



LAKE WHATCOM WATER & SEWER DISTRICT

1220 Lakeway Drive
Bellingham, WA, 98229

(360) 734-9224
Fax 738-8250

MEMORANDUM

Date: July 21, 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/video conference. Per Governor Inslee's [Proclamation No. 20-28.3](#), the District will provide access to interested public via phone/internet utilizing the GoToMeeting platform.

If you would like to attend the July 28, 2021 regular meeting, details can be found below. In this evolving climate, we are committed to doing everything possible to provide opportunity for public comment as well as promote health and safety. As such, the District requests that if possible, public submit comments in written form by noon the day before a scheduled meeting for inclusion in the meeting discussion.

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

July 28, 2021 Work Regular Board Meeting

Wed, Jul 28, 2021 8:00 AM - 9:30 AM (PDT)

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

<https://global.gotomeeting.com/join/678764973>

You can also dial in using your phone.

United States: [+1 \(872\) 240-3311](tel:+18722403311)

Access Code: 678-764-973

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LAKE WHATCOM WATER AND SEWER DISTRICT

1220 Lakeway Drive
Bellingham, WA 98229

REGULAR MEETING OF THE BOARD OF COMMISSIONERS

AGENDA

July 28, 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—Water/Sewer Utility Bill
 - B. Draft Puget Sound Nutrient General Permit 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:	July 21, 2021	MEETING DATE:	July 28, 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 7.28.2021****

BACKGROUND / EXPLANATION OF IMPACT

- Minutes for the 7.14.21 Regular Board Meeting
- Payroll for Pay Period #15 (07/10/2020 through 07/23/2021) total to be added
- Payroll Benefits for Pay Period #15 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

REGULAR SESSION OF THE BOARD OF COMMISSIONERS

Minutes

July 14, 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	Finance Manager/Treasurer Jenny Signs
Commissioner John Carter	Operations Manager Brent Winters
Commissioner Leslie McRoberts	Recording Secretary Rachael Hope
Commissioner Bruce Ford	District Legal Counsel Bob Carmichael

Also in attendance was Melanie Mankamy, 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

Carter moved, Ford seconded, approval of:

- **Minutes for the 6.09.21 Regular Board Meeting**
- **Minutes for the 6.30.21 Regular Board Meeting**
- **Payroll for Pay Period #14 (06/26/2020 through 07/09/2021) totaling \$55,210.96**
- **Payroll Benefits for Pay Period #14 totaling \$57,960.87**
- **Accounts Payable Vouchers totaling \$131,864.73**

Motion passed.

On Call Engineering Services Consultant Selection

Clary explained that the District regularly uses the services of a consultant civil engineering firm to supplement staff services through an on-call professional services agreement (PSA). Task orders are issued on an as-needed basis to assist the District with routine professional engineering and surveying

services, expertise, and support. Wilson Engineering, LLC is the District's current on-call engineer, with a period of performance of August 8, 2016 through October 31, 2021.

The District issued an RFQ through publication in the Bellingham Herald on May 20, 2021. The District received responses from five consultant teams and a proposal review team comprised of Commissioner Ford, the general manager, assistant general manager/district engineer, construction engineer, and engineering technician/safety officer reviewed the submittals. Based upon qualifications presented, the proposal review team recommended that the Board select Wilson Engineering, LLC and authorize staff to negotiate an associated PSA. Discussion followed.

Action Taken

Citron moved, McRoberts seconded, to authorize the General Manager to enter into negotiation of a professional services agreement with Wilson Engineering, LLC for on-call general engineering services for a period of performance not to exceed five years. Motion passed.

Board Meeting Format Discussion

Clary recalled that at the outset of the COVID-19 pandemic, Governor Inslee issued Proclamation No. 20-05 declaring a state of emergency throughout Washington State, and Proclamation No. 20-28 prohibiting in-person meetings and waiving and suspending laws associated with the Open Public Meetings Act (Chapter 42.30 RCW). As a result, the District converted to an entirely remote meeting format using the GoToMeeting online meeting platform.

As a public agency, meetings of the District's governing body (the Board of Commissioners) are subject to the requirements of the OPMA. On June 30, 2021, Governor Inslee substantially amended the Miscellaneous Venues guidance to remove nearly all capacity and operational restrictions that had previously been in that guidance document. The newly revised Miscellaneous Venues guidance now only applies to venues for public meetings and provides in its entirety:

As of June 30, 2021, the following apply to governing bodies of public agencies opting to host in-person public meetings under the Open Public Meetings Act, as permitted under Emergency Proclamation 20-28, et seq:

- *No restrictions on capacity*
- *No physical distancing requirements*
- *Follow current applicable face covering requirements as outlined in Proclamation 20-25, et seq, Secretary of Health Order 20-03.2, and LNI Publication F414-179.*

Clary suggested Board discussion regarding when and how to return to in-person public meetings, with key considerations being the removal physical distancing requirements, potential proof of vaccination requirements, and ability to continue to provide a virtual/remote attendance option. Discussion ensued, in which the Board requested to begin in-person meetings beginning with the August 11 regular board meeting, with an option in place for remote access for both staff and public.

General Manager's Report

Clary updated the Board on several topics, including the District's continued response to the COVID-19 pandemic, increases in permit sales and new construction projects within the District, and formal welcoming of new Finance Manager/Treasurer Jennifer Signs. A lengthy discussion followed regarding

the Department of Ecology Draft Puget Sound Nutrient General Permit, which will continue via a regular agenda item at the July 28, 2021 regular board meeting.

With no further business, Abele adjourned the Regular Session 7:33 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:	July 7, 2021	MEETING DATE:	July 28, 2021
TO: BOARD OF COMMISSIONERS		FROM: Jennifer Signs, Finance Manager	
GENERAL MANAGER APPROVAL			
ATTACHED DOCUMENTS		1. Letter from Kathy & Jim Heidenreich dated 7/7/2021	
		2. Utility account history and notes	
		3. Administrative Code references	
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 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.”

The District has received a letter (attached) from Kathy & Jim Heidenreich dated July 7, 2021, requesting an appeal to the Board for relief from water consumption charges. Mr. & Mrs. Heidenreich’s appeal is associated with water utility charges incurred as a result of a leak in the water service line located between the district meter and their house that occurred during the bi-monthly billing period of April 21 through June 21’ of 2021.

District Administrative Code allows for leak adjustments (Section 2.10.8) when leak adjustments are for “...water bills resulting from in-ground water service line breaks between the water meter and the outermost exterior walls of the structure.” This leak qualifies adjustment under Section 2.10.8.

Historically, staff has completed an administrative leak adjustment credit in instances where the excess consumption has been specifically attributed to a qualifying leak. District staff calculated this adjustment on July 12, 2021 (see attached), which results in a reduction of Mr. and Mrs. Heidenreich’s water utility bill by \$1,000.00.

When staff offered Mr. Heidenreich the above adjustment, he stated that he felt that wasn’t enough. Staff explained to Mr. Heidenreich 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 further reduce water consumption charges outside of the leak adjustment policy defined in the Administrative Code. Staff proceeded to ask him what would be an acceptable

adjustment regarding this issue and he stated that he felt he shouldn't have to pay for any of it. Staff stated that it wasn't within the realm of the code to offer such an adjustment. Mr. Heidenreich was not satisfied with this response and elected to appeal the General Manager's decision to the Board, as allowed under the Administrative Code.

Following provides a summary of events relative to Mr. Heidenreich's appeal:

- June 21, 2021: Meter was read; consumption of 16,343 cubic feet recorded.
- June 22, 2021: Staff went back to the property to perform a new read to verify consumption.
- June 29, 2021: District criteria for notifying customer of high usage (2,500 cubic feet per Administrative Code Section 4.4.3(7)) prompted a letter being sent pointing out the high usage.
- July 1, 2021: Utility bill was mailed to customer.
- July 7, 2021: Mr. Heidenreich submitted a letter to the district office stating that when he and his wife returned from vacation (June 1 – June 19), they noticed water puddling in their driveway. He states in his letter that they contacted a plumber and initiated repairs on June 26, 2021. Staff explained to Mr. Heidenreich that they have done everything that they are allowed to under the Administrative Code, and that the maximum amount to be adjusted would be applied to their utility account. Staff also explained that the code doesn't allow for an adjustment to completely zero the bill out in regards to the water usage leaked out of the system. The customer felt they shouldn't be responsible for the whole bill. As a result, the sole recourse is to appeal his bill to the Board of Commissioners.
- July 12, 2021: Leak adjustment was calculated in the amount of \$1,000. The customer has elected to file an appeal with the Board of Commissioners before the credit is applied to the account.

Enclosed Documents For Reference

- Letter from customer stating concerns and their findings
- Water Leak Adjustment Credit Form completed by customer
- District Courtesy Notification regarding high consumption detected
- Sewer Inspection Report of House Connection dated September 16, 1989
- Customer's July 2021 billing
- District Water Leak Adjustment Credit Worksheet 2021
- Account history of water consumption and billing history of customer's account

FISCAL IMPACT

Customer request would reduce Mr. & Mrs. Heidenreich's July 2021 billing by \$2,073.82.

APPLICABLE EFFECTIVE UTILITY MANAGEMENT ATTRIBUTE(S)

Financial Viability

RECOMMENDED BOARD ACTION

The District must apply billing policies consistently to all customers. Staff recommends that the Board uphold its billing policies, as implemented.

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 Mr. & Mrs. Heidenreich’s appeal for a full leak adjustment.”

Should the Board wish to grant an exception to the Administrative Code to allow for further reduction in the Mr. & Mrs. Heidenreich’s utility bill to account for the leak, a recommended motion is:

“I move to grant an exception to Administrative Code Section 2.10.8 specific to the July 2021 utility bill for 4533 Whitney Street, and allow for a further leak adjustment in the amount requested by customer of \$2,073.82.”

#060000884
4533 Whitney St.

July 7, 2021

Lake Whatcom Water and Sewer District

Good Morning,

We have lived here in Geneva for 26 years and have been thoughtful residents regarding water usage. We recently took a 19 day long adventure in our camper (June 1 – June 19th) and returned to find puddling water on our driveway.

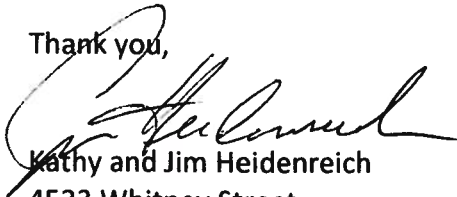
We noticed that the meter was spinning while not using water in the house. Miquel with the Water District paid us a visit to inform us that he read the meter and our water usage was up significantly. We turned off the mains. We immediately contacted multiple plumbers and requested as built drawings for the incoming water line from Water District No. 10. These drawings were not available for water - only for sewer so we had to dig and dig and dig to find the incoming pipe. We only turned on the water for brief showers during this time and limited our water usage.

Without drawings we excavated for 3 days! We finally found the water line 5 feet deep coming out of the meter straight down which surprised everyone. Once we located the pipe, we excavated the line and replaced the damaged pipe on June 26th. We have spent quite a bit of money already on remedying this situation.

Miquel was very helpful during this process and we would like to thank him. He informed us that the Water District would mail us a notice and that we could request a reduction to our bill during the leak. We now have the bill for \$2149. Wow, almost 10 times our normal bill!

Your consideration for a reduction is much appreciated.

Thank you,



Kathy and Jim Heidenreich
4533 Whitney Street
Bellingham, WA 98229
360-739-4215



Lake Whatcom Water & Sewer District

'21 JUL 7 10:44AM

1220 Lakeway Dr
Bellingham, WA 98229

www.lwwsd.org
Office Hours:
Mon-Thu 8 a.m. - 5 p.m.

360-734-9224
Fax: 360-738-8250

Water Leak Adjustment Credit Form

Account Information

Date: 7/7/2021 Account Number: 060000884

Street Address: 4533 Whitney St.

Owner's Name: JAMES HEIDENREICH

Owner's Mailing Address: 4533 Whitney St Bellingham WA 98229
Street City State Zip

Owner's Contact Phone Number: 360-739-4215

Owner's Email Address: JIM.HEIDENREICH@COMCAST.NET

Leak Information

Location of Leak: 10' FROM METER 5' DEEP

Date Leak was Discovered (Approximate): 6/19/2021

Date Leak was Repaired (Approximate): 6/24/2021

☒ Receipts of Repair Included/Attached \$1800 CASH PAID EXCAVATOR (2 OF THEM)
LANDSCAPE REPAIR, FENCE REPLACEMENT

☒ I acknowledge that I have read and understand the Leak Adjustment Policy on the back of this form.

I, the undersigned, do hereby acknowledge that I have received and understand Lake Whatcom Water and Sewer District's policy regarding Water Bill Leak Adjustments on the back of this form. I understand that it is not the responsibility of Lake Whatcom Water and Sewer District to inform me of any possible leak at my property. As a courtesy, Lake Whatcom Water and Sewer District may send me a letter or a Field Representative may leave a door tag with information. I may request a meeting with a Field Representative from Lake Whatcom Water and Sewer District to explain the meter reading procedure so that I may determine when a leak has been repaired. I understand that as the property owner, I am ultimately responsible for all water and sewer charges for this property. Should any leak on my property qualify for a Water Leak Adjustment Credit, any Water Leak Adjustment Credit will remain on the property utility account. I also acknowledge that this property will only be eligible for one (1) Water Leak Adjustment Credit per owner.

My signature below is my confirmation that this leak has been repaired and that I understand this policy.

Owner Signature: [Signature]

Date: 7/7/2021



Lake Whatcom Water and Sewer District

1220 Lakeway Drive

Bellingham, WA 98229

www.lwwsd.org

Office Hours: Monday – Thursday, 8:00am – 5:00pm

(360) 734-9224, Fax (360) 738-8250

James Heidenreich

4533 Whitney St

Bellingham, WA 98229

June 29, 2021

COURTESY NOTIFICATION

SITE ADDRESS: 4533 Whitney St

ACCOUNT # 60000884

BILLING PERIOD: April 21st – June 21st

This courtesy notification concerns the water and sewer account for the above listed property located in Bellingham, WA. Based on the most recent meter reading, we have detected an increase in water consumption at this property. Below is the usage for the above billing period as well as pending water charges for that usage.

USAGE 16343 cubic feet

WATER CHARGES \$2149.8699999999999

Increases in water consumption occur for a variety of reasons. Examples include seasonal variations, changes in lifestyle or number of occupants, new appliances, and increased or decreased water conservation efforts. Occasionally, increases may be due to water loss through a leak or malfunctioning hardware. If you suspect a leak, areas to check include:

1. Faucets – check for drips
2. Toilets – check for running and improperly flushing toilets
3. Outside faucets/irrigation systems – check for leaking/dripping
4. Line from meter to building – check for breaks

The District maintains the water line up to and including the meter. It is the homeowner's responsibility to maintain the water lines from the meter to the house and throughout the house. If you have questions or we may be of further assistance, please do not hesitate to contact us.

Thank you,

Lake Whatcom Water and Sewer District

Office Hours: Monday – Thursday, 8:00am – 5:00pm

Closed Fridays and Holidays

www.lwwsd.org

WATER DISTRICT NO. 10
SEWER INSPECTION REPORT OF HOUSE CONNECTION

DATE
PERMIT #

60000887
884
Sept. 16-89

OWNER

LEGAL DESCRIPTION

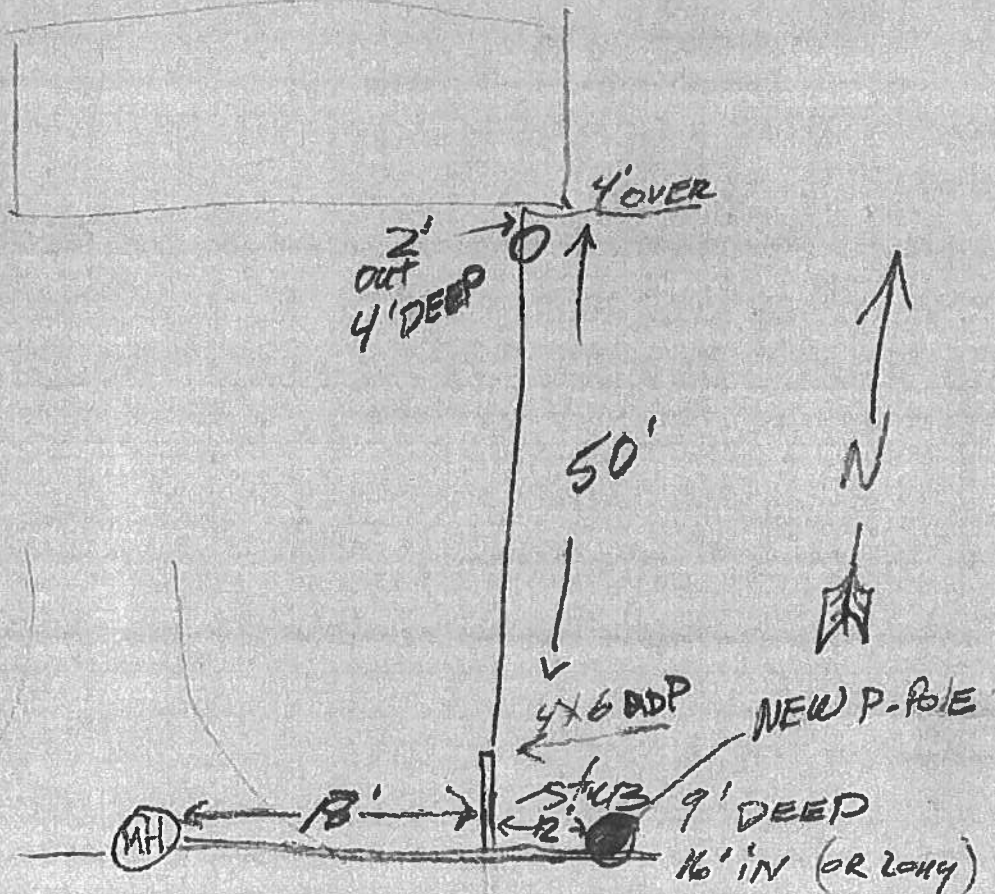
SERVICE ADDRESS

CONTRACTOR

Lyle Wilhelms

4533 Whitman

K+E ELMED H.



PIPE SIZE 4" PIPE MATERIAL PVC TOTAL LENGTH 50'x4 + 16'x6" stub
COVER OVER PIPE 2'-9" SLOPE 570
SOIL CONDITION good CONNECTION TO MAIN stub
TEST DATA water INSPECTOR 43-

Account Information

Statement Date: 07/01/2021 **Due:** 08/20/2021
Billing Period: May & June
Account Number: 060000884
Service Address: 4533 WHITNEY ST



JAMES HEIDENREICH
 4533 WHITNEY ST
 BELLINGHAM, WA 98229

Due Date: 08/20/2021
Please Remit: 2,321.54
Check #: _____
Amount Paid: _____

Please remit payment to:

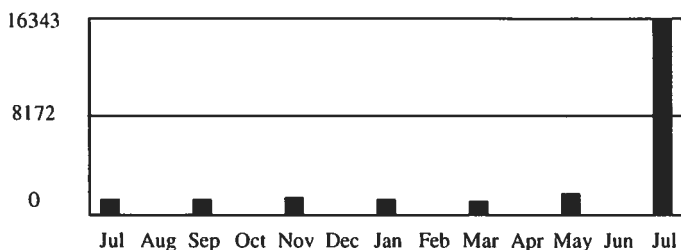
LWWSD
 1220 Lakeway Drive
 Bellingham, WA 98229

Please contact us if you have any questions at (360) 734-9224, Monday through Thursday, 8am to 5pm.

You may also email us 24 hours a day, 7 days a week at ar@lwwsd.org, or visit our website at www.lwwsd.org.

Account Name

JAMES HEIDENREICH
 4533 WHITNEY ST
 BELLINGHAM, WA 98229

Your Monthly Consumption**Message****Account Information**

Statement Date: 07/01/2021 **Due:** 08/20/2021
Account Number: 060000884
Service Address: 4533 WHITNEY ST
Service Number: 060000884
Billing Period: May & June
Water Units: 1.00 3/4" Meter
Sewer Units: 1.00 Sewer Base Charge
Misc Units:
Water 2 Units: Written From Filter Search

Meter Information

Previous	Current	Factor	Date	Consumption
30576	46919	1.0000	06/21/2021	16343

W

Account Activity

Water Base Charge 76.05
 Water Consumption 2,073.82
 Sewer Base Charge 171.67

Account Balance

Previous Balance: 336.31
 Adjustments: 0.00
 Payments: 336.31
 Current Charges: 2,321.54
Balance: 2,321.54

Account
 60000884



Water Leak* Adjustment Credit Worksheet 2021 FOR LEAKS OVER 2,500 CUBIC FEET

*Leak must be in-ground between water meter and entry point of service into building
Refer to Lake Whatcom Water and Sewer District Administrative Code
regarding Leak Adjustments for more information.

ACCOUNT INFORMATION

Account Number: 60000884

Service Address: 4533 Whitney St.

Owner Name: James Heidenreich

Billing Period of Leak: May/June 2021

Calculation Date: 7/12/2021

CREDIT CALCULATION

1 Water consumption, in cubic feet, during billing period of leak occurrence:

16,343

2 Non-leak water volume*:

957 ft³

- If owner has occupied for at least 12 months, insert water consumption volume for same billing period as previous year
- If less than one year's usage history exists, the highest water consumption figures since current occupancy will be used
- If leak occurs on occupant's first bill, insert 600ft³

3 Leak Volume (line 1 - line 2):

15,386 ft³

4 Adjusted Leak Volume (line 3 x .50):

7,693.0 ft³

5 T1 Overage Credit (line 4 x .1079)

\$830.07

6 T2 Overage Credit (see attachment for calculation)
\$13.50=Overage above 2500, per100cf

\$375.15

WATER BILL CALCULATION

7 Customer's original TOTAL bill during billing period of leak occurrence:

\$2,321.54

8 Minus TOTAL Credit: (line 5 + line 6)

CANNOT EXCEED \$1,000

\$1,205.22 \$1,000.00

9 Minus any late charge incurred corresponding to the billing period
of leak occurrence:*

\$0.00

☐ applied and reversed from next billing cycle

10 New adjusted bill: (line 7 - line 8 - line 9)

\$1,321.54

Clerk's Signature

Roxanne

Date

7/12/2021

Approved by Manager

Date

T2 RATE CALCULATION @ T1 RATES**BILLING CYCLE:** 7/1/2021 **Account #** 60000884

1	Water consumption, in cubic feet, during billing period of leak occurrence:	16,343 ft ³
2	Less T1 Limit:	2,500 ft ³
3	Total T2 consumption	13,843 ft ³
4	Total T2 Charge (line 3) 3 x .1350 \$13.50 = overage amount per 100ft ³ for 2021. 1 ft ³ of overage = \$0.1350 for overage over 2500ft ³ .	\$1,868.81
5	Total T2 Charge at T1 Rate (line 3 x 0.1079): \$10.79 = overage amount per 100ft ³ for 2021. 1 ft ³ of overage = \$0.1079 for overage up to 2500ft ³ .	\$1,493.66
6	T2 Credit (line 4 - line 5):	\$375.15

TOTAL T2 CREDIT: **\$375.15**

Utility Reads

Lake Whatcom W-S District

Time: 10:28:15 Date: 07/12/2021

Page: 1

For: 4533 WHITNEY ST

Billing Date	Read	Prior	Consumption	Read Date	Time	Account	Remark
07/01/2021	46919	30576	16,343	06/21/2021		60000884	6/22 CYRUS CHECKED
05/01/2021	30576	29155	1,421	04/19/2021		60000884	4/20 S.S./T-2 CUSTOMER-
03/01/2021	29155	28332	823	02/18/2021		60000884	
01/01/2021	28332	27500	832	12/17/2020		60000884	
11/01/2020	27500	26437	1,063	10/19/2020		60000884	
09/01/2020	26437	25535	902	08/19/2020		60000884	
07/01/2020	25535	24578	957	06/18/2020		60000884	
05/01/2020	24578	23569	1,009	04/20/2020		60000884	
03/01/2020	23569	22952	617	02/18/2020		60000884	
01/01/2020	22952	22090	862	12/18/2019		60000884	
11/01/2019	22090	21192	898	10/21/2019		60000884	
09/01/2019	21192	19563	1,629	08/19/2019		60000884	
07/01/2019	19563	18789	774	06/20/2019		60000884	
05/01/2019	18789	17861	928	04/22/2019		60000884	
03/01/2019	17861	16899	962	02/19/2019		60000884	
01/01/2019	16899	15967	932	12/17/2018		60000884	
11/01/2018	15967	14841	1,126	10/22/2018		60000884	
09/01/2018	14841	11833	3,008	08/20/2018		60000884	OK/SEAS
07/01/2018	11833	9708	2,125	06/19/2018		60000884	
05/01/2018	9708	9022	686	04/19/2018		60000884	
03/01/2018	9022	8037	985	02/20/2018		60000884	
01/01/2018	8037	6705	1,332	12/18/2017		60000884	
11/01/2017	6705	3891	2,814	10/18/2017		60000884	10/19--#61 N/S--NEW LAV
09/01/2017	3891	1327	2,564	08/21/2017		60000884	8/23 24 HR #47 N/S-LETT
07/01/2017	1327	0	1,327	06/19/2017		60000884	
05/03/2017	122192	121863	329	05/03/2017	00:00	60000884	Meter Changeout
05/01/2017	121863	120714	1,149	04/19/2017		60000884	
03/01/2017	120714	119459	1,255	02/21/2017		60000884	2/22 24 hr 47 n/s
01/01/2017	119459	118253	1,206	12/19/2016		60000884	
11/01/2016	118253	116569	1,684	10/20/2016		60000884	
09/01/2016	116569	115093	1,476	08/22/2016		60000884	
07/01/2016	115093	113615	1,478	06/22/2016		60000884	
05/01/2016	113615	112348	1,267	04/22/2016		60000884	
03/01/2016	112348	111407	941	02/17/2016		60000884	
01/01/2016	111407	110080	1,327	12/16/2015		60000884	
11/01/2015	110080	108713	1,367	10/15/2015		60000884	
09/01/2015	108713	106931	1,782	08/17/2015		60000884	
07/01/2015	106931	105237	1,694	06/17/2015		60000884	
05/01/2015	105237	103933	1,304	04/16/2015		60000884	
03/01/2015	103933	102354	1,579	02/17/2015		60000884	
01/01/2015	102354	100978	1,376	12/15/2014		60000884	
11/01/2014	100978	99186	1,792	10/16/2014		60000884	
09/01/2014	99186	97293	1,893	08/18/2014		60000884	

UTILITY ACCOUNT HISTORY

Lake Whatcom W-S District

Time: 10:27:56 Date: 07/12/2021
Page: 1

07/01/2020 To: 07/12/2021

HEIDENREICH, JAMES: 060000884; Service Location: 060000884

4533 WHITNEY ST

4533 WHITNEY ST	Current	Previous	Water Usage	Sewer Usage	Current	Previous	electric Usage	Demand	Chg/Pymt	Balance
07/01/2020 Bill	Billing	25535	24578	957				0	277.67	277.67
07/28/2020 Payment	130222444PT							0	-277.67	0.00
09/01/2020 Bill	Billing	26437	25535	902				0	271.96	271.96
09/08/2020 Payment	132717630PT							0	-271.96	0.00
11/01/2020 Bill	Billing	27500	26437	1063				0	288.67	288.67
11/13/2020 Payment	136854035PT							0	-288.67	0.00
01/01/2021 Bill	Billing	28332	27500	832				0	264.69	264.69
01/22/2021 Payment	141196129PT							0	-264.69	0.00
03/01/2021 Bill	Billing	29155	28332	823				0	271.78	271.78
03/22/2021 Payment	145050152PT							0	-271.78	0.00
05/01/2021 Bill	Billing	30576	29155	1421				0	336.31	336.31
05/08/2021 Payment	148002083PT							0	-336.31	0.00
07/01/2021 Bill	Billing	46919	30576	16343				0	2,321.54	2,321.54

Billing Periods	7	Billed Amt:	4,032.62	Avg	576.09
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**AGENDA District Comment on the Department
BILL of Ecology Draft Puget Sound
Item 7.B Nutrient General Permit**

DATE SUBMITTED:	July 21, 2021	MEETING DATE:	July 28, 2021
TO: BOARD OF COMMISSIONERS	FROM: Justin Clary, General Manager		
GENERAL MANAGER APPROVAL			
ATTACHED DOCUMENTS	1. Draft Comment Letter regarding the Draft Puget Sound Nutrient General Permit		
TYPE OF ACTION REQUESTED	RESOLUTION <input type="checkbox"/>	FORMAL ACTION/ MOTION <input type="checkbox"/>	INFORMATIONAL /OTHER <input checked="" type="checkbox"/>

BACKGROUND / EXPLANATION OF IMPACT

In January 2020, the Washington State Department of Ecology (Ecology) announced the initiation of the development of a Nutrient General Permit that would focus on limiting discharge of excess nutrients, particularly nitrogen, to the Puget Sound from domestic wastewater treatment plants (WWTPs). Ecology's development of a general permit is intended reduce nitrogen concentrations in WWTP effluent, which contribute to low oxygen levels in Puget Sound. The City of Bellingham's Post Point WWTP, which treats the District's wastewater through an interlocal agreement, is one of the WWTPs that will be regulated under the General Permit (in addition to an Individual Permit specific to the Post Point WWTP).

Throughout 2020, Ecology convened through a series of meetings a General Permit Advisory Committee comprised of regional treatment plant representatives, state agencies, the U.S. Environmental Protection Agency, and the environmental community. The Washington Association of Sewer and Water Districts (WASWD) was represented on the Committee by Judi Gladstone (WASWD executive director) and Jeff Clarke (Mukilteo Water & Wastewater District commissioner). The committee members brought a diverse array of perspectives to both the process undertaken, and the final recommendations to be considered for incorporation into the draft General Permit.

Within the interlocal agreement between the City of Bellingham and the District for conveyance to and treatment of wastewater generated by the District at the Post Point WWTP is a clause that the District is responsible for payment for any capital improvements to the WWTP at its current allocated capacity (4.8%). It is anticipated that implementation of the General Permit and any associated Individual Permit will require significant upgrades to the WWTP (conceptual level estimates by the City of Bellingham have indicated ultimate upgrades in the \$300-500 million range, which would equate to \$14.4-24 million for the District). Therefore, though the District does not own or operate a WWTP that will be regulated under the Nutrient General Permit, it will likely be impacted by the actual requirements that are implemented. As a result, the District submitted a comments on the *preliminary draft* Permit on March 10, 2021. Ecology considered all comments received on the preliminary draft Permit, and has issued a revised *draft* Permit and is accepting public comment through August 16, 2021. Working with WASWD, the District has developed a draft

letter (attached) for consideration for submittal prior to the August 16, 2021, closure of the public comment period.

FISCAL IMPACT

No fiscal impact is anticipated associated with submitting the proposed comment letter to Ecology.

APPLICABLE EFFECTIVE UTILITY MANAGEMENT ATTRIBUTE(S)

Product Quality

Customer Satisfaction

Financial Viability

Stakeholder Understanding and Support

RECOMMENDED BOARD ACTION

Recognizing there are two Board meetings scheduled prior to the closure of the public comment period, the draft letter is presented during the July 28 Board meeting for discussion purposes only.

PROPOSED MOTION

None



1220 Lakeway Drive
Bellingham, WA 98229
(360) 734-9224

August XX, 2021

Eleanor Ott, PE
Washington State Department of Ecology
PO Box 47696
Olympia, WA 98504-7696

Re: Draft Puget Sound Nutrient General Permit Comments

Dear Ms. Ott:

The Lake Whatcom Water and Sewer District, authorized as a special purpose district under Title 57 Revised Code of Washington, operates water and sewer utilities located wholly within the Lake Whatcom Watershed. Operating utilities within this environmentally sensitive area, which serves as the drinking water source for over 100,000 people, the District takes seriously its commitment to sound environmental stewardship. The District also recognizes that its environmental footprint is larger than its service area—all wastewater collected by the District is conveyed out of the watershed for treatment at the City of Bellingham's Post Point Wastewater Treatment Plant, the effluent of which is discharged to Puget Sound.

As a partner in funding any capital improvements to the Post Point WWTP, the District has closely followed the development of the Puget Sound Nutrient General Permit. The District fully recognizes the Department of Ecology's responsibility to maintain compliance with water quality standards and to address dissolved oxygen impairment in sensitive areas of the Sound, and greatly appreciates Ecology's attempt at addressing our and many other utilities' concerns in the modification of the Permit between its preliminary draft and draft revisions. The District, however, remains concerned with implementation of the new regulatory requirements defined within the proposed Permit without Ecology having first verified the modeling results upon which the draft Permit is based with sufficient sampling and data analysis, or fully exploring the effectiveness and costs of removal technologies. The District believes that the significant investments in nutrient control that will be required of treatment plants will have broad societal impacts on affordability, equity, energy use, and greenhouse gas emissions. It is with these concerns that the District Board of Commissioners has authorized the issuance of this letter as the District's formal comments on the draft Permit.

The District submits the following comments on the draft Permit issued by Ecology on June 16, 2021:

1. *Better scientific foundation:* There remain significant scientific uncertainties associated with understanding dissolved oxygen depletions in Puget Sound relative to the use of the Salish Sea Model as the tool to support regulatory requirements. Using a model based upon limited data to generate Puget Sound-wide effluent limits is premature, and causes great concern for WWTP operators that will be required to

adhere to such limits that may be irreversible under the Clean Water Act's anti-backsliding provision, even if additional data and future modeling demonstrate that less stringent limits are appropriate. Additionally, Ecology has not fully considered the environmental trade-offs that will be created by the Permit, such as the increase in greenhouse gas emissions that will result from implementation of available nitrogen removal technologies at WWTPs.

2. *Better distinction between regions of the Sound:* There may be reasons to require improvements to certain facilities, depending on their location and circumstances. However, the proposed permit treats all WWTPs throughout the region as contributing to the dissolved oxygen problem based on nitrogen concentrations and flows, and not factoring in locations. The District believes this to be incorrect and not backed by the science. Ecology's maps show what appear to be highly localized areas of dissolved oxygen impacts, yet the draft Permit treats it as a Sound-wide problem.
3. *Economic impacts must be considered:* Implementation of the draft Permit is projected to require significant and costly improvements to WWTPs throughout the Puget Sound, which will ultimately be borne by the citizens and businesses of the Sound through rate increases—in some cases projected to require tripling of current rates. Considered in aggregate with stormwater, habitat restoration and other actions necessary for Puget Sound recovery, Ecology should recognize the cumulative cost of these projects and prioritize those with the greatest water quality benefit.
4. *Alternative approaches should be fully explored:* Ecology should first explore alternative approaches to improving Puget Sound water quality. For example, an approach could be to initially focus on shallow bays where dissolved oxygen is most problematic. This would achieve the most impactful water quality benefit while allowing sufficient time to collect necessary data and complete modelling refinements applicable to the entire Sound. The District fully supports restoration of Puget Sound, but also believes Ecology has not fully explored alternatives that would lead to the most efficient and impactful path to water quality improvement.

The District feels it important to reiterate its commitment to protecting the water quality of Puget Sound; however, it has significant concerns related to the draft Permit being based on disputed science that may be irreversible if implemented as is, failure to fully consider alternative approaches to reaching the goal of improved water quality throughout Puget Sound, and lack of consideration of the costs of facility improvements that will ultimately be borne by the general public through significant rate increases. The District strongly encourages that Ecology considers permit requirements that will produce effective and affordable protection of Puget Sound water quality.

Eleanor Ott, PE
August XX, 2021
Page 3

Sincerely,

Lake Whatcom Water and Sewer District

A handwritten signature in blue ink, appearing to read "Justin L. Clary", is positioned above a horizontal line.


Justin L. Clary, PE
General Manager

cc: Bellingham City Council
Whatcom County Council
Washington State Legislators, 40th and 42nd Districts
Washington Association of Sewer and Water Districts



**AGENDA
BILL
Item 9.A**

**General Manager's
Report**

DATE SUBMITTED:	July 21, 2021	MEETING DATE:	July 28, 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, July 28, 2021 – 8:00 a.m.

Important Upcoming Dates

Lake Whatcom Water & Sewer District			
Regular Board Meeting	Wed Aug 11, 2021	6:30 p.m.	Board Room
Employee Staff Meeting	Thu Aug 12, 2021	8:00 a.m.	Board Room Commissioner Abele to attend
Investment Comm. Meeting	Wed Jul 28, 2021	10:00 a.m.	Remote Attendance
Safety Committee Meeting	Thu Aug 26, 2021	8:00 a.m.	Board Room
Lake Whatcom Management Program			
Data Group Meeting	Thu Aug 12, 2021	9:00 a.m.	Remote Attendance
Policy Group Meeting	Wed Sep 1, 2021	3:00 p.m.	TBD
Joint Councils Meeting	March 2022	TBD	TBD
Other Meetings			
WASWD Section III Meeting	Tue Aug 10, 2021	7:00 p.m.	Remote Attendance
Whatcom Water Districts Caucus Meeting	Wed Aug 18, 2021	1:00 p.m.	TBD
Whatcom County Council of Governments Board Meeting	Wed Oct 13, 2021	3:00 p.m.	TBD

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 last board meeting.

Upcoming Board Meeting Topics

- Agate Heights water treatment plant public works project contract closeout
- Dellesta/Edgewater sewer lift stations improvements public works project contract closeout
- Beaver/Flat Car sewer lift stations PLC replacement public works project contract closeout
- Sudden Valley water treatment plant master plan alternatives work session
- Rocky Ridge/Lakewood sewer lift stations improvements design project award
- COVID-19-specific customer payment plan discussion

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 is nearing completion of first revision of the plan that takes 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 presentation on progress was provided during the May 26 board meeting; most work is on-hold until cost projections associated with the Sudden Valley water treatment plant master plan are finalized.

Investment Policy Review

- Conduct a comprehensive review of the District's investment policy aimed at optimizing return on investments while sufficiently protecting District funds.
Resolution No. 473, which revised and incorporated the investment policy into the administrative code, was adopted by the board during its April 28 meeting.

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), the Water Use Efficiency Plan update (District Project No. A2115), and the Commissioner Boundary Update project (District Project No. A2116).

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.
Jennifer Signs joined the District on June 28.

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.
A negotiations kick-off meeting was held July 20; subsequent meetings have been scheduled for August 2 and 16.

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 nearing completion.

Community/Public Relations

General

- Website
The District's web content is reviewed and updated on a regular basis.
- Social Media
Posts are made to District Facebook and LinkedIn pages regularly; Nextdoor is regularly monitored for District-related posts.
- Press Releases
Press releases were issued on February 24 (public notification of daytime road closures assoc. with Division 30 water main repairs), March 1 (EnviroStars certification) and July 8 (Jenny Signs hire).

Intergovernmental Relations

- *J Clary attended the Puget Sound Nutrient General Permit public hearing (virtual) on July 20.*
- *J Clary scheduled to attend the July 26 Bellingham city council meeting regarding a presentation on PFAS in biosolids.*

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. J Clary has since been notified that he is a finalist for the appointment (now under consideration by Governor Inslee).*

Lake Whatcom Water Quality

Management Program

- Participate in meetings of Lake Whatcom Management Program partners.
No LWMP-related meetings were held during the reporting period.


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:	July 21, 2021	MEETING DATE:	July 28, 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 July 28, 2021 Board Meeting
Data Compiled 7/21/21 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	3910	68	44	2
Remaining Capacity (ERUs)	**	17	13	0
Permitted ERUs Under Construction	29	0	0	0
Pre-paid Connection Certificates & Expired Permit	13	0	5	0
Water Availabilities (trailing 12 months)	61	0	0	0
Subtotal - Commitments not yet connected	103	0	5	0
Available ERUs	**	17	8	0

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

Annual Reports		
Name Of Report	Deadline	Completed
Report Number of Sewer ERUs to City of Bellingham Prepared by: Bill	January 15	March 22, 2021
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	2018
Water Right Permit No. S1-25121 Development Extension	Due Every 5 Years Next Due March 30, 2023	2018

Summary of District Projects

Report Prepared 7/21/2021

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	\$1,052,908	\$637,696												
C 1814	Agate Heights WTP and Opal Booster Upgrades	\$359,320	\$331,890	\$27,430												
C 1908	Fire Flow Improvements - Hydraulic Model Calibration	\$15,000	\$12,381	\$2,619												
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	\$66,807	\$5,193												
C 1913	SVWTP 20-Year Facility Plan	\$159,710	\$101,741	\$57,969												
M 1917	Beaver & Flat Car PLC and UPS Improvements	\$118,191	\$80,808	\$37,383												
C 2003	Sewer System Rehab and Replacement Projects	\$116,640	\$124,884	\$8,244												
C 2006	SCADA Telemetry - Managed Ethernet Switches	\$20,000	\$14,089	\$5,911												
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	\$43,351	\$3,351												
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	\$14,760	\$15,240												
A 2101	General Engineering Services - 5 Year Contract			\$0												
C 2102	Annual Asphalt Patching	\$35,000	\$20,805	\$14,195												
C 2103	Centimeter Grade GPS with Real Time Corrections & Training	\$20,000		\$20,000												
C 2104	Exterior Receptacles for Block Heaters and Battery Chargers	\$10,000		\$10,000												
C 2105	HDPE Pipe Electro fusion Machine & Crew Training	\$11,000	\$4,878	\$6,122												
C 2106	SVWTP to SVPS Telemetry Comm Study, Testing	\$10,000	\$1,882	\$8,118												
C 2107	Camp Firwood Dead End Water Main Auto Flusher	\$5,000		\$5,000												
C 2108	SVWTP Raw Water Intake Piping Verify Alignment / Excavation	\$15,000		\$15,000												
C 2109	Geneva Res Insert Valve for Emergency Isolation	\$25,000		\$25,000												
C 2110	Division 30 Booster PLC and UPS Improvements	\$60,000		\$60,000												
C 2111	Div 7 Reservoir Predesign, Esmts & Permitting	\$63,000	\$2,240	\$60,760												
C 2112	Rocky Ridge & Lakewood Predesign and Shoreline Permitting	\$140,000		\$140,000												
C 2113	Flat Car Reverse Flow to SVPS - Design & Permitting	\$50,000		\$50,000												
C 2114	LWBI CIPP, and I&I	\$180,000	\$439	\$179,561												
A 2115	Water Use Efficiency Goals Update															
A 2116	Commissioner District Boundary Census Update															
M 2117	Janitorial Services															
M 2118	Div 30 Transmission Line Break	\$143,449	\$143,449	\$0												
A 2119	Sewer Capacity Analysis	\$10,000														

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:	July 21, 2021	MEETING DATE:	July 28, 2021
TO: BOARD OF COMMISSIONERS	FROM: Debi Denton, Finance Manager		
GENERAL MANAGER APPROVAL			
ATTACHED DOCUMENTS	1. 2021 Q2 Quarterly Financial Report		
	2.		
	3.		
TYPE OF ACTION REQUESTED	RESOLUTION <input type="checkbox"/>	FORMAL ACTION/ MOTION <input type="checkbox"/>	INFORMATIONAL /OTHER <input checked="" type="checkbox"/>

BACKGROUND / EXPLANATION OF IMPACT

Updated information regarding District finances in advance of the Board meeting.

FISCAL IMPACT

None.

RECOMMENDED BOARD ACTION

None required.

PROPOSED MOTION

None.



Quarterly Financial Report Second Quarter 2021

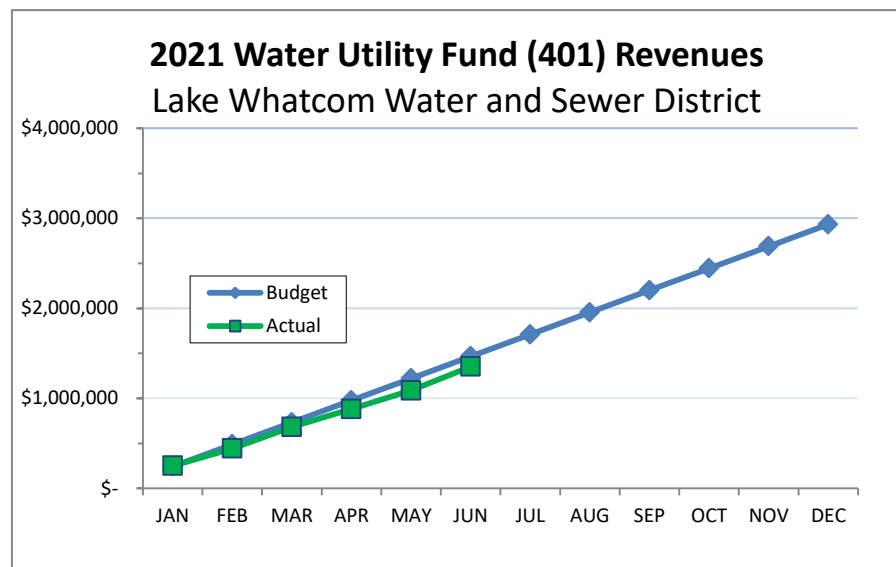
Lake Whatcom Water and Sewer District
Bellingham, Washington

Summary

Through the first half of 2021, revenues associated with the Lake Whatcom Water and Sewer District's (District) Water Utility Fund (Fund 401) and Sewer Utility Fund (Fund 402), which serve as the primary operational funds for the District's water and sewer utilities, respectively, largely followed financial projections reflected in the 2021 Budget. Expenditures associated with the Sewer Utility also lagged projections, which is consistent with prior years' expenditures and due to large capital project-related expenses not being incurred until third quarter when the summer construction season ramps up. On the other hand, Water Utility expenditures are tracking consistent with projections for the first half of the year (97% of projected expenditures). This is attributed to completion of the Agate Heights water treatment plant replacement, which was not dependent upon the summer construction season, and approximately \$150,000 of unanticipated expenses incurred associated with emergency repairs to the Division 30 water transmission main. With the COVID-19 pandemic ongoing, it is also important to note that the District did witness a slight increase in total bill arrearage for accounts 60 or more days past due over the second quarter due to Governor Inslee's no shut-off order for utilities (total bill arrearage for account 60 or more days past due increased from approximately \$43,000 after the first quarter to \$66,000 after the second quarter). With the current shut-off moratorium not set to expire until September 30, the arrearage balance is anticipated to continue to trend upward, but not to the point that it impacts the District's operational capabilities.

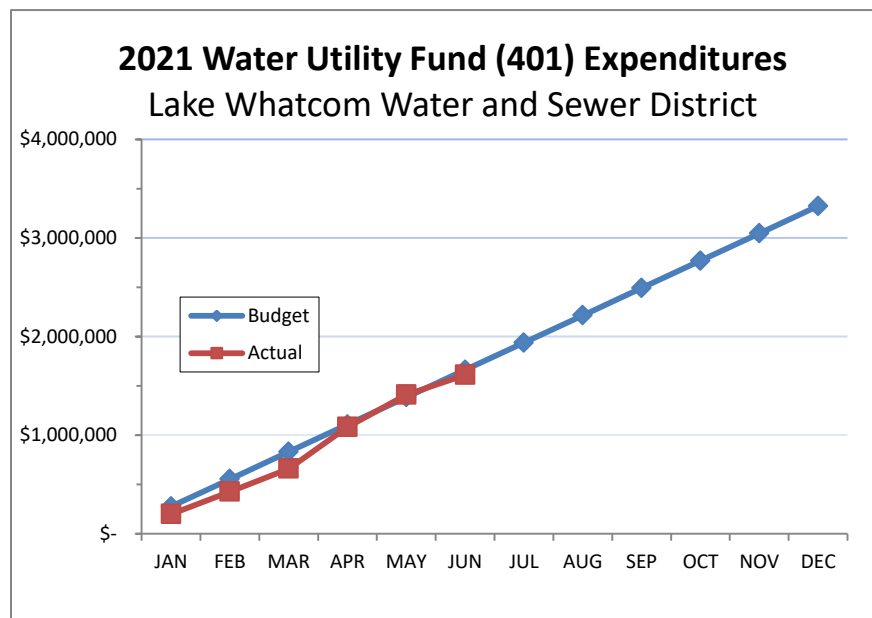
Water Utility Fund (Fund 401)

Through June 30, 2021, Water Utility Fund revenues were \$1,353,477, which were 92% of the revenues projected through the first half of the year in the 2021 Budget (\$1,466,658). This is consistent with prior years' revenues, which typically lag projections through the first half of each year, and then grow significantly during the third quarter due to



increased water sales (e.g., lawn watering during dry summer months). Another factor that may have slightly impacted water utility revenues is the trending increase in customer accounts in arrearage with the continuation of Governor Inslee's no shut-off order in response to the COVID-19 pandemic; the District witnessed arrearages for accounts 60 or more days past due grow from

approximately \$43,000 for both water and sewer utilities as of March 30 to approximately \$66,000 as of June 30.

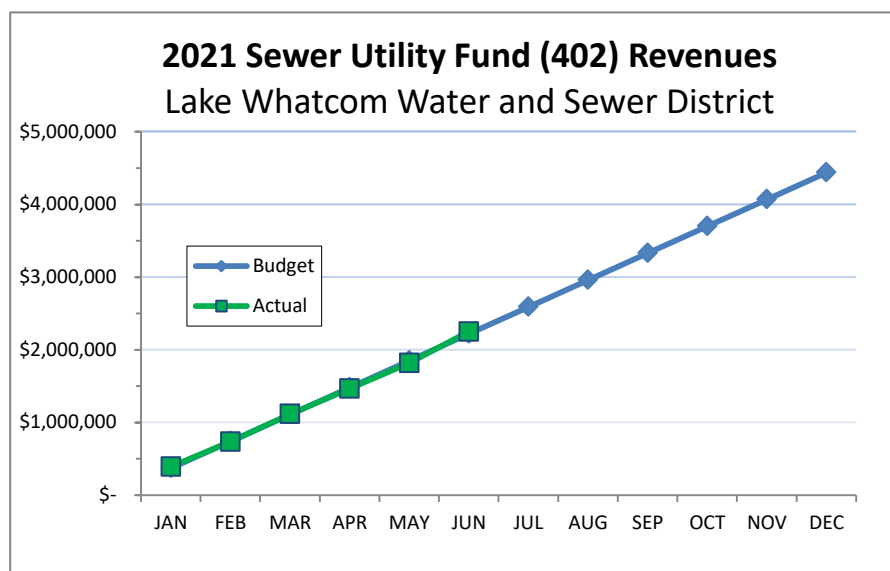


Though Water Utility fund expenditures were below 2021 Budget projections through the first quarter of the year, a couple of large capital costs were incurred during the second quarter that have resulted in expenditures now tracking consistent with projections (\$1,612,242 vs. \$1,662,000). The significant capital costs included replacement of the Agate Heights water treatment plant, and approximately \$150,000

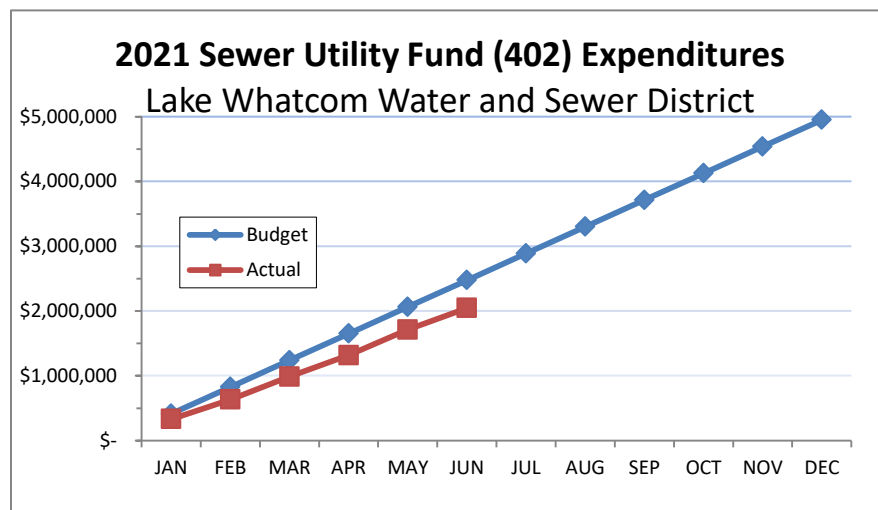
incurred associated with the unbudgeted emergency repairs to the Division 30 water transmission main in January-February. Though expenditures are now tracking consistent with projections, staff will continue to monitor the situation to determine if a budget amendment may be necessary at some point during the remainder of the year to accommodate the unbudgeted \$150,000 water main repair costs.

Sewer Utility Fund (Fund 402)

Sewer Utility Fund revenues were consistent with projections through the first half of 2021 (within 1.5 percent of the budgeted \$2,219,934). This is largely due to the District's uniform rate structure for sewer accounts, which allows for little variation in revenues throughout the year. As presented in the Water Utility Fund discussion above, sewer utility



revenues have slightly been impacted by the no shut-off order (which is set to expire September 30) associated with the ongoing pandemic.

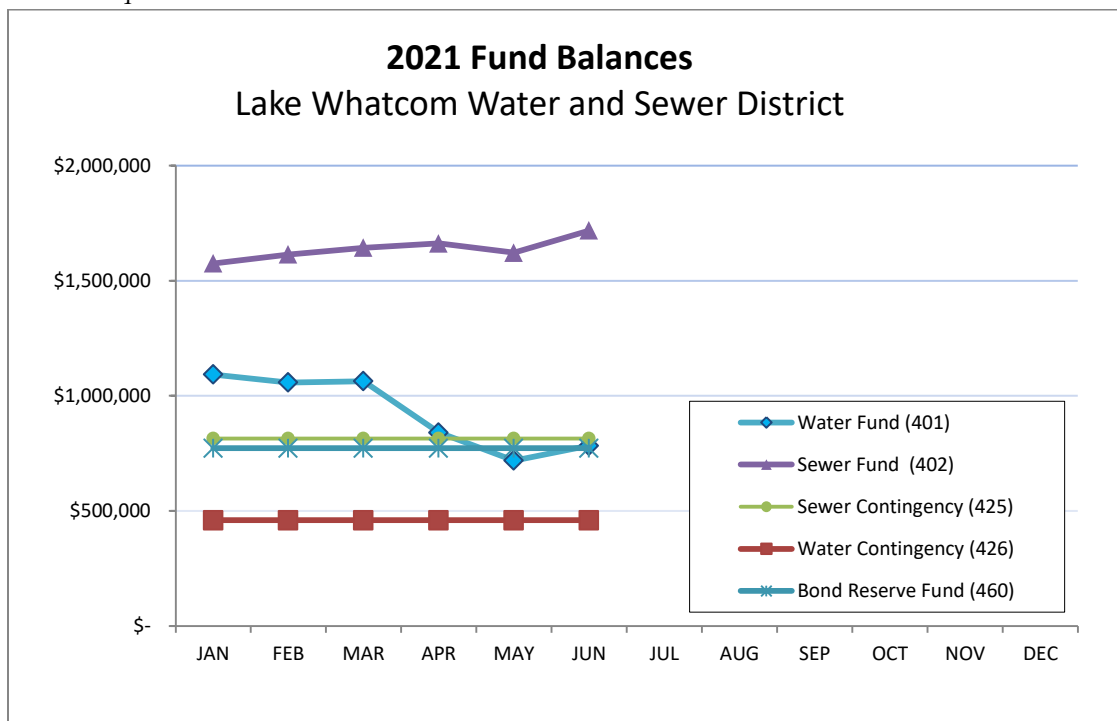


Sewer Utility Fund expenditures continued to lag behind projections during the second quarter (\$2,046,040 in actual expenditures relative to \$2,476,140 budgeted). Sewer Utility expenditures typically increase significantly during the summer months when expenses associated with large capital improvement projects are incurred, and

are anticipated to do so in 2021, as well. In regards to day-to-day operational costs of the District (personnel salary and benefits, professional services, utilities, etc.), though these costs were reported to exceed budget projections by approximately \$75,000 after the first quarter (attributed to large payments for sewage treatment to the city of Bellingham), reduction of sewer flows resulting from inflow and infiltration (I&I) entering the sewer collection and conveyance system during the second quarter allowed for the operational costs through the first half of the year to now align with budget projections (expenditures are now 95% of the budget projection for the first half of the year). That said, capital expenditures, as anticipated, grew significantly during the second quarter relative to first quarter expenditures (\$508,000 vs. \$94,000), but remained below the projected expenditures for the first half of the year (expenditures were \$142,000 below projections); however, this is anticipated to change as capital expenditures increase during the construction season.

District Fund Balances

The District manages its monies within five primary funds: Water Utility Fund (401), Sewer Utility Fund (402), Sewer Contingency Reserve Fund (425), Water Contingency Reserve Fund (426), and Bond Reserve Fund (460). Of note, within the Water Utility and Sewer Utility funds are system reinvestment funds (i.e., funds dedicated to capital projects) and debt service funds associated with the respective utility. The following discussion summarizes the activity associated with each fund over the first quarter of 2021.



Water Utility Fund (Fund 401)

The Water Utility Fund, which serves as the primary operating fund for the District's water utility, derives most of its revenue from rates charged to water customers. Fund expenditures are comprised of general operating expenses (personnel salary and benefits, professional services, utilities, etc.), payments relative to debt service on past capital improvement projects, and expenditures on water system reinvestment-defined equipment and projects. Also managed within the Water Utility Fund are monies allocated towards an operating reserve, which is equal to the cost of operating the water utility for 90 days (\$540,000). The fund entered 2021 with a balance of \$1,092,494. While fund balance remained relatively stable over the first quarter of the year, the balance dropped significantly during the second quarter, ending with a balance of \$783,757. This drop was anticipated and associated with payments for the Agate Heights water treatment plant replacement project and the emergency repairs to the Division 30 water transmission main (that occurred in January-February). Despite the significant fund balance drop, staff anticipates that the overall fund balance will remain in a positive position without need to draw on reserve funds.

Sewer Utility Fund (Fund 402)

Like the Water Utility Fund, the Sewer Utility Fund serves as the primary operating fund for the District's sewer utility. Revenues are comprised primarily of rates charged to sewer customers, and expenditures consist of general operating expenses (personnel salary and benefits, professional services, utilities, etc.), payments relative to debt service on past capital improvement projects, and expenditures on sewer system reinvestment-defined equipment and projects. Also managed within the fund are monies allocated towards an operating reserve, which is equal to the cost of operating the sewer utility for 60 days (\$430,000). The fund entered 2021 with a balance of \$1,575,051. Over the first half of 2021, fund revenues outpaced expenditures, resulting in a June 30 fund balance \$1,718,133. However, as the year progresses and capital projects are completed, the overall Sewer Utility Fund balance is expected to be drawn down (but remain in a positive cash position).

Sewer Contingency Reserve (Fund 425)

A sewer contingency reserve is maintained in accordance with District financial policies at one percent of the sewer utility infrastructure replacement cost (\$815,000). This fund provides for paying for unanticipated costs that may be incurred by the Sewer Utility. The Sewer Contingency Reserve was fully funded throughout the second quarter.

Water Contingency Reserve (Fund 426)

A water contingency reserve is maintained in accordance with District financial policies at one percent of the water utility infrastructure replacement cost (\$460,000). This fund provides for paying for unanticipated costs that may be incurred by the Water Utility. The Water Contingency Reserve was fully funded throughout the second quarter.

Bond Reserve Fund (Fund 460)

The District's Bond Reserve Fund is a restricted fund associated with covenants of the 2016 bond sale. It was fully funded at \$772,334 throughout the second quarter with no revenues or expenditures anticipated through yearend.

District Investments

In accordance with its financial policies, the District invests its funds in a manner that provides the highest return with maximum security while meeting daily cash flow demands. Attached is the Investment/Cash Summary as of June 30, 2021.



LAKE WHATCOM WATER AND SEWER

INVESTMENTS/CASH AS OF 6/30/21

Petty Cash	\$ 1,600	
Cash	\$ 497,772	0.35%
Public Funds Account	\$ 502,936	0.10%
<hr/>		
WA Federal	\$ 1,002,308	
Local Gov't Investment Pool	\$ 236,403	0.11%

				PAR VALUE	YIELD
FHLMC - Pro Equity	Non-callable	\$ 997,122	Jan-22		0.06%
FNMA-Pro Equity	Non-callable	\$ 1,039,976	Jan-23		0.13%
FFCB - Pro Equity	Callable	\$ 799,999	Jan-24		0.19%
FANNIE MAE - Pro Equity	Callable	\$ 500,823	Jun-24		0.21%
Discounts, Accrued Interest		(\$27,406)			
US Bank Safekeeping		\$ 3,310,514			
TOTAL		\$ 4,549,225			


USE OF FUNDS:

Bond Reserve - Restricted	\$ 772,334
Contingency - Assigned	\$ 1,275,000
Operating - Unassigned	\$ 970,000
Unassigned	\$ 1,531,891
	\$ 4,549,225



**AGENDA
BILL
Item 9.D**

**Operations Department
Report**

DATE SUBMITTED:	July 21, 2021	MEETING DATE:	July 28, 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 July 28, 2021 Board Meeting
Data Compiled 7/21/21 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	x	x	x	x	x						
Surface Water Treatment Rule Report (SVWTP) Prepared by: Kevin	Postmarked by the 10th of month	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	
		x	x	x	x	x	x	x						
Annual Reports														
Name Of Report	Deadline	Completed												
WA State Cross Connection Report Prepared by: Rich	May	May 4, 2021												
OSHA 300 Log Prepared by: Rich	February 1	February 18, 2021												
Water Use Efficiency Performance Report Prepared by: Kevin	July 1	January 24, 2021												
Community Right to Know (Hazardous Materials) Prepared by: Rich & Brent	March 31	February 28, 2021												
Consumer Confidence Reports Prepared by: Kevin	June 30	Geneva			SV			EagleR			Agate Ht			
		5/21			5/21			5/21			5/21			
Other Reports														
Name Of Report	Deadline	Last Completed												
CPR/First Aid Training Coordinated by: Rich	Due Biennially Next Due 2023	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	81	100%
Engineering - Staff	28	28	100%
Field Crew - Managers	43	43	100%
Field Crew - Staff	328	328	100%
Office - Staff	96	96	100%
Overall	576	576	100%

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

Dates of Completed Safety Committee Meetings						
1/28/2021	5/27/2021					
2/23/2021	6/24/2021					
3/25/2021						
4/22/2021						
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	0	0	0	0	0	1
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
7/28/2021 Board Meeting

Safety Activities	
<ol style="list-style-type: none"> 1. No time-loss injuries or near misses. 2. Daily safety reminders directly relevant to the day's tasks. 3. Jobsite tailgate meetings by project lead. 	
Water Utility Activities	
<i>Water Treatment Plants</i> <ol style="list-style-type: none"> 1. Sudden Valley <ol style="list-style-type: none"> a. Plant is operating well, averaging 0.67 million gallons per day (MGD). b. Chlorine supply chain has been restored. 2. Agate Heights <ol style="list-style-type: none"> a. Plant is operating well. b. Received filter manufacturer training Thursday 7/22. 	
<i>Distribution System</i> <ol style="list-style-type: none"> 1. New water service connections on Valley Crest and Harbor View in Sudden Valley. 2. Service line leaks on Sudden Valley Rd, Sandalwood and Fir Tree Way. 3. Relocated water meter at 1024 Coronado. 	
Sewer Utility Activities	
<i>Lift Stations</i> <ol style="list-style-type: none"> 1. All lift stations are in normal operation. 	
<i>Collection System</i> <ol style="list-style-type: none"> 1. Televised two (2) proposed sewer service connections. 	
Fleet	
<i>Vehicles</i> <ol style="list-style-type: none"> 1. All vehicles are ready to go to work. 	
<i>Equipment</i> <ol style="list-style-type: none"> 1. All equipment is ready to go to work. 	
Facilities	
<i>Shop Building</i> <ol style="list-style-type: none"> 1. Summer help is mowing , trimming and painting facilities. 	
Training	
<ol style="list-style-type: none"> 1. No training scheduled at this time. 	
Development	
<ol style="list-style-type: none"> 1. Inspector is actively working with twenty- two (22) contractors making connection to our system. 	