron moved, McRoberts seconded, to award the Beaver and Flat Car PLC and UPS Improvements public works contract to QCC Quality Controls Corporation for a total contract price of \$65,045.75, including 8.5% sales tax, and authorize the general manager to execute the contract. Motion passed.**

**General Manager's Report**

Clary updated the Board on several topics, including the District's continued response to the COVID-19 pandemic, upcoming agenda items, the county council's discussion of potential CARES Act funding, Puget Sound Nutrient Loading, and potential Nooksack River Basin Adjudication in the 2021 legislative session. Discussion followed.

**Engineering Department Report**

Hunter highlighted several projects, including progress on the Dellesta & Edgewater lift station renovations, the Euclid sewer pump station renovation design, Johnson Well storage shed renovation, and upcoming Grey and Osborne presentations on the Sudden Valley Water Treatment Plant 20 year master plan. Discussion followed.

**Finance Department Report**

Denton reported that she and Clary met with FCS Group to discuss scope of work and budget for the upcoming rate study, which will be presented at the second meeting in November for approval; and that revenues and expenditures are still largely un-impacted by COVID-19. Discussion followed.

**Operations & Maintenance Department Report**

Winters gave a brief report on ongoing projects and development in the Operations Department, including installation of four new water services, main repairs, and the arrival of the District's new Vactor truck. Discussion followed.

**Executive Session Per RCW 42.30.110(1)(g) General Manager Performance Evaluation - 30 Minutes**

Abele recessed the Regular Session to Executive Session at 8:59 a.m. It was estimated that the Executive Session would take about 30 minutes. The purpose of the Executive Session was for considering issues related to evaluating the performance of a public employee. Abele recessed the Executive Session and reconvened the Regular Session at 9:14 a.m.

With no further business, Abele adjourned the Regular Session 9:14 a.m.

---

Recording Secretary, Rachael Hope

---

Date Minutes Approved

---

Laura Abele

---

Todd Citron

---

Bruce R. Ford

---

Leslie McRoberts

---

John Carter

**CHECK REGISTER**

Lake Whatcom W-S District

Time: 10:04:35 Date: 10/30/2020

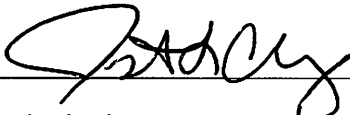
MCAG #: 2330

10/30/2020 To: 10/30/2020

Page: 1

Trans	Date	Type	Acct #	Chk #	Claimant	Amount	Memo
3338	10/30/2020	Payroll	5	10935	WA ST DEPT OF EMPLOYMENT SECUR	809.21	3rd Quarter 07/01/2020 - 09/30/2020
3339	10/30/2020	Payroll	5	10936	WA ST DEPT OF ES/PFMLA	1,180.34	Pay Cycle(s) 07/02/2020 To 07/02/2020 - PFMLA; Pay Cycle(s) 07/16/2020 To 07/16/2020 - PFMLA; Pay Cycle(s) 07/30/2020 To 07/30/2020 - PFMLA; Pay Cycle(s) 08/13/2020 To 08/13/2020 - PFMLA; Pay Cycle(s)
3340	10/30/2020	Payroll	5	10937	WA ST DEPT OF LABOR AND IND	5,817.64	3RD Quarter 07/01/2020 - 09/30/2020
						401 Water Fund	5,379.80
						402 Sewer Fund	2,427.39
							<hr/>
						7,807.19	Payroll: 7,807.19

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 10/30/2020

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

# PAYROLL

## CHECK REGISTER

Lake Whatcom W-S District

MCAG #: 2330

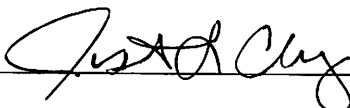
11/05/2020 To: 11/05/2020

Time: 10:21:33 Date: 11/03/2020

Page: 1

Trans	Date	Type	Acct #	Chk #	Claimant	Amount	Memo
3358	11/05/2020	Payroll	5	EFT		3,670.51	10/17/2020 - 10/30/2020 PR23
3359	11/05/2020	Payroll	5	EFT		3,540.66	10/17/2020 - 10/30/2020 PR23
3360	11/05/2020	Payroll	5	EFT		2,511.72	10/17/2020 - 10/30/2020 PR23
3361	11/05/2020	Payroll	5	EFT		3,496.49	10/17/2020 - 10/30/2020 PR23
3362	11/05/2020	Payroll	5	EFT		1,636.07	10/17/2020 - 10/30/2020 PR23
3364	11/05/2020	Payroll	5	EFT		1,244.40	10/17/2020 - 10/30/2020 PR23
3365	11/05/2020	Payroll	5	EFT		2,860.20	10/17/2020 - 10/30/2020 PR23
3366	11/05/2020	Payroll	5	EFT		1,923.41	10/17/2020 - 10/30/2020 PR23
3367	11/05/2020	Payroll	5	EFT		3,169.75	10/17/2020 - 10/30/2020 PR23
3368	11/05/2020	Payroll	5	EFT		1,935.23	10/17/2020 - 10/30/2020 PR23
3369	11/05/2020	Payroll	5	EFT		3,024.31	10/17/2020 - 10/30/2020 PR23
3370	11/05/2020	Payroll	5	EFT		2,431.20	10/17/2020 - 10/30/2020 PR23
3371	11/05/2020	Payroll	5	EFT		1,457.92	10/17/2020 - 10/30/2020 PR23
3372	11/05/2020	Payroll	5	EFT		1,742.52	10/17/2020 - 10/30/2020 PR23
3373	11/05/2020	Payroll	5	EFT		2,145.35	10/17/2020 - 10/30/2020 PR23
3374	11/05/2020	Payroll	5	EFT		2,744.87	10/17/2020 - 10/30/2020 PR23
3375	11/05/2020	Payroll	5	EFT		2,487.83	10/17/2020 - 10/30/2020 PR23
3363	11/05/2020	Payroll	5	10939		1,380.83	10/17/2020 - 10/30/2020 PR23
401 Water Fund						13,173.36	
402 Sewer Fund						30,229.91	
						43,403.27	Payroll: 43,403.27

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 11/3/2020

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



# BENEFITS

## CHECK REGISTER

Lake Whatcom W-S District  
MCAG #: 2330

10/23/2020 To: 11/05/2020

Time: 10:45:51 Date: 11/03/2020

Page: 1

Trans	Date	Type	Acct #	Chk #	Claimant	Amount	Memo
3377	11/05/2020	Payroll	5	EFT	UNITED STATES TREASURY	16,667.39	941 Deposit for Pay Cycle(s) 10/23/2020 - 11/05/2020
3378	11/05/2020	Payroll	5	EFT	WA ST SUPPORT ENFORCEMENT REGISTRY	208.34	Pay Cycle(s) 11/05/2020 To 11/05/2020 - SUP ENF
3379	11/05/2020	Payroll	5	10940	AFLAC	354.85	Pay Cycle(s) 11/05/2020 To 11/05/2020 - AFLAC Pre-Tax; Pay Cycle(s) 11/05/2020 To 11/05/2020 - AFLAC Post-Tax
3380	11/05/2020	Payroll	5	10941	AFSCME LOCAL	362.86	Pay Cycle(s) 11/05/2020 To 11/05/2020 - Union Dues; Pay Cycle(s) 11/05/2020 To 11/05/2020 - Union Fund
3381	11/05/2020	Payroll	5	10942	DEPARTMENT OF RETIREMENT SYSTEMS	4,070.03	Pay Cycle(s) 11/05/2020 To 11/05/2020 - DCP
3382	11/05/2020	Payroll	5	10943	HRA VEBA TRUST (PAYEE)	590.00	Pay Cycle(s) 11/05/2020 To 11/05/2020 - VEBA
3383	11/05/2020	Payroll	5	10944	VANTAGEPOINT TRANSFER AGENTS - 306798	100.00	Pay Cycle(s) 11/05/2020 To 11/05/2020 - ICMA
3384	11/05/2020	Payroll	5	10945	WA ST HEALTH CARE AUTHORITY	14,533.91	Pay Cycle(s) 11/05/2020 To 11/05/2020 - PEBB Medical; Pay Cycle(s) 11/05/2020 To 11/05/2020 - PEBB ADD LTD; Pay Cycle(s) 11/05/2020 To 11/05/2020 - PEBB SMK Surcharge; Pay Cycle(s) 11/05/2020 To 11/05
3385	11/05/2020	Payroll	5	10946	WA ST PUBLIC EMP RET PLAN 2	10,622.69	Pay Cycle(s) 11/05/2020 To 11/05/2020 - PERS 2
3386	11/05/2020	Payroll	5	10947	WA ST PUBLIC EMP RET PLAN 3	3,147.69	Pay Cycle(s) 11/05/2020 To 11/05/2020 - PERS 3
401 Water Fund						37,473.21	
402 Sewer Fund						13,184.55	
						50,657.76	Payroll:
							50,657.76

# BENEFITS

## CHECK REGISTER

Lake Whatcom W-S District

MCAG #: 2330

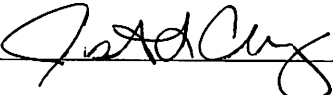
10/23/2020 To: 11/05/2020

Time: 10:45:51 Date: 11/03/2020

Page: 2

Trans	Date	Type	Acct #	Chk #	Claimant	Amount	Memo
-------	------	------	--------	-------	----------	--------	------

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 11/3/2020

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



**AGENDA  
BILL  
Item 7.A**

**Resolution No. 869  
Extension of the Suspension of  
Late Fees and Shut-offs**

DATE SUBMITTED:	November 3, 2020	MEETING DATE:	November 12, 2020
TO: BOARD OF COMMISSIONERS	FROM: Justin Clary, General Manager		
GENERAL MANAGER APPROVAL			
ATTACHED DOCUMENTS	1. Alternative 1—Resolution 869 2. Alternative 2—Resolution 869		
TYPE OF ACTION REQUESTED	RESOLUTION <input checked="" type="checkbox"/>	FORMAL ACTION/ MOTION <input type="checkbox"/>	INFORMATIONAL /OTHER <input type="checkbox"/>

**BACKGROUND / EXPLANATION OF IMPACT**

The COVID-19 pandemic and the economic impacts that have followed have created a tremendous strain on some District customers. To alleviate this strain, the District Board of Commissioners adopted Resolution No. 865 during its regular business meeting on March 25, 2020, which temporarily suspended late fees and shut-offs for delinquent accounts, as well as fees associated with voluntary suspension of services (to recognize a number of District customers that are Canadian and unable to cross the border to access their second home in the District). With Resolution No. 865 scheduled to expire on July 31, 2020, the Board adopted Resolution No. 868 during its regular business meeting on July 29, 2020, which extended the provisions of Resolution No. 865 through November 30, 2020. Recognizing that the expiration of Resolution No. 868 is approaching, the Board requested that staff prepare two separate drafts of a resolution for its consideration prior the November 30. The Board requested that one draft allow for extension for all provisions of Resolution Nos. 865/868 (attached as Alternative No. 1), while the second draft allows for extension of the suspension of collection of late fees and shut-offs for delinquent accounts, but does not allow for the resumption of collection of fees associated with voluntary billing suspension (attached as Alternative No. 2).

On a related note, Governor Inslee issued Proclamation No. 20-23.1 on March 24, 2020, strongly encouraging public utilities to take actions to mitigate the economic impacts of the COVID-19 pandemic on their utility customers. A revision to this proclamation (Proclamation No. 20-23.3) was issued on May 5 that then prohibited water utilities from charging late fees or to shut-off services for failure to pay utility bills (effective through May 31). Several subsequent revisions to this proclamation have been issued that extend the prohibition against late fees and shut-offs:

- Proclamation No. 20-23.4 issued on May 29 that extended the prohibition through July 28;

- Proclamation No. 20-23.6 issued on July 2 that extended the prohibition through August 1;
- Proclamation No. 20-23.7 issued on July 31 that extended the prohibition through October 15; and
- Proclamation No. 20-23.11 that has extended the prohibition through December 31, 2020.

### **FISCAL IMPACT**

The proposed resolutions do not relieve customers from the obligation to pay their water/sewer utility bills. Both do, however, continue the suspension of the collection late fees, and the first alternative also continues the suspension of collection of fees associated with voluntary billing suspension. These fees make up a small portion of the District's overall revenue streams, so the fiscal impact is considered relatively minimal.

### **RECOMMENDED BOARD ACTION**

The current relief granted through Resolution Nos. 865/868 has now been in place for over seven months. Any customers that cannot access their homes due to travel restrictions created by the pandemic have now had those seven months to take advantage of this relief. At this point, the suspension of fees associated with entering voluntary service suspension are primarily benefiting those that travel elsewhere for the winter. As a result, suspension of these fees is no longer considered a relief associated with the pandemic, and all rate payers are paying for District staff time to process and physically turn off service for requested voluntary service suspensions. Therefore, staff recommends that the Board extend the suspension of collection of late fees and shut-offs, but not the suspension of the collection of fees associated with voluntary service suspension (Alternative No. 2).

### **PROPOSED MOTION**

Dependent upon the outcome of Board discussion, recommended motions are:

"I move to adopt Resolution No. 869, which extends the suspension of late fees and shut-offs for delinquent accounts, as well as fees associated with voluntary suspension of services, through April 1, 2021."

or

"I move to adopt Resolution No. 869, which extends the suspension of late fees and shut-offs for delinquent accounts through April 1, 2021, but allows for the resumption of the collection of fees associated with voluntary suspension of services."

**LAKE WHATCOM WATER AND SEWER DISTRICT  
RESOLUTION NO. 869**

A Resolution of the Board of Commissioners  
Extending Temporary Suspensions of Certain District Policies to Provide Customer Relief from Economic  
Conditions Created by the COVID-19 Coronavirus Pandemic

**WHEREAS**, on January 31, 2020, the United States Department of Public Health and Human Services declared a public emergency for the novel coronavirus ("COVID-19") beginning on January 27, 2020; and

**WHEREAS**, on February 29, 2020, the Governor of the State of Washington proclaimed that a State of Emergency exists in all counties in the State of Washington due to the outbreak of COVID-19; and

**WHEREAS**, on March 10, 2020, the Whatcom County Executive, in coordination with the Whatcom County Health Board, declared a Whatcom County public health emergency to reduce the spread of COVID-19 in our community; and

**WHEREAS**, on March 13, 2020, the President of the United States of America proclaimed that National Emergency exists due to the outbreak of COVID-19; and

**WHEREAS**, during a press conference on March 18, 2020, the Governor of the State of Washington made a request to all Washington utilities to consider additional measures of relief to their customers affected by the economic impact of the COVID-19 pandemic; and

**WHEREAS**, the Lake Whatcom Water and Sewer District ("District") is a special purpose district authorized under Title 57 Revised Code of Washington ("RCW"); and

**WHEREAS**, the District owns and operates water and sewer utilities within its service area, and provides water and/or sewer service for a fee to customers connected to its systems; and

**WHEREAS**, RCW 57.08.081 provides authority to the District to apply and administer rates and fees associated with the utility services it provides; and

**WHEREAS**, the District has adopted resolutions setting rates and fees and granting authority to the District General Manager to waive or reduce those fees and charges under specified circumstances; and

**WHEREAS**, most recently the District adopted its District Master Fees and Charges Schedule, via Resolution No. 860 by the District Board of Commissioners ("Board") during its regularly scheduled meeting on September 11, 2019, which provides the District General Manager with the authority to waive late fees associated with delinquent payment of water and sewer bills at a frequency of once per year per customer account; and

**WHEREAS**, District Administrative Code Section 2.8 allows for the waiver of late fees and continuance of service to delinquent accounts where the customer develops and adheres to a payment plan approved by the District Finance Manager; and

**WHEREAS**, District Administrative Code Sections 2.10.3(3) and 4.4.3.4 authorize termination of water service to accounts where utility charges have not been paid for over sixty (60) days, and the resumption of service may not begin until all delinquent rates and associated fees and charges are paid in full; and

**WHEREAS**, due to the COVID-19 pandemic emergency, and in response to the directive from the Governor, during its regularly scheduled meeting held on March 25, 2020, the Board adopted Resolution No. 865, which suspended the application of late fees on utility bills and fees associated with voluntary suspension of service, and the termination of service for any delinquent utility accounts; and

**WHEREAS**, Resolution No. 865 was effective through July 31, 2020, unless extended prior to its expiration; and

**WHEREAS**, prior to the expiration of Resolution No. 865, the Board adopted Resolution No. 868 during a regularly scheduled meeting held on July 29, 2020, which extended the provisions of Resolution No. 865 through November 30, 2020; and

**WHEREAS**, the foregoing recitals are a material part of this Resolution;

**NOW, THEREFORE**, the Board of Commissioners ("Board") of the Lake Whatcom Water and Sewer District do hereby resolve:

**Section 1. Extension of Resolution No. 865.** As allowed under Section 5 of Resolution No. 865 and Section 2 of Resolution No. 868, the provisions of Resolution No. 865 are extended in their entirety.

**Section 2. Timing and Effect.** This resolution shall be effective immediately and remain in full force and effect through March 31, 2021, from the date of its adoption, unless extended prior to its expiration by a subsequent resolution of the Board. Upon expiration of this Resolution, all provisions of the District Administrative Code superseded hereby shall be in full force and effect without further action of the Board.

**ADOPTED** by the Board of Commissioners of Lake Whatcom Water and Sewer District, Whatcom County, Washington, at a regular meeting thereof, on the 12<sup>th</sup> day of November, 2020.

\_\_\_\_\_  
Laura Abele, Commissioner

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

\_\_\_\_\_  
Bruce Ford, Commissioner

\_\_\_\_\_  
Leslie McRoberts, Commissioner

\_\_\_\_\_  
John Carter, Commissioner

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

**LAKE WHATCOM WATER AND SEWER DISTRICT  
RESOLUTION NO. 869**

A Resolution of the Board of Commissioners  
Extending Temporary Suspensions of Certain District Policies to Provide Customer Relief from Economic  
Conditions Created by the COVID-19 Coronavirus Pandemic

**WHEREAS**, on January 31, 2020, the United States Department of Public Health and Human Services declared a public emergency for the novel coronavirus ("COVID-19") beginning on January 27, 2020; and

**WHEREAS**, on February 29, 2020, the Governor of the State of Washington proclaimed that a State of Emergency exists in all counties in the State of Washington due to the outbreak of COVID-19; and

**WHEREAS**, on March 10, 2020, the Whatcom County Executive, in coordination with the Whatcom County Health Board, declared a Whatcom County public health emergency to reduce the spread of COVID-19 in our community; and

**WHEREAS**, on March 13, 2020, the President of the United States of America proclaimed that National Emergency exists due to the outbreak of COVID-19; and

**WHEREAS**, during a press conference on March 18, 2020, the Governor of the State of Washington made a request to all Washington utilities to consider additional measures of relief to their customers affected by the economic impact of the COVID-19 pandemic; and

**WHEREAS**, the Lake Whatcom Water and Sewer District ("District") is a special purpose district authorized under Title 57 Revised Code of Washington ("RCW"); and

**WHEREAS**, the District owns and operates water and sewer utilities within its service area, and provides water and/or sewer service for a fee to customers connected to its systems; and

**WHEREAS**, RCW 57.08.081 provides authority to the District to apply and administer rates and fees associated with the utility services it provides; and

**WHEREAS**, the District has adopted resolutions setting rates and fees and granting authority to the District General Manager to waive or reduce those fees and charges under specified circumstances; and

**WHEREAS**, most recently the District adopted its District Master Fees and Charges Schedule, via Resolution No. 860 by the District Board of Commissioners ("Board") during its regularly scheduled meeting on September 11, 2019, which provides the District General Manager with the authority to waive late fees associated with delinquent payment of water and sewer bills at a frequency of once per year per customer account; and



**WHEREAS**, District Administrative Code Section 2.8 allows for the waiver of late fees and continuance of service to delinquent accounts where the customer develops and adheres to a payment plan approved by the District Finance Manager; and

**WHEREAS**, District Administrative Code Sections 2.10.3(3) and 4.4.3.4 authorize termination of water service to accounts where utility charges have not been paid for over sixty (60) days, and the resumption of service may not begin until all delinquent rates and associated fees and charges are paid in full; and

**WHEREAS**, due to the COVID-19 pandemic emergency, and in response to the directive from the Governor, during its regularly scheduled meeting held on March 25, 2020, the Board adopted Resolution No. 865, which suspended the application of late fees on utility bills and fees associated with voluntary suspension of service, and the termination of service for any delinquent utility accounts; and

**WHEREAS**, Resolution No. 865 was effective through July 31, 2020, unless extended prior to its expiration; and

**WHEREAS**, prior to the expiration of Resolution No. 865, the Board adopted Resolution No. 868 during a regularly scheduled meeting held on July 29, 2020, which extended the provisions of Resolution No. 865 through November 30, 2020; and

**WHEREAS**, the Board recognizes that those benefitting from the relief provided associated with the suspension of fees for voluntarily suspending water and/or sewer service have had over seven months to take advantage of the provisions of Resolution No. 865; and

**WHEREAS**, the Board further recognizes that those now benefitting from the relief provided associated with the suspension of fees for voluntarily suspending water and/or sewer service have likely not been impacted by the COVID-19 pandemic in accordance with the intent of the relief provided under Resolution No. 865; and

**WHEREAS**, the foregoing recitals are a material part of this Resolution;

**NOW, THEREFORE**, the Board of Commissioners ("Board") of the Lake Whatcom Water and Sewer District do hereby resolve:

**Section 1. Extension of Resolution No. 865.** As allowed under Section 5 of Resolution No. 865 and Section 2 of Resolution No. 868, the provisions of Resolution No. 865 are extended in their entirety, with exception to Section 3, Temporary Suspension of Administrative Fee for Voluntary Suspension of Service, which shall terminate upon adoption of this resolution.

**Section 2. Timing and Effect.** This resolution shall be effective immediately and remain in full force and effect through March 31, 2021, from the date of its adoption, unless extended prior to its expiration by a subsequent resolution of the Board. Upon expiration of this Resolution, all provisions of the District Administrative Code superseded hereby shall be in full force and effect without further action of the Board.

**ADOPTED** by the Board of Commissioners of Lake Whatcom Water and Sewer District, Whatcom County, Washington, at a regular meeting thereof, on the 12<sup>th</sup> day of November, 2020.

\_\_\_\_\_  
Laura Abele, Commissioner

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

\_\_\_\_\_  
Bruce Ford, Commissioner

\_\_\_\_\_  
Leslie McRoberts, Commissioner


\_\_\_\_\_  
John Carter, Commissioner

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



**AGENDA  
BILL  
Item 7.B**

**Draft 2021  
Budget Presentation**

DATE SUBMITTED:	November 5, 2020	MEETING DATE:	November 12, 2020
TO: BOARD OF COMMISSIONERS	FROM: Debi Denton, Finance Manager/Treasurer		
GENERAL MANAGER APPROVAL			
ATTACHED DOCUMENTS	1. Preliminary 2021 Budget		
TYPE OF ACTION REQUESTED	RESOLUTION <input type="checkbox"/>	FORMAL ACTION/ MOTION <input type="checkbox"/>	INFORMATIONAL /OTHER <input checked="" 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 2020 operating expenses and projects defined in the District's water and sewer capital improvement plans, District staff have developed the attached preliminary draft budget for Board discussion.

The Capital Improvement portion of the budget will be the topic of discussion.

**FISCAL IMPACT**

The preliminary budget for 2021 proposes a budget of \$3,100,000 for the water utility, and budget of \$4,800,000 for the sewer utility, resulting in a total budget of approximately \$7.9 million.

The water capital allocation for budget year 2021 is \$605,000

The sewer capital allocation for budget year 2021 is \$1,510,000

**RECOMMENDED BOARD ACTION**

No action is recommended at this time.

**PROPOSED MOTION**

Not applicable.

1.5% COLA

LAKE WHATCOM WATER AND SEWER FUND SUMMARY 2021



	401	402		460
	WATER	SEWER	TOTAL	BOND RESERVE (RESTRICTED)
2021 REVENUES	2,969,738	4,462,208	7,431,947	-
2021 EXPENDITURES	(3,130,317)	(4,854,155)	(7,984,472)	-
2020 OPERATING RESERVES	520,000	420,000	940,000	772,334
2020 CONTINGENCY FUNDS	460,000	796,000	1,256,000	
2019 CARRYOVER UNALLOCATED FUNDS	205,000	110,000	315,000	
2020 CARRYOVER BALANCE	\$230,000	\$680,000		
	-----	-----	-----	-----
PROPOSED 2021 YEAR END BALANCE	\$1,254,421	\$1,614,053	2,868,475	\$772,334
2021 ALLOCATED TO OPERATING RESERVES	-\$540,000	-\$430,000	(970,000)	
2021 ALLOCATED TO CONTINGENCY FUNDS	-\$460,000	-\$815,000	(1,275,000)	
AVAILABLE 2021 YEAR END BALANCE	\$254,421	\$369,053	623,475	

Restrict a portion of the balance for SVWTP and Post Point Project?

LAKE WHATCOM WATER AND SEWER DISTRICT								
<b>DRAFT 11/1/2020</b>								
	<b>Description</b>	<b>Actual</b>	<b>Actual</b>	<b>Budget</b>	<b>10/31/2020</b>	<b>Projected</b>	<b>Budget</b>	
		<b>2018</b>	<b>2019</b>	<b>2020</b>		<b>2020</b>	<b>2021</b>	
<b>WATER - 401</b>								
<b>REVENUES</b>								
401-333-66-00-00	North Shore Sampling Interlocal Agreement			40,000				
401-333-97-00-00	FEMA Aug 2015 Storm Assistance	250						
401-343-40-10	Water Sales Metered (4% base rate increase) *	2,468,445	2,502,734	2,632,739	2,203,316	2,643,979.20	2,749,738	4.4%
401-343-41-10	Permits (15 new connection permits) \$6,400	162,024	175,162	90,000	204,425	205,000.00	96,000	6.7%
401-343-81-10	Combined Fees (Increase in Lien and Lock fees)	27,616	27,908	35,000	14,042	14,000.00	35,000	0.0%
401-359-90-00	Late fees	58,690	55,332	55,000	14,573	15,000.00	55,000	0.0%
401-361-11-00	Investment Interest	35,291	35,382	30,000	12,003	14,403.60	30,000	0.0%
401-369-10-00	Sale of scrap metal and surplus	1,252	4,840	3,000	115	138.00	3,000	0.0%
401-369-10-01	Miscellaneous	2,517	10,794	1,000	333	399.60	1,000	0.0%
401-369-40-00	Judgements and Settlements	23,767	-	-	-	-	-	
401-395-10-00	Sale of Capital Assets	7,800	5,610	-	-	-	-	
401-395-20-00	Deposits	-	1,500	-	-	-	-	
401-395-20-01	Insurance Recoveries	-	5,611	-	-	-	-	
	<b>TOTAL REVENUES</b>	<b>2,787,652</b>	<b>2,824,873</b>	<b>2,886,739</b>	<b>2,448,807</b>	<b>2,892,920</b>	<b>2,969,738</b>	<b>2.9%</b>
	* Per Resolution 844 effective 1/1/2020							
	Scheduled annual rate increase							

LAKE WHATCOM WATER AND SEWER DISTRICT								
DRAFT 11/1/2020								
	Description	Actual	Actual	Budget	10/31/2020	Projected	Budget	
		2018	2019	2020		2020	2021	
SEWER - 402								
REVENUES								
402-343-41-10-02	Permits (15 new connection permits) \$9,500	162,024	175,162	135,000	244,827	245,000	142,500	5.6%
402-343-50-11	Sewer Service Residential (2.5% rate increase) *	3,964,760	4,068,571	4,186,946	3,476,884	4,172,260.80	4,276,567	2.1%
402-343-50-19	Sewer Service Other	4,586	4,550	4,500	3,939	4,726.80	4,500	0.0%
402-343-50-80	Latecomer's Fees	6,772	-	-	-	-	-	
402-359-90-02	Late Fees	29,345	-	-	-	-	-	
402-361-11-00-02	Investment Interest	35,291	35,382	30,000	10,252	12,302.40	20,000	-33.3%
402-361-40-00-80	ULID 18 Interest/Penalties	8,889	4,822	4,000	5,894	6,000.00	2,500	-37.5%
402-368-10-00-80	ULID 18 Principal Payments	30,534	17,407	15,000	12,817	13,000.00	8,000	-46.7%
402-369-10-00-02	Sale of scrap metal and surplus	1,251	4,840	3,000	96	115.20	3,000	0.0%
402-369-10-00-02	Miscellaneous	2,517	10,794	1,000	333	399.60	1,000	0.0%
402-369-40-02	Judgements and Settlements	23,767	-	-	8,282	8,283.00	4,141	
402-395-10-00-02	Sale of Capital Assets	7,800	5,610	-	-	-	-	
402-395-20-02	Insurance Recoveries	-	5,611	-	-	-	-	
	TOTAL REVENUES	4,277,536	4,332,749	4,379,446	3,763,324	4,462,088	4,462,208	1.9%
	* Per Resolution 844 effective 1/1/2020							
	Scheduled annual rate increase							

LAKE WHATCOM WATER AND SEWER DISTRICT

DRAFT 11/1/2020	Description	Actual 2018	Actual 2019	Budget 2020	10/31/2020	Projected 2020	Budget 2021	
WATER - 401								
OPERATING EXPENDITURES								
401-534-10-10	Admin Payroll (1.5% cola plus step increases - 2021)	301,648	331,296	353,900	294,954	361,989	350,950	-0.83%
401-534-10-20	Admin Personnel Benefits	133,169	141,907	174,250	124,801	153,165	167,678	-3.77%
401-534-10-31	Gen Admin Supplies/Equipment	11,170	15,430	35,000	17,751	21,301	25,000	-28.57%
401-534-10-31-01	Meetings/Team building	1,178	2,493	2,000	967	1,160	2,000	0.00%
401-534-10-40	Merchant Services Fees	20,199	20,522	10,000	10,180	12,216	10,000	0.00%
401-534-10-40-01	Bank Fees			-	609	731	750	
	Interlocal - Invasive Species (City) (8% increase)			55,000				
	Interlocal - Lake Whatcom Tributary Monitor (County)			5,000				
	North Shore Sampling (County Interlocal Agreement)			100,000				
	Mutt Mits			5,000				
401-534-10-41	Water Quality Assurance Programs (TOTAL)	55,119	59,184	165,000	159,326	165,000	65,000	-60.61%
	Master Meter annual support			2,000			2,000	
	South Whatcom Fire (hydrant maintenance)			1,000			1,000	
	County Auditor Filing Fees			3,000			3,000	
	Statement processing			12,500			12,500	
	Answering Service			750			750	
	Time clock system			750			750	
	Financial Software Maintenance			5,000			5,000	
	Web Check services			2,500			2,500	
	CPA (Financial statements)			3,000			3,000	
	Rate study			15,000			20,000	
	Salary Study			-			-	
	State Audit			5,000			-	
	Records Management system			7,500			15,000	
	Employee Assistance Program						600	
	Legal Counsel			-			-	
	IT/Cyber security support			15,000			15,000	
	Anti virus subscription			500			500	
	Building security			1,000			1,000	
	Building custodial			5,000			5,000	
	Pest control			500			500	
	Landscaping service			3,000			4,000	
	Scada System Software Maintenance - Operations			3,750			5,000	

# LAKE WHATCOM WATER AND SEWER DISTRICT

<b>DRAFT 11/1/2020</b>	<b>Description</b>	<b>Actual 2018</b>	<b>Actual 2019</b>	<b>Budget 2020</b>	<b>10/31/2020</b>	<b>Projected 2020</b>	<b>Budget 2021</b>	
	Engineering Consultant			-			-	
	Safety software			5,000			5,000	
	Hearing/Drug/Employee Testing						750	
	SCADA/PLC Support - Engineering/Operations			5,000			5,000	
	Cartegraph - Engineering/Operations			2,500			8,500	
	Auto Desk - Engineering			500			500	
	GIS Partnership (County)			500			-	
	Rockwell - Engineering/Operations			250			250	
	IT Pipes			750			-	
	ESRI - ARC GIS			750			750	
	Innovyze - Engineering			1,250			-	
	Cyberlock software			500			-	
	Whatcom County Emergency Management			10,000			10,000	
	Misc (Bid notices etc.)			2,500			2,500	130,350
401-534-10-41-01	Professional Services (TOTAL)	296,727	158,742	100,250	92,650	111,180	130,350	30.02%
401-534-10-41-02	Engineering Services			21,000	16,665	19,998	20,000	
401-534-10-41-03	Legal Services			20,000	14,104	16,925	20,000	
401-534-10-41-04	DEA Expenditures				2,200	2,640	-	
401-534-10-41-25	20 Year Sudden Valley Water Treatment Plant Study				55,613	66,736		
401-534-10-42	Communication	25,601	26,706	30,000	25,139	30,167	30,000	0.00%
401-534-10-45	Admin Lease (copy/printers)	4,198	5,078	5,000	4,417	5,300	5,000	0.00%
401-534-10-46	Property Insurance	66,404	71,480	72,000	1,276	1,531	87,500	21.53%
401-534-10-49	Admin Misc.	795	40	500	30	36	500	0.00%
401-534-10-49-01	Memberships/Dues/Permits	9,443	8,601	10,000	14,661	17,593	15,000	50.00%
401-534-10-49-02	WA State Dept of Revenue Taxes/County Stormwater fees	113,994	115,871	115,000	93,639	112,367	115,000	0.00%
401-534-40-43	Administration and Board Training/Travel/Certification	16,743	17,744	17,500	5,934	7,121	10,000	-42.86%
401-534-40-43-01	Tuition reimbursement		-	500	-	-	500	0.00%
401-534-50-31	Operations/Maintenance Supplies	117,834	104,079	75,000	111,362	133,634	120,000	60.00%
401-534-50-31-01	Small Assets/tools	2,158	21,346	25,000	35,284	42,341	40,000	60.00%
401-534-50-48	Operations Repair/Maint contracted work (includes tree trimming)	75,421	58,687	60,000	28,266	33,919	55,000	-8.33%
401-534-50-49	Insurance Claims	1,183	-	2,500	-	-	2,500	0.00%
401-534-60-41	Operations Contracted (water testing)	5,418	6,619	12,500	9,161	10,993	12,500	0.00%
401-534-60-47	Water City of Bellingham	61,592	42,224	40,000	16,002	19,202	40,000	0.00%
401-534-80-10	Operations Payroll (1.5% cola plus step increases - 2021)	546,976	580,184	575,561	490,918	602,490	566,225	-1.62%
401-534-80-20	Operations Personnel Benefits (Medical, Retirement etc)	238,647	255,323	247,590	209,561	257,189	251,520	1.59%
401-534-80-32	Fuel	14,814	13,584	15,000	8,093	9,712	10,000	-33.33%
401-534-80-35	Safety Supplies	8,668	11,340	10,000	9,881	11,857	10,000	0.00%



LAKE WHATCOM WATER AND SEWER DISTRICT

DRAFT 11/1/2020	Description	Actual 2018	Actual 2019	Budget 2020	10/31/2020	Projected 2020	Budget 2021	
401-534-80-35-01	Safety Supplies Boots	928	816	1,250	542	650	1,250	0.00%
401-534-80-35-02	Emergency Preparedness	319	5,169	5,000	2,790	3,348	5,000	0.00%
401-534-80-43-00	Operations Training/Travel/Certifications			-	300	360	10,000	
401-534-80-47	General Utilities (Electric, gas, water, garbage)	111,942	101,725	110,000	95,641	114,769	115,000	4.55%
401-534-80-49	Laundry	2,053	1,943	2,000	1,300	1,560	2,000	0.00%
	WATER OPERATING EXPENDITURES	2,244,341	2,178,133	2,313,301	1,954,017	2,349,181	2,296,223	-0.74%

LAKE WHATCOM WATER AND SEWER DISTRICT

DRAFT 11/1/2020	Description	Actual 2018	Actual 2019	Budget 2020	10/31/2020	Projected 2020	Budget 2021	
DEBT SERVICE								
401-591-34-77-01	Redemption of Long Term Debt Geneva AC Mains	119,938	119,938	119,938	119,938	119,937	119,937	
401-591-34-77-02	Redemption of Long Term Debt Div 22 Reservoir	53,831	65,475	65,475	65,475	65,475	65,475	
401-591-34-77-73	Redemption of Long Term Debt Loan 064	236,260	-	-	-	-		
401-592-34-83-01	Debt Service Interest Geneva AC Mains	32,383	30,584	28,785	28,785	28,785	26,986	
401-592-34-83-02	Debt Service Interest Div 22 Reservoir	30,982	18,660	17,678	17,678	17,678	16,696	
401-592-34-83-03	Debt Service Interest Loan 064	3,321	-	-	-	-		
SYSTEM REINVESTMENT								
	Water System Reinvestment Projects	470,687	336,883	562,400	182,973	295,000	-	
	Water System Reinvestment Projects 2021			-	-	-	240,000	
	Water System Reinvestment 2020 Carryover Projects						160,000	
	Water System Carryover from 2019						205,000	
TRANSFERS								
	Transfers out to Water Contingency Fund			-				
WATER FUND	TOTAL WATER REVENUES	2,787,652	2,824,873	2,886,739	2,448,807	2,892,920	2,969,738	2.88%
	TOTAL WATER EXPENDITURES	(3,191,743)	(2,749,673)	(3,107,577)	(2,368,866)	(2,876,056)	(3,130,317)	0.73%
	2020 - 520,000 reserves/460,000 contingency						980,000	
	2019 BALANCE CARRYOVER						205,000	
	2020 BALANCE CARRYOVER						230,000	
	2021 ALLOCATED TO OPERATING RESERVES						(540,000)	
	2021 ALLOCATED TO WATER CONTINGENCY (FUND 426)						(460,000)	
	PROPOSED AVAILABLE 2021 YEAR END BALANCE						254,421	

LAKE WHATCOM WATER AND SEWER DISTRICT

DRAFT 11/1/2020	Description	Actual 2018	Actual 2019	Budget 2020	10/31/2020	Projected 2020	Budget 2021	
SEWER - 402								
OPERATING EXPENDITURES								
402-535-10-10	Admin Payroll (1.5% cola plus step increases - 2021)	301,897	331,295	353,900	294,953	361,988	350,950	-0.83%
402-535-10-20	Admin Personnel Benefits	132,376	142,020	174,250	124,798	153,161	148,410	-14.83%
402-535-10-31	Gen Admin Supplies/Equipment	12,535	16,069	20,000	20,224	24,269	25,000	25.00%
402-535-10-31-01	Meetings/Team building	1,693	2,833	2,000	1,097	1,316	2,000	0.00%
402-535-10-40	Merchant Services Fees	20,195	20,546	10,000	9,487	11,384	10,000	0.00%
402-535-10-40-01	Bank Fees			-	499	599	750	
	Camera Van Software annual support			1,500			1,500	
	County Auditor Filing Fees			3,000			3,000	
	Statement processing			12,500			12,500	
	Answering Service			750			750	
	Time clock system			750			750	
	Financial Software Maintenance			5,000			5,000	
	Web Check services			2,500			2,500	
	CPA (Financial statements)			3,000			3,000	
	Rate Study			15,000			20,000	
	Salary Study			-			-	
	State Audit			5,000			-	
	Records Management system			7,500			7,500	
	Employee Assistance Program						600	
	Legal Counsel			20,000			-	
	IT/Cyber security support			15,000			15,000	
	Anti virus subscription			500			500	
	Building security			1,000			1,000	
	Building custodial			5,000			5,000	
	Pest control			500			500	

# LAKE WHATCOM WATER AND SEWER DISTRICT

<b>DRAFT 11/1/2020</b>	<b>Description</b>	<b>Actual 2018</b>	<b>Actual 2019</b>	<b>Budget 2020</b>	<b>10/31/2020</b>	<b>Projected 2020</b>	<b>Budget 2021</b>	
	Landscaping service			3,000			4,000	
	Scada System Software Maintenance - Operations			3,750			5,000	
	Engineering Consultant			5,000			-	
	Safety software			5,000			5,000	
	Hearing/Drug/Employee Testing						750	
	SCADA/PLC Support - Engineering/Operations			5,000			5,000	
	Cartegraph - Engineering/Operations			2,500			8,500	
	Auto Desk - Engineering			500			500	
	GIS Partnership (County)			500			-	
	Rockwell - Engineering/Operations			250			250	
	IT Pipes			750			1,500	
	ESRI - ARC GIS			750			750	
	Innovyze - Engineering			1,250			-	
	Cyberlock software			500			-	
	Whatcom County Emergency Management			10,000			10,000	
	Misc (Bid notices etc.)			2,500			2,500	122,850
402-535-10-41-01	Professional Services (TOTAL)	224,840	130,953	100,750	88,303	105,964	122,850	21.94%
402-535-10-41-02	Engineering Services			19,000	12,483	14,980	20,000	
402-535-10-41-03	Legal Services			20,000	17,996	21,595	20,000	
402535-10-41-04	DEA Expenditures				-	-	-	
402-535-10-41-25	Sewer Comp Plan				23,076	27,691	-	
402-535-10-42	Communication	25,600	26,705	30,000	25,176	30,211	30,000	0.00%
402-535-10-45	Admin Lease (copy/printers)	4,200	5,078	5,000	4,417	5,300	5,000	0.00%
402-535-10-46	Property Insurance	66,403	71,480	72,000	1,276	1,531	87,500	21.53%
402-535-10-49	Admin Misc.	353	417	500	65	78	500	0.00%
402-535-10-49-01	Memberships/Dues/Permits	6,545	6,045	8,000	8,925	10,710	10,000	25.00%
402-535-10-49-02	WA State Dept of Revenue Taxes/County Sormwater fees	108,063	109,349	115,000	93,639	112,367	115,000	0.00%
402-535-40-43	Administration and Board Training/Travel/Certification	9,549	13,602	17,500	4,261	5,113	10,000	-42.86%
402-535-40-43-01	Tuition reimbursement	-	-	500	-	-	500	0.00%
402-535-50-31	Operations/Maintenance Supplies	52,213	40,332	75,000	28,927	34,712	50,000	-33.33%
402-535-50-31-01	Small Assets/tools	2,544	16,505	25,000	19,596	23,515	30,000	20.00%
402-535-50-48	Operations Repair/Maint contracted work (includes tree trimming)	74,355	57,617	60,000	28,084	33,701	95,000	58.33%
402-535-50-49	Insurance Claims	1,183	5,000	2,500	1,480	1,776	2,500	0.00%

LAKE WHATCOM WATER AND SEWER DISTRICT

DRAFT 11/1/2020	Description	Actual 2018	Actual 2019	Budget 2020	10/31/2020	Projected 2020	Budget 2021	
402-535-60-41	Operations Contracted (generator load testing)	-	-	15,000	24,654	25,000	25,000	66.67%
402-535-60-47	Sewer City of Bellingham Treatment Fee	589,677	614,936	680,000	660,172	760,000	700,000	2.94%
402-535-80-10	Operations Payroll (1.5% cola plus step increases - 2021)	442,355	472,156	483,494	395,748	485,691	473,900	-1.98%
402-535-80-20	Operations Personnel Benefits (Medical,Retirement etc)	191,170	206,813	247,590	167,444	205,499	222,620	-10.09%
402-535-80-32	Fuel	14,770	11,898	13,000	9,523	11,428	13,000	0.00%
402-535-80-35	Safety Supplies	8,686	9,552	10,000	9,844	11,813	10,000	0.00%
402-535-80-35-01	Safety Supplies Boots	887	964	1,250	542	650	1,250	0.00%
402-535-80-35-02	Emergency Preparedness	467	374	5,000	2,478	2,974	5,000	0.00%
402-535-80-43-00	Operations Training/Travel/Certifications				851	1,021	10,000	
402-535-80-47	General Utilities (Electric, gas, water, garbage)	101,163	92,329	100,000	86,092	103,310	105,000	5.00%
402-535-80-49	Laundry	2,052	2,144	2,000	1,958	2,350	2,000	0.00%
	SEWER OPERATING EXPENDITURES	2,395,771	2,407,012	2,668,234	2,168,068	2,591,698	2,703,730	1.33%

LAKE WHATCOM WATER AND SEWER DISTRICT

DRAFT 11/1/2020	Description	Actual 2018	Actual 2019	Budget 2020	10/31/2020	Projected 2020	Budget 2021	
DEBT SERVICE								
402-591-35-72-50	2009 Bond Principal Payments	275,000	285,000	-	-	-		
402-591-35-72-03	2016 Bond Principal Payments	130,000	130,000	425,000	425,000	425,000	435,000	
402-592-35-83-50	2009 Bond Interest Payments	20,300	10,331	-	-	-		
402-592-35-83-03	2016 Bond Interest Payments	224,675	222,075	218,176	218,175	218,175	205,425	
SYSTEM REINVESTMENT								
402-594-35-62-02	Sewer System Reinvestment Projects	470,687	1,970,079	1,167,900	405,314	1,010,000		
	Sewer System Reinvestment Projects 2021			-	-	-	800,000	
	Sewer System Reinvestment 2020 Carryover Projects						600,000	
	Sewer System Carryover from 2019						110,000	
402-594-35-64-02	Sewer Equipment (Flush/Vac Truck)			525,000		525,000		
TRANSFERS								
	Transfers Out to Sewer/Storm Water Contingency Fund 425	25,000		-	-	-	-	
SEWER FUND	TOTAL SEWER REVENUES	4,277,536	4,332,749	4,379,446	3,763,324	4,462,088	4,462,208	1.89%
	TOTAL SEWER EXPENDITURES	(3,541,433)	(5,024,497)	(5,004,310)	(3,216,557)	(4,769,873)	(4,854,155)	-3.00%
	2020 BALANCE - 420,000 reserves/796,000 contingency						1,216,000	
	2019 BALANCE CARRYOVER						110,000	
	2020 BALANCE CARRYOVER						680,000	
	2021 ALLOCATED TO SEWER OPERATING RESERVES						(430,000)	
	2021 ALLOCATED TO SEWER CONTINGENCY (FUND 425)						(815,000)	
	PROPOSED AVAILABLE 2021 YEAR END BALANCE						369,053	

LAKE WHATCOM WATER AND SEWER DISTRICT

DRAFT 11/1/2020	Description	Actual 2018	Actual 2019	Budget 2020	10/31/2020	Projected 2020	Budget 2021	
BOND RESERVE - 460								
460-361-11-00	Investment Interest (to Operating Fund)			-	-	-		
	TOTAL REVENUES			0	0	0	0	
460-535-10-41	Investment Service Charges			-	-	-		
	TOTAL EXPENDITURES			0	0	0	0	
BOND RESERVE FUND	REVENUES			0	0	0	0	
	EXPENDITURES			0	0	0	0	
	CASH/INVESTMENTS BALANCE CARRYOVER			772,334			772,334	
	PROPOSED 2020 YEAR END BALANCE			772,334			772,334	

# Introduction

The District has segregated its accounting and annual budgets into separate water and sewer utilities. This year, the Capital Improvement Plan (renamed this year as System Reinvestment Plans) has also been separated into two plans, one for water and the other for sewer.

Planned expenditures have been re-grouped into Capital Outlay and Capital Projects. Capital Outlay is intended to include equipment and small/minor projects. Capital Projects include significant projects in terms of cost, planning, permitting, and design efforts.

The current System Reinvestment Plans are primarily funded by utility rate revenues, with a small amount of funds coming from general facilities fees collected from new connections.

In preparation for the upcoming rate study scheduled to begin in early 2021, a Debt/Grant Funding Needs list is under development. The intent is to provide a comprehensive list of significant capital investments to rank, prioritize, and schedule work in coordination with the rate study's planning horizon for debt financing. The list will include a host of recommendations developed through Sudden Valley Water Treatment Plant 20-year facility planning, and sewer collection system rehabilitation and renewal projects to prepare for ultimate system build-out that will occur in the coming decades. The list also includes the District's share of the City of Bellingham Post Point WWTP Biosolids Improvements.

## 2021 BUDGET - Active Projects Estimates

This spreadsheet summarizes current active projects that are anticipated to continue into 2021 and updates projected budget amounts to achieve completion.

## Water System Reinvestment Plan 2021 thru 2026

For 2021, the Water System Reinvestment Plan has approximately \$446,000 available for capital outlay and capital projects. Of that, \$240,000 is funded by water rate revenues, and the remaining \$206,000 funds are from unallocated 2019 carry-over water funds.

## Sewer System Reinvestment Plan 2021 thru 2026

For 2021, the Sewer System Reinvestment Plan has approximately \$908,000 available for capital outlay and capital projects. Of that, \$800,000 is funded by sewer rate revenues, and the remaining \$108,000 funds are from unallocated 2019 carry-over sewer funds.

## Debt/Grant Funding Needs 2021 thru 2026

This list is still in development. At this point, most of the project schedules are arbitrarily set to 2026 with the exception of the \$10M COB Post Point WWTP expenditure. The projects will be prioritized and scheduled over the next few months as staff prepares for the upcoming rate study to begin in early 2021. It is anticipated the list will be further prioritized and scheduled as staff starts working with the rate study consultant and preliminary rate impacts are calculated.

Also, there are some projects that have multiple options. Until an option is selected, the database sums all of the options for a particular project, thereby multiply funding needs until a single option is selected and the others removed.



## 2021 BUDGET - Active Projects Estimates

Report Last Revised 11/3/2020

Project Number	Project Title / Tasks	Spent to Date as of 11/3/2020	Projected Budget To Completion	Projected Spending Thru 2020	Additional Payments in 2020	Amt Remaining to include in 2021 Budget
C2006	SCADA Telemetry - Managed Ethernet Switches	\$0	\$20,000	\$5,000	\$5,000	\$15,000
C2007	Administrative Server Hardware	\$0	\$25,000	\$10,000	\$10,000	\$15,000
A2021	AWIA Risk Assessment and Emergency Response Plans	\$0	\$10,000	\$0	\$0	\$10,000
	<b>Subtotal General</b>	<b>\$0</b>	<b>\$55,000</b>	<b>\$15,000</b>	<b>\$15,000</b>	<b>\$40,000</b>
C1802	Dellesta, Edgewater & Euclid Sewer Pump Stations	\$488,810	\$1,105,604	\$596,525	\$107,715	\$509,080
M1917	AB PLC-5 Replacements and UPS Improvements	\$12,240	\$118,191	\$49,000	\$36,760	\$69,191
	<b>Subtotal Sewer</b>	<b>\$501,050</b>	<b>\$1,223,795</b>	<b>\$645,525</b>	<b>\$144,475</b>	<b>\$578,270</b>
C1814	Agate Heights WTP and Opal Booster Upgrades	\$90,484	\$124,320	\$101,046	\$10,562	\$23,274
C1909	Little Strawberry Bridge Water Main Predesign & Estimate	\$0	\$20,000	\$0	\$0	\$20,000
C1913	SVWTP 20-Year Facility Plan	\$56,008	\$159,710	\$95,360	\$39,352	\$64,350
C2011	Convert Eagleridge Booster to Metering Station	\$2,979	\$30,000	\$10,000	\$7,022	\$20,000
C2012	Austin-Fremont PRV Rebuild	\$0	\$10,000	\$0	\$0	\$10,000
	<b>Subtotal Water</b>	<b>\$149,471</b>	<b>\$344,030</b>	<b>\$206,406</b>	<b>\$56,936</b>	<b>\$137,624</b>

## Details for Misc 2021 Capital Outlay Item

The items below provide a breakdown of small and minor equipment and projects that are included in the lines labeled "Misc 2021 General Capital Outlay, Misc 2021 Water Capital Outlay, and Misc 2021 Sewer Capital Outlay in the Water and Sewer System Reinvestment Plans.

Budget Amount	Description
	Misc 2021 General Capital Outlay (Costs will be split 50/50 between water/sewer)
\$ 35,000	Annual Asphalt Patching (A0011)
\$ 20,000	Upgrade Existing GPS Unit to Centimeter Grade GPS with Real Time Corrections & Staff Training
\$ 10,000	Install Electrical Outlets Along Fence at Shop for Equipment Engine Block Heaters and Battery Charger
\$ 11,000	HDPE Pipe Electro fusion Machine & Crew Training
\$ 10,000	SVWTP to SVPS Radio Link Telemetry (Ubiquiti AirFiber or similar) Study and Testing
\$ 86,000	Total
\$ 43,000	Total / 2 (funded 50/50 between water and sewer departments)
	Misc 2021 Water Capital Outlay
\$ 25,000	Install Insertavalve at Geneva Reservoir for Emergency Isolation
\$ 15,000	SVWTP Raw Water Intake Piping Alignment Investigation/Excavation
\$ 5,000	Camp Firwood Dead End Water Main Auto Flusher
\$ 45,000	Total
	Misc 2021 Sewer Capital Outlay
\$ -	No items

*Lake Whatcom Water and Sewer District*  
*Water System Reinvestment Plan 2021 thru 2026*

Program Area / CIP Project # / CIP Project Name			Fund	Total	2021	2022	2023	2024	2025	2026
Capital Outlay - General (Costs are halved, split 50/50 between Water/Sewer)										
0218	1	Misc 2021 General Capital Outlay		43,000	43,000					
A0005	50	Accounting & Administration Server - Replace/Update Hardware, Network Security, & OS		25,000			12,500			12,500
V0001	18	Replace Tool Truck (7 tool trucks in fleet)		108,000		36,000		36,000		36,000
Subtotal				176,000	43,000	36,000	12,500	36,000		48,500
Capital Outlay - Water										
0214	4	SVWTP Raw Water Intake - Emergency Pumps (water only portable pump)		50,000			50,000			
0219	1	Misc 2021 Water Capital Outlay		45,000	45,000					
W0003	35	SVWTP Filter 3&4 Media - Replace		26,485					26,485	
W0005	35	Reservoirs - Inspection & Maintenance		32,782			32,782			
W0007	35	SVWTP Filter 1&2 Media - Replace		26,485						26,485
Subtotal				180,753	45,000		82,782		26,485	26,485
Capital Projects - Water										
0084b	40	Agate Heights Phase 1 WTP Upgrade 1/3 capacity (from 30gpm to 60gpm) - Construction		190,000	190,000					
0144a	70	1992 SVWTP 0.235MG Chlorine Contact Tank Seismic Retrofit - Priority 2 - Design		86,946		86,946				
0144b	70	1992 SVWTP 0.235MG Chlorine Contact Tank Seismic Retrofit - Priority 2 - Construction		180,847			180,847			
0145a	70	1971 Division 7 1.0MG Res Seismic Retrofit, Coatings - Priority 1 - Design & Permitting		200,000				200,000		
0166	1	South Shore Water System - SVWTP - Convert from Chlorine Gas to Liquid		100,000		100,000				
0215	6	1237 Lakeview St - Replace 2" PVC with 2" HDPE		50,000		50,000				
0220	1	Divison 30 Booster PLC and UPS Improvements		60,000	60,000					
W0002a	18	Water System Rehab and Replacement Projects		40,000	40,000					
W0002b	18	Water System Rehab and Replacement Projects		50,000				50,000		
W0002c	18	Water System Rehab and Replacement Projects		440,000					220,000	220,000
Subtotal				1,397,792	290,000	236,946	180,847	250,000	220,000	220,000
* Note: Cost Estimates in 2021 Dollars			Grand Total	1,754,545	378,000	272,946	276,129	286,000	246,485	294,985

*Lake Whatcom Water and Sewer District*  
*Sewer System Reinvestment Plan 2021 thru 2026*

Program Area / CIP Project # / CIP Project Name		Fund	Total	2021	2022	2023	2024	2025	2026
Capital Outlay - General (Costs are halved, split 50/50 between Water/Sewer)									
0218	1	Misc 2021 General Capital Outlay	43,000	43,000					
A0005	50	Accounting & Administration Server - Replace/Update Hardware, Network Security, & OS	25,000			12,500			12,500
V0001	18	Replace Tool Truck (7 tool trucks in fleet)	108,000		36,000		36,000		36,000
		Subtotal	176,000	43,000	36,000	12,500	36,000		48,500
Capital Outlay - Sewer									
A0010	35	Update Sewer Comprehensive Plan (Current Plan approved 7/21/2020)	85,000					85,000	
E0004	8	Replace Camera Equipment	42,769		42,769				
		Subtotal	127,769		42,769			85,000	
Capital Projects - Sewer									
0032a	36	Agate Bay Sewer Pump Station - Predesign and Shorelines Permitting	100,000		100,000				
0032b	36	Agate Bay Sewer Pump Station - Design and Bidding	125,000			125,000			
0032c	36	Agate Bay Sewer Pump Station - Construction	525,000				525,000		
0055a	30	Rocky Ridge Pump Station - Predesign and Shorelines Permitting (with Lakewood)	50,000	50,000					
0055b	30	Rocky Ridge Pump Station - Design and Bidding	100,000		100,000				
0055c	30	Rocky Ridge Pump Station - Construction	300,000			300,000			
0056a	30	Lakewood Pump Station - Predesign and Shorelines Permitting (with Rocky Ridge)	50,000	50,000					
0056b	30	Lakewood Pump Station - Design and Bidding	100,000		100,000				
0056c	30	Lakewood Pump Station - Construction	300,000			300,000			
0124a	42	Flat Car Reverse Flow to SVPS Piping and Valves - Design & Permitting	50,000	50,000					
0124b	42	Flat Car Reverse Flow to SVPS Piping and Valves - Construction	100,000		100,000				
0157	12	Install Ball Check Valves at Cable, Ranch House, Flat Car, Beaver	115,927		115,927				
0161	30	Stationary Generator Closed Loop Cooling Retrofit - North Point, SV, Flat Car, Beaver	231,855			231,855			
0163	36	Euclid Electrical Controls Replacement and New Stationary Generator	560,000	560,000					
0171	18	Sudden Valley Sewer Pump Station - Recondition Electrical Controls	173,891				173,891		
0172	16	Flat Car Sewer Pump Station - Recondition Electrical Controls	173,891					173,891	
0173	16	Beaver Sewer Pump Station- Recondition Electrical Controls	173,891						173,891
0221	1	Sudden Valley Sewer Pump Station PLC and UPS Improvements	75,000		75,000				
S0001a	15	Sewer System Rehab and Replacement Projects	155,000	155,000					
S0001b	15	Sewer System Rehab and Replacement Projects	495,000		165,000	165,000	165,000		
S0001c	15	Sewer System Rehab and Replacement Projects	1,200,000					600,000	600,000
		Subtotal	5,154,456	865,000	755,927	1,121,855	863,891	773,891	773,891
* Note: Cost Estimates in 2021 Dollars		Grand Total	5,458,225	908,000	834,697	1,134,355	899,891	858,891	822,391


*Lake Whatcom Water and Sewer District  
Debt/Grant Funding Needs 2021 thru 2026*

Program Area / CIP Project # / CIP Project Name			Fund	Total	2021	2022	2023	2024	2025	2026
<b>Sewer - Debt/Grant Funding Needed</b>										
0193	100	COB Post Point WWTP Biosolids Handling (LWWSD Cost Share 4.8%) - Construction 2023		10,000,000			10,000,000			
0202	2	Airport Sewer Crossing Gravity Pipeline Sag - Reinstall 250LF to Remove Sag		30,000						30,000
S9999	1	Blank		0	0	0	0	0	0	0
Subtotal				10,030,000	0	0	10,000,000	0	0	30,000
<b>Water - Debt/Grant Funding Needed</b>										
1013	80	SVWTP - Finished Water Pump Modifications		762,200						762,200
1012	80	SVWTP - Clearwell Transfer Pump Modifications		348,140						348,140
1011	80	SVWTP - Raw Water Pump Modifications		246,170						246,170
0189	70	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
0145b	70	1971 Division 7 1.0MG Reservoir Seismic Retrofit and Coatings - Priority 1 - Construction		1,550,000						1,550,000
1021	60	SVWTP - Recommended Modifications to Chlorine Contact Basin - Option 1		700,400						700,400
1022	60	SVWTP - Reduced Modifications to Chlorine Contact Basin - Option 2		515,000						515,000
1023	60	SVWTP - New Welded Steel Tank Chlorine Contact Basin - Option 3		1,189,650						1,189,650
0110	18	Security - Intrusion Alarms at Reservoirs, Cameras as SVWTP AHWTP		11,941						11,941
0084d	6	Agate Heights Phase 3 WTP Upgrade 3/3 capacity, Tank 2 of 2, Main Ext		7,878,562						7,878,562
0084c	6	Agate Heights Phase 2 WTP Upgrade 2/3 capacity, Tank 1 of 2, Main Ext to Trailer Park and Forks Restaurant		1,519,437						1,519,437
0200	2	Division 30 Reservoir Safety Railing Around Perimeter		30,000						30,000
W9999	1	Blank		0	0	0	0	0	0	0
Subtotal				14,966,499	0	0	0	0	0	14,966,499
* Note: Cost Estimates in 2021 Dollars			Grand Total	24,996,499	0	0	10,000,000	0	0	14,996,499



**AGENDA  
BILL  
Item 9.A**

**General Manager's  
Report**

DATE SUBMITTED:	November 5, 2020	MEETING DATE:	November 12, 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 – Thursday, November 12, 2020 – 6:30 p.m.

### Important Upcoming Dates

Lake Whatcom Water & Sewer District			
Regular Board Meeting	Wed Nov 25, 2020	8:00 a.m.	Remote Attendance
Employee Staff Meeting	Thu Nov 12, 2020	8:00 a.m.	Remote Attendance Commissioner Carter to attend
Investment Comm. Meeting	Wed Nov 25, 2020	10:00 a.m.	Remote Attendance
Safety Committee Meeting	Wed Nov 24, 2020	7:30 a.m.	Remote Attendance
Lake Whatcom Management Program			
Data Group Meeting	Thu Nov 12, 2020	9:00 a.m.	Remote Attendance
Policy Group Meeting	Wed Dec 2, 2020	3:00 p.m.	Remote Attendance
Joint Councils Meeting	2020 Meeting Cancelled	-	-
Other Meetings			
WASWD Section III Meeting	Tue Dec 8, 2020	7:00 p.m.	Remote Attendance
Whatcom Water Districts Caucus Meeting	Wed Nov 18, 2020	1:00 p.m.	Remote Attendance
Whatcom County Council of Governments Board Meeting	Wed Dec 9, 2020	3:00 p.m.	Remote Attendance

### Committee Meeting Reports

#### Safety Committee:

- The committee met on October 29; discussion included the status of review of the confined space program, investigation of on-site hearing conservation and respirator fit testing, and solicitation of office and crew representation on the committee in 2021.

#### Investment Committee:

- The committee met on October 28; discussion included the receipt of the asset valuation prepared by the risk management pool, review of cash flow impacts from the COVID-19 pandemic, and the status of finalizing a contract for conducting the next multi-year rate study.

### Upcoming Important Board Meeting Topics

- Rate Study personal services contract award
- Sudden Valley water treatment plant master plan alternatives presentation
- 2021 Budget development/approval

## 2020 Initiatives Status

### Administration and Operations

#### Level-of-Service Analysis

- Facilitate Board development of level-of-service standards for District operations.  
*The Effective Utility Management self-assessment process was completed at varying levels of the organization that included the board, management team and staff. Results were 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.  
*The management team has initiated plan development taking into consideration the results of the Effective Utility Management self-assessment.*

#### Rate Study

- Conduct rate study for the water and sewer utilities for the five-year planning horizon.  
*A contract for a comprehensive rate study will be presented for Board consideration during its November 25 meeting; however, the overall schedule for conducting the study requires extension into next year (current rates are approved through December 31, 2021) to allow for incorporating information to be gathered relative to large future capital projects (Post Point Wastewater Treatment Plant biosolids handling and nutrient removal projects, Sudden Valley Water Treatment Plant 20-year facility plan, and Lake Whatcom Boulevard Sewer Interceptor Rehabilitation project).*

#### Biennial Budget

- Facilitate Board consideration of shifting from an annual to a biennial budget.  
*The board discussed the pros and cons of operating under a biennial budget during the August 26 board meeting.*

#### Bond Rating Review

- Pursue a higher bond rating.  
*The most recent bond rating review of the District was completed in December 2017 and resulted in a AA- (stable) rating. While the sole factor noted in the review that would allow for an increase in the rating remains outside of the District's control (strengthening of the service area's economy), the District has taken a number of steps to improve its financial position, including increasing the operating reserves of the Water Utility from 60 to 90 days and the Sewer Utility from 45 to 60 days, implementing issuance of quarterly financial reports, and fortifying the District's fiscal management policies.*

#### Staffing Succession Plan

- Develop a staffing succession plan to address anticipated retirements over the next five years.  
*The staffing succession plan was submitted to the board on August 21.*

#### 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, Engineering and Operations department descriptions is 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 a component of the Risk and Resilience Assessment, staff have mapped the District's IT system so that it may be assessed under the cybersecurity component of the Risk and Resilience Assessment process.*

### 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 continues to represent WASWD at various (virtual) convenings of the Washington's Growth Policy Framework Update.*
- *J Clary has been engaged with Whatcom County Councilmember Byrd and County staff regarding securing CARES Act funding for District customers impacted by the COVID-19 pandemic.*

### 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. *J. Clary scheduled to attend the Data Group meeting (November 12).*

#### Onsite Septic System Impact Assessment

- Lead effort in water quality monitoring to assess the impacts of septic systems on the lake.  
*Herrera issued the final revision of the findings report (September 30), and presented the results during the September 9 board meeting and September 23 Lake Whatcom Management Program policy group meeting.*


#### Onsite Septic System Conversion Program

- Pursue connection of septic-served parcels within 200 feet of District sewer system.  
*As of September 24, all three properties noticed in 2019 have connected to the District's collection system. No noticed-properties are outstanding.*  
*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 11**

**Executive Session  
General Manager Annual  
Performance Evaluation**

DATE SUBMITTED:	November 5, 2019	MEETING DATE:	November 12, 2019
TO: BOARD OF COMMISSIONERS	FROM: Justin Clary, General Manager		
GENERAL MANAGER APPROVAL			
ATTACHED DOCUMENTS	1. 2019-2020 Performance 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**

The District entered into an employment agreement on August 29, 2018, with Justin Clary to serve as the District's general manager. Mr. Clary's first day of employment with the District was October 1, 2018. Per Section 10, Performance Evaluation, of the agreement, the Board of Commissioners is to evaluate Mr. Clary's performance annually, on or about the anniversary of appointment. Consistent with the prior year's evaluation process, Mr. Clary previously submitted an annual report summarizing District achievements over the past year, as well as proposed initiatives for 2021.

**Recess to Executive Session Text:**

The Board will now hold an Executive Session for the purpose evaluating the performance of a public employee per RCW 42.30.110(1)(g).

The Executive Session is expected to last 30 minutes; no action is anticipated following the executive session.

**FISCAL IMPACT**

No impact is anticipated.

**RECOMMENDED BOARD ACTION**

No action is recommended at this time.

**PROPOSED MOTION**

Not applicable.