



LAKE WHATCOM WATER & SEWER DISTRICT

1220 Lakeway Drive
Bellingham, WA, 98229

(360) 734-9224
Fax 738-8250

MEMORANDUM

Date: February 18, 2021
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 February 24, 2021 work session or 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@lwswd.org or 360-734-9224.

February 24, 2021 Regular Board Meeting

Wed, Feb 24, 2021 8:00 AM - 10:00 AM (PST)

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

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LAKE WHATCOM WATER AND SEWER DISTRICT

1220 Lakeway Drive
Bellingham, WA 98229

REGULAR MEETING OF THE BOARD OF COMMISSIONERS

AGENDA

February 24, 2021


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. Customer Appeal—District Lien Against Property
 - B. Sudden Valley Community Association Developer Extension Agreement No. D0801—Area Z Fire Hydrant Extension Final Acceptance
 - C. Accessory Dwelling Unit Policy Discussion
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:	February 18, 2021	MEETING DATE:	February 24, 2021
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 2.23.2021****

BACKGROUND / EXPLANATION OF IMPACT

- Minutes from the February 10, 2021 Regular Board Meeting
- Payroll for Pay Period #04 (02/05/2020 through 02/19/2021) total to be added
- Payroll Benefits for Pay Period #04 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 2021 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

February 10, 2021

Board President Laura Abele called the Work Session to order at 5:30 p.m.

Attendees: Commissioner Laura Abele
Commissioner Todd Citron
Commissioner John Carter
Commissioner Bruce Ford
Commissioner Leslie McRoberts
General Manager Justin Clary
District Engineer/Assistant GM Bill Hunter
Finance Manager/Treasurer Debi Denton

No public were in attendance.

All attendees participated remotely by phone or video conferencing.

Administrative Code Title 2 – Fiscal Management Policies

District Administrative Code Title 2, Fiscal Management Policies, defines the District's financial management structure and associated policies. Aside from Chapter 2.16, Purchasing Policy, it has been a number of years since the last comprehensive review of Title 2. Similarly, the District's Investment Policy, which is independent of the Code, was last revised in 2006 via adoption of Resolution No. 714. Over the past year the Investment Committee has discussed a number of independent topics within the Fiscal Management Policies and Investment Policy that the Board of Commissioners may wish to consider policy revision to. With the current Finance Manager's retirement anticipated this July, it is timely to discuss current policies and the impacts of potential revisions at this time.

Clary presented to the Board for discussion both policy documents, with Investment Committee comments provided in redline/strikeout to facilitate Board discussion and gain direction on which, if any, revisions the Board wishes to pursue more formally.

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

Board President, Laura Abele

Attest: _____
Recording Secretary, Rachael Hope

Minutes approved by motion at ☐ Regular ☐ Special Board Meeting on _____
Date Minutes Approved



LAKE WHATCOM WATER AND SEWER DISTRICT

1220 Lakeway Drive
Bellingham, WA 98229

REGULAR SESSION OF THE BOARD OF COMMISSIONERS

Minutes

February 10, 2021

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 John Carter	Operations Manager Brent Winters
Commissioner Bruce Ford	Recording Secretary Rachael Hope
Commissioner Leslie McRoberts	District Legal Counsel Bob Carmichael

Also in attendance were Keith Stewart and Russell Porter of Gray & Osborne, and Brian Smith of Wilson Engineering. 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

Ford moved, McRoberts seconded, approval of:

- **Minutes from the January 27, 2021 Regular Board Meeting**
- **Payroll for Pay Period #03 (01/23/2021 through 02/05/2021) totaling \$47,542.85**
- **Payroll Benefits for Pay Period #03 totaling \$54,504.33**
- **Accounts Payable Vouchers totaling \$171,643.59**

Motion passed.

Sudden Valley Water Treatment Plant Alternatives Analysis Briefing #4

Hunter recalled that Gray & Osborne was contracted after an initial condition assessment in July 2020, to perform an alternatives analysis of work to be done at the District's Sudden Valley Water Treatment Plant. The assessment identified high and low priority items that were subsequently broken down by major system.

The major systems as written in the scope of work agreement are:

- **Pump Performance Test (Presented to Board 9/30/2020, Briefing #1)**

- Chemical Systems Analysis (Presented to Board 11/25/2020, Briefing #2)
- Disinfection Systems Analysis (Presented to Board as part of this agenda item)
- Backwash Systems Analysis
- Filtration System Analysis (Presented to Board 12/30/2020, Briefing #3)
- Tier 2/3 Seismic and Structural Analysis (Presented to Board 11/25/2020, Briefing #2)
- Structural/Architectural Workspace Analysis
- NACE III Coating Inspection (Presented to Board 9/30/2020, Briefing #1)

For this meeting, Gray & Osborne presented the findings of the Disinfection Systems Analysis. Keith Stewart of Gray & Osborne provided a presentation with visuals to summarize their findings and recommendations and collect Board comments. Discussion followed.

Resolution 869 – Affirmation of Emergency Declaration Issued by the General Manager on January 28, 2021

Clary explained that on January 27, 2021, District operations staff identified a significant leak in the water transmission main that feeds the Division 30 water reservoir, which serves as the sole water supply for a significant portion of Sudden Valley residents. The leak was determined to be in a steep slope adjacent to Lake Whatcom Boulevard, and of a magnitude that it jeopardized the District's ability to maintain water supply in the Division 30 reservoir. Based upon the location and depth of the leak, it was determined to be beyond the capability of District staff and equipment to safely and effectively perform timely repairs.

Revised Code of Washington (RCW) 39.04.280 provides authority to the District to waive competitive bidding requirements when awarding public works contracts in the event of an emergency. The General Manager declared an emergency associated with the leak on January 28, 2021, and executed a public works contract with RAM Construction General Contractors the following day to perform the repairs. Temporary repairs were completed on February 2, 2021, with permanent repairs to be completed once necessary materials are available. Resolution No. 869 was developed to meet statutory and District requirements associated with public works contracting for the emergency repairs.

Action Taken

McRoberts moved, Citron seconded, to adopt Resolution No. 869 as presented. Motion passed.

Authorization for General Manager to Apply for Appointment to the Public Works Board

Clary recalled that during the District general manager's past and most recent performance evaluations, the Board of Commissioners indicated a desire for the general manager to continue to focus on building partnerships, both at the regional and state level. The Public Works Assistance Account was established by the Washington State Legislature to create a reliable and sustainable resource for local governments to meet critical infrastructure financing needs. The Public Works Board operates the PWAA revolving loan program, and is comprised of 13 local government infrastructure representatives appointed by the governor. The Public Works Board meets once per month to conduct the business-of-the-board. Position No. 7 of the Public Works Board is represented by a sewer and water district manager. WASWD requires that applicants obtain approval from their Board of Commissioners for application of appointment to the Public Works Board. Appointment to the Public Works Board would significantly enable partnership building, as well as benefit the District by allowing staff to remain abreast of current PWAA programs and associated funding opportunities.

Action Taken

Citron moved, Carter seconded, to authorize the general manager to submit an application for appointment to Position No. 7 of the Washington State Public Works Board. Motion passed.

Disposal of Surplus Items

Staff presented the Board with a list of surplus property items that are no longer needed for District business.

Action Taken

McRoberts moved, Carter seconded, to declare the property defined in the list dated November 10, 2020, as surplus and authorize staff to dispose of each item in a manner that is most beneficial to the District and consistent with state law. Motion passed.

General Manager's Report

Clary updated the Board on several topics, including the District's continued response to the COVID-19 pandemic, a recent meeting with Sudden Valley Community Association's new interim general manager, and work by District staff related to the America's Water Infrastructure Act of 2018. Discussion followed.

With no further business, Abele adjourned the Regular Session 7:41 p.m.

Board President, Laura Abele

Attest: _____


Recording Secretary, Rachael Hope

Minutes approved by motion at ☐ Regular ☐ Special Board Meeting on _____
Date Minutes Approved



**AGENDA
BILL
Item 7.A**

**Customer Appeal—Water/Sewer
Utility Bill**

DATE SUBMITTED:	February 11, 2021	MEETING DATE:	February 24, 2021
TO: BOARD OF COMMISSIONERS	FROM: Debi Denton, Finance Manager		
GENERAL MANAGER APPROVAL			
ATTACHED DOCUMENTS	1. Letter from Emma Martin dated February 8, 2021		
TYPE OF ACTION REQUESTED	RESOLUTION <input type="checkbox"/>	FORMAL ACTION/ MOTION <input checked="" type="checkbox"/>	INFORMATIONAL /OTHER <input type="checkbox"/>

BACKGROUND / EXPLANATION OF IMPACT

Through its Administrative Code, the District has set policy on how it administers its services, including water/sewer utility billing and payment collection processes. To maintain consistency, District staff implements the Administrative Code as written. Per Section 2.1, "The General Manager shall be the administrator of the District. Appeals of the General Manager's instructions, interpretation of District policy, or decisions may be made to the Board of Commissioners in writing for consideration before a regular or special meeting of the Board." Section 3.7 of the District's Administrative Code defines the process for appeals to the Board.

The District has received a letter (attached) from Emma Martin dated February 8, 2021, requesting an appeal to the Board for relief from a lien filed by the District against property that Ms. Martin recently purchased (2591 Lake Whatcom Boulevard). The District filed a lien on June 14, 2017 for recovery of outstanding and future sewer bill payments (the property is not served by District water) that ultimately accumulated between November 1, 2016, and January 19, 2021 due to the prior property owner's failure to pay for service.

District Administrative Code Section 2.10.3 defines the District's process for water and sewer service billing. Per Paragraph 5 of this section "All unpaid water and sewer service charges when delinquent 60 days or more shall be a lien against the property being served." Staff has explained to Ms. Martin that the District is a public agency that must consistently administer its policies, as defined in the Administrative Code, and that staff does not have the authority to reduce sewer charges or remove a lien against a property.

Ms. Martin was not satisfied with this response and elected to appeal the General Manager's decision to the Board, as allowed under the Administrative Code. Ms. Martin has proposed a reduction of the outstanding balance to account for extenuating circumstances specific to the property.

Following provides a summary of events relative to Ms. Martin's appeal:

- January 15, 2021: the District received a phone call from Stetson Shearer informing us that they had just purchased 2591 Lake Whatcom Boulevard during a foreclosure proceeding and requested information on the lien that was pending on the property.
- January 19, 2021: District staff emailed the activity detail documenting the outstanding charges to the new owners.
- January 26, 2021: District received a phone call from Emma Martin requesting the outstanding charges be reversed since the home was vacant. Staff explained that the District was never informed of the vacancy and that no request to suspend billing, as is allowed within the administrative code, was ever submitted by the previous owner.
- February 9, 2021: the District received a letter of appeal via email dated February 8, 2021, to the Board of Commissioners from Ms. Martin (attached).

FISCAL IMPACT

Customer request would reduce Ms. Martin's lien obligation by \$2,213.61 (from \$3,241.16 to \$1,027.55).

RECOMMENDED BOARD ACTION

To maintain consistency of application, staff recommends that the Board uphold its policies, as implemented by staff.

PROPOSED MOTION

Should the Board wish to uphold current policy, as defined in the Administrative Code and implemented by staff, a recommended motion is:

"I move to uphold the District Administrative Code as written and implemented by the General Manager, and decline Ms. Martin's appeal for lien adjustment."

Should the Board wish to grant an exception to the Administrative Code to allow for reduction in the lien against Ms. Martin's property as requested, a recommended motion is:

"I move to grant an exception to Administrative Code Section 2.10.3 and reduce the payment obligation associated with property located at 2591 Lake Whatcom Boulevard from \$3,241.16 to 1,027.55."

February 8, 2021

To the Lake Whatcom Board of Commissioners,

My name is Emma Martin and I recently purchased my first home located at 2591 Lake Whatcom Blvd on 1/15/2021. The home currently has a lien on it in the amount \$3,241.16. I would like to request a leniency on this amount due to the home being vacant since 2016.

According to the electricity provider for the home, PSE, the electrical service was disconnected on 11/4/2016 and remains disconnected to this day (service lines are laying on the ground in the driveway). In speaking with the neighbors there was an arc flash near the meter base of the residence and the fire department came out to inspect. The arc flash caused the service line to melt and disconnect from the power lines. The firefighters found that the house was vacant. As of now, the service line is still disconnected and we are working with PSE to get this repaired. Since this event on 11/2016, we know this home was vacant. We also know that the water source for the home is a well located roughly 30 vertical feet below the 1st floor of the home. In order to pump water into the home for service, an electric pump must be used. Therefore there would be no water used to dispose into the sewer system since 2016 due to there being no electricity in the home.

I understand that situations like this are a time consuming process for your utility. I believe this was simply a lack of communication between the previous customer and your utility. Your shutoff notices began on 3/27/17 and continued through 11/20. There was both a lack of action from the previous home owner and your utility to follow through with the shut off process. To resolve this issue, I would like to propose the following;

The fees associated with service prior to the electrical service being disconnected on 11/4/2016 will be paid in full. Late fees and associated lien fees will be paid in full. The service fees during the vacancy will be paid at a proposed reduction; According to your master fees and charges schedule, the monthly charge of \$163.40 is made up of an account charge of \$7.76 and a volume charge per dwelling unit of \$155.64. We would like to propose paying the full account charge during the vacancy period as well as 25% of the volume charge to help compensate for your infrastructure maintenance and improvements. In total, we would like to propose a total payoff of \$1,027.55 for all charges prior to and including 1/1/2020.

The vacancy of this home is a valid reason for the charge reduction of this account but I also request your board grant leniency in these challenging times as I take on the exhausting task of repairing a home that has been neglected for the last 5 years. I look forward to your response and hope that I can have these funds transferred to your utility expeditiously.

Thank you,

Emma Martin
6 Bowline Ct, Bellingham, WA 98229
206-734-5754



January 20, 2021

STETSON SHEARER
3200 130th AVE NE
BELLEVUE, WA. 98005-1350

Dear Stetson Shearer:

RE: 2591 Lake Whatcom Blvd, Bellingham, WA 98229

Thank you for taking the time to contact Puget Sound Energy with your account inquiry.

At your request I am writing to advise the location above has been disconnected since 11/04/2016.

Your safety is our top priority. We can be reached 24-hours a day to report a natural gas or electrical emergency or a power outage at 1-888-225-5773 or by TTY at 1-800-962-9498.

For non-emergency inquiries, you can reach us via our website: PSE.com. While visiting PSE.com register for a "My PSE Account", a convenient online account management feature, where you can sign up for paperless billing, pay online, print bills, view payment arrangements, and discover ways to save energy. Our Customer Care Center is available Monday through Friday, 7:30 am to 6:30 pm at 1-888-225-5773 or by TTY at 1-800-962-9498 for all billing and service inquiries.

We appreciate the opportunity to serve you.

Sincerely,

Customer Care
PUGET SOUND ENERGY
www.pse.com



Service Line Laying
on ground


Taken on 1/15/2021
2591 Lake Whatcom Blvd

		Chg/pymnt	Cumulative	Proposed
1/1/16	Bill	148.03		
1/13/16	Payment	-148.03		
3/1/16	Bill	151.74		
3/9/16	Payment	-151.74		
5/1/16	Bill	151.74		
5/26/16	Payment	-151.74		
7/1/16	Bill	151.74		
7/28/16	Payment	-151.74		
9/1/16	Bill	151.74		
9/12/16	Payment	-151.74		
9/12/16	Payment	-151.74		
11/1/16	Bill	151.74		
1/1/17	Bill	151.74	151.74	\$43.76
3/1/17	Bill	170.7	170.7	\$48.50
3/23/17	Shut off Notice	0	0	\$0.00
5/1/17	Bill	171.08	171.08	\$48.59
5/24/17	Shut Off Notice	0	0	\$0.00
6/27/17	Lien Fee	150	150	\$150.00
7/1/17	Bill	171.08	171.08	\$48.59
7/25/17	Shut Off Notice	0	0	\$0.00
9/1/17	Bill	171.08	171.08	\$48.59
9/25/17	Shut Off Notice	0	0	\$0.00
11/1/17	Bill	171.08	171.08	\$48.59
1/1/18	Bill	171.08	171.08	\$48.59
3/1/18	Bill	174.97	174.97	\$49.56
3/26/18	Shut Off Notice	0	0	\$0.00
5/1/18	Bill	175.36	175.36	\$49.66
6/7/18	Shut Off Notice	0	0	\$0.00
7/1/18	Bill	175.36	175.36	\$49.66
7/30/18	Shut Off Notice	0	0	\$0.00
9/1/18	Bill	175.36	175.36	\$49.66
9/24/18	Shut Off Notice	0	0	\$0.00
11/1/18	Bill	175.36	175.36	\$49.66
11/21/18	Shut Off Notice	0	0	\$0.00
1/1/19	Bill	175.36	175.36	\$49.66
3/1	Bill	179.34	179.34	\$50.66
3/21/19	Shut Off Notice	0	0	\$0.00
5/1/19	Bill	179.74	179.74	\$50.76
5/22/19	Shut Off Notice	0	0	\$0.00
9/1/20	Bill	167.49	167.49	\$47.69
9/28/20	Shut Off Notice	0	0	\$0.00
11/1/20	Bill	167.49	167.49	\$47.69
11/25/20	Shut Off Notice	0	0	\$0.00
1/1/21	Bill	167.49	167.49	\$47.69
	Total	\$3,241.16	\$3,241.16	\$1,027.55



**AGENDA
BILL
Item 7.B**

**Sudden Valley Community
Association Developer Extension
Agreement No. D0801—Area Z
Fire Hydrant Extension Final
Acceptance**

DATE SUBMITTED:	February 17, 2021	MEETING DATE:	February 24, 2021
TO: BOARD OF COMMISSIONERS	FROM: Bill Hunter, District Engineer		
GENERAL MANAGER APPROVAL			
ATTACHED DOCUMENTS	Exhibit A. Depiction of Water Facilities		
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 Sudden Valley Community Association (SVCA) has completed all requirements of Developer Extension Agreement (DEA) No. D1801—Area Z Fire Hydrant Extension authorized by the Board of Commissioners during a regular meeting held on July 25, 2018. The scope of the project included extension of a water main and installation of a new fire hydrant in SVCA's Area Z maintenance yard to comply with fire protection requirements for a new 60-foot x 90-foot fabric storage building for storage of winter emergency supplies (sand, de-icer) and equipment. The fire hydrant was required to be within 400 feet of the structure.

Per the DEA, final acceptance by the District initiates the two (2) year maintenance bond period, which guarantees that the facilities accepted by the District remain free of defects and in proper working order during that period, with any maintenance or repair the responsibility of the SVCA.



FISCAL IMPACT

None anticipated.

RECOMMENDED BOARD ACTION

Staff recommends that the Board accept the Developer Extension Agreement as complete.

PROPOSED MOTION

A recommended motion is:

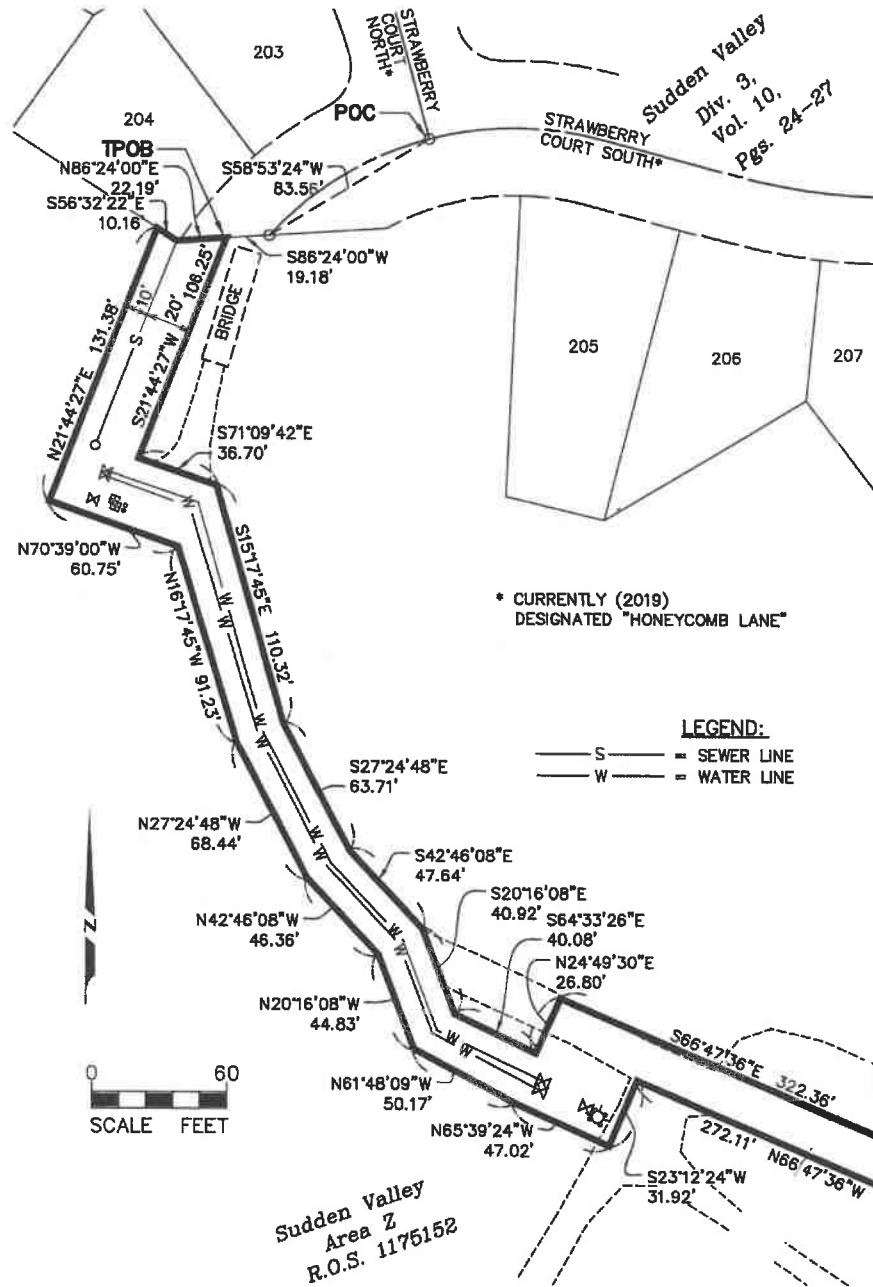
“I move to accept Developer Extension Agreement No. D1801—Area Z Fire Hydrant Extension as complete.”

EXHIBIT A

Bill of Sale – Sudden Valley Community Association Water Developer Extension

Approximately 715 lineal feet of 8-inch ductile iron water line, 18 lineal feet of 10-inch ductile iron water line, one fire hydrant, and appurtenances.


Depiction of Water Facilities





**AGENDA
BILL
Item 7.C**

**Accessory Dwelling Unit Regulation
Policy Discussion**

DATE SUBMITTED:	February 16, 2021	MEETING DATE:	February 24, 2021
TO: BOARD OF COMMISSIONERS	FROM: Justin Clary, General Manager		
GENERAL MANAGER APPROVAL			
ATTACHED DOCUMENTS	1. Accessory Dwelling Unit Policy Analysis memorandum dated February 16, 2021		
TYPE OF ACTION REQUESTED	RESOLUTION <input type="checkbox"/>	FORMAL ACTION/ MOTION <input type="checkbox"/>	INFORMATIONAL /OTHER <input checked="" type="checkbox"/>

BACKGROUND / EXPLANATION OF IMPACT

Permitting and billing associated with accessory dwelling units (ADUs) within the District is regulated under the District's administrative code. With an increased statewide focus on affordable housing, the Board of Commissioners has indicated a desire to review current policy related to ADU regulation.

Attached is a memorandum developed by staff meant to facilitate Board policy discussion on the topic.

FISCAL IMPACT

No action is anticipated associated with the Board's policy discussion.

APPLICABLE EFFECTIVE UTILITY MANAGEMENT ATTRIBUTE(S)

Customer Satisfaction
Financial Viability

RECOMMENDED BOARD ACTION

No action is recommended.

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

From: Justin Clary, General Manager

Date: February 16, 2021

RE: Accessory Dwelling Unit Policy Analysis

Permitting and billing associated with accessory dwelling units (ADUs) within the Lake Whatcom Water and Sewer District (District) is regulated under the District's administrative code. With an increased statewide focus on affordable housing, the Board of Commissioners has indicated a desire to review current policy related to ADU regulation. The purpose of this memorandum is to provide information relative to ADUs and how they have historically been regulated within the District as a means of facilitating Board policy discussion.

Accessory Dwelling Units

An ADU is a small, self-contained residential unit located on the same lot as an existing single-family home. An ADU has all the basic facilities needed for day-to-day living independent of the main home, such as a kitchen, sleeping area, and a bathroom. ADUs are sometimes called "mother-in-law apartments" or "granny flats," because they are often used to house extended family. As the term "accessory" implies, ADUs are generally defined to be smaller in size and prominence than the main residence on the lot. Some municipal codes include specific size limits, and a location that is not readily visible from the street.

In theory, an ADU may be created as a separate unit within an existing home (such as in an attic or basement), an addition to the home (such as a separate apartment unit with separate entrance), or in a separate structure on the lot (such as a converted garage). See the examples shown below.

Some communities, however, only allow ADUs that are within or attached to the main residence, and exclude ADUs housed in a separate structure. Whether attached or detached from the main residence, most codes require that the main residence and the ADU must be owned by the same person and may not be sold separately.

Examples of Accessory Dwelling Units (ADUs)

ADUs in blue; main residence in white

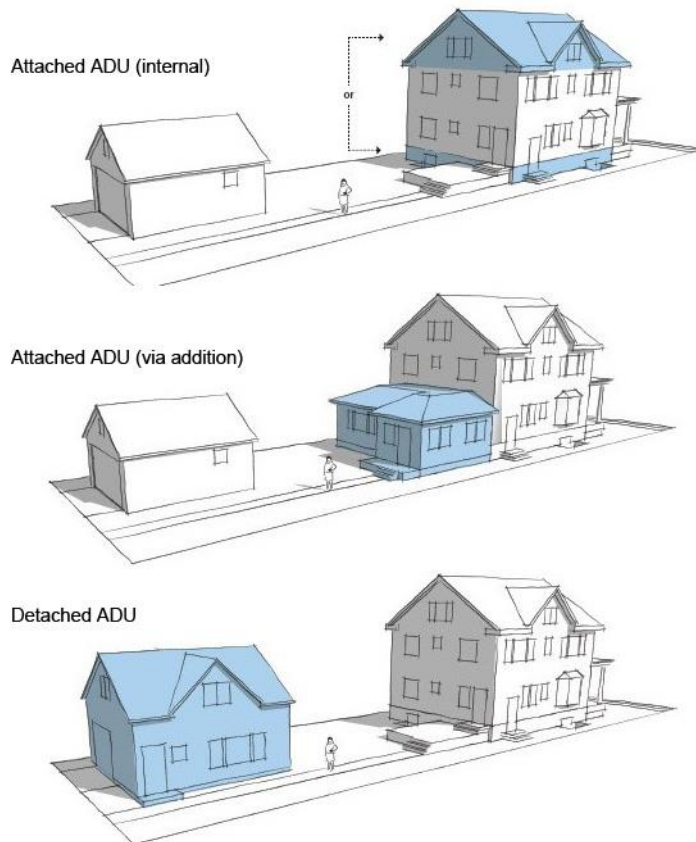


Image credit: City of Saint Paul, MN

Accessory Dwelling Units in Washington State

Revised Code of Washington [\(RCW\) 43.63A.215](#) and [RCW 36.70A.400](#), adopted as part of the 1993 Washington Housing Policy Act, require many Washington cities and counties (including Whatcom County) to adopt ordinances encouraging the development of accessory apartments or ADUs in single-family zones. Specifically, this legislation applies to:

- Cities with a population over 20,000
- Counties with a population over 125,000
- Counties that plan under the Growth Management Act (GMA).

Local codes must incorporate the [model ordinance recommendations](#) prepared by the Washington State Department of Community, Trade and Economic Development (now Department of Commerce), per [RCW 43.63A.215](#) and [RCW 36.70A.400](#). However, state law

allows local communities some flexibility to adapt these recommendations to local needs and preferences.

ADU ordinances have been widely adopted in Washington since the 1993 Act, in part because ADUs have helped local jurisdictions meet GMA goals to encourage affordable housing and provide a variety of housing densities and types while preserving the character of single-family neighborhoods.

Accessory Dwelling Units in Whatcom County

As indicated above, Whatcom County is required to adopt ordinances that encourage the development of ADUs, which are approved through the County's Department of Planning & Development Services and regulated under Whatcom County Code (WCC). ADUs are permitted under the following Whatcom County zoning designations:

- Urban Residential (UR) ([WCC 20.20.132](#))
- Urban Residential – Medium Density (URM) ([WCC 20.22.132](#))
- Urban Residential Mixed (UR-MX) ([WCC 20.24.133](#))
- Residential Rural (RR) ([WCC 20.32.132](#))
- Rural Residential-Island (RR-I) ([WCC 20.34.132](#))
- Rural (R) ([WCC 20.36.132](#))
- Point Roberts Transitional Zone (TZ) ([WCC 20.37.132](#))
- Agriculture (AG) ([WCC 20.40.133](#))
- Rural Forestry (RF) ([WCC 20.42.132](#))
- Lake Whatcom Watershed Overlay District ([WCC 20.51.060](#))

Accessory Dwelling Units in Lake Whatcom Water and Sewer District

The Lake Whatcom Watershed Overlay District ([WCC 20.51.060](#)) encompasses all land within District boundaries. Whatcom County land use zoning of lands located within District boundaries that allow ADUs include:

- Urban Residential (UR)
- Residential Rural (RR)
- Rural (R)
- Rural Forestry (RF)

All properties zoned Urban Residential are comprised of the City of Bellingham's Geneva Urban Growth Area (UGA). While construction of attached or detached ADUs may be permitted under [WCC 20.20.132](#) (note that paragraph [11] of that section requires conformance with the density of the zoning district for properties inside the Lake Whatcom watershed), should the City ever annex the UGA, construction of subsequent ADUs would be prohibited ([Bellingham Municipal Code 20.10.036\(B\)\(1\)](#) prohibits ADUs in the Lake Whatcom Watershed; existing ADUs would likely be allowed to continue as a nonconforming use).

All properties zoned Residential Rural are associated with the Sudden Valley LAMIRD (limited area of more intense rural development). While construction of attached or detached ADUs may be permitted under [WCC 20.32.132](#) (the caveat being paragraph [11] requiring conformance with the density of the zoning district), [Sudden Valley Community Association Restrictive Covenant Paragraph 3](#) prohibits them.

For properties zoned Rural, construction of attached or detached ADUs may be permitted under [WCC 20.36.132](#) (the caveat being paragraph [11] requiring conformance with the density of the zoning district).

For properties zoned Rural Forestry, construction of attached or detached ADUs may be permitted under [WCC 20.42.132](#) (the caveat being paragraph [11] requiring conformance with the density of the zoning district).

District Policy relative to ADUs

District policy associated with regulation of ADUs is defined with the District Administrative Code. Following provides excerpts from the Administrative Code relative to ADUs.

3.1.25 Duplex

A two unit dwelling (including 2 trailers or 2 mobile homes not a part of a mobile home or trailer park, or a single family residence with an accessory apartment or detached accessory dwelling unit as defined under Title 20 of the Whatcom County Code) containing not more than two kitchens, designed and/or used to house not more than two households living independently of each other and including all necessary facility of each household. Each dwelling unit shall be considered a separate Residential Unit for purposes of billings of all kinds. [Resolution Nos. 146, 242A, 785]

3.1.27 Equivalent Residential Unit (ERU) (or Residential Unit)

The basic unit used for purposes of billings of all kinds. One residential unit shall be based on 18 fixture units as defined in the Uniform Plumbing Code. When volumetric measurements are used, an Equivalent Residential Unit shall be based upon the equivalent of 900 cubic feet or 6,732 gallons per month. Note that the UPC "fixture units" are not a one-to-one correlation with the number of plumbing fixtures. [Resolution Nos. 146, 174, 242A, 785]

3.5.7 Multiple Connections

An existing single parcel with a water and sewer service connection may request an additional water and/or sewer service connection to that parcel.

Multiple water services to an existing single parcel are allowed. Each water service connection shall be subject to the full amount of the current General Facilities, Service Installation, Permit Processing, and Inspection Fees. Each meter shall be billed the monthly base charge and charged for overage above current volume included in the base charge.

Multiple sewer services to an existing single parcel are allowed. Each sewer service connection shall be subject to the full amount of the current General Facilities, Service

Installation, Permit Processing, and Inspection Fees. Each sewer service connection shall be billed for at least one (1) ERU, but may be billed more depending on usage. [Resolution No. 711]

4.3.3 Meter Installation

All water services shall be metered and the District shall deliver water to users only through meters owned by the District. At least one water meter shall be installed for each land parcel receiving water, whether it contains a single family residence, multiple family residence, commercial structure(s), or industrial structure(s). The District shall determine the size of the meter to be installed in each instance using the Uniform Plumbing Code and AWWA "Sizing Water Service Lines" (see Section 3.1.27), except that single family residential services also needing standby fire protection shall be sized based upon the required fire flow as determined by the county fire marshal or a qualified District approved fire system professional. The connection charge for a single-family residence with standby fire protection shall be based on the meter size required before adding fire flows. Charges for water service installations shall be in accordance with Section 3.5.4. Meters shall be of the type specified by the District's Construction Standards and Details and shall be installed by the District. A flow test shall be performed by the District at the time of meter installation to insure no restrictions to water flow are present. [Resolution Nos. 242A, 785, 834]

5.4.8 Side Sewer for Each Building

A single side sewer shall be provided for each building unless the topography of the land makes it impractical to build a lateral, then District Management may authorize suitable alternate construction. The connection of more than one building to a single side sewer must be approved by District Management and verified by the District Commissioners prior to the construction of such side sewer. No more than one multiple dwelling or commercial building shall be connected to a side sewer, unless otherwise previously approved by District Management.

If the side sewer is to exist on two building sites, approved documents assuring that all properties involved shall have perpetual use of the side sewer, and having provisions for maintenance and access for repair purposes, shall be signed by the recorded owners. This document shall be acknowledged and recorded with the County Auditor. [Resolution Nos. 146, 785]

Policy Considerations

The County, as land use authority, allows ADUs under certain conditions in the District. Therefore, the District's administrative code must continue to address how (not whether) ADUs are permitted and billed. However, the District may set rates and fees associated with ADUs at levels it feels appropriate for impact to District utilities.

The key policy consideration for the District is whether or not ADUs should be subject to general facilities charges and service rates the same as those of a separate, single family home. It can be argued that typical occupation of ADUs is lower than that of a single family detached home (i.e., 1-2 individuals residing in an ADU compared to the industry standard estimate of 2.58

residents per single family home). Therefore, the actual water and sewer infrastructure capacity necessary to serve an ADU could similarly be argued to be less. However, the District's base water rate (600 cubic feet per two-month billing cycle) equates to approximately 75 gallons per day, which equals the U.S. Environmental Protection Agency's estimated daily water consumption rate per capita (i.e., the District's base water consumption allowance provides for one person's consumption per day, with the additional usage rate capturing any additional residents, regardless of home size). Therefore, it could be considered appropriate to apply the full water service rate to ADUs. On the other hand, the District's sewer fee is a flat rate, regardless of home size. The District could consider a lesser rate for ADUs due to the likely lesser system capacity need; however, that could open the door for the argument that all residential connections should be billed based up on actual impact (through water consumption), rather than the flat rate.


Staff Recommendations

There are relatively few existing ADUs within the District's service area, and Whatcom County Code constraints on development of new ADUs within the watershed limit the likelihood of a significant number of additional ADUs being constructed. Of additional note, Sudden Valley Community Association restrictive covenants prohibit ADUs, so the potential for additional ADUs in the District's most-populated area is eliminated. Further, the current water service rate structure is set at a low consumption rate that appropriately accommodates an ADU separately. Therefore, staff recommends that the District maintain current ADU policies regarding water and sewer rates, and that no changes to the Administrative Code be made.



**AGENDA
BILL
Item 9.A**

**General Manager's
Report**

DATE SUBMITTED:	February 18, 2021	MEETING DATE:	February 24, 2021
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, February 24, 2021 – 8:00 a.m.

Important Upcoming Dates

Lake Whatcom Water & Sewer District			
Regular Board Meeting	Wed Mar 10, 2021	6:30 p.m.	Remote Attendance
Employee Staff Meeting	Thu Mar 11, 2021	8:00 a.m.	Remote Attendance Commissioner Abele to attend
Investment Comm. Meeting	Wed Apr 28, 2021	10:00 a.m.	Remote Attendance
Safety Committee Meeting	Tue Feb 23, 2021	4:00 p.m.	Remote Attendance
Lake Whatcom Management Program			
Data Group Meeting	Thu Mar 11, 2021	9:00 a.m.	Remote Attendance
Policy Group Meeting	Wed Jun 2, 2021	3:00 p.m.	Remote Attendance
Joint Councils Meeting	Wed Mar 31, 2021	6:30 p.m.	Remote Attendance
Other Meetings			
WASWD Section III Meeting	Tue Mar 9, 2021	7:00 p.m.	Remote Attendance
Whatcom Water Districts Caucus Meeting	Wed Feb 17, 2021	1:00 p.m.	Remote Attendance
Whatcom County Council of Governments Board Meeting	Wed May 12, 2021	3:00 p.m.	Remote Attendance

Committee Meeting Reports

Safety Committee:

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

Investment Committee:

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

Upcoming Important Board Meeting Topics

- Fiscal Management Policies (work session)
- Sudden Valley water treatment plant alternatives analysis
- Lake Whatcom Boulevard sewer interceptor rehabilitation public works contract award
- Comment on Washington State draft Puget Sound Nutrient General Permit
- Budget amendment associated with the Division 30 emergency water main repair

2021 Initiatives Status

Administration and Operations

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 completed in 2020.

Rate Study

- Conduct a rate study for the water and sewer utilities for the six-year planning horizon, including funding strategies related to significant capital improvements anticipated during and beyond the planning horizon.
A contract for the rate study has been executed and work is proceeding.

Investment Policy Review

- Conduct a comprehensive review of the District's investment policy aimed at optimizing return on investments while sufficiently protecting District funds.
The investment policy was discussed by the board during its February 10 work session. Revisions will be presented in a resolution for board consideration following completion of board discussion on the District's fiscal management policies (March 10 work session).

Capital Improvement Program Support

- Support the Engineering Department through management of specific capital improvement project(s).
The general manager is managing the Eagleridge Water Booster-Metering Station Conversion project (District Project No. C2011).

Fill Anticipated Finance Manager Position Vacancy

- With the retirement of the District's Finance Manager anticipated in July 2021, engage in a recruitment and hiring process that allows for seamless transition of leadership in the Finance Department.
The finance manager job description was updated in 2020. Recruitment documents are being prepared for advertisement in late-February 2021.

Negotiate Successor District-AFSCME Agreement

- With the current labor agreement scheduled to expire December 31, 2021, negotiate a successor agreement that aligns with District financial capacity and Board goals.
To be initiated summer 2021.

Emergency Response/System Security

America's Water Infrastructure Act-compliant Risk Management Program

- Conduct a USEPA-compliant risk and resilience assessment by June 30, 2021.
Sewer and water utility assessments are complete and were certified on February 8, 2021.
- Develop a USEPA-compliant emergency response plan by December 31, 2021.
Update to the District's emergency response plan is underway.

Community/Public Relations

General

- Website
The District's web content is reviewed and updated on a regular basis.
- 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 will be issued, as appropriate, throughout 2021.

Intergovernmental Relations

- *J Clary and R Munson attended the Whatcom County Natural Hazard and Mitigation Plan update meeting on February 9, and are scheduled to attend a subsequent coordination meeting on February 24.*
- *J Clary attended the WASWD Section III meeting on February 9.*
- *J Clary attended the Whatcom Water Districts Caucus meeting on February 17.*
- *J Clary is scheduled to present on District services and 2020-21 projects to the Sudden Valley Community Association board during its February 25 meeting.*

Public Works Board

- *Pursue appointment as WASWD representative on the Washington State Public Works Board. Following board approval, J Clary submitted an application for appointment to the Public Works Board on February 11, 2021.*

Lake Whatcom Water Quality

Management Program

- *Participate in meetings of Lake Whatcom Management Program partners. J. Clary attended the Lake Whatcom Management Program Data Group meeting on February 11, the Policy Group meeting on February 17, and the Interjurisdictional Coordinating Team meeting on February 18.*


Onsite Septic System Conversion Program

- *Pursue connection of the one remaining septic-served parcel located within 200 feet of District sewer system identified in the memorandum to the Board dated April 9, 2020. To be initiated.*



**AGENDA
BILL
Item 9.B**

**Engineering Department
Report**

DATE SUBMITTED:	February 18, 2021	MEETING DATE:	February 24, 2021
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 February 24, 2021 Board Meeting
Data Compiled 2/18/21 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	3891	70	44	2
Remaining Capacity (ERUs)	**	15	13	0
Permitted ERUs Under Construction	26	0	0	0
Pre-paid Connection Certificates & Expired Permit	14	0	5	0
Water Availabilities (trailing 12 months)	68	0	0	0
Subtotal - Commitments not yet connected	108	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	
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	
Water Right Permit No. S1-25121 Development Extension	Due Every 5 Years Next Due March 30, 2023	

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 checked="" type="checkbox"/> 5. District receives warranty bond or like security <input checked="" 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 checked="" type="checkbox"/> 13. Developer has reimbursed the District for all incurred costs associated with DEA <input checked="" 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 • 2/2/2021 LWWSD verified with bank that assignment of savings in lieu of payment and performance bond is in effect. The assignment of savings has a provision that will convert to an assignment of savings in lieu of maintenance bond when facilities are accepted by District. 	

Summary of District Projects

Report Prepared 2/17/2021

Project Number	Project Title / Tasks	Authorized Budget	Spent to Date	Amount Remaining	2021 Schedule											
					J	F	M	A	M	J	J	A	S	O	N	D
C 1802	Dellesta, Edgewater & Euclid Sewer Pump Stations	\$1,690,604	\$579,097	\$1,111,507												
C 1814	Agate Heights WTP and Opal Booster Upgrades	\$359,320	\$109,606	\$249,714												
C 1908	Fire Flow Improvements - Hydraulic Model Calibration	\$15,000	\$11,209	\$3,791												
C 1909	Little Strawberry Bridge Water Main Predesign & Estimate	\$20,000	\$0	\$20,000												
C 1910	SVWTP and AHWTP Misc Component Replacement (Raw pH Probe, 4 Pump Control Valves, 2 Surge Valves, Spare Transfer Pump, AHWTP Finish Meter)	\$72,000	\$69,032	\$2,968												
C 1913	SVWTP 20-Year Facility Plan	\$159,710	\$84,428	\$75,282												
M 1917	Beaver & Flat Car PLC and UPS Improvements	\$118,191	\$28,520	\$89,671												
C 2003	Sewer System Rehab and Replacement Projects	\$116,640	\$119,998	\$3,358												
C 2006	SCADA Telemetry - Managed Ethernet Switches	\$20,000	\$158	\$19,842												
C 2007	Administrative Server Hardware	\$25,000	\$0	\$25,000												
C 2011	Convert Eagleridge Booster to Metering Station	\$30,000	\$22,603	\$7,397												
C 2012	Austin-Fremont PRV Rebuild	\$10,000	\$0	\$10,000												
C 2013	Geneva and Div 22 Res Impressed Current Cathodic Protection	\$40,000	\$0	\$40,000												
C 2016	SVWTP Misc Component Replacement (CCB Fiberglass Ladder, Spare 300 Amp Breakers, Div 22 Finish Meter, Raw Meter, CCB Pressure Transmitter, Intake Anchorage Warning Signs)	\$40,000	\$14,559	\$25,441												
A 2021	AWIA Risk Assessment and Emergency Response Plans	\$10,000	\$0	\$10,000												
A 2025	Rate Study	\$30,000	\$735	\$29,265												
A 2101	General Engineering Services - 5 Year Contract															
C 2102	Annual Asphalt Patching	\$35,000														
C 2103	Centimeter Grade GPS with Real Time Corrections & Training	\$20,000														
C 2104	Exterior Receptacles for Block Heaters and Battery Chargers	\$10,000														
C 2105	HDPE Pipe Electro fusion Machine & Crew Training	\$11,000														
C 2106	SVWTP to SVPS Telemetry Comm Study, Testing	\$10,000														
C 2107	Camp Firwood Dead End Water Main Auto Flusher	\$5,000														
C 2108	SVWTP Raw Water Intake Piping Verify Alignment / Excavation	\$15,000														
C 2109	Geneva Res Insertavalve for Emergency Isolation	\$25,000														
C 2110	Divison 30 Booster PLC and UPS Improvements	\$60,000														
C 2111	Div 7 Reservoir Predesign, Esmts & Permitting	\$63,000														
C 2112	Rocky Ridge & Lakewood Predesign and Shoreline Permitting	\$140,000														
C 2113	Flat Car Reverse Flow to SVPS - Design & Permitting	\$50,000														
C 2114	LWBI CIPP, and I&I	\$115,000														
A 2115	Water Use Efficiency Goals Update															
A 2116	Commissioner District Boundary Census Update															
M 2117	Janitorial Services															

NOTATION LEGEND


A_____ Administrative Project
 C_____ Capital Project
 M_____ Maintenance Project
 Sewer Project (Green Font)
 Water Project (Blue Font)
 Sewer and Water Project (Black Font)

p _____ Planned (labor not started)
 a _____ Active (labor underway)
 c _____ Completed (no further labor needed)
 t _____ Target Completion



**AGENDA
BILL
Item 9.C**

**Finance Department
Report**

DATE SUBMITTED:	February 18, 2021	MEETING DATE:	February 24, 2021
TO: BOARD OF COMMISSIONERS	FROM: Debi Denton, Finance Manager		
GENERAL MANAGER APPROVAL			
ATTACHED DOCUMENTS	1. Jan 2021 Financial Reports		
	2.		
	3.		
TYPE OF ACTION REQUESTED	RESOLUTION <input type="checkbox"/>	FORMAL ACTION/ MOTION <input type="checkbox"/>	INFORMATIONAL /OTHER <input checked="" type="checkbox"/>

BACKGROUND / EXPLANATION OF IMPACT

Updated information 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 2021



	401	402	460	
	WATER	SEWER	BOND RESERVE (RESTRICTED)	TOTAL
2021 REVENUES	251,314	390,895	-	642,209
2021 EXPENDITURES	(200,886)	(311,986)	-	(512,872)
2020 BALANCE CARRYOVER	1,042,064	1,515,055	772,334	3,329,453
2020 CONTINGENCY CARRYOVER	460,000	796,088		1,256,088
	-----	-----	-----	-----
2021 BALANCE	\$1,552,492	\$2,390,052	\$772,334	\$4,714,878
2021 ALLOCATED TO OPERATING RESERVES	-\$540,000	-\$430,000		-\$970,000
2021 ALLOCATED TO CONTINGENCY	-\$460,000	-\$815,000		-\$1,275,000
AVAILABLE 2021 BALANCE	\$552,492	\$1,145,052	\$772,334	\$2,469,878

LAKE WHATCOM WATER AND SEWER DISTRICT				
	Description	Budget	1/31/2021	8%
WATER - 401				
REVENUES				
401-343-40-10	Water Sales Metered (4% base rate increase) *	2,770,313	213,248	7.70%
401-343-41-10	Permits (15 new connection permits) \$6,400	96,000	-	0.00%
401-343-81-10	Combined Fees (Increase in Lien and Lock fees)	17,500	713	4.07%
401-359-90-00	Late fees	27,500	-	0.00%
401-361-11-00	Investment Interest	20,000	37,353	186.77%
401-369-10-00	Sale of scrap metal and surplus	1,000	-	0.00%
401-369-10-01	Miscellaneous	1,000	-	0.00%
401-369-40-00	Judgements and Settlements	-	-	
401-395-10-00	Sale of Capital Assets	-	-	
401-395-20-00	Insurance Recoveries	-	-	
	TOTAL REVENUES	2,933,313	251,314	8.57%
	* Per Resolution 844 effective 1/1/2021			
	Scheduled annual rate increase			
	Description	Budget	1/31/2021	8%
SEWER - 402				
REVENUES				
402-343-41-10-02	Permits (15 new connection permits) \$9,500	142,500	-	0.00%
402-343-50-11	Sewer Service Residential (2.5% rate increase) *	4,256,228	351,277	8.25%
402-343-50-19	Sewer Service Other	4,500	215	4.78%
402-343-50-80	Latecomer's Fees	-	-	0
402-361-11-00-02	Investment Interest	20,000	37,353	186.77%
402-361-40-00-80	ULID 18 Interest/Penalties	2,500	352	14.08%
402-368-10-00-80	ULID 18 Principal Payments	8,000	759	9.49%
402-369-10-00-02	Sale of scrap metal and surplus	1,000	-	0
402-369-10-00-02	Miscellaneous	1,000	939	93.90%
402-369-40-02	Judgements and Settlements	4,141	-	0
402-395-10-00-02	Sale of Capital Assets	-	-	0
402-395-20-02	Insurance Recoveries	-	-	0
	TOTAL REVENUES	4,439,869	390,895	8.80%
	* Per Resolution 844 effective 1/1/2021			
	Scheduled annual rate increase			

LAKE WHATCOM WATER AND SEWER DISTRICT

	Description	Budget	1/31/2021	8%
WATER - 401	OPERATING EXPENDITURES			
401-534-10-10	Admin Payroll (2.1% cola plus step increases - 2021)	355,000	27,486	7.74%
401-534-10-20	Admin Personnel Benefits	163,000	14,958	9.18%
401-534-10-31	Gen Admin Supplies/Equipment (Master Meter Software)	25,000	290	1.16%
401-534-10-31-01	Meetings/Team building	2,000	12	0.60%
401-534-10-40	Merchant Services Fees	10,000	943	9.43%
401-534-10-40-01	Bank Fees	750	33	4.40%
	Interlocal - Invasive Species (City) (8% increase)	55,000	-	
	Interlocal - Lake Whatcom Tributary Monitor (County)	5,000	-	
	Mutt Mits	5,000	-	
401-534-10-41	Water Quality Assurance Programs (TOTAL)	65,000	-	
	Master Meter annual support	2,000		
	South Whatcom Fire (hydrant maintenance)	1,000		
	County Auditor Filing Fees	3,000		
	Statement processing	12,500		
	Answering Service	750		
	Time clock system	750		
	Financial Software Maintenance	6,000		
	Web Check services	2,500		
	CPA (Financial statements)	3,000		
	Rate Study	20,000		
	Records management system	15,000		
	Employee Assistance Program	600		
	IT/Cyber security support	15,000		
	Anti virus subscription	500		
	Office software upgrade	5,000		
	Building security	1,000		
	Building custodial	5,000		
	Pest control	500		
	Landscaping service	4,000		
	Scada System Software Maintenance - Operations	5,000		
	Safety software	5,000		
	Hearing/Drug/Employee testing	750		
	SCADA/PLC Support - Engineering/Operations	5,000		
	Cartegraph - Engineering/Operations	8,500		
	Auto Desk - Engineering	500		
	Rockwell - Engineering/Operations	250		
	ESRI - ARC GIS	750		
	Whatcom County Emergency Management	10,000		
	Misc (Bid notices etc.)	2,500		
401-534-10-41-01	Professional Services (TOTAL)	136,350	18,244	13.38%
			1,101	
401-534-10-41-02	Water Engineering Services	20,000	453	2.27%
401-534-10-41-03	Water Legal Services	20,000	-	0.00%
401-534-10-42	Communication	30,000	2,924	9.75%
401-534-10-45	Admin Lease (copy/printers)	5,000	417	8.34%
401-534-10-46	Property Insurance	90,000	263	0.29%
401-534-10-49	Admin Misc.	500	-	0.00%
401-534-10-49-01	Memberships/Dues/Permits	15,000	6,714	44.76%
401-534-10-49-02	WA State Dept of RevenueTaxes/County Stormwater fees	115,000	9,630	8.37%
401-534-40-43	Admin Training & Travel	10,000	285	2.85%
401-534-40-43-01	Tuition reimbursement	500	-	0.00%
401-534-50-31	Operations/Maintenance Supplies	120,000	6,780	5.65%
401-534-50-31-01	Small Assets/tools	40,000	-	0.00%
401-534-50-48	Operations Repair/Maint contracted work	55,000	798	1.45%
401-534-50-49	Insurance Claims	2,500	-	0.00%
401-534-60-41	Operations Contracted (water testing)	12,500	264	2.11%
401-534-60-47	Water City of Bellingham	40,000	6,114	15.29%
401-534-80-10	Operations Payroll (2.1% cola plus step increases - 2021)	570,500	46,878	8.22%
401-534-80-20	Operations Personnel Benefits (Medical,Retirement etc)	245,000	21,637	8.83%
401-534-80-32	Fuel	10,000	908	9.08%
401-534-80-35	Safety Supplies	10,000	-	0.00%
401-534-80-35-01	Safety Supplies Boots	1,250	-	0.00%
401-534-80-35-02	Emergency Preparedness	5,000	-	0.00%
401-534-80-43-00	Water - Operatoins Training/Travel/Certification	10,000	73	0.73%
401-534-80-47	General Utilities (Electric, gas, water, garbage)	115,000	10,594	9.21%

LAKE WHATCOM WATER AND SEWER DISTRICT

	Description	Budget	1/31/2021	8%
401-534-80-49	Laundry	2,000	145	7.25%
	Payroll liability		1,887	
	WATER OPERATING EXPENDITURES	2,301,850	179,831	7.81%
<i>DEBT SERVICE</i>				
401-591-34-77-01	Redemption of Long Term Debt Geneva AC Mains	119,937	-	
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	26,986	-	
401-592-34-83-02	Debt Service Interest Div 22 Reservoir	16,696	-	
<i>SYSTEM REINVESTMENT</i>				
	2021 System Reinvestment Projects	606,650		
401-534-10-41-20	20 Year Plan for SVWTP C19-13	64,350	-	
401-594-34-62-01	Water Structures		16,586	
401-594-34-63-01	Water System		4,469	
401-594-34-64-01	Water Equipment		-	
401-594-34-65-01	Small Water Projects		-	
WATER FUND	TOTAL WATER REVENUES	2,933,313	251,314	
	TOTAL WATER EXPENDITURES	(3,201,944)	(200,886)	6.27%
	2020 BALANCE CARRYOVER	920,000	1,042,064	
	2020 CONTINGENCY CARRYOVER	460,000	460,000	
	2021 ALLOCATED TO OPERATING RESERVES	(540,000)	(540,000)	
	2021 ALLOCATED TO WATER CONTINGENCY	(460,000)	(460,000)	
	AVAILABLE 2021 YEAR END BALANCE	111,369	552,492	

LAKE WHATCOM WATER AND SEWER DISTRICT

	Description	Budget	1/31/2021	8%
SEWER - 402				
OPERATING EXPENDITURES				
402-535-10-10	Admin Payroll (2.1% cola plus step increases - 2021)	355,000	27,486	7.74%
402-535-10-20	Admin Personnel Benefits	155,000	14,899	9.61%
402-535-10-31	Gen Admin Supplies/Equipment	25,000	198	0.79%
402-535-10-31-01	Meetings/Team building	2,000	12	0.60%
402-535-10-40	Merchant Services Fees	10,000	943	9.43%
402-535-10-40-01	Bank Fees	750	33	
	Camera Van Software annual support	1,500		
	County Auditor Filing Fees	3,000		
	Statement processing	12,500		
	Answering Service	750		
	Time clock system	750		
	Financial Software Maintenance	6,000		
	Web Check services	2,500		
	CPA (Internal audit and Financial statements)	3,000		
	Rate study	20,000		
	Records management system	7,500		
	Employee Assistance Program	600		
	IT/Cyber security support	15,000		
	Anti virus subscription	500		
	Office software upgrade	5,000		
	Building security for offices	1,000		
	Building custodial	5,000		
	Pest control	500		
	Landscaping service	4,000		
	Scada System Software Maintenance - Operations	5,000		
	Safety software	5,000		
	Hearing/Drug/Employee Testing	750		
	SCADA/PLC Support - Engineering/Operations	5,000		
	Cartegraph - Engineering/Operations	8,500		
	Auto Desk - Engineering	500		
	Rockwell - Engineering/Operations	250		
	IT Pipes	1,500		
	ESRI - ARC GIS	750		
	Whatcom County Emergency Management	10,000		
	Misc (Bid notices etc.)	2,500		
402-535-10-41-01	Professional Services (TOTAL)	128,850	18,244	14.16%
402-535-10-41-02	Engineering Services	20,000	1,101	5.51%
402-535-10-41-03	Legal Services	20,000	453	2.27%
402-535-10-41-04	DEA expenditures	-	-	
402-535-10-42	Communication	30,000	2,924	9.75%
402-535-10-45	Admin Lease (copy/printers)	5,000	417	8.34%
402-535-10-46	Property Insurance	90,000	263	0.29%
402-535-10-49	Admin Misc.	500	-	0.00%
402-535-10-49-01	Memberships/Dues/Permits	10,000	5,663	56.63%
402-535-10-49-02	WA State Dept of RevenueTaxes/County Stormwater fees	115,000	9,630	8.37%
402-535-40-43	Admin Training & Travel	10,000	35	0.35%
402-535-40-43-01	Tuition reimbursement	500	-	0.00%
402-535-50-31	Operations/Maintenance Supplies	50,000	1,736	3.47%
402-535-50-31-01	Small Assets/tools	30,000	1,261	4.20%
402-535-50-48	Operations Repair/Maint contracted work	95,000	13,606	14.32%
402-535-50-49	Insurance Claims	2,500	-	0.00%
402-535-60-41	Operations Contracted (generator load testing)	25,000	-	0.00%
402-535-60-47	Sewer City of Bellingham Treatment Fee	750,000	68,194	9.09%
402-535-80-10	Operations Payroll (2.1% cola plus step increases - 2021)	476,500	37,431	7.86%
402-535-80-20	Operations Personnel Benefits (Medical,Retirement etc)	232,000	17,243	7.43%
402-535-80-32	Fuel	13,000	938	7.22%
402-535-80-35	Safety Supplies	10,000	-	0.00%
402-535-80-35-01	Safety Supplies Boots	1,250	-	0.00%
402-535-80-35-02	Emergency Preparedness	5,000	-	0.00%
402-535-80-43-00	Operations Training/Travel/Certification	10,000	-	0.00%
402-535-80-47	General Utilities (Electric, gas, water, garbage)	105,000	10,844	10.33%
402-535-80-49	Laundry	2,000	217	10.85%
	SEWER OPERATING EXPENDITURES	2,784,850	233,771	8.39%

LAKE WHATCOM WATER AND SEWER DISTRICT

	Description	Budget	1/31/2021	8%
<i>DEBT SERVICE</i>				
402-591-35-72-03	2016 Bond Principal Payments	435,000	-	
402-592-35-83-03	2016 Bond Interest Payments	205,425	-	0.00%
<i>SYSTEM REINVESTMENT</i>				
	2021 Sewer System Reinvestment Projects	1,508,000		
402-594-35-62-02	Sewer Structures		-	
402-594-35-63-02	Sewer System		77,530	
402-594-35-64-02	Sewer Equipment		685	
402-594-35-65-02	Small Sewer Projects		-	
SEWER FUND	TOTAL SEWER REVENUES	4,439,869	390,895	
	TOTAL SEWER EXPENDITURES	(4,933,275)	(311,986)	6.32%
	2020 BALANCE CARRYOVER	1,130,000	1,515,055	
	2020 CONTINGENCY CARRYOVER	796,000	796,000	
	2021 ALLOCATED TO SEWER OPERATING RESERVES	(430,000)	(430,000)	
	2021 ALLOCATED TO SEWER CONTINGENCY	(815,000)	(815,000)	
	AVAILABLE 2021 YEAR END BALANCE	187,594	1,144,964	



LAKE WHATCOM WATER AND SEWER

INVESTMENTS/CASH AS OF 1/31/2021

Petty Cash	\$ 1,600	
Cash	\$ 452,075	0.45%
Public Funds Account	\$ 1,002,679	0.05%

WA Federal	\$ 1,456,354	
Local Gov't Investment Pool	\$ 236,306	0.14%

		PAR VALUE		YIELD
FHLMC - Pro Equity	Non-callable	\$ 969,734	Jan-22	0.06%
FHLB - Pro Equity	Callable	\$ 751,663	Apr-23	0.80%
FFCB - Pro Equity	Callable	\$ 799,999	Jan-24	0.19%
FANNIE MAE - Pro Equity	Callable	\$ 500,823	Jun-24	0.21%

US Bank Safekeeping		\$ 3,022,219		
TOTAL		\$ 4,714,879		


USE OF FUNDS:

Bond Reserve - Restricted	\$ 772,334
Contingency - Assigned	\$ 1,275,000
Operating - Unassigned	\$ 970,000
Unassigned	\$ 1,697,545
	\$ 4,714,879



**AGENDA
BILL
Item 9.D**

**Operations Department
Report**

DATE SUBMITTED:	February 18, 2021	MEETING DATE:	February 24, 2021
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 January 27, 2021 Board Meeting
Data Compiled 1/21/21 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											
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											
Annual Reports														
Name Of Report	Deadline	Completed												
WA State Cross Connection Report Prepared by: Rich	May													
OSHA 300 Log Prepared by: Rich	February 1	February 18, 2021												
Water Use Efficiency Performance Report Prepared by: Kevin	July 1													
Community Right to Know (Hazardous Materials) Prepared by: Rich & Brent	March 31													
Consumer Confidence Reports Prepared by: Kevin	June 30	Geneva		SV		EagleR		Agate Ht						
Other Reports														
Name Of Report	Deadline	Last Completed												
CPR/First Aid Training Coordinated by: Rich	Due Biennially Next Due 2021	March 23, 2019 Scheduled for March 23, 2021												
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>2021 Testing Period - Jan 1, 2021 to May 1, 2021</i>			
	Enrollments	Completions	% Complete
Engineering - Managers	81	57	70%
Engineering - Staff	28	5	18%
Field Crew - Managers	43	12	28%
Field Crew - Staff	328	138	42%
Office - Managers	25	0	0%
Office - Staff	96	52	54%
Overall	601	264	44%

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

Dates of Completed Safety Committee Meetings						
1/28/2021						
Scheduled for 2/25/21						
Summary of Work-Related Injuries & Illnesses						
	Current Month	2021	2020	2019	2018	2017
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)	0	0	0	0	0	13
Total Number of Days Away from Work (at home, in hospital, not at work)	0	0	0	0	0	4
Near Misses	0	0	0	2	2	1
Safety Coordinator Update						

Status of District Water and Sewer Systems
Prepared by Brent Winters Operations and Maintenance Manager
2/24/2021 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 0.6 million gallons per day (MGD). Agate Heights <ol style="list-style-type: none"> Plant is operating well, averaging .01 million gallons per day (MGD). <i>Distribution System</i> <ol style="list-style-type: none"> Division 30 transmission main bypass is functioning well. Staff adjusted pump cycling to keep the 3" HDPE pipe from freezing during inclement weather, and they inspected the exposed pipe daily looking for any leaks. Repaired water main leaks at 85 Sudden Valley Dr. and 13 Cold Spring Ln. Staff are continuing to look for water leaks following the hard freeze. 	
Sewer Utility Activities	
<i>Lift Stations</i> <ol style="list-style-type: none"> North Point lift station pump #1 is at Mac & Mac repair shop. Rain For Rent pump has been installed as a backup should pump #2 fail. Performed scheduled wet well cleaning and inspections. <i>Collection System</i> <ol style="list-style-type: none"> Continued televising sewer mains as weather permits. Performed scheduled air/vacuum release valve maintenance. 	
Fleet	
<i>Vehicles</i> <ol style="list-style-type: none"> All vehicles are in service. <i>Equipment</i> <ol style="list-style-type: none"> Parts have been ordered to repair the old vac truck blower. Delivery of the new service truck is delayed until the end of March. Allied ordered the wrong service body so they needed to reorder the correct one. 	
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 seven (7) contractors making connection to our system. 	