

# Lake Whatcom Water & Sewer District Board Meeting Access Information

Next Meeting:

Wed Nov 9, 2022 6:30 pm — 8:30 pm

Join the meeting from your computer, tablet smartphone: <u>https://meet.goto.com/110372837</u> You can also dial in using your phone.

Call: <u>+1 (872) 840-3212</u> Access Code: 110-372-837 Press \*6 to mute/unmute your microphone

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# **ATTENDING A MEETING**

How to Participate

# **MEETINGS ARE HYBRID**

Our meetings are held in a hybrid format. You may attend in person at our administrative office or virtually through the GoTo platform.



# COMMUNICATING WITH US



If you wish to make a public comment, you may submit it in written form via email or the contact form on our website, or utilize the public comment periods during the District's regular meetings.

# ATTENDING ANONYMOUSLY

If you wish to observe a meeting, but do not plan to actively participate, you may attend anonymously. Turn off your mic & camera, and change display name to "Observation Only."



# **ACCESS INFORMATION**



We use GoTo for virtual access to our meetings. Download the app, sign in through your browser, or use a phone to call in for audio-only participation. Access information for specific meetings is in the meeting packet.

# **QUESTIONS?**

If you have questions about attending an upcoming meeting, please contact Administrative Assistant Rachael Hope at rachael.hope@lwwsd.org or 360-734-9224.

Comment Periods Lake Whatcom Water & Sewer District's Board of Commissioners values feedback, questions, and concerns from our constituents. The public comment period is.... Public comment periods are A chance built in to the agenda at each Regular Meeting of the to be Board of Commissioners, one near the beginning, and one heard near the end of the meeting. Commissioners will listen A chance but will not respond or to listen engage in a dialogue during the public comment period. Direct questions are noted by staff for follow-up. For the sake of time, and Limited to to leave plenty of time 3 minutes for scheduled agenda per items, public comments are limited to 45 minutes commenter per comment period. Can't attend a Board Meeting in person? Just one way to Comments can be reach us submitted any time through mail, email, our online contact form, or by 0 phone 0 Questions? Contact us at ral.inbox@lwwsd.org or 360-734-9224 Our Meetings Regular Meetings of the Board of Commissioners are held on the second

Public

Wednesday of each month at 6:30 pm and the last Wednesday of each month at 8:00 am.



# REGULAR MEETING OF THE BOARD OF COMMISSIONERS

# AGENDA

November 9, 2022 6:30 p.m. – Regular Session

- 1. CALL TO ORDER
- 2. ROLL CALL
- 3. PUBLIC COMMENT OPPORTUNITY At this time, members of the public may address the Board of Commissioners. Please state your name and address prior to making comments, and limit your comments to three minutes. For the sake of time, each public comment period will be limited to 45 minutes.
- 4. ADDITIONS, DELETIONS, OR CHANGES TO THE AGENDA
- 5. CONSENT AGENDA
- 6. SPECIFIC ITEMS OF BUSINESS
  - A. Resolution No. 886—Master Fees and Charges Schedule Update
  - B. 2588 Woodcliff Lane Developer Extension Agreement Approval
  - C. Scenic Intertie Leak Repair Public Works Construction Contract Award
  - D. Draft 2023-24 Biennial Budget
- 7. OTHER BUSINESS
- 8. STAFF REPORTS
  - A. General Manager
- 9. PUBLIC COMMENT OPPORTUNITY
- **10. EXECUTIVE SESSION**

*Executive Session per RCW 42.30.110(1)(g): To review the performance of a public employee* (General Manager performance evaluation) – *30 minutes* 

11. ADJOURNMENT

whatcom	iENDA BILL em 5	Consent Agenda					
DATE SUBMITTED:	November 3, 2022	MEETING DATE:	November 9,	November 9, 2022			
TO: BOARD OF COMM	SSIONERS	FROM: Rachael Hope					
GENERAL MANAGER A	PPROVAL	Sistollay					
ATTACHED DOCUMEN	TS	1. See below					
TYPE OF ACTION REQU	ESTED	RESOLUTION	FORMAL ACTION/ MOTION	INFORMATIONAL /OTHER			

\*\*TO BE UPDATED 11.09.2022\*\*

# **BACKGROUND / EXPLANATION OF IMPACT**

- Meeting Minutes for the October 12, 2022 Regular Board Meeting
- Meeting Minutes for the October 26, 2022 Regular Board Meeting
- Payroll for Pay Period #22 (10/15/2022 through 10/28/2022) totaling \$47,073.70
- Payroll Benefits for Pay Period #22 totaling \$54,462.20
- 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 2022 Budget.

# **RECOMMENDED BOARD ACTION**

Staff recommends the Board approve the Consent Agenda.

# PROPOSED MOTION

A recommended motion is:

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



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

# REGULAR SESSION OF THE BOARD OF COMMISSIONERS

# Minutes October 12, 2022

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

Attendees: Commissioner Laura Abele Commissioner Todd Citron Commissioner Bruce Ford Commissioner Jeff Knakal General Manager Justin Clary District Engineer/Assistant GM Bill Hunter Finance Manager/Treasurer Jenny Signs Operations Manager Brent Winters

Absent: Commissioner John Carter

Also in attendance was District employee Jason Dahlstrom.

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, Citron seconded, approval of:

- Minutes for the 09/14/22 Regular Board Meeting
- Minutes for the 09/28/22 Regular Board Meeting
- Payroll for Pay Period #20 (09/17/2022 through 09/30/2022) totaling \$47,119.39
- Payroll Benefits for Pay Period #20 totaling \$53,333.22
- Accounts Payable Vouchers totaling \$173,633.51
- Motion passed.

### 2022-23 Sanitary Sewer Misc. I&I Repair Unit Price Contract Award

Hunter explained that the scope and focus of annual miscellaneous inflow & infiltration repair work vary based on the type of high priority items discovered during the previous wet season, excluding projects identified as separate capital improvement projects. To efficiently execute an undefined quantity and undefined frequency of work, the District is utilizing a contracting tool authorized by the State Legislature for use by water-sewer districts and other local governments called a "Unit Price Contract."

The District has successfully used this contracting tool for several contracts since 2020. The District estimated the work under this unit price contract to be less than \$350,000 the project was advertised in accordance with the District's small works roster policies. Bids were due September 21, 2022, and one bid was received from Olson Brothers Pro-Vac, LLC. Bid item unit prices for the new 2022-23 contract were compared against the previous 2020 contract. Increases and decreases in the bid item unit prices generally align with staff expectations considering contractor feedback during the previous contract and the rise in construction costs.

Staff has verified mandatory and supplemental bidder responsibility criteria. Olson Brothers Pro-Vac, LLC has demonstrated its experience to the District with the successful completion of the previous 2020 I&I Unit Price Contract. Based on bidder responsibility criteria and previous contract success, staff recommended awarding the new 2022-23 Misc. I&I Repair contract to Olson Brothers Pro-Vac, LLC. Discussion followed.

### Action Taken

Citron moved, Knakal seconded to award the 2022-23 Sanitary Sewer Misc. I&I Repair Unit Price Contract to Olson Brothers Pro-Vac LLC and authorize the general manager to execute the contract by which work will be defined and authorized by individual work orders executed in compliance with the District's administrative code. Motion passed.

### **General Facilities Charges Analysis Recommendations**

Signs recalled that during the July 27, 2022, Board meeting, staff was directed to provide an analysis of methodology and data provided to FCS Group as a result of significant proposed increases to the sewer General Facilities Charges (GFCs). Staff provided for Board discussion a detailed report of methodology and revised asset valuations to provide a more accurate reporting of system costs going forward during the September 14, 2022, Board meeting, at which time the Board directed staff to proceed with working with FCS Group to develop updated water and sewer GFCs based upon the methodology presented during the meeting.

As a result, FCS Group updated their model and provided staff with a revised recommendation for the GFC rates to the sewer. FCS Group is recommending that the sewer GFC be increased from the current rate of \$8,528 to \$11,934. This is much lower than the initial proposal of increasing the sewer GFC to \$16,501. They also maintain their recommendation from initial presentation that the water GFC should be increased to \$7,832 from current rate of \$6,338. It would then be at the Board's discretion to determine future escalations to account for construction cost inflation in the coming years. Discussion followed.

### Preliminary Draft 2023-2024 Biennial Budget Presentation

Signs presented the commissioners with a preliminary draft budget for 2023-24 using projected revenues based upon rate increases established in the Master Fees & Charges Schedule 28 (4.5% water and 3.75% sewer) and projected 2022 operating expenses and projects defined in the District's water and sewer capital improvement plans. The preliminary budget, for the biennium 2023 – 2024, proposed a budget of approximately \$8.6 million for the water utility and a budget of approximately \$9.6 million for the sewer utility, resulting in a total budget of approximately \$18.2 million. Hunter provided an overview of several items from the capital improvements section of the proposed budget. Discussion followed.

### **General Manager's Report**

Clary updated the Board on several topics, including ongoing follow-up from the November 2021 Flood Event, staff work on exposed pipes in Beaver Creek, and mapping of manholes with GPS data showing the

relationship of specific manholes and sewer lift stations to assist in wet weather response. Clary recognized the operations crew for their diligent work in preparing for another rainy season.

#### Executive Session Per RCW 42.30.140(4) General Manager Performance Evaluation – 30 Minutes

Abele recessed the Regular Session to Executive Session at 8:30 p.m. It was estimated that the Executive Session would take about 30 minutes. The purpose of the Executive Session was to discuss the General Manager's Performance Evaluation. Abele recessed the Executive Session and reconvened the Regular Session at 8:54 p.m.

With no further business, Abele adjourned the Regular Session 8:54 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 October 26, 2022

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

Attendees: Commissioner Laura Abele Commissioner Todd Citron Commissioner Bruce Ford Commissioner John Carter Commissioner Jeff Knakal

General Manager Justin Clary Assistant GM/District Engineer Bill Hunter Finance Manager/Treasurer Jenny Signs Operations & Maintenance Manager Brent Winters Recording Secretary Rachael Hope

Also in attendance was District employee Jason Dahlstrom.

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

Citron moved, Carter seconded, approval of:

- Payroll for Pay Period #21 (10/01/2022 through 10/14/2022) totaling \$48,259.78
- Payroll Benefits for Pay Period #20 totaling \$53,232.59
- Accounts Payable Vouchers totaling \$72,326.68
- 3rd Quarter 2022 Payroll Taxes totaling \$8,797.83 Motion passed.

### **Revised General Facilities Charges Implementation Timeline**

Clary recalled that a component of the Master Fees and Charges Schedule is the District's water and sewer general facilities charges (GFCs), which are set at the equitable share of system costs for properties wishing to connect to District services. Historically, the District analyzes its GFCs approximately every five years to ensure they are set at levels that reflect the proportionate system share. During periods between analyses, the District has previously taken the approach of adopting multi-year GFC increases (2.5% annual) for each utility with the intent of keeping pace with inflation over five-year planning horizon.

Following this year's GFC analysis conducted by FCS Group, staff presented updated charges to the Board during its October 12 regular meeting (water—\$7,832/single family residence; sewer— \$11,934/single family residence) At that time, the Board directed staff to incorporate those charges into an updated revision to the Master Fees and Charges Schedule for Board consideration. At that time, there was significant discussion regarding the timing of the effective date of the revised fee schedule (either effective upon adoption, or effective January 1, 2023). Discussion followed.

#### 2022 Wildfire Risk Reduction Summary

The District-specific chapter in the current (2021) revision of the Whatcom County Natural Hazards Mitigation Plan includes a goal to Firewise<sup>®</sup> critical facilities. District Maintenance Lead Jason Dahlstrom highlighted points included in the presented memorandum summarizing actions taken by the District to implement this goal in protection of critical infrastructure in the event of a wildfire in the District's service area. Discussion followed.

#### **General Manager's Report**

Clary updated the Board on several topics including his and Signs attendance at the recent Infrastructure Assistance Coordinating Council conference, design and permitting activity for the Division 7 reservoir, recent customer correspondence, and leadership changes at the Sudden Valley Community Association. Discussion followed.

#### **Engineering Department Report**

Hunter provided an update on district projects, including contractor work at the Euclid pump station and instream pipe protection measures in Beaver Creek. Discussion followed.

#### Finance Department Report

Signs presented the 3<sup>rd</sup> quarter 2022 financial report, and highlighted that revenues and expenditures were both slightly lagging, but consistent with past years'. She also noted that water usage in the 3<sup>rd</sup> quarter was down compared to 2021, and that inflation costs are being monitored, with effects being seen more on the supply chain side than the financial side.

### **Operations & Maintenance Department Report**

Winters gave a brief update on progress in training Operations & Maintenance Manager successor Jason Dahlstrom. Dahlstrom then gave a report on field crew operations, including water treatment plant operation, anticipation of leaks as soil conditions change, wet well cleaning, and the much-anticipated return of the District's camera van. Discussion followed.

With no further business, Abele adjourned the Regular Session at 9:10 a.m.

	Attest:
Board President, Laura Abele	Recording Secretary, Rachael Hope
Minutes approved by motion at 🗌 Regular 🦳 S	Special Board Meeting on
	Date Minutes Approved

### Lake Whatcom W-S District

# **CHECK REGISTER**

# PAYROLL

11/03/2022 To: 11/03/2022

Time: 11:04:14 Date: 10/31/2022 Page: 1

Trans	Date	Туре	Acct #	Chk #	Claimant	Amount Memo
3271	11/03/2022	Payroll	5	EFT		3,548.63 10/15/2022 - 10/28/2022 PR 22
3272	11/03/2022	Payroll	5	EFT		2,679.81 10/15/2022 - 10/28/2022 PR 22
3273	11/03/2022	Payroll	5	EFT		4,048.30 10/15/2022 - 10/28/2022 PR 22
3274	11/03/2022	Payroll	5	EFT		1,714.11 10/15/2022 - 10/28/2022 PR 22
3276	11/03/2022	Payroll	5	EFT		1,958.90 10/15/2022 - 10/28/2022 PR 22
3277	11/03/2022	Payroll	5	EFT		3,016.25 10/15/2022 - 10/28/2022 PR 22
3278	11/03/2022	Payroll	5	EFT		2,169.52 10/15/2022 - 10/28/2022 PR 22
3279	11/03/2022	Payroll	5	EFT		3,469.51 10/15/2022 - 10/28/2022 PR 22
3280	11/03/2022	Payroll	5	EFT		2,645.75 10/15/2022 - 10/28/2022 PR 22
3281	11/03/2022	Payroll	5	EFT		3,554.25 10/15/2022 - 10/28/2022 PR 22
3282	11/03/2022	Payroll	5	EFT		2,590.72 10/15/2022 - 10/28/2022 PR 22
3283	11/03/2022	Payroll	5	EFT		1,266.42 10/15/2022 - 10/28/2022 PR 22
3284	11/03/2022	Payroll	5	EFT		1,800.03 10/15/2022 - 10/28/2022 PR 22
3285	11/03/2022	Payroll	5	EFT		3,354.23 10/15/2022 - 10/28/2022 PR 22
3286	11/03/2022	Payroll	5	EFT		2,077.68 10/15/2022 - 10/28/2022 PR 22
3287	11/03/2022	Payroll	5	EFT		2,961.15 10/15/2022 - 10/28/2022 PR 22
3288	11/03/2022	Payroll	5	EFT		2,730.61 10/15/2022 - 10/28/2022 PR 22
3275	11/03/2022	Payroll	5	13417		1,487.83 10/15/2022 - 10/28/2022 PR 22
		401 Water	Fund			13,012.12
		402 Sewer	Fund			34,061.58
						47,073.70 Payroll: 47,073.70

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

Sign General Manager, Justin Clary

Date 10/31/2022

Board Authorization - The duly elected board for this district has reviewed the claims listed and approved the payment by motion at the meeting listed below:

Board President, Laura Abele

Attest :

Recording Secretary, Rachael Hope

Approved by motion at \_\_\_\_\_ Regular \_\_\_\_ Special Board Meeting on \_\_

**Date Approved** 

#### Lake Wh WOD .

# **CHECK REGISTER**

**BENEFITS** 

					JIECK REGISTER	
Lake Whatcom W-S District			ict		1/02/0000 T 11/02/0000	Time: 11:12:02 Date: 10/31/2022
				1	1/03/2022 To: 11/03/2022	Page:
Trans	Date	Туре	Acct #	Chk #	Claimant	Amount Memo
3289	11/03/2022	Payroll	5	EFT	DEPARTMENT OF RETIREMENT SYSTEMS	4,985.50 Pay Cycle(s) 11/03/2022 To 11/03/2022 - DCP
3290	11/03/2022	Payroll	5	EFT	UNITED STATES TREASURY	18,166.06 941 Deposit for Pay Cycle(s) 11/03/2022 - 11/03/2022
3291	11/03/2022	Payroll	5	EFT	WA ST PUBLIC EMP RET PLAN 2	9,256.17 Pay Cycle(s) 11/03/2022 To 11/03/2022 - PERS 2
3292	11/03/2022	Payroll	5	EFT	WA ST PUBLIC EMP RET PLAN 3	3,227.65 Pay Cycle(s) 11/03/2022 To 11/03/2022 - PERS 3
3293	11/03/2022	Payroll	5	EFT	WA ST SUPPORT ENFORCEMENT REGISTERY	814.47 Pay Cycle(s) 11/03/2022 To 11/03/2022 - SUP ENF
3294	11/03/2022	Payroll	5	13418	AFLAC	354.85 Pay Cycle(s) 11/03/2022 To 11/03/2022 - AFLAC Pre-Tax; Pay Cycle(s) 11/03/2022 To 11/03/2022 - AFLAC Post-Tax
3295	11/03/2022	Payroll	5	13419	AFSCME LOCAL	347.60 Pay Cycle(s) 11/03/2022 To 11/03/2022 - Union Dues; Pay Cycle(s) 11/03/2022 To 11/03/2022 - Union Fund
3296	11/03/2022	Payroll	5	13420	HRA VEBA TRUST (PAYEE)	590.00 Pay Cycle(s) 11/03/2022 To 11/03/2022 - VEBA
3297	11/03/2022	Payroll	5	13421	VANTAGEPOINT TRANSFER AGENTS - 306798	100.00 Pay Cycle(s) 11/03/2022 To 11/03/2022 - ICMA
3298	11/03/2022	Payroll	5	13422	WA ST HEALTH CARE AUTHORITY	16,619.90 Pay Cycle(s) 11/03/2022 To 11/03/2022 - PEBB Medical; Pay Cycle(s) 11/03/2022 To 11/03/2022 - PEBB ADD LTD; Pay Cycle(s) 11/03/2022 To 11/03/2022 - PEBB SMK Surcharge; Pay Cycle(s) 11/03/2022 To 11/03
·		401 Water	r Fund			40,335.34

401 Water Fund	40,335.34
402 Sewer Fund	14,126.86

54,462.20 Payroll:

54,462.20

Lake Whatcom W-S District

Type

11/03/2022 To: 11/03/2022

CHECK REGISTER

Time: 11:12:02 Date: 10/31/2022

Page:

2

Trans Date

Acct # Ch

Chk # Claimant

Amount Memo

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

Date 10/31/2022 Sign General Manager

Board Authorization - The duly elected board for this district has reviewed the claims listed and approved the payment by motion at the meeting listed below:

Board President, Laura Abele

Attest :

Recording Secretary, Rachael Hope

Approved by motion at \_\_\_\_\_ Regular \_\_\_\_ Special Board Meeting on

**Date Approved** 

AGENDA BILL Item 6.A		Resolution No. 886 Update to Master Fees and Charges Schedule				
DATE SUBMITTED:	October 13, 2022	MEETING DATE: November 9, 2022				
TO: BOARD OF COMM	AISSIONERS	FROM: Justin Clary, General Manager				
GENERAL MANAGER	APPROVAL	Sotollay				
ATTACHED DOCUMEN	NTS	1. Resolution No. 886				
TYPE OF ACTION REQ	UESTED	RESOLUTION	FORMAL ACTION/ MOTION	INFORMATIONAL /OTHER		

# **BACKGROUND / EXPLANATION OF IMPACT**

In accordance with the powers granted under <u>Revised Code of Washington Section</u> <u>57.08.007</u>, from time-to-time the Board of Commissioners reviews and updates the District's fees and charges to ensure that the District receives appropriate payment for services rendered. The Master Fees and Charges Schedule is codified under Title 7 of the District's Administrative Code, with the current revision (Schedule 28) adopted by the Board under Resolution No. 879 during its regularly scheduled meeting on November 24, 2021.

A component of the Master Fees and Charges Schedule is the District's water and sewer general facilities charges (GFCs), which are set at the equitable share of system costs for properties wishing to connect to District services. Historically, the District analyzes its GFCs approximately every five years to ensure they are set at levels that reflect the proportionate system share. During periods between analyses, the District has previously taken the approach of adopting multi-year GFC increases (2.5% annual) for each utility with the intent of keeping pace with inflation over five-year planning horizon.

With the most recent GFC analysis conducted in 2017, a review of the District's GFCs was included in the Board-adopted 2022 Budget. FCS Group, which has assisted the District in prior rate and GFC analyses, was selected to conduct the 2022 analysis. To-date, the GFC analysis has progressed with the following Board involvement:

- April 27 Board meeting—GFC analysis kick-off presentation
- July 27 Board meeting—presentation of initial GFC analysis findings
- September 14 Board meeting—presentation of revised GFC methodology
- October 12 Board meeting—presentation of revised water and sewer GFCs
- October 26 Board meeting—Board definition of effective date of revised GFCs

During the September 14 meeting, the Board affirmed the methodology used for updating the water and sewer GFCs and directed staff to work with FCS Group to use that methodology in revising the charges. The updated charges were then presented to the Board during its October 12 meeting (water—\$7,832/single family residence; sewer—\$11,934/single family residence), during which the Board directed staff to incorporate those charges into an updated revision to the Master Fees and Charges Schedule for Board consideration. However, there was also significant discussion regarding the timing of the effective date of the revised Master Fees and Charges Schedule (either effective upon adoption, or effective January 1, 2023). During its October 26 meeting, the Board directed staff to develop a resolution revising the Master Fees and Charges Schedule, effective January 1, 2023.

In addition, the proposed Master Fees and Charges Schedule also accommodates extension of charges in lieu of assessment associated with Utility Local Improvement District (ULID) No. 18 through 2028 defined in Resolution No. 885 adopted by the Board during its September 28, 2022, meeting. Other revisions to the Schedule are clerical in nature (e.g., deleting fees that will no longer be applicable in 2023).

# FISCAL IMPACT

Adoption of the proposed master fees and charges schedule will allow for revision to the District's GFCs that reflect current conditions, as well as incorporate fees associated with ULID No. 18 approved by the Board's adoption of Resolution No. 885.

# APPLICABLE EFFECTIVE UTILITY MANAGEMENT ATTRIBUTE(S)

**Financial Viability** 

# **RECOMMENDED BOARD ACTION**

Staff recommends update of the master fees and charges schedule via adoption of Resolution No. 886.

# PROPOSED MOTION

A recommended motion is:

"I move to adopt Resolution No. 886, as presented."

whatcom	iENDA BILL 2 em 6.B 2	per Extension Agreement Application for 2588 Woodcliff Lane /ater Main Extension				
DATE SUBMITTED:	October 20, 2022	MEETING DATE:	November 0	9, 2022		
TO: BOARD OF COMM	ISSIONERS	FROM: Bill Hunter, District Engineer / Assistant General Manager				
GENERAL MANAGER A	PPROVAL	Sistollar				
ATTACHED DOCUMEN	TS	<ol> <li>Application to Establish DEA from Mitchel Barrow – email and attachments dated 8/29/2022</li> <li>District Administrative Code Section 3.4, Requirements for Water and Sewer Service</li> </ol>				
TYPE OF ACTION REQU	IESTED	RESOLUTION	FORMAL ACTION/ MOTION	INFORMATIONAL /OTHER		

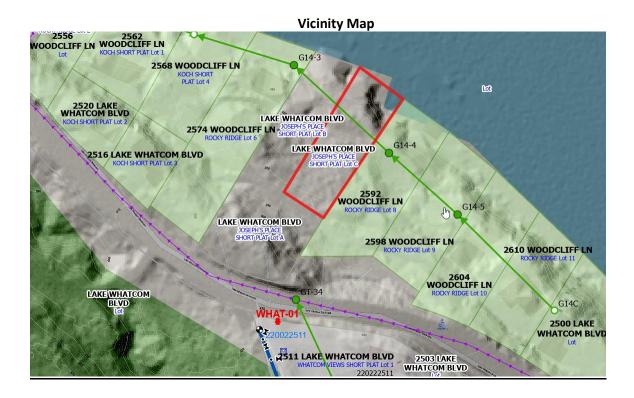
# **BACKGROUND / EXPLANATION OF IMPACT**

Mitchell Barrow submitted an application to establish a Developer Extension Agreement (DEA) with the District for a water main extension to 2588 Woodcliff Lane (Lot C of Joseph's Place Short Plat). The application was received on August 29, 2022, and the application fee was received on September 15, 2022.

The subject property is an undeveloped parcel near Lake Whatcom Boulevard, just north of Sudden Valley. The proposed development is one single family residence on a single parcel. The parcel is located outside an Urban Growth Area (UGA) and Limited Area of More Intensive Rural Development (LAMIRD). See vicinity map below.

A DEA is a contract between the District and a developer or property owner to construct water and/or sewer facilities on property owned by the developer, and in roads, easements, or other rights of way described in an approved application. Proposed facilities are constructed by the developer, and when complete, ownership is transferred to the District by a recorded Bill of Sale. The facilities are then owned, operated, and maintained by the District.

The first step in the process is for the Board of Commissioners to evaluate whether to allow an extension and to determine any conditions of a contract.



# APPLICATION OF DISTRICT ADMINISTRATIVE CODE AND POLICIES

The District's Administrative Code Section 3.4, Requirements for Water and Sewer Service, identifies connection requirements based on several parcel attributes, such as location (inside UGA or LAMIRD), proximity to water and/or sewer mains, and the type of proposed development. The following is an analysis of those requirements in relation to this specific DEA application.

#### **Sewer Service Analysis**

Applicable Administrative Code Section 3.4.2.1 Sewer Service

- Site is located <u>outside</u> UGA or LAMIRD.
  - City of Bellingham confirmed parcel is eligible for public sewer connection on 12/12/2017 in accordance with the interlocal agreement between the City of Bellingham and Lake Whatcom Water and Sewer District for treatment of wastewater.
- Sufficient Sewer Main within 150-feet of Property. Connection to the District system is required and shall be in accordance with current District Standards.
  - Existing gravity sewer main crosses property and is in the Rocky Ridge Sewer Pump Station basin.

The parcel does not have a ULID No. 18 assessment or a 25-year development restriction, so charges in lieu of assessment apply.

Sewer Service Summary: Connection to the District's existing gravity sewer system is required.



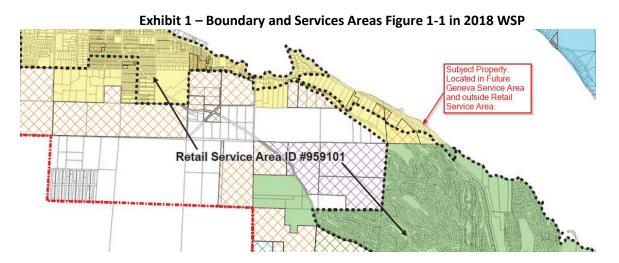
#### Water Service Analysis

Applicable Administrative Code Section 3.4.2.2, Water Service Inside or Outside UGA or LAMIRD

C. Sufficient Water System more than 200-feet from Property. District has the option of extending and/or replacing mains to within 200 feet of the property and then requiring the Owner to complete the extension and/or replacement past or through their property. The Owner extension and/or replacement of the main will be by Developer Extension Agreement and in accordance with current District Standards. If the District elects not to bring a sufficiently sized main in adequate condition within 200 feet of the property, the Owner may develop an alternate and temporary water supply in accordance with Whatcom County and State regulations after executing a "Covenant Binding Property Regarding Future Water and/or Sewer Service." Resolution No. 757]

The property is 210 feet from the nearest public water main. The property has the option of developing an alternate water source with the condition of execution of a covenant regarding future water service, if the Board of Commissioners decide that the District will not fund and construct the water main extension.

The property owner has elected to pursue a public water main extension service by DEA, rather than develop an alternate water source. The subject property is in the Future Geneva Service Area and outside the Retail Service Area as defined in the 2018 Water System Comprehensive Plan, referred to throughout this analysis as the 2018 Water System Plan (2018 WSP). See Exhibit-1 below.



2018 WSP Section 1.6 Future Service Area (emphasis added)

Service can be extended into Future Service Areas shown on Figure 1-1 if all other land use regulations are met. Over the past ten years, distribution system expansions have generally been limited to developer extension agreements or local improvement districts formed by resident petition.

The residences presently served by direct-draw from Lake Whatcom, private wells, or small water systems have been included in the planning forecasts. These residences are located on the north shore from the city limits to the end of North Shore Road, and on the south shore from Strawberry Point in Geneva to Sudden Valley, and along the northern section of Euclid Avenue. The residences on the north shore are discussed in Appendix C, and the residences along the northern section of Euclid Avenue (Glen Cove Water System) have expressed potential interest in consolidating. Grant applications have previously been submitted to investigate the Glen Cove consolidation feasibility, but the District was not one of the successful applicants. The District considers the South Lake Area a future service area. The District would be open to a citizen petition for a Utility Local Improvement District, or a developer extension, that would bring District service to the area.

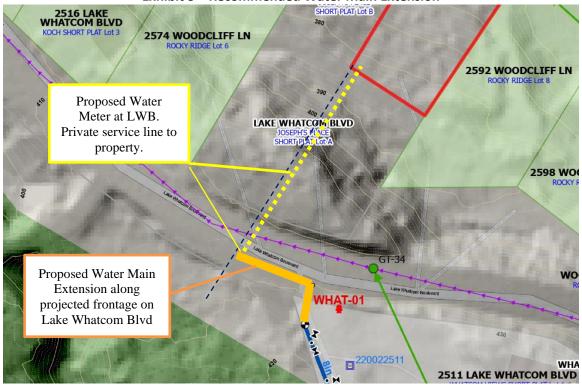
The District does not anticipate providing any water service outside its boundaries, and does not anticipate expanding its boundaries in the future. If the District is approached about providing water service outside its boundary, it would determine the feasibility of the expansion and follow the guidelines outlined by the Whatcom County Coordinated Water System Plan. The District may also consider selling water wholesale to nearby water purveyors.

There has not been hydraulic modeling done to determine the size of a future water main along Lake Whatcom Boulevard from Sudden Valley to Strawberry Point. The District's design and construction standards specify a minimum water main diameter of 8 inches. It is recommended that hydraulic modeling be completed to verify that an 8-inch diameter water main is sufficient to provide domestic and fire flows, and estimate worst case for water age. The modeling should be done for the full length of the future main (looped by connection at both ends) as well as worst dead-end case as the main is constructed over time, which could be many years. A dead end will likely require an auto flusher to maintain minimum chlorine residuals (depends on number of connections on main), until a looped system is constructed. See Exhibit 2 below.





The recommended water main extension is the projected property line frontage on Lake Whatcom Boulevard. This is consistent with the District's policy to extend and/or replace mains past and/or through the subject property (Admin Code 3.4.2.2.B). The proposed water main is approximately 115 lineal feet and would be constructed in Whatcom County right-of-way. The recommended water meter location is at the end of the proposed water main on Lake Whatcom Boulevard, with the private water service line running down the slope to the subject property. An automatic water main flusher is recommended at the end of the dead end of the new main. See Exhibit-3 below.



#### Exhibit 3 – Recommended Water Main Extension

Water Service Summary: Connection is not required by District, but desired by property owner. Recommended water main extension is along Lake Whatcom Boulevard between the projected property lines onto Lake Whatcom Boulevard. Hydraulic modeling is recommended to determine the water main size for the worst dead-end case between Strawberry Point and Sudden Valley along Lake Whatcom Boulevard. The recommended water meter location is at the end of the new main in Lake Whatcom Boulevard. An automatic flusher is recommended at the end of the new main.

#### **FISCAL IMPACT**

None

### APPLICABLE EFFECTIVE UTILITY MANAGEMENT ATTRIBUTE(S)

Infrastructure Strategy and Performance

### **RECOMMENDED BOARD ACTION**

Recommended conditions for developer extension agreement:

- 1. Sewer Service Conditions. Connection to the District's existing gravity sewer system is required.
- 2. Water Service Conditions.
  - a. Extend public water main along Lake Whatcom Boulevard between the parcel's projected property lines onto Lake Whatcom Boulevard (projected frontage).
  - b. Hydraulic modeling and water main sizing by District's general engineering consultant for the full loop condition (main connected at each end) and worst-case dead-end condition as main is sequentially extended over the years.
  - c. Location of water meter at main in Lake Whatcom Boulevard right-of-way with private service line from meter to subject property.
  - d. Installation of automatic water main flushing device at end of new dead-end main.

### PROPOSED MOTION

Recommended motion is:

I move to authorize the General Manager to execute a Developer Extension Agreement with Mitchel Barrow for a water main extension and water service to one (1) single family residence at 2588 Woodcliff Lane with the following conditions:

- 1. Connection to the District's existing gravity sewer system is required.
- 2. Water main extension is in Lake Whatcom Boulevard right-of-way between the parcel's projected property lines onto Lake Whatcom Boulevard.
- 3. Hydraulic modeling and water main sizing is performed by District's general engineering consultant for the full loop condition (main connected at each end) and worst-case deadend condition between Strawberry Point and Sudden Valley.
- 4. Water meter is located at end of new water main in Lake Whatcom Boulevard right-of-way with private service line from meter to subject property.
- 5. Automatic water main flushing device is installed at end of new main.

# **Bill Hunter**

From:	Mitchell Barrows <mitchbarrows13@gmail.com></mitchbarrows13@gmail.com>
Sent:	Monday, August 29, 2022 10:04 AM
То:	Bill Hunter; Kristin Hemenway; Chris Elder; Rich Munson; Justin Clary; brittany
	mcmullen
Subject:	Developer Extension Agreement - 2588 Woodcliff Lane
Attachments:	DEA.jpg; 2021-08-05 Letter - Joseph's Place Short Plat - signed.pdf; Map of Woodcliff
	Extension.pdf; Water Line Easement Signed.pdf

CAUTION: This email originated from outside your organization. Exercise caution when opening attachments or clicking links, especially from unknown senders.

Good afternoon all,

Please see attached files for a Developer Extension Agreement for a water main extension to parcel 2588 Woodcliff Lane. I recently purchased this property. It currently has a sewer line that runs through the east portion of the property but no access to water. I am proposing to bring the water line down approximately 210 ft. from lake whatcom blvd through Lot A (380431130065000) to my property line 2588 Woodcliff Lane Lot C Joseph's Place Short Plat (380431150075000). I have a recorded easement in place to extend the water line through Lot A to my property (see attached).

As a side note, Lot A and Lot B are currently for sale and I am told there is a pending offer and the potential buyer would like to talk to me about working together so there may immediately potentially be 3 lots to benefit from this water line extension. I would also like to discuss having a latecomer agreement in place if I am to solely finance this project which I believe is valid for 15 years.

At your convenience please review and let me know if there is anything else needed and what the cost of the application fee is.

Thank you,

Mitchell and Brittany Barrows

# LAKE WHATCOM WATER & SEWER DISTRICT

### APPLICATION TO ESTABLISH DEVELOPER EXTENSION AGREEMENT (DEA)

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proposed utility easement			wer impre	venien		Sw oxiding and	
7. Project Name		Service Service					
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8. Site and Project Informat	ion				-	and and the second second	
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Current Zoning:		Sewer Sen Total Acres			5	ewer already	on property.
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September 15 202 Provide a brief narrative descri					dwata	r and/or cowor	
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13. General Manager Signatu	Contraction of the local division of the loc	NOL	#21773, 9/15/2022 TG 14. Date Signed				
Bill Hunter			1	9/15/20		Concernance Street of	
***SPECIAL NOTICES TO APPLICANT***							
When you request to establish a DEA with the District, we will provide you with an Application and a sample of a Developer Extension Agreement. The sample is provided to you for information and							
planning purposes only.							
Once the District approves your application, you will be asked to complete and submit the DFA							
Application processing steps are printed on the reverse of this form.							
<ul> <li>This Application, once accepted and approved by the District, does not constitute, nor does it imply, a guarantee by the District to provide water or sewer service.</li> </ul>							
<ul> <li>This is NOT a "Will Serve"</li> </ul>		Wei Service.					

# OVERVIEW OF DEVELOPER EXTENSION PROCESS

Application Process:

- A. Developer identifies basic facilities needed for the project.
- B. Developer completes a Developer Extension Agreement (DEA) Application Form.
- C. Board of Commissioners evaluates whether or not to allow extension.

After Board of Commissioners decides to allow extension:

- D. District and Developer sign a Developer Extension Agreement.
- E. Developer designs facilities using District Design Standards.
- F. Developer constructs facilities using District's Construction Standards.
- G. District accepts inprovements.
- H. If applicable, District creates a Latecomer's Agreement with Developer per RCW's 56 & 57.

# APPLICATION PROCEDURES

- 1. Applicant furnishes information required on reverse and pays application processing fee.
- 2. District performs preliminary Application completeness evaluation. If evaluation proves unsatisfactory, the District will return the application package to applicant citing deficiencies, and advise that application revision and resubmission is necessary.
- 3. Using information provided on the reverse, District ascertains proposed project conformance to the latest approved version of the District's Comprehensive Plan and other relevant District planning requirements. If found that:
  - 3.1. The information provided is insufficient to allow a determination, the District General Manager notifies the Applicant accordingly, citing discrepancies, and advises that Application revision/resubmission is necessary.
  - 3.2. In full conformance, the District General Manager advises the Applicant accordingly, and automatically petitions the District's Board of Commissioners to authorize the creation of a Developer Extension Agreement (DEA).
  - 3.3. In non or partial conformance, the District General Manager notifies Applicant accordingly, citing discrepancies, and advises that Application revision/resubmission is necessary.

If a Comprehensive Plan Amendment is required, the Applicant petitions the District's Board of Commissioners to have the District attempt a formal amendment to the latest approved version of the District's Comprehensive Plan. Applicant is hereby cautioned that:

- The Commissioners are not obligated to grant Applicant's request to attempt to amend the Comprehensive Plan.
- Applicant shall fund all expenses associated with said amendment attempt, (current minimum estimate \$1,000.)
- Amendment approval is not guaranteed since amendments require approval by multiple State and County agencies.



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

August 5, 2021

Mr. Sean Jeffrey email: seanjeffrey@nwhomes.net

Re: Joseph's Place Short Plat Requirements for Water/Sewer Connections

Dear Mr. Jeffrey:

This past winter you had inquired about water/sewer connections to 3 lots as part of Joseph's Place Short Plat. This letter summarizes water and sewer connection requirements for Lots A, B, and C of Joseph's Place Short Plat located just east of 2574 Woodcliff Lane.



The District's Administrative Code Section 3.4, Requirements for Water and Sewer Service, identifies connection requirements based on several parcel attributes, such as location (inside UGA or LAMIRD), proximity to water and/or sewer mains, and the type of proposed development. For reference, the code can be found on the District's website here: <a href="https://wwsd.org/about-us/administrative-information/">https://wwsd.org/about-us/administrative-information/</a>

### **Sewer Service**

Applicable Administrative Code Section 3.4.2.1 – Parcel is located outside UGA or LAMIRD:

A. Sufficient Sewer Main within 150-feet of Property. Connection to the District system is required, and shall be in accordance with current District Standards.

Sewer Connection Requirements						
Lot A	Lot B	Lot C				
Located outside UGA. District received confirmation from City of Bellingham property can be served by sewer.	Located outside UGA. District received confirmation from City of Bellingham property can be served by sewer.	Located outside UGA. District received confirmation from City of Bellingham property can be served by sewer.				
ULID 18 Assessment	ULID 18 Assessment	No ULID 18 Assessment, charges in lieu of assessment apply				
Sewer force main adjacent to property on Lake Whatcom Boulevard. Grinder pump connection can be made to force main. Or, a gravity side sewer installed down the hill to gravity sewer main running through the lower portions of Lots B and C (this would require an easement recorded on lower lot in favor of Lot A).	Gravity sewer main runs across lower portion of property. Gravity connection required.	Gravity sewer main runs across lower portion of property. Gravity connection required.				

# Water Service

Applicable Administrative Code Section 3.4.2.B, Water Service Inside or Outside UGA or LAMIRD:

B. Sufficient Water System within 200-feet of Property. Connection to the District water system is required. Owner extends and/or replaces main past and/or through property and connects to the sufficient main by Developer Extension Agreement and in accordance with current District Standards.

If District determines that a public water main extension is not warranted, the District will install a water service from the main to meter. Meters will be set adjacent to the main near the edge of the public right-of-way or easement corridor in which the public water main is located. The property Owner installs the private water service line from the meter to the building. Properties not fronting the public water main such as those located beyond the end of the main or behind lots fronting the main will require a longer private water service line installed by the Owner from their property to the meter.

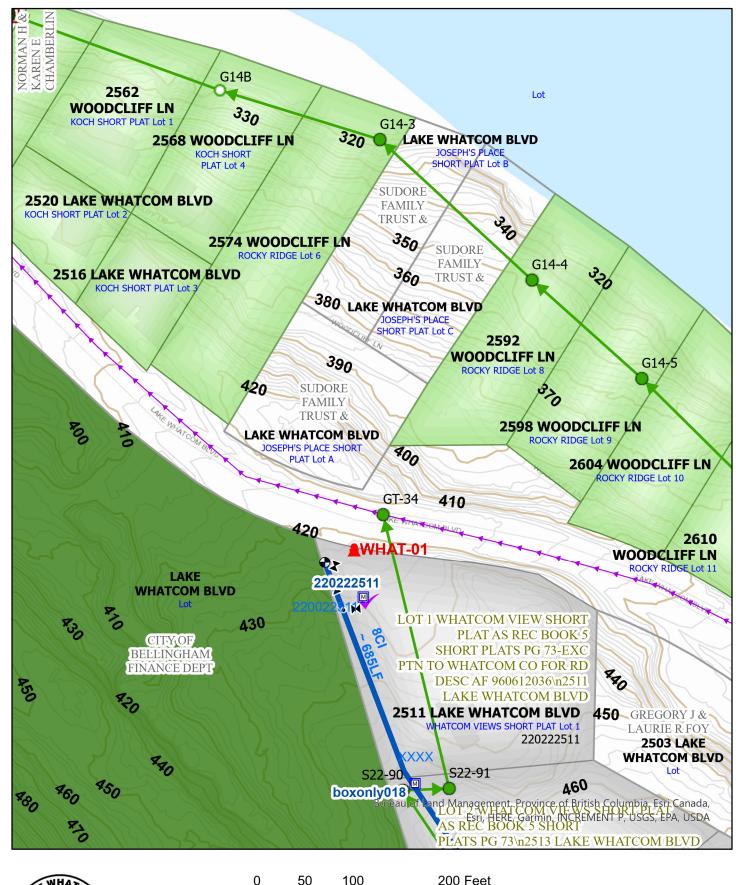
Water Connection Requirements					
Lot A	Lot B	Lot C			
Property is approximately 80-feet from an existing 8" public water main located on the south side of Lake Whatcom Boulevard. Therefore property must connect to District water system by extending the public water main past/thru lot by developer extension agreement.	Property is approximately 230-feet from an existing 8" public water main. Therefore a water connection is not required and an alternate source of water such as a well is an option. District can issue a denial of service upon recording a covenant to bind property to connect to water if/when it becomes available. Property has option to be served by District's water system but this would require an extension of the public water main past/thru lot by developer extension agreement.	Property is approximately 210-feet from an existing 8" public water main. Therefore a water connection is not required and an alternate source of water such as a well is an option. District can issue a denial of service upon recording a covenant to bind property to connect to water if/when it becomes available. Property has option to be served by District's water system but this would require an extension of the public water main past/thru lot by developer extension agreement.			
District customers. Therefore, it a	Woodcliff Lane would benefit other adja opears the District would require a public extension agreement as a condition of wa	water main extension past/thru by			

Please feel free to call if you have any questions.

Sincerely, Lake Whatcom Water and Sewer District

Bill Hunter, PE District Engineer / Assistant General Manager

Attachments: GIS Map 12/12/2017 Email from City confirming lots can be served by public sewer.



0

50

200 Feet



# **Kristin Hemenway**

From:	Kristin Hemenway	
Sent:	Tuesday, December 12, 2017 1:03 PM	
То:	Sean Jeffrey (seanjeffrey@nwhomes.net)	
Subject:	FW: Notice of Intent to Provide Sewer Service - Lake Whatcom	
-	Boulevard - Parcel Numbers 380431-130065-0000,	
	380431-140082-0000, and 380431-150075-0000	

The City of Bellingham approved sewer connections for the Joseph's Short Plat lots.

From: Baldwin, Brent L. [mailto:bbaldwin@cob.org]
Sent: Tuesday, December 12, 2017 12:56 PM
To: Bill Hunter
Cc: Kristin Hemenway; Rich Munson
Subject: RE: Notice of Intent to Provide Sewer Service - Lake Whatcom Boulevard - Parcel Numbers 380431-130065-0000, 380431-140082-0000, and 380431-150075-0000

Bill,

Yes, the Joseph Place Short Plat was created in 1984 and the district can provide service.

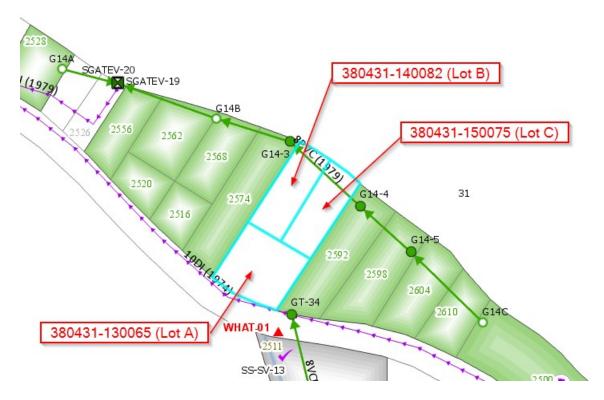
Brent Baldwin, AICP Development Manager 104 W Magnolia Street, Suite 109, Bellingham WA 98225 (360) 778-7900 (main) (360) 778-7940 (direct) bbaldwin@cob.org

NOTE: My incoming/outgoing e-mail messages are subject to public disclosure requirements per RCW 42.56

From: Bill Hunter [mailto:bill.hunter@lwwsd.org]
Sent: Tuesday, December 12, 2017 10:19 AM
To: Baldwin, Brent L. <<u>bbaldwin@cob.org</u>>
Cc: Kristin Hemenway <<u>kristin.hemenway@lwwsd.org</u>>; Rich Munson
<<u>rich.munson@lwwsd.org</u>>
Subject: Notice of Intent to Provide Sewer Service - Lake Whatcom Boulevard - Parcel Numbers
380431-130065-0000, 380431-140082-0000, and 380431-150075-0000

Brent,

Attached is a notice letter and a copy of the 1984 short plat for three new single family residences outside the City UGA.



#### Bill Hunter, P.E. | Assistant General Manager / District Engineer



# LAKE WHATCOM WATER & SEWER DISTRICT 1220 Lakeway Drive

Bellingham, WA 98229

8am – 5pm, Monday – Thursday (360) 734-9224, Fax: (360) 738-8250 www.lwwsd.org

NOTICE: The information contained in this electronic message is confidential and only for the use of the intended recipient(s); and contains confidential and/or privileged information belonging to Lake Whatcom Water and Sewer District or its customers or consultants or vendors. Any unauthorized review, use, copying, disclosure or distribution of this message is strictly prohibited. If you are not an intended recipient of this message, please contact the sender and destroy all copies of the message and any attachments immediately.

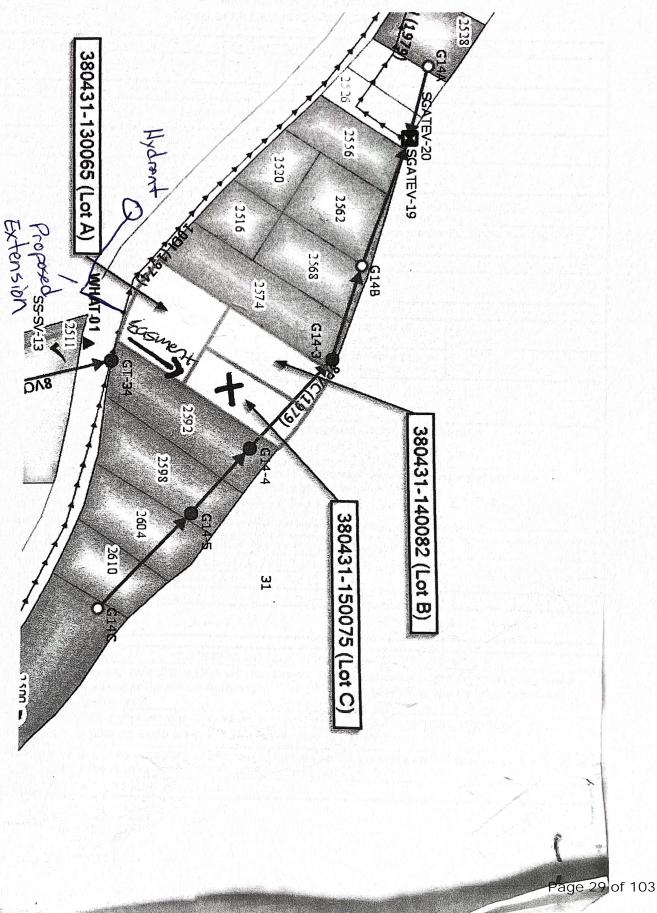
Email from this address is subject to public disclosure pursuant to RCW 42.56.

**Total Control Panel** 

<u>Login</u>

To: kristin.hemenway@lwwsd.org From: bbaldwin@cob.org

You received this message because the domain cob.org is on the enterprise allow list. Please contact your administrator to block messages from the domain cob.org



	Whatcom Coun Total: \$210.50 EASE Request of: eRecorded by:	Pgs=8 CHICAGO TITLE E	2022-0801959 08/19/2022 02:43 PM BELLINGHAM
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900 DUPONT STREET BELLINGHAM, WA 98225		•	
Document Title: WATER LINE EASEMENT Grantor: ALLEN JAMES SUDORE and SAMUEL V Anne Sudore, deceased '1HE SUDORE FAMILY TRUST	WILLIAM SUI	DORE, as heirs to	the Estate of
Grantee:BRITTANY LYNDSEY BARROWS and M coupleLegal Description:Lot A, Joseph's Place - Short Plat 380431 130065 0000	AITCHELL DU	JPAS BARROW	S, a married
WATER LINE EASEM	ENT	The start	, of Anmat

THIS WATER LINE EASEMENT ("Easement") is made this \_\_\_\_\_\_ day of August 2022, by and between ALLEN JAMES SUDORE and SAMUEL WILLIAM SUDORE, as heirs to the Estate of Anne Sudore, deceased, and THE SUDORE FAMILY TRUST ("Grantors"); and BRITTANY LYNDSEY BARROWS and MITCHELL DUPAS BARROWS, a married couple ("Grantees").

### RECITALS

A. Grantors own the real property legally described as follows (the "Grantors Property"):

LOT A, AS DELINEATED ON THE JOSEPH'S PLACE – SHORT PLAT, ACCORDING TO THE PLAT THEREOF, RECORDED IN VOLUME 11 OF PLATS, PAGE 42, UNDER WHATCOM COUNTY AUDITOR'S FILE NO. 1494907.

B. Grantees own the real property legally described as follows (the "Grantees Property"):

LOT C, AS DELINEATED ON THE JOSEPH'S PLACE – SHORT PLAT, ACCORDING TO THE PLAT THEREOF, RECORDED IN VOLUME 11 OF PLATS, PAGE 42, UNDER WHATCOM COUNTY AUDITOR'S FILE NO. 1494907.

C. The parties desire to establish and easement over Grantors Property for a water line to Grantees Property.

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained in this Easement, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

WATER LINE EASEMENT - 1

1. <u>WATER LINE EASEMENT</u>. Grantors grant and convey a perpetual non-exclusive easement over, across, under, and through the southeast forty feet (40') of the Grantors Property (the "Easement Area"). A map showing the approximate location of the Easement Area is attached as Exhibit "A".

2. <u>PURPOSE</u>. This Easement shall be for the purpose of underground water line running from Lake Whatcom Boulevard to Grantees Property.

3. <u>CONSTRUCTION</u>. Grantees shall have the right to construct, improve, or reconstruct an underground water transmission line within the Easement Area (the "Water Line"). Construction of the Water Line shall be at the sole cost and expense of Grantees.

4. <u>MAINTENANCE</u>. This Easement shall include the right to access the Water Line over the Easement Area to maintain, repair, protect and operate the Water Line. The cost of maintenance, repair and protection and operation of the Water Line shall be paid solely by Grantees.

5. <u>RESTORATION</u>. After completion of construction, improvement, reconstruction, or inspection of the Water Line, the Easement Area where Grantees install the Water Line shall be restored to the same condition as immediately prior to commencement of such activity at Grantee's sole cost and expense; provided, Grantees shall not be required to replace any trees or bushes removed during construction. After completion of repairs or maintenance to the Easement Area, the Easement Area shall be restored to the same condition as immediately prior to commencement of repairs or maintenance.

6. <u>AS-BUILT EASEMENT AREA LOCATION</u>. Upon completion of installation of the Water Line, Grantors, at the sole cost and expense of Grantors, may have a surveyor locate the as-built Water Line and record a survey of showing the location of the installed Water Line. Upon recording of such survey, the Easement Area shall become ten feet (10') on either side of the installed Water Line as reflected on the recorded survey.

7. <u>BINDING EFFECT</u>. In all respects, the provisions of this Easement shall be construed and interpreted as covenants which run with and are pertinent to the land of the parties above described and shall be binding upon and inure to the benefit of the heirs, assigns, successors to and personal representatives of the parties hereto.

8. <u>NO WAIVER</u>. Failure to enforce any provision of this Easement shall not operate as a waiver of any such provision.

9. <u>ATTORNEY'S FEES</u>. In the event any of the party's institute suit to enforce the Easement, the successful party shall be entitled to court costs and reasonable attorney's fees against the losing party.

10. <u>NOT A DEDICATION</u>. Nothing herein shall be construed as a dedication for the use and enjoyment of the public. There are no third-party beneficiaries to this Easement.

11. <u>GOVERNING LAW</u>. This Easement shall be governed, construed, and enforced in accordance with the laws of the State of Washington. Venue shall be the Superior Court of Whatcom County, Washington.

12. <u>SEVERABILITY</u>. Invalidation of any of the provisions of this Easement by judgment or court order shall in no way affect any of the other provisions, which shall remain in full force and effect. WATER LINE EASEMENT -2 **GRANTORS:** 

SAMUEL WILLIAM SUDORE, heir to the Estate of Anne Sudore, deceased

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

Aritaca

STATE OF CALIFORNIA

COUNTY OF Mascone

On this <u>17</u> day of August, 2022, before me, <u>Jaskin A</u> <u>Skittwester</u>, Notary Public, personally appeared SAMUEL WILLIAM SUDORE, who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

I certify under PENALTY of PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature



JUSTINA, STITTSWORTH Notary Public - Arizona Maricopa Co. / #574593 Expires 02/06/2024

(Seal)

13. <u>ENTIRE AGREEMENT</u>. This Easement contains all representations and is the entire understanding between the parties hereto with respect to the subject matter hereof.

IN WITNESS THEREOF, the parties have executed this document as of the date first above written.

#### **GRANTORS:**

ALLEN JAVIES SUDORE, heir to the Estate of Anne Sudore, deceased

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

A +, 200

STATE OF CALIFORNIA

COUNTY OF Nauga

On this <u>17</u> day of August, 2022, before me, <u>Justin</u> <u>A</u> <u>Statur</u>, Notary Public, personally appeared ALLEN JAMES SUDORE, who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

I certify under PENALTY of PERJURY under the laws of the State of Cal<u>ifornia</u> that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

JUST A STHTTSWORTH Notary Maricount - Arizona Maricount - #574593 Expires 02/06/2024

Signature



JUSTINA, STITTSWORTH Notary Public - Arizona Maricopa Co. / #574593 Expires 02/06/2024

(Seal)

WATER LINE EASEMENT - 3

#### **GRANTORS:**

THE SUDORE FAMILY TRUST

RICHARD FALZALORE, Trustee

Sea

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA

COUNTY OF \_

day of August, 2022, before me, On this Notary Public, personally appeared SAMUEL WILLIAM SUDORE, who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

I certify under PENALTY of PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

See Following WITNESS my hand and official seal.

Signature

WATER LINE EASEMENT - 5

- <sup>1</sup>	ACKNOWLEDGMENT
1	
	A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.
	State of California County ofOrange)
	On August 18, 2022 before me, Jeff Stittsworth, Notary Public
	(insert name and title of the officer) personally appeared <u>Richard Falzalore</u>
	who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same ir his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.
	I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.
	WITNESS my hand and official seat. WITNESS my hand and official seat.
	Signature (Seal)

GRANTEES:

Maal MITCHELL DUPAS BARR

STATE OF WASHINGTON

#### COUNTY OF WHATCOM

On this \_16 th On this <u>16</u> day of August, 2022, before me personally appeared BRITTANY LYNDSEY BARROWS, to me known to be the individual described in and who executed the within and foregoing instrument and acknowledged to me that she signed the same as her free and voluntary act and deed for the uses and purposes therein mentioned.

GIVEN UNDER my hand and official seal the day and year first above written.

PRINTED NAME Notary Public in and for the State of Washington, residing at FFRAIDA My commission expires: STATE OF WASHINGTON

COUNTY OF WHATCOM

On this  $16^{16}$  day of August, 2022, before me personally appeared MITCHELL DUPAS BARROWS, to me known to be the individual described in and who executed the within and foregoing instrument and acknowledged to me that he signed the same as his free and voluntary act and deed for the uses and purposes therein mentioned.

GIVEN UNDER my hand and official seal the day and year first above written.

; SS.

)

"HILLING STATES

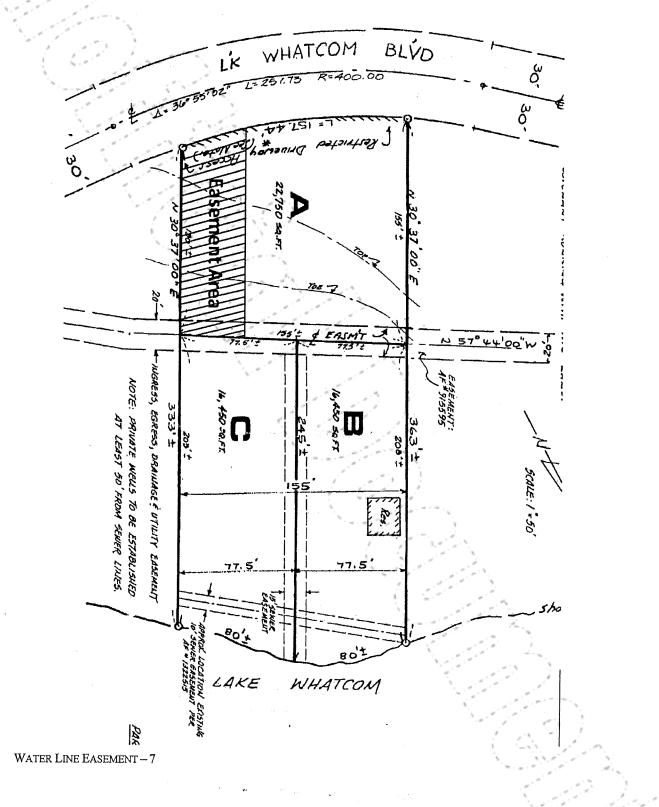
WATER LINE EASEMENT-6

PRINTED NAME ALPEZZI

Notary Public in and for the State of Washington,

residing at FERNDA My commission expires:





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#### 3.3.4 Repeat Violation Penalty

A person who repeats a violation shall be subject to a penalty as set forth in the Master Fees and Charges Schedule. Failure to correct a violation within the time limit provided in the Notice of Violation, shall be subject to a penalty as set forth in the Master Fees and Charges Schedule, from the date of the time limit provided in the Notice of Violation. Each day that a violation of this Code continues may be deemed a separate violation. [Resolution Nos. 783, 799]

#### 3.3.5 Water Loss As A Result of Damage

Charges shall be levied for the loss of water resulting from damage to the District's water system facilities caused by persons other than District employees. In addition to paying for repairs, the party responsible for the damage shall be charged the District's estimated cost. [Resolution No. 783]

#### 3.4 Requirements for Water and Sewer Service

#### **3.4.1** Capacity and Connection Availability

There is overall system capacity when the system as a whole has the capability to serve additional service connections. There may be localized areas in the system that are insufficient in size or are in too poor condition to allow local connections, but the system can still be considered to have overall system capacity. Water and/or sewer connections are available on a first come, first served basis, where capacity exists. [Resolution No. 757]

#### 3.4.2 Single Parcel with Single Family Residence.

A request for service or request for denial of service by an Owner of a single parcel for a single family residence shall be reviewed by determining: (1) the parcel's distance to the District's water and sewer system, and (2) the sufficiency of the size and condition of the mains serving the parcel as determined by the District.

#### 1. SEWER SERVICE

If the parcel is located **inside** UGA or LAMIRD:

- A. **District Sewer Adjacent to Property and Main is Sufficient**. Connection to District sewer is required. The connection shall be made in accordance with current District Standards.
- B. **Sufficient Sewer Main within 200-feet of Property**. Connection to the District sewer is required. Owner extends and/or replaces main past and/or through property and connects to the sufficient main by Developer Extension Agreement and in accordance with current District Standards.
- C. Sufficient Sewer Main more than 200-feet from Property. District has the option of extending and/or replacing mains to within 200 feet of the property and then requiring the Owner to complete the extension and/or replacement past or through their property. The Owner extension and/or replacement of the main will be by Developer Extension Agreement and in accordance with current District Standards. If the District elects not to bring a sufficiently

sized main in adequate condition within 200 feet of the property, the Owner may develop an onsite sewage disposal system in accordance with Whatcom County and State regulations after executing a "Covenant Binding Property Regarding Future Water and/or Sewer Service."

If the parcel is located **outside** UGA or LAMIRD:

- A. **Sufficient Sewer Main within 150-feet of Property**. Connection to the District system is required, and shall be in accordance with current District Standards.
- B. **Sufficient Sewer Main more than 150-feet from Property**. The Owner may develop an onsite sewage disposal system in accordance with Whatcom County and State regulations after executing a "Covenant Binding Property Regarding Future Water and/or Sewer Service." The Owner also has the option of extending the main to and past the parcel provided Whatcom County determines the extension is consistent with the County's Comprehensive Plan and the District's Sewer Comprehensive Plan is amended to include the extension.
- C. **Health Department Required Connection.** The Owner may connect even if more than 150 feet from a sufficient sewer main and outside a UGA or LAMIRD if connection is required by Whatcom County Health Department. The connection shall be made in accordance with current District Standards. [Resolution No. 757]
- 2. WATER SERVICE INSIDE OR OUTSIDE UGA OR LAMIRD:
  - A. **District Water System Adjacent to Property and Main is Sufficient**. Connection to District water system is required. The connection shall be made in accordance with current District Standards.
  - B. **Sufficient Water System within 200-feet of Property**. Connection to the District water system is required. Owner extends and/or replaces main past and/or through property and connects to the sufficient main by Developer Extension Agreement and in accordance with current District Standards.

If District determines that a public water main extension is not warranted, the District will install a water service from the main to meter. Meters will be set adjacent to the main near the edge of the public right-of-way or easement corridor in which the public water main is located. The property Owner installs the private water service line from the meter to the building. Properties not fronting the public water main such as those located beyond the end of the main or behind lots fronting the main will require a longer private water service line installed by the Owner from their property to the meter.

C. Sufficient Water System more than 200-feet from Property. District has the option of extending and/or replacing mains to within 200 feet of the property and then requiring the Owner to complete the extension and/or replacement past or through their property. The Owner extension and/or replacement of the main will be by Developer Extension Agreement and in accordance with current District Standards. If the District elects not to bring a sufficiently sized main in adequate condition within 200 feet of the property, the Owner may develop an alternate and temporary water supply in accordance with Whatcom

County and State regulations after executing a "Covenant Binding Property Regarding Future Water and/or Sewer Service." [Resolution No. 757]

#### 3.4.3 Other Development

All other developments (such as but not limited to subdivisions, plats, short plats, commercial, institutional, industrial, etc.) shall connect to the District's water and sewer system as follows:

1. SEWER SERVICE

Site is located **inside** UGA or LAMIRD:

A. Connection to District sewer system is required. The developer shall extend the sewer system past and/or through property by Developer Extension Agreement and in accordance with current District Standards. Improvements shall be sized, designed, and constructed per District Standards to serve full build-out of the area.

Site is located **outside** UGA or LAMIRD:

- A. **Sufficient Sewer Main within 150-feet of Site**. Parcels within 150-feet of sufficient sewer main shall connect to the District sewer system in accordance with current District Standards.
- B. Sufficient Sewer Main more than 150-feet from Property. The Owner may develop an onsite sewage disposal system in accordance with Whatcom County and State regulations after executing a "Covenant Binding Property Regarding Future Water and/or Sewer Service." The Owner also has the option of extending the main to and past the parcel provided Whatcom County determines the extension is consistent with its Comprehensive Plan and the extension is amended to the District's Sewer Comprehensive Plan. The sewer extension and connections shall be in accordance with current District Standards.
- C. **Health Department Required Connection.** The Owner may connect even if more than 150 feet from a sufficient sewer main and outside a UGA or LAMIRD if connection is required by Whatcom County Health Department. The connection shall be made in accordance with current District Standards. [Resolution No. 757]
- 2. WATER SERVICE INSIDE OR OUTSIDE UGA OR LAMIRD:
  - A. Connection to the District water system is required. Owner extends and/or replaces main past and/or through property and connects to the sufficient main by Developer Extension Agreement per current District Standards. [Resolution No. 757]

#### 3.4.4 Petition to Waive or Adjust Connection Requirements

The Owner may petition the Board of Commissioners to waive or adjust the connection requirements if the parcel is located such that service is unlikely to be extended to the parcel within the next 20 years as determined by the District. The Board of Commissioners will evaluate the petition considering:

1. Expansion of the system to serve the new development is considered part of the cost of the new development.

- 2. Costs for some developments will be more than others due to location and physical challenges.
- 3. Waiving connection requirements will make it increasingly more difficult and costly to serve the same development in the future.
- 4. Some required improvements may not be immediately placed into service but will greatly reduce the costs and complexity to serve the development in the future (example, building a waterline across the parcel frontage that remains dry until service is extended to the site).
- 5. A distance of approximately ½ mile is considered close enough to require connection. Longer distances to connect to the system may be appropriate for larger developments.
- 6. It is considered a minimum requirement to construct the system across or through the development whether they are immediately used for service or are placed into service in the future.

If the connection requirement is waived or the required system improvements cannot immediately be placed into service, the Owner may develop an alternate and temporary water supply and/or onsite sewage disposal systems in accordance with Whatcom County and State regulations after executing a "Covenant Binding Property Regarding Future Water and/or Sewer Service. [Resolution No. 757]

#### 3.4.5 Covenant Binding Property Regarding Future Water and/or Sewer Service

The covenant runs with the land and is signed and notarized by the property owner and District General Manager. The owner records the document at the County Auditor's office and delivers the original to the District. The covenant allows the owner to develop a temporary water supply and/or onsite disposal system, restricts the owner from protesting the formation of a utility local improvement district to extend water and/or sewer to the parcel, and requires the owner to connect to the District system when service becomes available at such time as the District so determines. [Resolution No. 757]

#### 3.5 **Permits and Connection Charges**

#### 3.5.1 Permit Fees

At the time the Water and/or Sewer Permit is applied for, the applicant shall pay to the District, or its designated representative, the Permit Fee in accordance with the District's current Master Fees and Charges Schedule. The Permit Fee is a component of the connection charge. Water and/or Sewer Permits are not transferable, nor are the fees or charges paid for them refundable. [Resolution Nos. 757, 799]

#### 3.5.2 Connection Charges

- A. Property owners seeking to connect serviceable properties to the District's water and/or sewer system will be charged a connection fee at the time of issuance of a connection permit so that they will bear an equitable share of the cost of the existing system and the cost of the facilities planned for construction within the next ten years. Connection charges shall be in accordance with the District's current Master Fees and Charges Schedule.
- B. Property owners issued connection permits before or after the date of this Resolution shall have 365 days from the date of issuance of said connection permit to make a District-approved connection to the District water and/or sewer system without being subject to any increase or additional fees in the connection charge. After 365 days have elapsed, the connection permit

AGENDA       AGENDA         BILL       Repair Project Public Works         Item 6.C       Construction Contract Award         DATE SUBMITTED:       November 2, 2022												
DATE SUBMITTED:	November	<sup>-</sup> 2, 2022	MEETING DATE:	November 9	, 2022							
TO: BOARD OF COMM	ISSIONERS			er, District Enginee r and Kristin Heme ;ineer	-							
GENERAL MANAGER A	PPROVAL		Sotolley									
ATTACHED DOCUMEN	TS		<ol> <li>Bid Tabul</li> <li>Letter date</li> </ol>	ation ted 11-01-2022								
TYPE OF ACTION REQU	JESTED	RESOLUTION	FORMAL ACTION/ MOTION	INFORMATIONAL /OTHER								

#### **BACKGROUND / EXPLANATION OF IMPACT**

The Scenic Avenue Intertie Valve Repair Project is located along Lakeway Drive at the intersection with Scenic Avenue, just outside the City of Bellingham limits in Whatcom County. Record drawings show that the current system intertie and valving was installed in 1988 (the intertie now serves as an emergency intertie per an interlocal agreement between the City and the District executed in 2020). On September 5, 2022, the District was notified of significant surface water on Lakeway Drive near the intertie valve cluster. In coordination with the City of Bellingham it was determined the water was from a leaking District valve at the intertie. This leaking valve was isolated between the intertie's City water meter and an adjacent District valve.

This project consists of the replacement of existing piping, valve and fittings on the 8-inch ductile iron water main to restore the emergency intertie. The project replaces the defective valve as well as eliminates redundant valves. Work also includes traffic control, asphalt paving replacement and striping. Project improvements were coordinated with input from the City of Bellingham.

The District published an advertisement for bids in the Bellingham Herald on October 9, 2022. A non-mandatory pre-bid meeting was held on October 18, 2022, and three (3) contractors attended. Bids were due on October 24, 2022. Four (4) bids were received.

The bid documents outline the process for evaluation, determination of responsibility, and appeal of supplemental responsibility criteria. The relevant paragraphs from section 00300 Supplemental Bidder Responsibility Criteria are provided below for reference:

Following the Bid opening, upon Owner's request, the apparent low Bidder(s) must supply the requested information as identified herein within two (2) business days of request by Owner. Withholding information or failure to submit all the information requested within the time provided shall render the Bid non-responsive.

The Owner will make a determination whether or not the apparent low Bidder is responsible, taking into account all the information submitted by the apparent low Bidder(s) in response to this request. The Owner will notify the Bidder of its determination in writing, including the reasons for its determination. Within three (3) days after receipt of the determination, if the Bidder is determined not responsible, the Bidder may withdraw its Bid or request an appeal hearing. The Bidder may also present additional information pursuant to RCW 39.04.350 (2)(d) [editorial note: the RCW reference needs to be updated to 39.04.350(3)(d)]. If the Bidder requests an appeal hearing, the Owner will schedule said hearing at a Board of Commissioner meeting, to be heard not later than two (2) weeks after receipt of Bidder's request. The appeal hearing members will be the Board of Commissioners. The Board will issue a Final Determination after reviewing information presented at the appeal hearing. If the Final Determination affirms that the Bidder is not responsible, the Owner will not execute a Contract for the Project with any other Bidder until two (2) business days after the Bidder determined to be not responsible has received the Final Determination. The Final Determination is specific to this Project, and will have no effect on other or future projects.

The following supplemental Bidder responsibility criteria and requested supporting documentation are established for this Project. To be responsible, a Bidder must substantially meet the responsibility criteria established below.

The District has verified the apparent low bidder, Soper Hill Construction Company, LLC, meets the Washington State Mandatory Bidder Responsibility Criteria established per RCW 39.04.350(1). However, the District determined the apparent low bidder does not substantially meet the supplemental bidder responsibility criteria established for this project. A letter dated November 1, 2022 was transmitted to Soper Hill Construction Company, LLC on November 1, 2022 via email that documents the reasons for the determination of "not responsible".

The apparent low bidder has three (3) days from receipt of the determination to withdraw its Bid or request an appeal hearing. If a request is made for an appeal hearing, staff will provide any additional submitted information to the Board prior to the November 9, 2022, meeting. The intent is for the Board hear the appeal, if requested, and issue a Final Determination after reviewing information presented at the appeal hearing at this meeting under this agenda item.

District staff requested Supplemental Bidder Responsibility Criteria from the second low bidder. Materials have not been received at the time of meeting packet publication. Staff will provide a verbal update on review results for supplemental and mandatory criteria for the 2<sup>nd</sup> low bidder at the meeting.

#### **FISCAL IMPACT**

This is an unplanned and unbudgeted project due to a water leak that started in September 2022 on the emergency intertie between City of Bellingham and District water systems.

The repair costs are:

	Apparent Low Bid	2 <sup>nd</sup> Low Bid
Total Base Bid	\$45,115.00	\$49,333.00
Sales Tax (8.6% in County)	\$3,879.89	\$4,242.64
Total with Sales Tax	\$48,994.89	\$53,575.64

#### **APPLICABLE EFFECTIVE UTILITY MANAGEMENT ATTRIBUTE(S)**

Product Quality Operational Optimization Infrastructure Strategy and Performance

#### **RECOMMENDED BOARD ACTION**

Staff recommends awarding the Scenic Avenue Intertie Valve Repair Project contract to the lowest responsive responsible bidder.

#### PROPOSED MOTION

Recommended motions are:

"I move to award the Scenic Avenue Intertie Valve Repair Project public works contract to \_\_\_\_\_\_ for a total contract price of \_\_\_\_\_\_\_ including 8.6% sales tax and authorize the General Manager to execute the contract."

#### LAKE WHATCOM WATER & SEWER DISTRICT

1220 LAKEWAY DRIVE

	GHAM, WA 982298						В	ID TABL	JLATION							
(360) 73	4-9224 <b>XEW</b>	HATCO	PROJECT NAME	PROJECT #	<b>BID OPENING DATE &amp; TIME</b>			PAGE # OF #	LOCATION							
	what what	ake atcom	Scenic Intertie Valve Repair	M2230	10/24/2022: 2:00 PM			1 OF 1	1 OF 1 LAKE WHATCOM WATER & SEWER DISTRICT BOARD ROOM							
	TEP & SEL	WER DIST	NAME OF FIRM	ENG	GINEER'S ESTIMATE	SOPER HILL	CONSTRUCTION COMPANY, LTD	PREI	MIUM SERVICES INC.		STRUCTION GENERAL TRACTORS, LLC	TIGER	CONSTRUCTION, LTD			
Item	Description	Quantity	Unit	Unit Price	Amount			Unit Price	Amount	Unit Price	Amount	Unit Price	Amount			
SCHEDU	LE A BASE BID															
1	Mobilization / Demobilization	1	LS	\$ 4,000.00	\$ 4,000.00	\$ 2,500.00	\$ 2,500.00	\$ 5,333.00	\$ 5,333.00	\$ 10,000.00 \$	10,000.00	\$ 12,000.00	\$ 12,000.00			
2	Traffic Control	1	LS	\$ 4,560.00	\$ 4,560.00	\$ 7,500.00	\$ 7,500.00	\$ 4,900.00	\$ 4,900.00	\$ 8,500.00 \$	8,500.00	\$ 15,500.00	\$ 15,500.00			
3	Trench Safety Excavation Provisions	1	LS	\$ 1,500.00	\$ 1,500.00	\$ 6,750.00	\$ 6,750.00	\$ 100.00	\$ 100.00	\$ 1.00 \$	1.00	\$ 1,200.00	\$ 1,200.00			
4	8-inch Water Main Repair	1	LS	\$ 38,750.00	\$ 38,750.00	\$ 19,950.00	\$ 19,950.00	\$ 35,000.00	\$ 35,000.00	\$ 35,000.00 \$	35,000.00	\$ 42,300.00	\$ 42,300.00			
5	HMA Replacement	1	LS	\$ 3,000.00	\$ 3,000.00	\$ 6,215.00	\$ 6,215.00	\$ 3,500.00	\$ 3,500.00	\$ 6,000.00 \$	6,000.00	\$ 7,000.00	\$ 7,000.00			
6	PPE and Bags for possible Asbestos Cement Pipe Handling	1	LS	\$ 500.00	\$ 500.00	\$ 2,200.00	\$ 2,200.00	\$ 500.00	\$ 500.00	\$ 1,000.00 \$	1,000.00	\$ 2,000.00	\$ 2,000.00			
	Total Base Bid (does not i	include Was	hington State Sales Tax)		\$ 52,310.00		\$ 45,115.00		\$ 49,333.00	\$	60,501.00		\$ 80,000.00			
	•				N/A		YES	<u>.</u>	YES		YES	·	YES			
	ADDENI	DUM ACKNC	WLEDGED? (YES OR NO)		N/A		YES	-	YES		YES		YES			



#### LAKE WHATCOM WATER & SEWER DISTRICT

1220 Lakeway Drive Bellingham, WA, 98229

(360) 734-9224 Fax 738-8250

\*\*\*\* Transmission by E-mail \*\*\*\*

November 1, 2022

Natalia Viguie Managing Member **Soper Hill Construction Co. LLC** 2508 Lake Drive Lake Stevens, WA 98258

### Re: Scenic Ave Intertie Valve Repair Project (Project #M2230) Supplemental Bidder Responsibility Review Determination

Dear Ms. Viguie,

Lake Whatcom Water and Sewer District (District) advertised the Scenic Valve Intertie Valve Repair Project in the Bellingham Herald on October 9, 2022. Bids were due on October 24, 2022. Four (4) bids were received, and Soper Hill Construction Co. LLC was the apparent low bidder. It is the District's intent to award the contract to the lowest responsive, responsible bidder.

In accordance with DIVISION 00200-0.11, INSTRUCTION TO BIDDERS, LOW RESPONSIBLE BIDDER, a Bidder must meet both the mandatory responsibility criteria established under RCW 39.04.350(1) and the overall accounting of the DIVISION 00300 SUPPLEMENTAL BIDDER RESPONSIBILITY CRITERIA. District staff requested Soper Hill Construction Co. LLC's Supplemental Bidder Responsibility Criteria on October 24, 2022 and received the documents on October 27, 2022.

As outlined in 00300 Supplemental Bidder Responsibility Criteria, "supplemental Bidder responsibility criteria and requested supporting documentation are established for this Project. To be responsible, a Bidder must substantially meet the responsibility criteria established below."

District staff has reviewed both Mandatory and Supplemental components and has found that while Soper Hill Construction Co. LLC meets the Washington State Mandatory Bidder Requirements, the company did not provide documentation to meet the overall accounting of the District's Supplemental Bidder Responsibility criterion that substantially meets the established criteria.

#### **Evaluation of Criterion #1:**

 Experience of Contractor:
 Provide a list of public works construction contracts similar in size and complexity your firm has completed in each of the past five (5) years, giving the name of the project, name, address, and phone number of owner, and architect/engineer, contract amount, date of completion, and percentage of the cost of the work performed with your own forces. This information will be used for references.

No documentation was received for any specific public works projects in the past five (5) years similar in size and complexity to current Project. Criterion not substantially met.

#### **Evaluation of Criterion #2:**

Experience of Project Superintendent:	Submit resume and references of the person proposed by the Bidder to superintend the work. Resume and references should demonstrate Superintendent has managed public works projects of similar complexity and similar size, and successfully completed the project(s) within the last five (5) years.
	Up to date Asbestos Cement Water Pipe Training Course

Documentation included a resume, references, and Certificate of Completion for Asbestos Safety for the Competent Person. It appears that based on the submitted documentation that Criterion #2 is substantially met. Note, that references have not been contacted to verify resume experience.

Since no documentation was provided for Criterion #1, Soper Hill Construction Co. LLC does not meet overall compliance with this criterion and therefore is not considered "responsible" relative to the overall accounting requirements of the Supplemental Bidder Responsibility Criteria for this project.

In accordance with SECTION 00200-0.11(B) INSTRUCTIONS TO BIDDERS, SUPPLEMENTAL RESPONSIBILITY CRITERIA, your company may:

"Within three (3) days after receipt of the determination, if the Bidder is determined not responsible, the Bidder may withdraw its Bid or request an appeal hearing. The Bidder may also present additional information pursuant to RCW 39.04.350(3)(d)."

Thank you for submitting your bid and your interest in the District's public works projects. Please let us know if you have any questions regarding this determination.

Sincerely, LAKE WHATCOM WATER AND SEWER DISTRICT

Bril Hat

Bill Hunter, PE District Engineer / Assistant General Manager

cc: Justin Clary, PE, General Manager Kristin Hemenway, PE, Construction Engineer

whatcom	iENDA BILL m 6.D	Draft 2023-2024 Biennial Budget									
DATE SUBMITTED:	November 2, 2022	MEETING DATE:	November 9,	, 2022							
TO: BOARD OF COMM	ISSIONERS	FROM: Jenny Signs, Finance Manager/Treasurer									
GENERAL MANAGER A	PPROVAL	Sotollay									
ATTACHED DOCUMEN	TS	1. Budget Assur	nptions								
		2. Draft 2023-2	024 Biennial Budge	et & Capital							
		Improvemen	t Program Supplen	nental							
		Documents									
		RESOLUTION	FORMAL ACTION/	INFORMATIONAL							
TYPE OF ACTION REQU	ESTED			/other ⊠							

#### **BACKGROUND / EXPLANATION OF IMPACT**

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

The General Manager shall develop an operating and capital improvement budget biennially for both the water and sewer systems. The biennial budget shall provide for the forecasting of revenues and expenditures for the following two fiscal years. The biennial fiscal period shall start on January 1 of an odd-numbered year and end on December 31 of the following even-numbered year. The budget shall be presented to the Board of Commissioners for review and approval prior to the end of December in advance of the next biennium.

Using projected revenues based upon rate increases established in the Master Fees & Charges Schedule 28 (4.5% water and 3.75% sewer) and projected 2022 operating expenses and projects defined in the District's water and sewer capital improvement plans, District staff have developed the attached 2023-2024 draft budget for Board discussion.

#### FISCAL IMPACT

The preliminary budget, for the biennium 2023 – 2024, proposes a budget of approximately \$8.6 million for the water utility and a budget of approximately \$9.8 million for the sewer utility, resulting in a total budget of approximately \$18.4 million.

#### APPLICABLE EFFECTIVE UTILITY MANAGEMENT ATTRIBUTE(S)

**Financial Viability** 

### **RECOMMENDED BOARD ACTION**

No action is recommended at this time.

#### PROPOSED MOTION

Not applicable.



Lake Whatcom Water and Sewer District Finance Department Detailed Narrative – 2023-2024 Biennial Budget Draft

Presented at Regular Meeting – Wednesday, November 9, 2022 – 6:30 PM

## Revisions Since October 12, 2022

- 2022 Projections were updated through 10.27.2022, for both revenues and expenditures in both water and sewer funds and projected through year-end
- GFC's were increased based on Board discussion in previous meetings
- FEMA Funding for Beaver Creek was accounted for in the Sewer Fund Budget in 2023
- Capital Improvement Budget was updated based on projects not previously accounted for in the carryover and revisions to 6-Year CIP Plan

## Presented October 12, 2022 Board Meeting

## Revenue Assumptions

- Nearly \$2 million in the Water fund revenue associated with the FEMA hazard mitigation grant (Division 7 Reservoir Replacement)
- Water rate revenues were based on a 4.5% rate increase consistent with the Master Fees & Charges Schedule
- Sewer rate revenues were based on a 3.75% rate increase consistent with the Master Fees & Charges Schedule
- General Facilities Charges for both water and sewer were based conservatively on 10 new connections
- Late fees were increased from the 2022 budget to reflect historical collection trends and fee assessments prior to 2020 (pre-pandemic)
- Interest revenues were budgeted conservatively with slight increases to account for increased interest rates
- In the Sewer Fund, ULID payments were accounted for in 2023 as the final payment on the 20-year financing plan comes to an end

## Expenditure Assumptions

- Payroll & Benefits
  - Payroll in both water and sewer funds budgeted for a 3% COLA plus step increases as well as a onetime payment of \$1,000 for represented employees as outlined in the AFSCME contract in both 2023 and 2024
  - Operations payroll was increased due to increased costs realized in the past as result of over time, double time, and stand by pay
  - Benefits were budgeted at a 5% increase to account for medical premium increases. All other benefits remained and current levels of contributions. Projections for 2022 are less than budgeted due to the District's portion of mandatory retirement contributions fluctuating
  - There is a slight decrease in the Admin Payroll line item to account for the Accounting Clerk position not being filled during the biennium

- Operating expenditures were reviewed in depth with the following notable changes:
  - Gen Admin Supplies were budgeted lower than years past based on 3year average plus slight increase of 5% for inflation
  - Merchant services and bank fees were increased due to increased yearover-year trends
  - Quality assurance programs were adjusted based on known changes
  - General admin professional services saw a significant change as staff made the decision to separate professional services and IT software costs reflected in its own GL line item. Professional services and IT were increased based on known costs from vendors
  - Engineering services were decreased and based on 3-year average trends under the direction of the engineering department
  - Legal services were increased based on 3-year average trends
  - Admin communications were budgeted at current year projections with anticipation of cost savings due to in depth review of current system needs
  - Admin insurance was based on a 5% historical increase year over year
  - Membership dues were increased based on known costs
  - Taxes were increased based on revenue increase projections
  - Training and travel for both Administration and Operations were increased due to more trainings returning to in person events vs. virtual
  - Operations maintenance, supplies, small assets, and repairs were all based on 3-year trends with a 10% escalation in 2023 and a 5% escalation in 2024 to account for potential inflationary costs
  - City of Bellingham Water was based as outlined in the interlocal agreement
  - Fuel was increased based on increased costs to the District in 2022 with no indication of fuel costs falling
  - Utilities were increased 10% in 2023 and 5% in 2024 based on inflation assumptions
- Water Fund System Reinvestment Capital Expenditures
  - **2023** 
    - \$3.034 million was budgeted as outlined in the 6-Year CIP for the District (increased as a result of grant funding)
    - \$320,653 was budgeted as project carryover for current CIP project completion from previous years
  - **2024** 
    - \$263,943 was budgeted as outlined in the 6-Year CIP for the District
    - \$14,000 was identified as additional funding needed for past project completion
- Sewer Fund System Reinvestment Capital Expenditures
  - 2023

- \$273,109 was budgeted as outlined in the 6-Year CIP for the District
- \$1.292 million was budgeted as project carryover for current CIP project completion from previous years
- **2024** 
  - \$1.814 million was budgeted as outlined in the 6-Year CIP for the District
  - \$157,500 was identified as additional funding needed for past project completion

## Fund Balance Summaries

- o System reinvestment funded per rate study recommendations
  - The District has a policy of setting aside a certain amount of rate revenue each year for system reinvestment. Funding depreciation expense meets several standards for reasonable rates: financial integrity, rate equity, and adequacy of capital.
    - Water
      - o **2023 \$260,000**
      - o **2024 \$270,000**
    - Sewer
      - o **2023 \$820,000**
      - o **2024 \$830,000**
- Operating reserves maintained fiscal policy (Admin Code 2.18.1) at the following:
  - The District operating reserves for the Water Utility are based 90 days while the Sewer Utility is based on 60 days. In any year where operating reserves exceed the maximum days of O&M expenses at year-end, the excess cash is "swept" into the capital account to help pay for capital projects.
    - Water
      - o **2023 \$644,000**
      - o **2024 \$664,000**
    - Sewer
      - o **2023 \$506,000**
      - o **2024 \$521,000**
- Contingency funds maintained per fiscal policy (Admin Code 2.18.2) at 1% of fixed asset replacement value.
  - .
- Water \$460,000
- Sewer \$815,000
- Rate Study Operating Surplus Recommendations
  - The board-adopted 2021 Rate Study recommends growing the operating surplus in the first 8 years of the new rates for the water fund to account

for debt funding to begin in 2031 and in the first 3 years of the new rates for the sewer fund to account for debt funding to begin in 2025.

- Water \$136,000
- Sewer \$277,000

# 2023-2024 BIENNIAL BUDGET DRAFT

Presented November 9, 2022



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



#### LAKE WHATCOM WATER AND SEWER FUND SUMMARIES 2023-2024 - DRAFT

	401	402		460 BOND RESERVE
	WATER	SEWER	TOTAL	(RESTRICTED)
2023 Projected Beginning Fund Balance	\$1,306,219	\$2,889,150	\$4,195,369	\$772,334
2023 - 2024 Revenues	\$8,593,020	\$9,823,306	\$18,416,326	
2023 - 2024 Expenditures	\$ (9,516,439)	\$ (11,383,671)	\$ (20,900,110)	
Net Surplus/(Deficit)	\$ (923,419)	\$ (1,560,365)	\$ (2,483,784)	\$772,334
2024 Projected Ending Fund Balance	\$382,800	\$1,328,785	\$1,711,585	\$772,334
2023 - 2024 Allocated to Operating Reserve	\$664,000	\$521,000	\$1,185,000	
2023 - 2024 Allocated to Contingency Reserve Fund	\$0	\$0	\$0	
2023 - 2024 Rate Study Surplus Assigned*	\$136,000	\$277,000	\$413,000	
2023 - 2024 Projected Unassigned Year End Fund Balance	\$ (417,200)	\$530,785	\$113,585	
	426	425		
	Water	Sewer	Total	
2023 Contingency Reserve Funds	\$460,000	\$815,000	\$1,275,000	
2024 Contingency Reserve Funds	\$460,000	\$815,000	\$1,275,000	

\*Aggregate Rate Study Surplus Assigned 2022 through 2024

#### Lake Whatcom Water and Sewer District 2023 - 2024 Budget Proposal - DRAFT Water Utility Fund (401)

	5	• ·			2021	2022		2022 Projected	2023		2024	С	023-2024 Combined
Fund	Dept.	Account	Title		Acutal	Budget	1	0.27.2022	Proposed	Р	roposed	P	Proposed
			Intergovernmental Revenue										
401	330	331 40 10 00	Federal Grants (FEMA)	\$	-	\$ 239,000	\$	239,000	\$ 1,996,000	\$	-	\$	1,996,000
			Charges For Services										
401	340	343 40 10 00	Charges For Services Water Sales Metered	\$	2,832,355	\$ 2,894,977	\$	2,837,078	\$ 3,025,251	\$ :	3,161,387	\$	6,186,638
401	340	343 40 20 01	DEA Permits - Water	Š	(7,961)		\$	300	\$ 0,020,201	\$	-	\$	-
401	340	343 41 10 01	General Facilities Charges - Water	\$	320,536		\$		\$ 101,520		104,058	\$	205,578
			-										
			Fines & Penalties										
401 401	350 350	359 81 10 00 359 90 00 00	Combined Fees Late Fees	\$ \$	10,802 7,141	\$ 28,000 \$ 58,000		6,356 61,278	\$ 8,500 \$ 60.000	\$	8,500 60,000	\$	17,000 120,000
401	300	339 90 00 00	Late rees	\$	7,141	\$ 00,000	Φ	01,270	\$ 00,000	Ф	00,000	Φ	120,000
			Miscellaneous Revenues										
401	360	361 11 00 00	Investment Interest	\$	48,944	\$ 20,000	\$	29,875	\$ 31,713	\$	34,091	\$	65,804
401	360	369 10 00 00	Sale Of Surplus	\$	4,176					\$		\$	-
401	360	369 10 01 00	Miscellaneous	\$	726				\$ 1,000	\$		\$	2,000
401	360	369 40 00 00	Project Reimbursement	\$		\$ - \$ -	\$	-	\$-	\$		\$	-
401	360	369 80 00 00	Over/Under	\$	-	\$ -	\$	-	\$-	\$	-	\$	-
			Other Financing Sources										
401	390	395 10 00 00	Sale Of Capital Assets	\$	-	\$-	\$	-	\$-	\$	-	\$	-
401	390	395 20 00 00	Deposits	\$	(1,500)		*	1,500	\$-	÷		\$	-
401	390	395 20 00 01	Compensation For Loss/Impairment (Formerly Ins. Recovery)			\$ -	*	13,130		\$		\$	-
401	390	398 20 00 01	Insurance Recoveries	\$	137,564 3,352,783	\$ 3,326,007	Ŷ	2 200 14/	\$ -	\$	3,369,036	\$	0 502 020
TOLATIV		nd Revenues		\$	3,302,103	\$ 3,320,007	Φ	3,390,146	\$ 5,223,984	\$ 3	3,309,030	Φ	0,393,020
			Water Fund Expenditures										
401	534	534 10 10 00	Water - Gen Admin Payroll	\$	369,312	\$ 371,770	\$	343,802	\$ 358,585	\$	371,432	\$	730,017
401	534	534 10 20 00	Water - Gen Admin Personnel Benefits	\$	150,029	\$ 161,024	\$	142,031	\$ 183,579	\$	184,645	\$	368,224
401	534	534 10 31 00	Water - Gen Admin Supplies	\$	23,446			10,126			12,500		24,500
401	534	534 10 31 01	Water - Meetings/Team building	\$		\$ 2,000		1,451			2,000		4,000
401	534	534 10 40 00	Water - Merchant Services Fees	\$ \$	14,146 872	\$ 11,500			\$ 13,800	\$		\$	28,000
401 401	534 534	534 10 40 01 534 10 41 00	Water - Bank Fees Water - Quality Assurance Programs	3 5	76,158	\$ 800 \$ 81,300		1,433 81,300		\$ \$	87,810	\$ ¢	2,800 162,310
401	534	534 10 41 00	Water - Gen Admin Prof Srvc	ŝ	165,771				\$ 92,325	\$		\$	200,250
401	534	534 10 41 02	Water - Engineering Srvc	ŝ	10,931			8,462			14,000		28,000
401	534	534 10 41 03	Water - Legal Srvc	\$	28,459	\$ 22,000	\$	32,614			31,000	\$	62,000
401	534	534 10 41 04	Water - DEA Expenditures	\$	-	\$ -	\$	-	\$-	\$	-	\$	-
401	534	534 10 41 20	Water - 20 Year SVWTP Plan	\$	41,687		*	-	\$-			\$	-
401	534	534 10 42 00	Water - Admin Communication	\$	29,745				\$ 33,000		33,000		66,000
401	534	534 10 43 00	Water - Software/IT Subscriptions	\$	-	\$ -	\$	- F 110	\$ 41,150 ¢ 5 500	\$	41,405		82,555
401 401	534 534	534 10 45 00 534 10 46 00	Water - Gen Admin Lease Water - Gen Admin Insurance	\$ \$	5,919 103,477	\$ 5,500 \$ 103,500		5,118 112,226	\$ 5,500 \$ 108,700	\$ \$	5,500 114,000	\$ ¢	11,000 222,700
401	534	534 10 49 00	Water - Gen Admin Misc.	ŝ	25	\$ 103,300		38		\$	200		400
401	534	534 10 49 01	Water - Memberships/Dues/Permits	\$	17,130	\$ 17,250		21,011				\$	40,500
401	534	534 10 49 02	Water - Taxes	\$	149,710	\$ 147,500	\$	151,183	\$ 157,986	\$	165,095	\$	323,081
401	534	534 40 43 00	Water - Admin Training & Travel	\$	3,195	\$ 10,000			\$ 13,000			\$	26,000
401	534	534 40 43 01	Water - Tuition Reimbursement	\$	-	\$ 500			\$ 500	\$		\$	1,000
401	534	534 50 31 00	Water - Maintenance Supplies	\$	88,477			69,358			120,500		235,500
401 401	534 534	534 50 31 01 534 50 48 00	Water - Small Assets	\$ \$	60,669 227,813			39,182 99,667	\$ 45,000 \$ 115,000	\$		\$ \$	92,250 235,750
401	534	534 50 48 00 534 50 49 00	Water - Repair & Maint Water - Insurance Claims	ŝ	227,013	\$ 2,500		99,007	\$ 2,500	⊅ \$		⊅ \$	235,750
401	534	534 60 41 00	Water - Operations Contracted (Edge Analytical)	ŝ	7,932			10,113		\$		\$	24,000
401	534	534 60 47 00	Water - City of Bellingham	\$	47,368			51,931			62,920		120,120
401	534	534 80 10 00	Water - Operations Payroll	\$	612,497			650,177					1,362,602
401	534	534 80 20 00	Water - Operations Personnel Benefits	\$	250,872			262,452			288,803		575,939
401	534	534 80 32 00	Water - Operations Fuel	\$	12,524			23,837			26,000		51,200
401	534	534 80 35 00	Water - Safety Supplies	\$	3,207			10,734			10,000		20,000
401 401	534 534	534 80 35 01 534 80 35 02	Water - Safety Boots Water - Emergency Preparedness	\$ \$	793	\$ 1,400 \$ 5,000		1,089	\$ 1,400 \$ 3,000		1,400 3,000		2,800 6,000
401	534 534	534 80 35 02 534 80 43 00	Water - Operation Training/Travel/Certifications	> \$	- 7,270			- 3,914			3,000		26,000
	554	551 00 15 00		ې	1,210						10,000	Ψ	
	534	534 80 47 00	Water - Ops Utilities	\$	120.036	\$ 121.200	\$	129.604	\$ 134.140	\$	138.835	\$	272.975
401 401 401	534 534	534 80 47 00 534 80 49 00		\$ \$	120,036 1,318			129,604 1,245	\$ 134,140 \$ 2,000	\$	2,000		272,975 4,000 5,417,473

			Debt Service						
401	591	591 34 77 01	Geneva AC Mains Principal	\$ 119,938	\$ 119,938	\$ 119,938	\$ 119,938	\$ 119,938	\$ 239,876
401	591	591 34 77 02	Div. 22 Reservoir Principal	\$ 65,475	\$ 65,475	\$ 65,475	\$ 65,475	\$ 65,475	\$ 130,950
401	591	592 34 83 01	Geneva AC Mains Interest	\$ 26,986	\$ 25,187	\$ 25,187	\$ 23,388	\$ 21,589	\$ 44,977
401	591	592 34 83 02	Div. 22 Reservoir Interest	\$ 16,696	\$ 15,714	\$ 15,714	\$ 14,732	\$ 13,750	\$ 28,482
Total Wa	ater Fur	nd Debt Service		\$ 229,095	\$ 226,314	\$ 226,314	\$ 223,533	\$ 220,752	\$ 444,285

	Lake Whatcom Water and Sewer District 2023 - 2024 Budget Proposal - DRAFT Water Utility Fund (401)													
					2021	2022	2022 Project		2023	2024		2023-2024 Combined		
Fund	Dept.	Account	Title		Acutal	Budget	10.27.2	022	Proposed	Propose	ed	Proposed		
System	n Reinves	tments												
System	i nemies	linents	Capital Expenditures											
401	594	594 34 60 01	Capital Outlay - Budget Only			\$ 528,250			\$ 2,983,000	\$ 280,0	000	\$ 3,263,000		
401	594	594 34 62 01	Capital Projects - Water Structures	\$	286,909		\$ 324	,165						
401	594	594 34 63 01	Capital Projects - Water System	\$	171,349		\$ 71	,133				- 5		
401	594	594 34 64 01	Capital Outlay - Water Equipment	\$	40,398		\$ 27	,759				- 5		
401	594	594 34 65 01	Capital Outlay - Small Water Projects	\$	-							- 5		
			Capital Outlay Carryover Projects/Additional Funding	\$	-	\$ 273,000			\$ 385,181	\$ 6,	500 \$	\$ 391,681		
Total V	Vater Fur	nd Capital Expenditures		\$	498,656	\$ 801,250	\$ 423	,057	\$ 3,368,181	\$ 286,	500 \$	\$ 3,654,681		
			Other Financing Sources											
401	597	597 10 00 20	Transfers Out To Fund 420	\$		\$ -	\$		\$ -	\$	- 5			
401	597	597 10 00 25	Transfers Out To Fund 425	\$			\$			\$	- 5			
401	597	597 10 00 26	Transfers Out To Fund 426	\$		\$ -	\$			\$	- 5			
401	597	597 10 00 40	Transfers Out To Fund 440	\$		\$ -	\$			\$	- 5			
401	597	597 10 00 50	Transfers Out To Fund 450	\$		\$-	\$			\$	- 5			
401	597	597 10 00 70	Transfers Out To Fund 450	\$ \$		\$ - \$ -	\$ \$			\$ \$				
Total v	vater Fur	nd Other Financing Sources		2	-	\$ -	\$	-	\$ -	\$	- 3	-		
Total V	Vater Fur	nd Expenditures		\$	3,360,177	\$ 3,590,397	\$ 3,118	.699	\$ 6,247,381	\$ 3,269,0	058	\$ 9,516,439		
				•	-11	+ =/=.=/=	+ =,	,	* =/=/= = .	+ -1=1				
Fund G	ain/Loss			\$	(7,394)	\$ (264,390)	)\$271	,447	\$ (1,023,397)	\$ 99,9	978 \$	\$ (923,419)		
Fund B	alance Su													
	2022 B	eginning Fund Balance			1,034,772									
		2022 Projected Gain/Loss		\$	271,447	-								
	2022 P	rojected Ending Fund Balance			1,306,219									
		2023 Projected Gain/Loss			(1,023,397)									
	2023 P	rojected Ending Fund Balance		\$	282,822									
		2024 Projected Gain/Loss		\$	99,978									
	2024 P	rojected Ending Fund Balance		\$	382,800									
Water	Continge	ncy Reserve Fund Balance Su	mmary											
		eginning Fund Balance	·······	\$	460,000									
		2022 Projected Gain/Loss		ŝ										
	2022 P	rojected Ending Fund Balance	1	\$	460,000	•								
		2023 Projected Gain/Loss		\$										
	2023 P	rojected Ending Fund Balance		\$	460,000	•								
		2024 Projected Gain/Loss		\$	-									
	2024 P	rojected Ending Fund Balance		\$	460,000	•								

#### Lake Whatcom Water and Sewer District 2023-2024 Budget Proposal - DRAFT Sewer Utility Fund (402)

				2021	2022	Pi	2022 rojected		2023	2024	-	023-2024 ombined
Fund	Dept.	Account	Title	Actual	Budget	1	0.27.22	F	roposed	Proposed	F	Proposed
			Intergovernmental Revenue		-							
401	330	331 97 10 02	Federal Grants (FEMA)	\$ -	\$ 182,400	\$	182,400	\$	130,000	\$ -	\$	130,000
											\$	-
			Charges For Services									
402	340	343 50 11 00	Sewer Service Residential	\$ 4,314,666	\$ 4,425,315	\$ 4	4,509,339	\$	4,591,264	\$ 4,763,437	\$	9,354,701
402	340	343 50 19 00	Sewer Service Other	\$ 4,961	\$ 4,500	\$	5,723	\$	5,340	\$ 5,540	\$	10,880
402	340	343 50 80 00	Latecomers Fee ULID #18	\$ 250	\$ -	\$	16,198	\$	-	\$ -	\$	-
402	340	343 51 10 02	General Facilities Charges - Sewer	\$ 343,302	\$ 88,600	\$	204,626	\$	119,340	\$ 122,324	\$	241,664
											\$	-
			Miscellaneous Revenues									
402	360	361 11 00 02	Investment Interest	\$ 48,944	\$ 20,000	\$	29,875	\$	31,713	\$ 34,091	\$	65,804
402	360	361 40 00 02	ULID 18 Interest/Penalties	\$ 3,355	1,800	\$	805		=100.	\$ -	\$	2,531
402	360	368 10 00 02	ULID 18 Principal Payments	\$ 11,416	\$ 8,000	\$	6,277	\$	5,444	\$ -	\$	5,444
402	360	369 10 00 02	Sale Of Surplus	\$ 1,010	\$ 1,000	\$	-	\$	1,000	\$ 1,000	\$	2,000
402	360	369 40 00 02	Project Reimbursement	\$ 4,641	\$ 4,141	\$	4,141	\$	4,141	\$ 4,141	\$	8,282
402	360	369 91 01 02	Miscellaneous	\$ 1,665	\$ 1,000	\$	10,405	\$	1,000	\$ 1,000	\$	2,000
											\$	-
			Other Financing Sources									
402	390	395 10 00 02	Sale Of Capital Assets	\$ -	\$	\$	-	\$	-	\$ -	\$	-
402	395	395 20 00 02	Compensation for Loss/Impairment of Capital Asset		\$ 13,130	\$	13,130					
402	397	397 10 00 02	Transfers In	\$ -	\$ -	\$	-	\$	-	\$ -	\$	-
Total Se	ewer Fun	id Revenues		\$ 4,734,210	\$ 4,567,486	\$ 4	4,982,919	\$	4,891,773	\$ 4,931,533	\$	9,823,306

			Sewer Fund Expenditures												
402	535	535 10 10 00	Sewer - Admin Payroll	\$	366,872	\$	371,770	\$	343,802	\$	358,585	\$	371,434	\$	730,019
402	535	535 10 20 00	Sewer - Gen Admin Personnel Benefits	\$	150,051	\$	161,024	\$	142,028	\$	162,646	\$	163,622	\$	326,268
402	535	535 10 31 00	Sewer - Gen Admin Supplies	\$	13,344	\$	16,800	\$	9,828	\$	11,000	\$	11,500	\$	22,500
402	535	535 10 31 01	Sewer - Meetings/Team Building	\$	1,952	\$	2,000	\$	1,550	\$	2,000	\$	2,000	\$	4,000
402	535	535 10 40 00	Sewer - Merchant Services Fees	\$	12,764	\$	11,500	\$	12,680	\$	13,800	\$	14,200	\$	28,000
402	535	535 10 40 01	Sewer - Bank Fees	\$	872	\$	750	\$	1,433	\$	1,400	\$	1,400	\$	2,800
402	535	535 10 41 01	Sewer - Gen Admin Prof Srvc	\$	123,840	\$	187,500	\$	123,167	\$	92,325	\$	107,925	\$	200,250
402	535	535 10 41 02	Sewer - Engineering Srvc	\$	12,068	\$	20,000	\$	5,735	\$	14,000	\$	14,000	\$	28,000
402	535	535 10 41 03	Sewer - Legal Srvc	\$	28,459	\$	22,000	\$	32,614	\$	31,000	\$	31,000	\$	62,000
402	535	535 10 42 00	Sewer - Admin Communication	\$	29,744	\$	31,000		32,173	\$	33,000	\$	33,000	\$	66,000
402	535	535 10 43 00	Sewer - Software/IT Subscriptions	\$	-	\$	-	\$	-	\$	41,150	\$	41,405	\$	82,555
402	535	535 10 45 00	Sewer - Gen Admin Lease	\$	5,918	\$	5,500	\$	5,118	\$	5,500	\$	5,500	\$	11,000
402	535	535 10 46 00	Sewer - Gen Admin Insurance	\$	103,478	\$	103,500		112,226		108,700	\$	114,000		222,700
402	535	535 10 49 00	Sewer - Gen Admin Misc.	\$	11	\$	200	\$	50	\$	200	\$	200	\$	400
402	535	535 10 49 01	Sewer - Memberships/Dues/Permits	\$	9,420	\$	10,000		14,651			\$	15,300		30,000
402	535	535 10 49 02	Sewer - Taxes	\$	100,819	\$	122,000		108,136		115,000		115,000		230,000
402	535	535 40 43 00	Sewer - Gen Admin Training & Travel	\$	2,848	\$	10,000		7,448			\$	13,000		26,000
402	535	535 40 43 01	Sewer - Tuition Reimbursement	\$		\$	500			\$	500		500		1,000
402	535	535 50 31 00	Sewer - Maintenance Supplies	\$		\$	45,000		19,845		45,000		45,000		90,000
402	535	535 50 31 01	Sewer - Small Assets	\$	40,840	\$	30,000		62,018			\$	42,000		82,000
402	535	535 50 48 00	Sewer - Repair & Maint	\$	116,649	\$	125,000	\$	242,653			\$	140,000	\$	275,000
402	535	535 50 49 00	Sewer - Insurance Claims	\$	5,540		2,500		5,000			\$	2,500		5,000
402	535	535 60 41 00	Sewer - Operations Contracted	\$		\$		\$		\$	-		-	\$	-
402	535	535 60 47 00	Sewer - City of Bellingham	\$	686,197		816,000		783,480		897,600				1,840,100
402	535	535 80 10 00	Sewer - Operations Payroll	\$	491,336	\$	530,481		568,194		568,194				1,156,242
402	535	535 80 20 00	Sewer - Operations Personnel Benefits	\$	200,054		237,606		254,395		254,395		255,921		510,316
402	535	535 80 32 00	Sewer - Operations Fuel	\$	15,116		14,200		32,490		25,200		26,000		51,200
402	535	535 80 35 00	Sewer - Safety Supplies	\$ \$	3,200		10,000		8,885		10,000		10,000		20,000
402	535	535 80 35 01	Sewer - Safety Boots			\$	1,400		1,089		1,400 5,000		1,400		2,800
402 402	535 535	535 80 35 02 535 80 43 00	Sewer - Emergency Preparedness	\$ \$	4,879	\$ \$	5,000 10,000		- 1,837	\$	5,000 13,000		5,000 13,000		10,000 26,000
402	535 535	535 80 43 00	Sewer - Operations Training/Travel/Certification Sewer - Ops Utilities	۵ ۲	4,879		110,000		1,837		136,602		141,383		26,000
402	535	535 80 49 00	Sewer - Operations Laundry	\$	1,997	.⊅ \$	2,500	⊅ \$	1,851			⊅ \$	2,500	⊅ \$	5,000
		nd Expenditures	Sewer - Operations Laurid y				3,015,731						3,270,238		
10181 30	weitui	la Experiaitares		φ	2,071,430	φ	3,013,731	φ	3,033,210	φ	5,154,077	φ	3,270,230	φ	0,423,133
			Debt Service												
402	591	591 35 77 02	Bond 2016 Principal	\$		\$	445,000		445,000			\$		\$	950,000
402	591	591 35 83 02	Bond 2016 Interest	\$	205,425		192,376	_	192,376	_	179,025	_	164,925	_	343,950
Total Se	wer Fur	nd Debt Service		\$	640,425	\$	637,376	\$	637,376	\$	649,025	\$	644,925	\$	1,293,950
			Capital Expenditures												
402	594	594 35 60 02	Capital Outlay - Budget Only			\$	805,880			\$	298,000	\$	1,840,000	\$	2,138,000
402	594	594 35 62 02	Capital Projects - Sewer Structures	\$	517,334			\$	155,391					\$	-
402	594	594 35 63 02	Capital Projects - Sewer System	\$	234,179			\$	290,858					\$	-
402	594	594 35 64 02	Capital Outlay - Sewer Equipment	\$	41,083			\$	62,803					\$	-
402	594	594 35 65 02	Capital Outlay - Small Sewer Projects											\$	-
402	594	594 35 65 02	Capital Outlay - Carry Over Projects/Additional Funding				1,138,000				1,376,586		150,000		
Total So		nd Canital Exponditures		¢	702 504	¢	1 9/13 880	¢	E00.0E2	¢	1 674 586	¢	1 000 000	¢	2444 504

Total Sewer Fund Capital Expenditures

792,596 \$ 1,943,880 \$ 509,052 \$ 1,674,586 \$ 1,990,000 \$ 3,664,586

\$

Lake Whatcom Water and Sewer District 2023-2024 Budget Proposal - DRAFT Sewer Utility Fund (402)													
Fund Dept. Account Title	2021 Actual	2022 Budget	2022 Projected 10.27.22	2023 Proposed	2024 Proposed	2023-2024 Combined Proposed							
Other Financing Sources 402 597 597 10 00 25 Transfer Out To Sewer Contingency Total Other Financing Sources	\$ 18,912 \$ 18,912												
Total Sewer Fund Expenditures	\$ 4,143,391	\$ 5,596,987	\$ 4,199,644		\$ 5,905,163	\$ 11,383,671							
Fund Gain/Loss	\$ 590,819	\$ (1,029,501)	\$ 783,275	\$ (586,735)	\$ (973,630)	\$ (1,560,365)							
Fund Balance Summary 2022 Beginning Fund Balance 2022 Projected Gain/Loss 2022 Projected Ending Fund Balance 2023 Projected Gain/Loss 2023 Projected Ending Fund Balance 2024 Projected Gain/Loss 2024 Projected Ending Fund Balance	<ul> <li>\$ 2,105,875</li> <li>\$ 783,275</li> <li>\$ 2,889,150</li> <li>\$ (586,735)</li> <li>\$ 2,302,415</li> <li>\$ (973,630)</li> <li>\$ 1,328,785</li> </ul>	- - -											

Sewer Contingency Reserve Fund Balance Summary	
2022 Beginning Fund Balance	\$ 815,000
2022 Projected Gain/Loss	\$ -
2022 Projected Ending Fund Balance	\$ 815,000
2023 Projected Gain/Loss	\$ -
2023 Projected Ending Fund Balance	\$ 815,000
2024 Projected Gain/Loss	\$ -
2024 Projected Ending Fund Balance	\$ 815,000

#### Lake Whatcom Water and Sewer District 2023 - 2024 Budget Proposal DRAFT Sewer Contingency Reserve Fund (425) 2021 2022 2022 2023 2024 2023-2024 Projected Combined Fund Dept. Account Title Actual Budget 8.1.2022 Proposed Proposed Proposed Other Financing Sources 425 397 397 10 00 25 Transfer In From Sewer Fund \$ 18,912 \$ - \$ - \$ - \$ - \$ Total Fund Revenue \$ 18,912 \$ - \$ - \$ - \$ - \$ Other Financing Sources 425 597 597 10 20 00 Transfers Out To Fund 420 \$ - \$ - \$ - \$ - \$ -Total Fund Expenditures \$ \$ \$ \$ - \$ - \$ Fund Gain/Loss \$ 18,912 \$ \$ \$ \$ \$

#### Sewer Contingency Reserve Fund Balance Summary

2022 Beginning Fund Balance	\$ 815,000
2022 Projected Gain/Loss	\$ -
2022 Projected Ending Fund Balance	\$ 815,000
2023 Projected Gain/Loss	\$ -
2023 Projected Ending Fund Balance	\$ 815,000
2024 Projected Gain/Loss	\$ -
2024 Projected Ending Fund Balance	\$ 815,000

			Lake Whatcom V 2023 - 2023 Bu Water Continge	udget Propo	osal	DR	AF1	Г						
			2021 20		2022 2022 Projecte			2023		2024		2023-2024 Combined		
Fund	Dept.	Account	Title	Actu	ıal	Bud	get	8.1.20	)22	Proposed	I Pi	roposed	1	Proposed
426	397		er Financing Sources 6 Transfers In From Fund 401	\$	-	\$	-	\$	-	\$	\$	-	-	
Total Fu	und Revenu	le		\$	-	\$	-	\$	-	\$	• \$	-		\$-
	und Expend		d Balance Summary	\$	-	\$	•	\$	-	\$	- \$	-		\$-
	2022 Be 2022 Pr	eginning Fund E 2022 Projec ojected Ending 2023 Projec ojected Ending	Balance ted Gain/Loss J Fund Balance ted Gain/Loss	\$ 460 \$ \$ 460 \$ \$ 460	- 000,									

Lake Whatcom Water a 2023 - 2024 Budget P Bond Reserve Fu	roposal	DRAFT				
Fund Program Dept. Sub Dept. Account Title	2021 Actual	2022 Budget	2022 Projected 8.1.2022	2023 Proposed	2024 Proposed	2023-2024 Combined Proposed
Total Fund Revenue	\$	- \$ -	\$ -	\$ -	\$ -	\$ -
Total Fund Expenditures	\$	- \$ -	\$-	\$-	\$-	\$-

#### Bond Reserve Fund Balance Summary

2022 Beginning Fund Balance	\$ 772,334
2022 Projected Gain/Loss	\$ -
2022 Projected Ending Fund Balance	\$ 772,334
2023 Projected Gain/Loss	\$ -
2023 Projected Ending Fund Balance	\$ 772,334
2024 Projected Gain/Loss	\$ -
2024 Projected Ending Fund Balance	\$ 772,334

# 2023-2024 DRAFT CAPITAL OUTLAY SUPPLEMENTAL DOCUMENTS

## **System Reinvestment Plan - Introduction**

The System Reinvestment Plan (sometimes also referred to as a Capital Improvement Plan) is organized into two plans, one for water and the other for sewer. The plans show scheduled projects over a six-year period from 2023 through 2028, with more detailed information included for projects scheduled in the 2023/2024 budget cycle.

The plan includes the following worksheets and reports:

- 1. 2023/2024 Continuing Active Project Estimates
- 2. Sewer System Reinvestment Plan 2023 thru 2028 (CASH FUNDED)
- 3. Water System Reinvestment Plan 2023 thru 2028 (CASH FUNDED)
- 4. 2023/2024 Capital Outlay
- 5. Debt/Grant Funding Plan 2023 thru 2028
- 6. Project Narratives

Description and purpose of each worksheet and report is summarized below:

- 2023/2024 Continuing Active Project Estimates. This worksheet is a list of active projects, most
  of which are projects that were authorized in previous budget years. Staff, based on workload,
  emergencies, and priorities, are actively utilizing resources to move projects towards
  completion, or are planning to start work on these projects as soon as priorities and resources
  allow. The list contains additional projects added between budget cycles that were deemed
  necessary or emergency in nature. The purpose of this worksheet is to provide a projected
  budget to completion for each project considering all new and known information, as well as
  providing the accounting department amounts spent to date, estimated additional payments in
  2022, and estimated expenses in 2023 and 2024.
- 2. Sewer System Reinvestment Plan 2023 thru 2028. This report schedules new projects, or in many cases new project phases. These projects are funded by cash from rate revenues, designated as system reinvestment. Annual system reinvestment budget amount targets have been established in the most recent rate study adopted in early 2022. The target amounts are shown on the second page under the report footer section labeled "Analytical Summary". The Analytical Summary section also includes assumed year-over-year cost escalations applied to cost estimates, along with average spending over various number of years, and a spending chart. The analytical data is used to develop a plan through multiple iterations to best fit district needs, priorities, and funding limitations. The plan is grouped into several categories:
  - Capital Outlay General. Includes water and sewer related equipment and small/minor projects. Costs are split 50% / 50% between water and sewer utilities. The Capital Outlay worksheet following the system reinvestment plans itemizes any equipment and small/minor projects grouped (note for 2023/2024 there are no Capital Outlay General items).
  - **Capital Outlay Sewer.** Includes 100% sewer related equipment. Refer to the Capital Outlay worksheet following the system reinvestment plans which itemizes equipment and small/minor projects (not for 2023/2024 there are no Capital Outlay Sewer items).
  - **Capital Projects Sewer**. Includes significant projects in terms of cost, planning, permitting, project management, and design efforts. For detailed information about a project's purpose, scope, budget estimate, and assumptions refer to the Project Narratives at the end of this section. Project Narratives are provided for all new projects funded in 2023 and 2024

and are keyed to the line items in the System Reinvestment Plan by the CIP Project # (i.e. 0032).

- 3. Water System Reinvestment Plan 2023 thru 2028. This report is identical in form and purpose as the sewer system reinvestment plan above, but in this case for the water utility. See the Sewer System Reinvestment Plan description above for details. The plan is grouped into several categories:
  - Capital Outlay General. Includes water and sewer related equipment and small/minor projects. Costs are split 50% / 50% between water and sewer utilities. The Capital Outlay worksheet following the system reinvestment plans itemizes any equipment and small/minor projects grouped (note for 2023/2024 there are no Capital Outlay General items).
  - **Capital Outlay Water**. Includes 100% water related equipment and small/minor projects. Refer to the Capital Outlay worksheet following the system reinvestment plans which itemizes equipment and small/minor projects grouped together under the CIP Projects #0219a Misc 2023 Water Capital Outlay and #0219b Misc 2024 Water Capital Outlay.
  - **Capital Projects Water**. Includes significant projects in terms of cost, planning, permitting, project management, and design efforts. For detailed information about a project's purpose, scope, budget estimate, and assumptions refer to the Project Narratives at the end of this section. Project Narratives are provided for all new projects funded in 2023 and 2024 and are keyed to the line items in the System Reinvestment Plan by the CIP Project # (i.e. 1001).
- 4. **2023/2024 Capital Outlay**. This worksheet lists small and minor projects, equipment, components, or material purchases. The purpose is to provide a worksheet to list these items, which in some years are numerous, and group them into a single larger "project" that is included in the system reinvestment plan.
- 5. **Debt/Grant Funding Plan 2023 thru 2028**. This report schedules new debt and grant funding. New debt funding is per recommendations in the most recent rate study adopted by the District in early 2022. The plan is grouped into several categories:
  - **Contingent on Receiving Grant Funding.** Includes projects identified in the Sudden Valley Water Treatment Plant 20-year Facility Plan. These are projects that the Board of Commissions would like to do, but only if they are funded by grants. They are arbitrarily scheduled for 2028 so that they appear in the 6-year plan.
  - Haz Mit Grant Funds. Includes Hazard Mitigation Grant Funds for the Division 7 Reservoir Replacement Project.
  - New Sewer Debt Bond, PWTF, Etc. This is a placeholder for the District's share of the upcoming City of Bellingham Post Point Wastewater Treatment Plant biosolids handing improvements.
  - New Water Debt Bond, PWTF, Etc. Includes Sudden Valley Water Treatment Plant projects in the 20-year Facilities Plan that were identified by the Board of Commissioners to be funded by debt as part of the adopted 2022 rate study.
- 6. **Project Narratives**. These are specific project narratives that describe the proposed project, asset needs, cost estimates, and assumptions. The narratives are keyed to the system reinvestment plan projects by the CIP# (the Capital Improvement Plan Project #). Narratives are included for projects in the 2023 and 2024 budget cycle.

	2023/2024 Continuing Active F	Project E	stimates			
	Report Last Revised 11/01/2022	Projected	Spent	Additional	Estimated	Estimated
Project		Budget	to Date	Payments	2023	2024
Number	Project Title / Tasks	To Completion	as of 10/19/2022	in 2022	Expenses	Expenses
C 1802	Dellecta Edgewater & Euclid Sower Dump Stations	1 016 500	1 120 920	1 226	601 600	0
C 1802 C 2112	Dellesta, Edgewater & Euclid Sewer Pump Stations Rocky Ridge & Lakewood Predesign and Shoreline Permitting	1,816,583 439,000	1,130,839 108,294	1,236 11,706	684,508 319,000	0
C 2112 C 2113	Flat Car Reverse Flow to SVPS - Design & Permitting	153,000	10,575	14,425	128,000	0
C 2115	Hat car heverse flow to SVF3 - Design & Fernitting	155,000	10,575	14,423	120,000	U
M 2120C	Nov 2021 Flood - Permanent Protection - Beaver Creek Exposed Sewer Mains - Begin					
	Design and Permitting (Design scope unknown, construction cost unknown)	40,000	0	0	40,000	0
M 2120E	Nov 2021 Flood - Permanent Protection - 1120 Dondee Ct Exposed Sewer Lateral -					
	Begin Design and Permitting (Design scope unknown, construction cost unknown)	15,000	0	0	15,000	0
C 2202	Replace Sewer Camera Equipment	150,000	0	0	0	150,000
M 2207	UPS and Battery Backup Mods (Various Stations)	15,000	0	0	15,000	0
M 2208	Tomb SPS Control Panel Mods Subtotal Sewer	8,000	0	0	8,000	0 <b>150,000</b>
	Subtotul Sewel	2,636,583	1,249,708	27,367	1,209,508	150,000
C 1909	Little Strawberry Bridge Water Main Slip Line with HDPE	20,000	0	0	20,000	0
C 1913	SVWTP 20-Year Facility Plan	140,000	128,805	11,195	0	0
C 2012	Austin-Fremont PRV Rebuild	10,000	0	0	10,000	0
C 2109	Geneva Res Valve for Emergency Isolation	10,000	4,860	0	5,140	0
C 2111	Div 7 Reservoir Replacement	243,080	153,503	21,497	68,080	0
C 2111.1	Phase 1- Wilson Design & Permitting	201,080	153,503	21,497	26,080	0
C 2111.2	Phase 1 - Easements (per Appraisal Group of the NW)	42,000	0	0	42,000	0
C 2210	Reservoir and WTP Site Security Assessment and Plan	50,000	0	0	50,000	0
C 2211	South Geneva Booster Standby Generator and ATS	60,000	38,235	0	21,765	0
M 2213	Pinto Creek PRV Replacement and Add Flow Meter	18,000	0	0	18,000	0
C 2214	Lead Service Line Inventory Planning	15,000	0	2,500	6,000	6,500
A 2215	Exterior Coating Assessment/Estimates for D22 roof and D30	13,780	0	13,780	0	0
M 2226	Div 30 Reservoir Removal of Hazard Trees	20,000	5,882	0	14,118	0
M 2230	Scenic Ave Intertie Valve Repair	60,000	0	55,000	5,000	0
	Subtotal Water	659,860	331,285	103,972	218,103	6,500
C 2006	SCADA Telemetry - Managed Ethernet Switches	20,000	16,263	0	3,737	0
C 2106	SVWTP to SVPS Telemetry Comm Study, Testing	10,000	4,224	0	5,776	0
C 2203	Div 30 Booster and SVSPS PLC and UPS Improvements	224,643	-,224	45,000	179,643	0
C 2216	Replace Tool Truck	75,000	0	0	75,000	0
M 2218	Spare PLC Components	20,000	0	0	20,000	0
C 2219	1000 Gal Diesel Fuel Tank at Shop	20,000	0	0	20,000	0
M 2221	Shop Perimeter Fence Repair from Tree Damage	10,000	0	0	10,000	0
A 2228	Agate Area Wells Exhibits and Mapping	5,400	0	5,400	0	0
C 2231	Stand-alone Temporary Control Panel	20,000	0	0	20,000	0
	Subtotal General	405,043	20,487	50,400	334,156	0

Grand Total 3,701,486 1,601,480 181,739 X:\Engineering\Capital Improvement Plan\2023-2024\Worksheets\2023-2024 Budget - Active Projects Estimates - rev2022-10-27

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1,761,767 156,500

11/1/2022

# Sewer System Reinvestment Plan 2023 thru 2028 (CASH FUNDED)

ogram Are	ea / CIP Project # / CIP Project Name	Total	2023	2024	2025	2026	2027	202
	BRE							
pital Outl	lay - General (Costs are halved, split 50/50 between Water/Sewer)							
A0005	50 IT Infrastructure - Replace/Update Hardware, Network Security, & OS (newest server	37,500			18,000			19,5
	installed in 2022)	- ,			-,			
V0001	18 Replace Tool Truck (7 tool trucks in fleet, oldest 1999 model, newest 2020 model)	156,000		49,000		52,000		55,0
E0007	12 Replace Mini Excavator (2005 model in fleet)	52,000						52,
E0002	10 Replace 5-yard Dump Truck (2007 model in fleet)	93,000					93,000	
V0002	9 Replace Admin Staff Vehicle (4 cars in fleet, oldest 2000 model, newest 2017 model)	19,500					19,500	
	Subtotal	358,000		49,000	18,000	52,000	112,500	126,
pital Outl	lay - Sewer							
A0010	35 Update Sewer Comprehensive Plan (Current Plan approved 7/21/2020)	113,000				113,000		
E0003	14 Replace Sewer Camera Vehicle (2003 model in fleet)	116,000					116,000	
	Subtotal	229,000				113,000	116,000	-
nital Proi	ects - Sewer							
0032a	36 Agate Bay Sewer Pump Station - Predesign and Shorelines Permitting	146,000			146,000			
0032b	36 Agate Bay Sewer Pump Station - Design and Bidding	188,000			110,000	188,000		
0032c	36 Agate Bay Sewer Pump Station - Construction	813,000				100,000	813,000	
0222b	36 LWBI CIPP Renewal Project P1-2023 (when all P1 done current ERU capacity w/o need for	185,000	185,000				010,000	
02220	det tank)	105,000	105,000					
0222c	36 LWBI CIPP Renewal Project P1-2024 (when all P1 done current ERU capacity w/o need for	174,000			174,000			
	det tank)							
0222d	36 LWBI CIPP Renewal Project P2 (when all P2 done build-out ERU capacity w/o need for det	532,000				532,000		
0055	tank) 30 Rocky Ridge Pump Station - Construction and SDC	880,000		880,000				
0056	30 Lakewood Pump Station - Construction and SDC	792,000		792,000				
0171	18 Sudden Valley Sewer Pump Station - Recondition Electrical Controls	248,000		752,000				248,
0172	16 Flat Car Sewer Pump Station - Recondition Electrical Controls	248,000						248,
0173	16 Beaver Sewer Pump Station- Recondition Electrical Controls	248,000						248,
S0001a	15 Sewer System Rehab and Replacement Projects	232,000	113,000	119,000				
S0001b	15 Sewer System Rehab and Replacement Projects	36,000	110,000	110,000	36,000			
S00010	15 Sewer System Rehab and Replacement Projects	77,000			20,000		38,000	39,
0202	12 Airport Sewer Crossing Gravity Pipeline Sag - Reinstall 250LF to Remove Sag	52,000					52,000	
	Subtotal	4,851,000	298,000	1,791,000	356,000	720,000	903,000	783,
	Grand Total	5,438,000	298,000	1,840,000	374,000	885,000	1,131,500	909,

BRE

#### Analytical Summary Assumed Year over Year Cost Estimate Escalation: 10.0% 5.0% 3.0% 3.0% 3.0% 3.0% Annual Budget Targets per 2022 Rate Study (Study assumes 3% annual construction Inflation) ===> \$830k \$840k 2 1.8 1.6 2 Average Annual Total **Over Plan Years** 1,069,000 Years 1+2 . 1.4 1.2 837,333 Years 1+2+3 1 0.8 849,250 Years 1+2+3+4 0.6 905,700 Years 1+2+3+4+5 0.4 0.2 906,333 Years 1+2+3+4+5+6 0 2023 2024 2025 2026 2027 2028

<u> </u>	ea / CIP Project # / CIP Project Name	Total	2023	2024	2025	2026	2027	202
	BRE							
apital Out	lay - General (Costs are halved, split 50/50 between Water/Sewer)							
A0005	50 IT Infrastructure - Replace/Update Hardware, Network Security, & OS (newest server	37,500			18,000			19,50
	installed in 2022)							
V0001	18 Replace Tool Truck (7 tool trucks in fleet, oldest 1999 model, newest 2020 model)	156,000		49,000		52,000		55,000
E0007	12 Replace Mini Excavator (2005 model in fleet)	52,000						52,000
E0002	10 Replace 5-yard Dump Truck (2007 model in fleet)	93,000					93,000	
V0002	9 Replace Admin Staff Vehicle (4 cars in fleet, oldest 2000 model, newest 2017 model)	19,500					19,500	
	Subtotal	358,000		49,000	18,000	52,000	112,500	126,50
apital Out	lay - Water							
W0005	35 Reservoirs - Inspection & Maintenance	41,000		41,000				
V0003	18 Replace Locator / Meter Reading Van (2018 model in fleet)	53,000						53,00
W0009	16 SVWTP - Replace 6 Turbidimeters and 2 Chlorine Analyzers	59,000						59,000
0219a	1 Misc 2023 Water Capital Outlay	6,000	6,000					
0219b	1 Misc 2024 Water Capital Outlay	38,000		38,000				
	Subtotal	197,000	6,000	79,000				112,000
apital Proj	jects - Water							
1001	72 SVWTP - Core - Alum System Improvements	88,000	88,000					
0145a	70 Div 7 Reservoir Phase 2 Construction FEMA HMG 12.5% Local Match Commitment	229,000	229,000					
04.451	70 Div 7 Reservoir Phase 2 Construction Supplemental LWWSD Cash Funding	664,000	664,000					
0145b	36 Eagleridge - Replace High Flow Pumps Control Panel, Integrate with Low Flow Pumps	116,000		116,000				
01456		542,000						542,000
	32 SVWTP - Core - Replace Transfer Pumps - Design and Construction					184,000		
0228	<ul> <li>32 SVWTP - Core - Replace Transfer Pumps - Design and Construction</li> <li>18 Security - Intrusion Alarms at Reservoirs, Cameras at SVWTP AHWTP</li> </ul>	184,000						
0228 1004		184,000 65,000			65,000			
0228 1004 0110	18 Security - Intrusion Alarms at Reservoirs, Cameras at SVWTP AHWTP			36,000	65,000			
0228 1004 0110 0215	18       Security - Intrusion Alarms at Reservoirs, Cameras at SVWTP AHWTP         16       1237 Lakeview St - Replace 2" PVC with 2" HDPE	65,000	981,000	36,000 <b>152,000</b>	65,000 <b>65,000</b>	184,000		542,00

BRE

		Analytical Summary							
		Assumed Year over Year Cost Estimate Escalation:	10.0	%	5.0%	3.0%	3.0%	3.0%	3.0%
		Annual Budget Targets per 2022 Rate Study ===>	\$260	)k	\$270k	\$280k	\$290k		
Average Annual Total 633,500 450,000	Over Plan Year Years 1+2 Years 1+2+3								
396,500	Years 1+2+3+4	0.4	-						
339,700 413,167	Years 1+2+3+4+5 Years 1+2+3+4+5+6	0.2							
			202	3	2024	2025	2026	2027	2028

						2023/2024 Capital Outlay
						Report Last Revised 10/27/2022
CoF	PoF	RF	BRE	2023 Budget Amount	2024 Budget Amount	Description
						Sewer
				\$0	\$0	Total Sewer
						Water
2	10	1.00	20	\$5,000		BOOSTER - Eagleridge Diesel Fuel Tank Replacements.
2	9	1.00	18		\$18,000	SVWTP - Replace 4 filter flow meters.
2	9	1.00	18		\$5,000	SVWTP - Replace backwash flow meter.
1	1	1.00	1 _		\$10,000	DISTRIBUTION - Install Autoflushers on deadend water mains on Wood Rush (towards lake) and Big Leaf (Div 30 area).
				\$5,000	\$33,000	Total Water
						General (costs split 50/50 between water/sewer)
				\$0	\$0	Total General
			=	\$5,000	\$33,000	Grand Total
						— This appears as CIP #0219a "Misc 2023 Water Capital Outlay" on the 6-year Water System Reinvestment Plan
			Г	\$6,000 🗲		Inflated to 2023 Dollars (10% from 2022 to 2023) - rounded to nearest \$1000
			L		\$38,000	Inflated to 2024 Dollars (10% from 2022 to 2023 + 5% from 2023 to 2024) - rounded to nearest \$1000
						This appears as CIP #0219b "Misc 2024 Water Capital Outlay" on the 6-year Water System Reinvestment Plan

	Debt/Grant Fundir	ng Plan	2023 t	hru 2028	3				
Program Are	ea / CIP Project # / CIP Project Name	Fund	Total	2023	2024	2025	2026	2027	2028
Contingent	on Receiving Grant Funding (note: unknown if/when obtained)								
1010	36 SVWTP - Core Seismic - WTP Main Bldg Seismic Retrofits (Grant Contingent)		194,000						194,000
1009	35 SVWTP - Core Security - Site Security Improvements (Grant Contingent)		194,000						194,000
1011	32 SVWTP - Core Seismic - Finished Water Pump Bldg Seismic Retrofits (Grant Contingent)		464,000						464,000
1012	27 SVWTP - Medium Config - Chlorine Gas Modifications (Grant Contingent)		395,000						395,000
1013	18 SVWTP - Medium Config - Rehabilitate & Repurpose Existing CCB (Grant Contingent)		1,599,000						1,599,000
	Subtotal		2,846,000						2,846,000
laz Mit Gra	nt Funds (87.5% Grant) - Amounts do NOT include 12.5% local match								
0145c	70 Div 7 Reservoir Phase 1 - Grant Funding \$393.702 (which is 87.5% of \$449,975)		394,000	394,000					
0145d	70 Div 7 Reservoir Phase 2 Construction - Grant Funding \$1,602,174 (which is 87.5% of \$1,831,055)		1,602,000	1,602,000					
	Subtotal		1,996,000	1,996,000					
New Sewer	Debt - Bond, PWTF, Etc								
0193	100 COB Post Point WWTP Biosolids Handling (LWWSD Cost Share 4.8%) - Estimate as of 9/26/2022 per COB Council Decision to Rehab Incinerators		5,000,000			5,000,000			
	Subtotal		5,000,000			5,000,000			
New Water	Debt - Bond, PWTF, Etc								
1002a	72 SVWTP - Core - New 0.3MG Welded Steel CCB - Design, Permitting		245,000				245,000		
1002b	72 SVWTP - Core - New 0.3MG Welded Steel CCB - Design, Permitting (continued)		316,000					316,000	
1002c	72 SVWTP - Core - New 0.3MG Welded Steel CCB - Construction		1,968,000						1,968,000
1006	54 SVWTP - Medium Config - Rehab Existing Filters 1 & 2		283,000						
1003	32 SVWTP - Core - Replace Finished Water Pumps		1,174,000						1,174,000
W9999	1 Blank		0	0	0	0	0	0	0
	Subtotal		3,986,000	0	0	0	245,000	316,000	3,142,000
	Grand Total	1	3,828,000	1,996,000	0	5,000,000	245,000	316,000	5,988,000

Program Area / CIP Project # / CIP Project Name	Fund	Total	2023	2024	2025	2026	2027	2028
	Analytical Summa	ary						
	Assumed Year over Year Cost Estimate Escalat	tion:	10.0%	5.0%	3.0%	3.0%	3.0%	3.0%
		sus 7 —						
		7 - 7 6 -						
		5 -						
		4 - 3 -						
		2 -	_					

Project Name: Rocky Ridge Sewer Pump Station Replacement	
CIP #:	0055

Asset Register:	LWWSD → Sewer → Pump Stations → Rocky Ridge								
Failure Mode:	Capacity	Level of Service <u>Mortality</u> Efficienc					ficiency		
Business Risk Exposure:	30	= 10	x 3 x	1 (PoF x	CoF x I	Redunda	incy)		
Remaining Life:	0 years	Consumed Life:	40+	years	_	ctive fe:	40 years		
Estimated OCI	21	Estimated		Failed		Failed		fore	1/30/97

# PURPOSE and DESCRIPTION OF THE PROJECT

Project includes retrofitting existing Smith & Loveless wet well mounted pump station with new single speed pumps, controls, telemetry, pressure transducers for monitoring the wet well level, backup high and low floats and a pole mounted work light manually switched at control panel. Land access is limited to foot traffic and the project will need to address a construction easement or access to the site via Lake Whatcom. The retrofit is part of a District wide pump station plan to replace all 30+ year old equipment.

The existing pump station was installed in the 1970's and is located adjacent to Lake Whatcom. Two existing 10 HP pumps each have a design point of 100 GPM at 70-feet TDH. The wet well diameter is four feet and the power service is currently 3-phase / 230V. Check valves are inaccessible for maintenance and cleaning. If a check valve ever jams it would be a major project to access the check valves for service.

Phase 1 – Predesign, Permitting is in progress (District project #C2112). Predesign report was completed and presented to board on 7/13/2022. Board moved to pursue permitting and design of replacements with top mounted configurations. Two board members expressed importance to provide all-weather foot path/stair access. Staff is pursing permitting and design of all-weather footpath/stair access to each station; and planning to have an additive bid alternate on the bid form for the work.

Budget Estimate (Based on Edgewater and Dellesta. Assumes doing two stations at same time – Lakewood & Rocky Ridge)

	Rocky Ridge	Lakewood	
Phase 1 - Predesign, Permitting (In Progress - Project #C2112)	88,500	88,500	Existing \$177k NTE contract with RH2 (included with 2023/20204 Continuing Active Project Estimates)
Phase 2 - Design & Bidding			
RR & LW Pump Stations	104,500	104,500	Future amendment with RH2
Access Trail/Stairs	20,000	13,000	Future amendment with RH2
Easements (placeholder)	20,000		Assume WWU \$0 for easement
Subtotal	144,500	117,500	(\$262k included in 2023/2024 Continuing Active Project Estimates for future amendments and easement placeholder)
Phase 3 - Construction, SDC Construction			
RR & LW Pump Stations	596,000	563,000	
Access Trail/Stairs	110,000	70,000	
Subtotal	706,000	633,000	
Services During Construction			
RR & LW Pump Stations	46,500	46,500	Future amendment with RH2
Access Trail/Stairs	9,000	6,000	Future amendment with RH2
Subtotal	55,500	52,500	
Subtotal Phase 3	761,500	685,500	
Subtotal Phase 3 Including Escalation 10% in 2023 + 5% in 2024	880,000	792,000	(\$880k for RR and \$792k for LW construction included on Sewer System Reinvestment Plan in year 2024)
Grand Project Total - All Phases	1,113,000	998,000	

For further information about this project contact Bill Hunter.

- Created 8/1/2006.
- Revised 8/2/2006 by MMM: Revised project scope, added budget.
- Revised 8/3/2006 by BH: Added to purpose.
- Revised 8/28/2006 by MMM: Revised PS description.
- Revised 12/6/2007 by BH: Adjusted budget to reflect recent Plum/Strawberry Canyon project costs.
- Revised 8/6/2009 by BH: Adjusted budget to reflect recent Tomb PS project.
- Revised 10/4/2011 by BH: Updated budget numbers to be a bit more conservative.
- Revised 12/5/2016 by BH: Updated budget numbers base on recent pump station projects.
- Revised 10/24/17 by KH. Updated narrative and updated budget numbers based on recent pump station projects.
- Revised 11/30/2020 by BH. Updated budget numbers based on Edgewater and Dellesta Sewer Pump Station Improvements.
- Updated 11/30/2021 by BH. Updated phase status and budget estimates.
- Updated 10/31/2022 by BH. Updated project cost estimates based on RH2 input 9/15/2022.

Project Name: Lakewood Sewer Pump Station Replacement	
CIP #:	0056

Asset Register:	LWWSD → Sewe	LWWSD → Sewer → Pump Stations → Lakewood					
Failure Mode:	Capacity	Level of Ser	vice	<u>Mortality</u>		Ef	ficiency
Business Risk Exposure:	30	= 10 x 3 x 1 (PoF x CoF x Redundancy)					incy)
Remaining Life:	0 years	Consumed Life:	46	years	-	ctive fe:	40 years
Estimated OCI	17	Estimated OCR	F	ailed	Act B	efore	11/19/1992

# PURPOSE and DESCRIPTION OF THE PROJECT

Project includes retrofitting existing Smith & Loveless wet well mounted pump station with new single speed pumps, controls, telemetry, pressure transducers for monitoring the wet well level, backup high and low floats and a pole mounted work light manually switched at control panel. Maintenance access is sometimes an issue with the adjacent homeowner and the project will need to provide a new permanent access road and easement either through WWU or the adjacent homeowner's property. The retrofit is part of a District wide pump station plan to replace all 30+ year old equipment.

The existing pump station was installed in the 1974 and is located adjacent to Lake Whatcom. The service area for this pump station is very small (about 5 residences and the WWU Lakewood facility). Wastewater from this station is re-pumped by Airport Pump Station. The station has two existing 15 HP pumps; each have a design point of 100 GPM at 85-feet TDH. The wet well diameter is x-feet and the power service is currently 3-phase / 230V. Check valves are inaccessible for maintenance and cleaning. If a check valve ever jams it would be a major project to access the check valves for service. The O&M Manual for this pump station is missing.

Phase 1 – Predesign, Permitting is in progress (District project #C2112). Predesign report was completed and presented to board on 7/13/2022. Board moved to pursue permitting and design of replacements with top mounted configurations. Two board members expressed importance to provide all-weather foot path/stair access. Staff is pursing permitting and design of all-weather footpath/stair access to each station; and planning to have an additive bid alternate on the bid form for the work.

Budget Estimate (*Based on Edgewater and Dellesta. Assumes doing two stations at same time – Lakewood & Rocky Ridge*)

	Rocky Ridge	Lakewood	
Phase 1 - Predesign, Permitting (In Progress - Project #C2112)	88,500	88,500	Existing \$177k NTE contract with RH2 (included with 2023/20204 Continuing Active Project Estimates)
Phase 2 - Design & Bidding			
RR & LW Pump Stations	104,500	104,500	Future amendment with RH2
Access Trail/Stairs	20,000	13,000	Future amendment with RH2
Easements (placeholder)	20,000	-	Assume WWU \$0 for easement
Subtotal	144,500	117,500	(\$262k included in 2023/2024 Continuing Active Project Estimates for future amendments and easement placeholder)
Phase 3 - Construction, SDC Construction			
RR & LW Pump Stations	596,000	563,000	
Access Trail/Stairs	110,000	70,000	
Subtotal	706,000	633,000	
Services During Construction			
RR & LW Pump Stations	46,500	46,500	Future amendment with RH2
Access Trail/Stairs	9,000	6,000	Future amendment with RH2
Subtotal	55,500	52,500	
Subtotal Phase 3	761,500	685,500	
Subtotal Phase 3 Including Escalation 10% in 2023 + 5% in 2024	880,000	792,000	(\$880k for RR and \$792k for LW construction included on Sewer System Reinvestment Plan in year 2024)
Grand Broject Total All Phases	1 112 000	008 000	

Grand Project Total - All Phases

All Phases 1,11

1,113,000 998,000

For further information about this project contact Bill Hunter.

- Created 8/2/2006.
- Revised 8/2/2006 by MMM: Revised project scope, added budget.
- Revised 8/3/2006 by BH: Added to purpose.
- Revised 12/6/2007 by BH: Adjusted budget up slightly.
- Revised 8/6/2009 by BH: Adjusted budget to reflect recent Tomb PS project.
- Revised 10/4/2011 by BH: Updated budget numbers to be a bit more conservative.
- Revised 12/5/2016 by BH: Updated budget numbers base on recent pump station projects.
- Revised 10/24/17 by KH. Updated narrative and updated budget numbers based on recent pump station projects.
- Revised 11/30/2020 by BH. Updated budget numbers based on Edgewater and Dellesta Sewer Pump Station Improvements.
- Updated 11/30/2021 by BH. Updated phase status and budget estimates.
- Updated 10/31/2022 by BH. Updated project cost estimates based on RH2 input 9/15/2022.

Project Name:	Division 7 Replacement
CIP #:	0145

Asset Register:	LWWSD → Water → Reservoirs						
Failure Mode:	Capacity	Level of Serv	vice	<u>Mortality</u>		Efficiency	
Business Risk Exposure:	54	= 6 x 9 x 1 (PoF x CoF x Redundancy)					ncy)
Remaining Life:	51 years	Consumed Life: 49		/ears	Effective Life:		100 years

# PURPOSE and DESCRIPTION OF THE PROJECT

A structural analysis of the Lake Whatcom Water and Sewer District Division 7 water reservoir has found significant deficiencies in its ability to meet existing earthquake code requirements (BHC report, December 2016). The recent Water System Plan also analyzed the capacity of the Division 7 reservoir and found it to be significantly oversized at a volume of one million gallons. The Water System Plan recommended an alternatives analysis for this reservoir to compare the cost of making seismic upgrades and replacing the interior and exterior coatings that are beyond their useful life against the alternative of replacing the Division 7 reservoir with a more appropriate (~half a million gallons) amount of storage volume. Wilson Engineering LLC prepared a technical memorandum dated February 8, 2018 that documents the analysis of alternatives.

Alternative 2 was recommended as the preferred alternative that replaces 1-millon gallon Division 7 reservoir with two smaller 185,000 gallon reservoirs. The advantages noted in the tech memo for Alternative 2 include:

- 1. Capital Cost the estimated capital cost of Alternative 2 is significantly lower than other alternatives.
- 2. Water Quality The existing Division 7 reservoir is significantly oversized and results in an excessive average water age of 4.6 days. The hydraulic residence time in the reservoirs proposed in Alternative 2 would be 2.1 days under average day demand in a build-out scenario. This would be within the AWWA recommendation of less than 2.5 days average hydraulic residence time and would help improve water quality in terms of less formation of disinfection by-products and better maintenance of chlorine residual in the distribution system.
- Improved Water Pressure Installing new storage 25 feet higher than the existing reservoir will improve water pressure for those houses immediately adjacent to the reservoir. The increased pressure will not negatively impact the system in terms of over pressurizing or decreasing pumped flow excessively.
- 4. Resiliency Having two parallel water storage reservoirs provides substantially improved system resiliency in case of emergency (earthquake or unexpected failure of one tank) or typical maintenance. Having the ability to keep one reservoir in service while taking the other out of service will improve the District's ability to serve their customers efficiently.

Lake Whatcom Water & Sewer District Capital Improvement Plan

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- 5. Maintenance Replacing a steel reservoir with concrete reservoirs decreases maintenance efforts and costs. The corrosion protection systems (interior and exterior coatings, cathodic protection) that are required for steel reservoirs are not needed for concrete reservoirs. Current interior coatings for a steel reservoir need to be replaced/refurbished at least every 15 years. This requires the tank to be taken out of service for the work, and this is significantly challenging with only one tank.
- 6. Construction/Operation Feasibility other alternatives would require temporary storage during construction that would either be prohibitively expensive or would make operation of the system during construction very challenging. Selected alternative allows the existing tank to remain in service during construction.

In 2018, the District submitted a FEMA Hazard Mitigation Grant application to replace the Division 7 Reservoir with two new reservoirs constructed to meet seismic standards, and to implement ShakeAlert on reservoirs, water pumps and water treatment plants District-wide.

The grant application was developed in conjunction with Washington State Emergency Management Division (WA-EMD) and the Federal Emergency Management Agency (FEMA) as a Hazard Mitigation project. The cost share would be as follows: FEMA 75%, WA-EMD 12.5%, and LWWSD 12.5%.

In 2019, the District also applied for a Public Works Trust Fund loan to assist with the District's 12.5% share. Unfortunately, the District's application did not score high enough to qualify.

In late summer 2021 the District went through a Request for Qualifications process to select the most qualified engineering consultant for the project. On October 13, 2021, the Board of Commissioners selected Wilson Engineering LLC as the most qualified consultant and an Architectural/Engineering Agreement was executed shortly after.

In late 2021, the District learned that is was awarded grant funding for the project.

In early spring 2022, the grant agreement was executed for Phase 1 – Design and Permitting.

Through 2022 the consultant and staff have completed significant parts of predesign and sizing of the proposed reservoirs. Project briefings were provided to the board at the May 25, 2022 and July 13, 2022 meetings. At the latter meeting, the board affirmed by motion to proceed with design and permitting of two proposed reservoirs totaling 475,800 gallons. Permit application documents and the Washington State Department of Health project report are being prepared for submittal to reviewing agencies.

#### **Budget Estimate**

See attached spreadsheet that summarizes current cost estimates, grant funding, and funding shortfall.

Construction cost estimates, one in May 2022 and a second in October 2022, have been prepared to track projected costs for funding and budgeting. Estimated construction costs have escalated significantly from the estimates prepared in 2018 and 2021.

Staff is developing a request for additional grant funds due to construction cost estimate escalation. The grant coordinator indicated that can a request for additional funding can be

made, but there is no guarantee of the desired result. Staff is also looking at possible DWSRF or PWTF loans.

The District also applied for a hazard mitigation grant (HMG) to fund the new 0.3 million gallon SVWTP Chlorine Contact Basin (CCB) which is estimated near \$2M. The District's Debt/Grant Funding Plan schedules new debt for the SVWTP CCB in the 2026-2028 time frame. If HMG grant funding comes through on the SVWTP CCB, it could allow the District to utilize the planned debt for the SVWTP CCB and switch it to fund the shortfall for the Division 7 Reservoir. There has been no news from agencies regarding the status of the SVWTP CCB grant application.

For further information about this project contact Bill Hunter.

- Created 11/30/2020 by BH.
- 11/2/2022 BH. Update narrative and budget estimates.

# Division 7 Reservoir Project Cost Estimate and Funding Summary

District Project #C2111 (aka CIP# 0145 in Water System Reinvestment and Debt/Grant Plans) Project Estimates as of 10/27/2022

Estimated Project Costs			
Phase 1 - Wilson Agreeement	\$	201,080.00 Design, Permitting, Bidding	
Phase 1 - Easements (per Appraisal Group of the NW)	\$	42,000.00	
Subtotal Phase 1	\$	243,080.00	
Phase 2 - Wilson 30% Design Construction Cost Estimate 10/20/2022	\$	2,602,000.00 Includes 20% contingecy and sa	
Cost Escalation from 2022 to 2023	Ś	_	estimate refreshed and current as
	Ŷ	of October 2022.	
Subtotal Phase 2 Construction Contract in 2023 Dollars	\$	2,602,000.00	
		Assumes LWWSD performs cert	1 / /
Phase 2 - Draft Wilson Services During Construction 10/11/2022	\$	100,000.00 observation, inspection reports	. \$183k if all work performed by
		Wilson.	
Subtotal Phase 2	\$	2,702,000.00	
Total Estimated Project Cost	\$	2,945,080.00	

Funding Sources			
Phase 1 - Design, Permitting, Etc			
Federal Grant Funding (75%)	\$	337,458.75	Note \$394k (\$337.5k + \$56.2k) shown on Grant/Debt Funding Plan in year 2023 which is the Federal and State funding 87.5% share
State Grant Funding (12.5%)	\$	56,243.13	
Local Match - LWWSD (12.5%)	\$	56,243.13	
Subtotal Phase 1 Funding per Grant Agreement	\$	449,945.00	
Phase 2 - Consruction			
			Note \$1.602M (\$1,373.3k + \$228.9k) is shown on Grant/Debt
Federal Grant Funding (75%)	\$	1,373,291.25	Funding Plan in year 2023 which is the Federal and State 87.5%
State Grant Funding (12.5%)	Ś	228,881.88	share
	Ŧ	,	Note \$229k LWWSD 12.5% share shown on Water System
Local Match - LWWSD (12.5%)	\$	228,881.88	Reinvestment Plan in year 2023
			Note grant agreement amendmentment was planned by FEMA,
Subtotal Phase 2 Funding per Grant Application	ć	1,831,055.00	State & LWWSD to add construction funding once reservoir
	Ŷ	1,001,000.00	predesign was nearing completion when project scope
			requirements have been defined to prepare accurate construction
Total Original Project Funding Plan	\$	2,281,000.00	
Projected Additional Funding Needs	Ś	664,080.00	Note \$664k LWWSD supplemental funding shown on Water System
	Ŧ		Reinvestment Plan in year 2023

Project Name:	LWBI CIPP Renewal Project
CIP #:	0222

Asset Register:	LWWSD $\rightarrow$ Sewer $\rightarrow$ Collection System						
Failure Mode:	<u>Capacity</u>	Level of Service Mortality Efficiency					
Business Risk Exposure:	36	= 6 x 6 x 1 (PoF x CoF x Redundancy)					
Remaining Life:	50 years	Consumed Life:	50 years	_	ctive fe:	100 years	

# PURPOSE and DESCRIPTION OF THE PROJECT

Perform cure-in-place-pipe (CIPP) pipe rehabilitation on multiple gravity sewer pipe segments along Lake Whatcom Boulevard. The proposed project will begin at manhole GT- 27 (near 2670 Lake Whatcom Boulevard) and will continue downstream to manhole GT-25. Eventual, full CIPP rehabilitation of twenty pipe segments of the Lake Whatcom Boulevard Interceptor (LWBI) will eliminate the District's dependence on the Sudden Valley sewer detention basin to prevent sewer overflows at full build-out ERUs.

The LWBI has been in operation nearly 50 years. Recent television inspection identifying pipe wall corrosion and significant struvite buildup, along with a small sewer overflow at manhole GT-29 in February 2020, prompted an updated hydraulic analysis of the LWBI. This hydraulic analysis modelled the overflow event and with model calibration estimated the current pipe conditions and system capacity. The hydraulic modelling confirmed that existing pipe wall conditions are reducing the system capacity. Iterative modeling using projected pipe conditions following CIPP renewal, shows that upon relining twenty segments, the LWBI interceptor will have sufficient system capacity without dependence on the detention basin.

The segments have been prioritized in the hydraulic analysis as Priority 1 and Priority 2 repairs.

Priority 1 repairs are pipe segment repairs that will eliminate the dependence on the detention basin to prevent sewer overflows for current ERUs.

Priority 2 repairs are pipe repairs that will eliminate dependence on the detention basin to prevent sewer overflows for build-out ERUs.

Below is the pipe relining plan.

Priority	Planned Construction Year	Upstream MH	Downstream MH	Segment	Diameter (inch)	Length (feet)	LW	BI CIPP Budget Estimate (\$)
	2021	GT-29STP	GT-28	29-28 (480 LF)	10	480		
		GT-28	GT-27A	28-27A (213 LF)	10	213		
		GT-27A	GT-27	27A-27 (170 LF)	10	170	20	21 COMPLETED
		GT-24	GT-23	24-23 (438 LF)	14	438		NTRACT AMOUT
						1301	ş	149,923.00
_	2022	GT-27	GT-26	27-26 (313 LF)	10	313		22 COMPLETED
41		GT-26	GT-25	26-25 (385 LF)	10	385	-	NTRACT AMOUT
Priority 1						698	Ş	89,103.00
Pr	2023	GT-25	GT-24	25-24 (402 LF)	14	402		
		GT-23	GT-22	23-22 (269 LF)	14	269		
		GT-22	GT-21	22-21 (404 LF)	14	404		
						1075	ş	185,000.00
	2025		07.00	24 22 (472 15)		470		
	2025	GT-21	GT-20	21-20 (472 LF)	14	472		
		GT-20	GT-19	20-19 (373 LF)	14	373		174 000 00
						845	\$	174,000.00
	2026	GT-19	GT-8	19-18 (384 LF)	14	384		
		GT-18	GT-17	18-17 (196 LF)	14	196		
Priority 2		GT-17	GT16	17-16 (292 LF)	14	292		
		GT-16	GT-15	16-15 (321 LF)	14	321		
		GT-15	GT-14	15-14 (268 LF)	14	268		
		GT-14	GT-13	14-13 (306 LF)	14	306		
		GT-13	GT-12	13-12 (410 LF)	14	410		
		GT-12	GT-11	12-11 (374 LF)	14	374		
		GT-11	7	11-SPCAB (299 LF)	14	299		
						2850	s	532,000.00

When all of the above pipe segments are rehabilitated with CIPP, the LWBI will have sufficient capacity for full system build-out without reliance on the Sudden Valley Detention Basin.

#### Budget Estimate:

\$185,000 for segments scheduled for renewal in 2023 (2023 dollars). \$174,000 for segments scheduled for renewal in 2025 (2025 dollars). \$532,000 for segments scheduled for renewal in 2026 (2026 dollars).

Assumed escalation rates:

10% 2022 to 2023 5% 2023 to 2024 3% 2024 to 2025+ (compounded each year beyond)

For further information about this project contact Bill Hunter.

- Created 11/30/21 by KH & BH.
- 10/31/2022 by BH. Updated historical and future costs.

Project Name:	Division 30 Reservoir Impressed Current Cathodic Protection System
CIP #:	0226

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

#### PURPOSE and DESCRIPTION OF THE PROJECT

This project includes installation of an impressed current cathodic protection system at the Division 30 Reservoir.

Norton Corrosion performed an annual inspection of the Division 30 galvanic cathodic protection system in March 2022. The report notes that the level of corrosion in the Division 30 Reservoir exceeds what the galvanic cathodic protection system can provide and recommends the installation of an impressed current cathodic protection system. Subsequently, September 2022, Evergreen Coating Consultants (ECC) performed a coating analysis on several of the District's steel reservoirs. At this time, ECC noted the most significant interior coating deterioration is in the interior, above the waterline, and at the interior roof plates. These areas are not protected by cathodic protection systems.

The reservoir coating inspection performed by ECC in the Fall 2022 confirms the coating failures observed by Norton Corrosion at the Division 30 reservoir. The assessment by ECC reports the following current coating conditions:

Surface	Rust Grade (Sept. 2022)	Percent of Surface Rusted
Interior Roof Plates	2-G	Greater than 16.0% to 33.0%
Interior Shell Wall	6-S	Greater than 0.3% to 1.0%
Interior Ladder	5-G	Greater than 1.0% to 3.0%
Interior Overflow Pipe	5-S	Greater than 1.0% to 3.0%
Interior Inlet Pipe	3-G	Greater than 10.0% to 16.0%
Exterior Roof Plates	5-S	Greater than 1.0% to 3.0%
Exterior Shell Wall	5-S	Greater than 1.0% to 3.0%
Exterior Ladder and Cage	7-S	Greater than 0.1% to 0.3%

Where S=Spot, G=General and P=Pinpoint

Where Scale and Description of Rust Grades are per SSPC-VIS 2

ECC estimates the interior coating has 3 to 5 years of life left at this time befor steel loss starts to become more of a concern.

Evergreen Coating Consultants outlined three alternatives for this reservoir:

 Build a new reservoir. To be feasible, the reservoir would need to either be built on land adjacent to the existing reservoir or the existing reservoir would need to be demolished so that this reservoir can be constructed. A 26-foot diameter by 40-foot tall reservoir would provide sufficient storage and hydraulic pressure. It may be possible to clear a large enough area on the existing site to construct a reservoir of that size and then demolish the existing in order to provide working space around the structure. Alternatively, it may be possible to modify the pump station that supplies the Division 30 reservoir to work as a closed zone during construction.

Constructing a concrete, Baker Silo-style reservoir is significantly cheaper than constructing a welded steel reservoir of the same volume or even seismically upgrading and recoating the existing reservoir. The concrete reservoir will also have a lower lifecycle cost than either the new or rehabilitated welded steel reservoir due to the cost to recoat the steel reservoir over time.

- 2. Recoat the reservoir and not seismically upgrade it. ECC recommends recoating the interior with an AWWA D102 ICS 5 system and topcoating the exterior with an epoxy tie-coat and polyurethane finish coat that would result in a coating life of approximately 15 to 20 years. The reservoir would remain seismically deficient; however, it would preserve the steel of the reservoir. This option would require alternative storage while out of service for approximately two months.
- 3. Seismically upgrade and recoat the reservoir. This alternative would cause significant damage to the existing exterior coating system and thus require its full removal and replacement. ECC recommends replacing the interior coatings with an AWWA D102 ICS 3 system and the exterior with an AWWA D102 OCS 4 system providing a coating life of approximately 25 to 30 years. The reservoir would be seismically stable. This option would require alternative storage while out of service for approximately four months.

Alternative	Total Project Cost
Alternative 1 – Construct new concrete reservoir	\$1,020,000
Alternative 2 – Recoat the reservoir without seismic upgrades	\$630,000
Alternative 3 – Seismically upgrade and recoat reservoir	\$1,400,000

Division 30 Reservoir Alternative Opinion of Probable Construction Costs

ECC's opinion is that an impressed current cathodic protection system would not extend the interior coatings life above the water level, but would extend the submerged coating life below the water level. An impressed current cathodic protection system can be reused/replaced when/if the welded steel reservoir is rehabilitated or replaced. However, if the District replaces the Division 30 reservoir with a concrete reservoir, the impressed current cathodic protection system would not be reused.

Budget Estimate for installation of impressed current cathodic protection system:

Cost estimate in 2022 dollars.

\$27,000 (\$25,000 for installation of system + \$2k for contingencies)

Cost estimate in 2024 dollars.

\$36,000

Assumed escalation rates: 10% 2022 to 2023 5% 2023 to 2024 3% 2024 to 2025+ (compounded each year beyond)

For further information about this project contact Bill Hunter or Kristin Hemenway.

- Created 11/4/2019 by BH
- Revised 11/2/2022 by KH

Project Name:	Eagleridge – Replace High Flow Pumps Control Panel, Integrate with Low Flow Pumps
CIP #:	0228

Asset Register:						
Failure Mode:	Capacity	Level of Service <u>Mortality</u> Efficiency				fficiency
Business Risk Exposure:	36	9 x 4 x 1= (PoF x CoF x Redundancy Factor)				
Remaining Life:	0	Consumed Life:	33		ective _ife:	30

#### PURPOSE and DESCRIPTION OF THE PROJECT

The purpose of this project is the replace the high flow pumps control panel.

The Eagleridge Booster Pump Station, along with the rest of the Eagleridge water system, was constructed in 1989. The station was originally built to deliver City of Bellingham water throughout the Eagleridge system because City water system pressures alone were not sufficient to meet minimum pressure and flow requirements. The Eagleridge community is situated on a hillside, with the highest service being approximately 80 feet higher than the intertie.

At some point between 1989 and 2016, the City of Bellingham increased the pressure in the service area that feeds the Eagleridge system. Based on this, a recent project (District Project #C2011) was developed to study whether part or all of the pump station could be decommissioned. The engineering study determined that low flow (or domestic use) pumps are not required, and that the high flow pumps (pumps used to deliver fire flows) are needed.

In 2022 the Board of Commissioners, in coordination and input from the Eagleridge community, determined that maintaining historical water pressures above Washington State Department of Health design guidelines and District Design and Construction Standards is required to maintain pressures at historical levels of service. How to fund replacement of the low flow pumps has not been determined; whether by District rate payers as a whole or a special benefit fee applicable to only Eagleridge customers.

The determination that low flow pumps must be maintained or replaced, is a key consideration in determining the most economical solution to replacing the aging high flow pumps control panel.

The high flow pumps must remain, as the hydraulic analysis found that the City pressures were not sufficient to deliver the minimum required flow and pressure in a fire flow scenario. The hydraulic analysis found the existing high flow pumps to be oversized, and since they are simple on/off pumps (i.e., not controlled by a Variable Frequency Drive) with pump control valves (no pressure reducing function), they tend to create undesirable pressure spikes in the system. The analysis therefore concluded that the high flow pumps could be replaced with modern and

appropriately-sized pumps, or as a lower cost alternative, the existing pump control valves could be modified to add a pressure reducing function to prevent pressure spikes.

Either way, the control of the high flow pumps needs to be coordinated with the to-be-replaced low flow pumps. Custom control panels, programmable logic controller (PLC) programming and integration add a significant amount of labor costs versus package stations that have all controls and pumps delivered as a unit ready to start.

Even though the purpose of this project is simple (to replace the high flow pumps control panel), the integration/coordination of how the station will operate needs to be investigate and thought out. It may be as simple as replacing a single on/off control panel for the high flow pumps or as involved as providing a brand-new package pump system that can deliver all flows low to high.

#### Budget Estimate

\$116k is budgeted in 2024 to determine the best overall renewal strategy for the station (both high flow and low flow pumps), and to provide some funds towards construction of the high flow pumps control panel replacement (or possibly new package station).

The scope of work depends on what is determined as the best renewal strategy, and the subsequent construction costs.

**Revision History** 

• Created 11/2/2022 by BH.

Project Name:	Sudden Valley WTP Alum System Improvements
CIP #:	1001

Asset Register:	LWWSD $\rightarrow$ Water $\rightarrow$ Geneva $\rightarrow$ Sudden Valley Water Treatment Plant						
Failure Mode:	Capacity	Level of Service <u>Mortality</u> Efficiency					
Business Risk Exposure:	60	= 10 x 6 x 1 (PoF x CoF x Redundancy)					
Remaining Life (yrs):	0	Consumed Life (yrs):	ive Life rs):	15			

#### Project Purpose

The purpose of this project is to replace the existing alum storage and injections systems.

#### **Project Description**

The WTP injects alum into the raw water supply piping upstream of the flocculation tank to aid coagulation of particulates in the raw water.

The alum tank is beyond its useful life and should be replaced. This project replaces the existing alum storage tank and metering pump system but continues with equipment located within the existing WTP Main Building. It is an interim solution until the chemical equipment is relocated to a new building scheduled for 2036 in the SVWTP 20-Year Facility Plan. When equipment is finally relocated to a new building it will address problems with its proximity to electrical equipment which is contributing to deterioration and/or corrosion of the electrical components.

The project scope and cost estimate were prepared Gray & Osborne, Inc. as part of the Sudden Valley Water Treatment Plant Alternatives Analysis and 20-year Facility Plan. Below is a snapshot of the cost estimate breakdown from Tech Memo #20434-4 SVWTP Chemical System Analysis the Alternatives Analysis report.

#### **Budget Construction Cost Estimate**

#### LAKE WHATCOM WATER AND SEWER DISTRICT

#### SUDDEN VALLEY WTP ASSESSMENT AND ALTERNATIVES ANALYSIS PROJECT PRELIMINARY COST ESTIMATE

#### Technical Memorandum 20434-4 - Liquid Alum in Existing WTP Main Building November 4, 2020 G&O# 20434.00

#### NO. ITEM

#### QUANTITY UNIT UNIT PRICE AMOUNT

1	Mobilization and Demobilization	1 LS	\$ 6,500	S	6,500
2	Alum System Modifications	1 LS	\$ 18,000	S	18,000
3	Piping, Valves, and Appurtenances	1 LS	\$ 5,000	S	5,000
4	Telemetry / SCADA Modifications	1 LS	\$ 8,000	S	8.000

Subtotal\* \$ 37,500 Contingency (25%) \$ 9,400

Subtotal \$ 46,900 Washington State Sales Tax (9.0%)\*\* \$ 4,200

Subtotal \$ 51,100 Design and Project Administration (25.0%)\*\*\* \$ 12,800

TOTAL CONSTRUCTION COST \$ 64,000

\* Costs listed are in 2020 dollars

\*\* Current sales tax rate is 8.7%.

\*\*\* Standard project design and administration fees are 25% of the subtotal including contingency and tax

Cost Estimate Escalation

15% from 2020 dollars to November 2022 dollars per ENR Construction Cost Index \$74k (\$64k x 1.15)

10% assumed escalation from 2022 to 2023 \$82k (\$74k x 1.10) <u>\$6k Additional contingencies</u> \$88k Total 2023 budget estimate

For further information about this project contact Bill Hunter.

- Created 6/17/2021 by KPS (G&O).
- 11/2/2022 BH. Updated project narrative description and budget estimate.

Project Name:	Sewer System Rehabilitation and Replacement Projects
CIP #:	S0001

Asset Register:	LWWSD → Sewer → Collection System						
Failure Mode:	<u>Capacity</u>	ty Level of Service Mortality <u>Efficiency</u>				ficiency	
Business Risk Exposure:	10	= 10 x 1 x 1 (PoF x CoF x Redundancy)					
Remaining Life:		Consumed Life:				ctive fe:	

# PURPOSE and DESCRIPTION OF THE PROJECT

Combines several separate District projects into one annual project. The goals of this project include: finding and repairing inflow and infiltration (I&I) sources, rehabilitating degraded pipelines, and increasing capacity where needed to provide for planned growth and future flow rates.

The annual project scope and focus will vary based on the type of high priority items identified during the previous year. Types of work include: sewer main slip lining (spot repairs and full lengths), pressure grouting service tees, pressure grouting manhole leaks/voids, rebuild/seal manholes, smoke testing, and other efforts to reduce I&I, rehabilitate pipelines, and increase capacity where needed.

Engineering (Plans, Specs & Est.):	District Staff
Bid & Contract Administration:	District Staff
Construction:	\$113,000 (2023) \$119,000 (2024) \$36,000 (2025) \$38,000 (2027) \$39,000 (2028)

2023 & 2024 budget includes \$113,000 and \$119,000 respectively for the following tasks:

**Task 1 – Inflow and Infiltration Repairs.** Work includes minor sewer system rehab and replacement that target elimination of inflow and infiltration. The District will utilize a unit price contract to make the repairs as they are found. Staff will package the repairs to minimize mobilization costs and complete as many improvements as the budget allows. The type of work includes but is not limited to: manhole / wet well grouting, pipe slip lining and spot repairs, lateral grouting, and other miscellaneous repairs.

Cost estimates have been escalated to future years assuming the following escalation rates:

10% 2022 to 2023 5% 2023 to 2024 3% 2024 to 2025+ (compounded each year beyond)

For further information about this project call Bill Hunter.

- 10/26/2011. Combined separate I&I related projects into one annual project budget. Bill Hunter. Footnote: October 2011 Pro-Vac Estimate (Hank) for Smoke Testing: \$0.65/LF and can test approximately 10,000 LF per day.
- 11/18/2013. Minor budget updates. Bill Hunter.
- 12/6/2016. Updated budget for year 2017. BH.
- 11/6/2018. Updated budget for year 2019. BH.
- 11/4/2019. Updated budget for year 2020. BH.
- 12/1/2020. Updated budget and cost estimates for year 2021, edited project description. BH & KH.
- 11/30/2021. Updated budget and cost estimates for year 2022, edited project description. BH.

Project Name:	Replace Tool Truck
CIP #:	V0001

Asset Register:	LWWSD $\rightarrow$ General $\rightarrow$ Vehicles and Equipment $\rightarrow$ Tool Truck					
Failure Mode:	Capacity	Capacity Level of Service Mortality Efficiency				
Business Risk Exposure:	N/A	= _ x _ x _ (PoF x CoF x Redundancy)				
Remaining Life:	N/A	Consumed Life:	N/A		ctive fe:	N/A

# PURPOSE and DESCRIPTION OF THE PROJECT

Project includes replacing a Tool Truck approximately every 2 years. There are 7 Tool trucks currently in the fleet.

The District has targeted a 12 to 15 year replacement schedule. The trucks are well maintained and should last their targeted service life. The replacement cycle assumes trucks may need to have a few major repairs, but the overall cost is less than purchasing trucks on a more frequent schedule.

Existing tool trucks average 12,000 – 15,000 miles per year. After 15-years of service a truck would have 180,000 to 225,000 miles.

Current inventory and mileage as of 11/30/2021

ID	Year	Manufacturer	Model	Description	Mileage
VEH24	1999	Ford	F-350	Utility Truck w/ Service Body	169845
VEH31	2005	Chevy	Silverado 3500	Chevy Silverado	170436
VEH41	2010	Ford	F350	Used by Maintenance Electrician	80184
VEH47	2012	Chevy	Silverado 3500	Utility Truck w/ Service Body	96126
VEH51	2017	Ford	F350	Utility Truck w/ Service Body	43626
VEH52	2018	Ford	F350	Utility Truck w/ Service Body	29048
VEH56	2020	Ford	F350	Includes Utility Box Body and Snow Plow	7799

#### Budget Estimate: \$98,000 (2024 dollars)

- Updated 12/5/2016 by BH. Updated description and budget estimate based on current state bid prices.
- Updated 10/24/2017 by RM. Updated description and vehicle mileages.
- Updated 11/30/2021 by RM. Updated prices from state contract and vehicle mileages
- Updated 10/31/2022 by RM Updated prices from state contract and vehicle mileages

Project Name:	Reservoir Inspection and Maintenance
CIP #:	W0005

Asset Register:	LWWSD → Water → Reservoirs					
Failure Mode:	Capacity Level of Service <u>Mortality</u> Efficiency					
Business Risk Exposure:	16	= 4 x 4 x 1 (PoF x CoF x Redundancy)				
Remaining Life:	N/A	Consumed Life:         N/A         Effective Life:         N/A				N/A
Estimated OCI	See below	Estimated OCR	See below			

# PURPOSE and DESCRIPTION OF THE PROJECT

Visually inspect and clean the inside all of the District's reservoirs and Sudden Valley Water Treatment Plant intake screen. Divers will also performed minor maintenance and repairs noted by the District and found during the inspection. Staff recommends this work be performed every 6 years. The last inspection/cleaning was done in 2018.

Below is a listing of the District's reservoirs compiled Cartegraph the District's asset management software).

ID	Year Built	Estimated OCI	Estimated OCR	Capacity (gal)	Material	Diameter (ft)	Height (ft)
DIV22-1	1971	48.1	Average	520,088	Steel	50	35
DIV22-2	2017	94.96	Excellent	626,000	Steel	56	39.33
DIV30	1973	61.4	Good	151,390	Steel	25.5	40.5
DIV7	1971	66.87	Good	997,939	Steel	70	35
GEN	1979	33.52	Fair	519,206	Steel	53	33
LWRTC	2009	61.48	Good	107,461	Concrete	31	20
OPAL	1999	46.7	Average	80,596	Concrete	31	16
SVWTP-	1992						
ССВ		32.62	Fair	160,000	Steel	40	25
SVWTP-	1971						
CLR		47.91	Average	39,600	Concrete	26	18

The previous inspection and cleaning work was completed in 2018 by H2O Solutions (District project #M1806).

**Budget Estimate** 

\$24,000	2018 Project Costs (including sales tax)
\$6,000	Assume \$6k extra to add new Division 22-2 Reservoir to list.
\$30,000	Estimate in 2018 dollars

The cost in 2024 is estimated at \$41,000.

Cost escalation calculated using historical ENR Construction Cost Index and future cost escalation rates of:

10% 2022 to 2023 5% 2023 to 2024 3% 2024 to 2025+ (compounded each year beyond)

For further information about this project call Bill Hunter.

- Created 8/4/2006 by RM.
- Updated 10/23/2017 by BH.
- Updated 10/31/22 by RM

whatcom L	GENDA BILL em 8.A	General Manager's Report				
DATE SUBMITTED:	November 3, 2022	MEETING DATE: November 9, 2022				
TO: BOARD OF COMM	ISSIONERS	FROM: Justin Clary, General Manager				
GENERAL MANAGER A	PPROVAL	Sostor aller				
ATTACHED DOCUMENTS		1. General Manager's Report				
TYPE OF ACTION REQU	JESTED	RESOLUTION	FORMAL ACTION/ MOTION	INFORMATIONAL /OTHER		

# **BACKGROUND / EXPLANATION OF IMPACT**

Updated information from the General Manager in advance of the Board meeting.

#### FISCAL IMPACT

None.

# **RECOMMENDED BOARD ACTION**

None required.

#### PROPOSED MOTION

None.



# LAKE WHATCOM WATER AND SEWER DISTRICT

# **General Manager's Report**

**Upcoming Dates & Announcements** 

Regular Meeting – Wednesday, November 9, 2022 – 6:30 p.m.

# **Important Upcoming Dates**

Lake Whatcom Water & Sewer	District				
Regular Board Meeting	Wed Nov 30, 2022	8:00 a.m.	Board Room/Hybrid		
Employee Staff Meeting	Thu Dec 15, 2022	8:00 a.m.	Board Room/Hybrid		
Employee start weeting	1110 Dec 15, 2022	8.00 a.m.	Commissioner Citron to attend		
Investment Comm. Meeting	Wed Jan 25, 2023	10:00 a.m.	Board Room/Hybrid		
Safety Committee Meeting	Wed Nov 23, 2022	8:00 a.m.	Remote Attendance		
Lake Whatcom Management Program					
Policy Group Meeting	Wed Dec 7, 2022	3:00 p.m.	Remote Attendance		
Joint Councils Meeting	March 2023	TBD	TBD		
Other Meetings					
WASWD Section III Meeting	Tue Nev 0, 2022	C-00 m m	Bob's Burgers		
WASWD Section III Meeting	Tue Nov 8, 2022	6:00 p.m.	8822 Quil Ceda Pkwy, Tulalip, WA		
Whatcom Water Districts	Wed Nov 16, 2022	2:00 p.m.	Remote Attendance		
Caucus Meeting	VVEU NOV 10, 2022	2.00 p.m.			
Whatcom County Council of	County Council of Wed Dec 14, 2022		Remote Attendance		
Governments Board Meeting	Weu Dec 14, 2022	3:00 p.m.			

# **Committee Meeting Reports**

Safety Committee:

The committee met on October 27; discussion included status of fall protection as sewer lift station wet wells and the Opal water reservoir, closeout of the L&I requirements associated with the June chlorine release at the SVWTP, and training/certifications required over the next year.

Investment Committee:

The committee met on October 26; discussion included status of current cash balances and investments, and review of District reserve policies and formalization of the assigned fund surplus reserve recommended in the 2021 rate study.

# **Upcoming Board Meeting Topics**

- 2023-24 biennial budget adoption
- Facility security risk assessment contract award
- > Beaver Creek exposed sewer mains protective actions presentation
- > City of Bellingham Post Point Resource Recovery Project shift implications on District
- Glen Cove Water Association assumption consideration
- > DISH Wireless proposed cell tower public hearing/resolution consideration

# 2022 Initiatives Status

#### **Administration and Operations**

#### Capital Improvement Project Financing Plan

Develop a financial plan that proactively prepares the District for significant capital projects on the near-term horizon while maintaining Board-defined operational levels-of-service. The board adopted an updated rate structure in 2021 and revision to the general facilities charges is scheduled for the November 9 board meeting, both of which incorporate anticipated CIP costs over the next decade. To lessen the financial impact of borrowing for anticipated largescale projects, surplus reserves have been created in the water and sewer utility funds to build funds designated for these projects. In addition, external funding is aggressively being sought, primarily in the form of FEMA Hazard Mitigation Grants.

#### **General Facilities Charges Review**

 Conduct a review of District water and sewer general facilities (connection) charges (GFCs) to ensure appropriate fees are being assessed to new development.
 Project kick-off presentation was provided during the April 27 board meeting and a presentation on the analysis was provided during the July 27 meeting. Staff presented a memorandum describing the methodology used to update the infrastructure asset inventory during the September 14 meeting. Consideration of adoption of updated GFCs is scheduled for the November 9 meeting.

#### **Records Management System Overhaul**

Complete transition of the District's current records management system to a more robust system that ensures compliance with statutory requirements and gains efficiencies in document management.

District staff are evaluating the three records management software systems available under the State contract and are on track to proceed with procurement by yearend.

#### Safety Program Update

Continue systematic review and revision of District's safety programs by updating nine programs in 2022.

The safety committee has finalized updates to eight programs (PPE, safety responsibilities, slips, trips and falls, heat-related illness, wildfire smoke, respiratory protection, back injury prevention, and medical emergencies) and is reviewing the office safety program.

#### Capital Improvement Program Support

Support the Engineering Department through management of specific capital improvement project(s).

Due to workload issues within the Engineering Department, the general manager has taken on a support role (either in the form of manager or providing technical support) for a number of District capital improvement projects.

#### **Emergency Response/System Security**

#### Emergency Readiness

Re-engage with Whatcom County Department of Emergency Management to hold tabletop emergency response exercises, as well as a field exercise (pandemic-dependent). District held a tabletop exercise May 25 at the Whatcom County Division of Emergency Management facility—topic was cybersecurity awareness. Whatcom Conservation District staff conducted facility audits (SVWTP, Division 30 reservoir, Beaver sewer lift station) on May 16 regarding wildfire resilience preparedness and completed actions throughout the summer based upon the audits at all facilities.

#### Cybersecurity Assessment

Hire an IT-service provider to perform a third-party assessment of the District's vulnerability to cybercriminal attack. To be initiated fall 2022.

#### **Community/Public Relations**

#### <u>General</u>

> 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. Nextdoor has also recently revised its policy to allow special purpose districts to create agency accounts—District staff is in the process of creating a District account in Nextdoor.

Press Releases

Press releases were issued on March 2 (commissioner redistricting public hearing), March 21 (sewage overflow at North Point lift station), June 29 (Commissioner McRoberts resignation), September 1 (Commissioner Knakal appointment), and November 2 (TOP Award receipt).

#### Intergovernmental Relations

- > J Clary met with Sean Connell, liaison to Congressman Larsen's office, on November 1.
- > J Clary attended the WASWD quarterly general managers' meeting on November 2.
- > J Clary assisted Northshore Utility District with implementation of USEPA's effective utility management (EUM) assessment process on November 2.
- > J Clary scheduled to attend the WASWD monthly Section III meeting on November 8.

#### Lake Whatcom Water Quality

#### Lake Whatcom Management Program

Participate in meetings of Lake Whatcom Management Program partners. No LWMP meetings were held since the last board meeting.

#### 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.