



# Lake Whatcom Water & Sewer District Board Meeting Access Information

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Wed Mar 08, 2023  
6:30 pm - 8:30 pm

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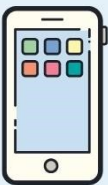
If you wish to make a public comment, you may submit it in written form via email or the contact form on our website, or utilize the public comment periods during the District's regular meetings.

### 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](mailto:rachael.hope@lwwsd.org) or 360-734-9224.



## Public Comment Periods

Lake Whatcom Water & Sewer District's Board of Commissioners values feedback, questions, and concerns from our constituents. The public comment period is....



Regular Meetings of the Board of Commissioners are held on the second Wednesday of each month at 6:30 pm and the last Wednesday of each month at 8:00 am.



## LAKE WHATCOM WATER AND SEWER DISTRICT

1220 Lakeway Drive  
Bellingham, WA 98229

### REGULAR MEETING OF THE BOARD OF COMMISSIONERS

## AGENDA

*March 8, 2023*


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. 889—Revision to the Capital Improvement Plan Policy
  - B. Division 7 Reservoir Replacement Project Funding Commitment
  - C. Electrical On-Call Unit Price Public Works Contract
  - D. Interlocal Agreement with Whatcom Conservation District for Water Conservation Public Outreach Support Services
7. OTHER BUSINESS
8. STAFF REPORTS
  - A. General Manager
9. PUBLIC COMMENT OPPORTUNITY
10. ADJOURNMENT



**AGENDA  
BILL  
Item 5**

**Consent Agenda**

DATE SUBMITTED:	March 2, 2023	MEETING DATE:	March 8, 2023
TO: BOARD OF COMMISSIONERS	FROM: Rachael Hope		
GENERAL MANAGER APPROVAL			
ATTACHED DOCUMENTS	1. See below		
TYPE OF ACTION REQUESTED	RESOLUTION <input type="checkbox"/>	FORMAL ACTION/ MOTION <input checked="" type="checkbox"/>	INFORMATIONAL /OTHER <input type="checkbox"/>

**\*\*TO BE UPDATED 3.8.2023\*\***

**BACKGROUND / EXPLANATION OF IMPACT**

- Minutes for the 02.22.23 Regular Board Meeting
- Payroll for Pay Period #05 (02.17.2023 through 03.02.23) total to be added
- Payroll Benefits for Pay Period #05 total to be added
- Accounts Payable Vouchers total to be added

**FISCAL IMPACT**

Fiscal impact is as indicated in the payroll/benefits/accounts payable quantities defined above. All costs are within the Board-approved 2023 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

*February 22, 2023*

Board President Todd Citron called the Regular Session to order at 8:00 a.m.

<b>Attendees:</b> Commissioner Laura Abele (v)	General Manager Justin Clary
Commissioner Todd Citron (v)	District Engineer/Assistant GM Bill Hunter
Commissioner Bruce Ford	Finance Manager/Treasurer Jenny Signs
Commissioner John Carter	Operations & Maintenance Manager Jason Dahlstrom
Commissioner Jeff Knakal (v)	Recording Secretary Rachael Hope

#### **Roll Call**

General Manager Justin Clary performed a roll call. Attendees noted with (v) attended the meeting virtually.

#### **Consent Agenda**

##### **Action Taken**

**Knakal moved, Ford seconded, approval of:**

- **Minutes for the 02.08.23 Regular Board Meeting**
- **Payroll for Pay Period #04 (02.04.2023 through 02.17.23) totaling \$47,303.43**
- **Payroll Benefits for Pay Period #04 totaling \$50,899.59**
- **Accounts Payable Vouchers totaling \$90,355.87**

**Motion passed.**

#### **Resolution No. 888 Voluntary Temporary Billing Suspension Policy Rescission**

Clary recalled that historically, the District has provided a service to customers for voluntary temporary suspension of billing when that customer will be away from their home for an extended period. On April 28, 2021, the Board adopted Resolution No. 874, capping the consecutive number of months a connection may be under voluntary temporary billing suspension at four.

At that time, the Board requested that staff bring this policy back to the Board for discussion two years following its implementation. During its regularly scheduled meeting held on January 25, 2023, the Board reviewed the District's voluntary temporary billing suspension policy and directed staff to develop a resolution for its consideration that would rescind the voluntary temporary billing suspension policy in its entirety. Staff presented the Board with Resolution No. 888 for consideration. Discussion followed.

##### **Action Taken**

**Abele moved, Knakal seconded, to approve Resolution No. 888 as presented. Motion passed.**

### **Six-Year Strategic Business Plan Review of 2022 Accomplishments**

Clary explained that during its regularly scheduled meeting held on December 8, 2021, the Board adopted its first six-year strategic business plan (2022-2027). The Plan was developed to look beyond the annual (now biennial) budget process in identifying, and better positioning the District to adequately respond to future needs and fiscal constraints. Plan goals were developed in consideration of Board identified priorities that resulted from the 2020 Effective Utility Management (EUM) assessment process. Recognizing the first year (2022) of the Plan had passed, District management reviewed with the Board the status of department-specific goals identified in the Plan. Each department highlighted achievements, changes, and goals. Discussion followed.

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

Clary updated the Board on several topics, including recruitment for the open Maintenance Worker I and Commissioner Position 1 vacancies, upcoming all-staff CPR training, and the Washington Association of Water & Sewer Districts scheduled Spring Conference in April.

### **Engineering Department Report**

Hunter provided an update on district projects, including progress on the scope and agreement for consulting for the reservoir and water treatment plant site security assessment, upcoming bid advertisements and openings, easement research for the Rocky Ridge & Lakewood Sewer Pump Station project, and work with FEMA on funding for upcoming projects.

### **Finance Department Report**

Signs highlighted that revenues and expenditures are tracking on budget, shared information about recent changes to the District's investment portfolio, and noted ongoing customer utilization of the Opportunity Council's assistance program. Discussion followed.

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

Dahlstrom reported on field crew operations, including completion of biennial confined space training, water treatment plant operations, and his recent attendance at the Evergreen Rural Water & Wastewater Conference.

With no further business, Citron adjourned the Regular Session at 9:32 a.m.

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Board President, Todd Citron

Attest: \_\_\_\_\_  
Recording Secretary, Rachael Hope

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

## CHECK REGISTER

Lake Whatcom W-S District


Time: 16:51:13 Date: 02/23/2023

02/23/2023 To: 02/23/2023

Page: 1

Trans	Date	Type	Acct #	Chk #	Claimant	Amount	Memo
607	02/23/2023	Payroll	5	13797	MISSION SQUARE -306798	100.00	Pay Cycle(s) 01/12/2023 To 01/12/2023 - ICMA
608	02/23/2023	Payroll	5	13798	MISSION SQUARE -306798	100.00	Pay Cycle(s) 01/26/2023 To 01/26/2023 - ICMA
609	02/23/2023	Payroll	5	13799	MISSION SQUARE -306798	100.00	Pay Cycle(s) 02/09/2023 To 02/09/2023 - ICMA
610	02/23/2023	Payroll	5	13800	MISSION SQUARE -306798	100.00	Pay Cycle(s) 02/23/2023 To 02/23/2023 - ICMA
401 Water Fund						400.00	
						400.00	Payroll: 400.00

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

Sign  Date 2/23/2023  
General Manager, Justin Cary

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, Todd Citron


Attest : \_\_\_\_\_  
Recording Secretary, Rachael Hope

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



**AGENDA  
BILL  
Item 6.A**

**Resolution No. 889  
Revision to the Capital  
Improvement Plan Policy**

DATE SUBMITTED:	February 23, 2023	MEETING DATE:	March 8, 2023
TO: BOARD OF COMMISSIONERS	FROM: Jenny Signs, Finance Manager/Treasurer		
GENERAL MANAGER APPROVAL			
ATTACHED DOCUMENTS	1. Draft Resolution No. 889		
TYPE OF ACTION REQUESTED	RESOLUTION <input checked="checked" type="checkbox"/>	FORMAL ACTION/ MOTION <input type="checkbox"/>	INFORMATIONAL /OTHER <input type="checkbox"/>

**BACKGROUND / EXPLANATION OF IMPACT**

The District, with the assistance of FCS Group, completed a comprehensive review of its water and sewer utility rates in 2021. A primary goal of the rate study was to develop a funding plan (revenue requirement) for the District's water and sewer utilities for the 2021-2040 study period, with a shorter rate setting period for 2022-2026. Within the study, FCS Group identified one specific large capital project in each utility that would have a significant impact on required revenue. These projects are the Sudden Valley Water Treatment Plant Improvements in the Water Fund and the Post Point Resource Recovery Project within the Sewer Fund. Along with identifying these large projects as part of the capital improvement plan, FCS Group recommended the creation of a capital surplus from the proposed rate increases to limit debt financing associated with the projects. This surplus would gradually increase as revenues increase with planned rate increases until the large capital projects are constructed. The Board adopted the recommended rate increases, which included the capital surplus revenue component, via adoption of Resolution No. 879 during a regular meeting on November 24, 2021.

However, District policy (Title 2 of the District's administrative code) does not formally define how funds generated in support of the capital surplus are to be managed and ultimately used. On January 25, 2023, the District's Investment Committee discussed potential revisions to the administrative code to incorporate a capital surplus policy, which was subsequently discussed by the Board during its February 8, 2023, meeting. Based upon Board direction, staff has prepared Resolution No. 889 for the Board's consideration.

To create the capital surplus policy, Resolution No. 889 adds the following to the end of Paragraph 15 of Section 3, Capital Improvement Plan Policy, located in Title 2 of the District's Administrative Code:

*In anticipation of large capital projects, a capital surplus may be accumulated in advance to limit debt financing. Large capital projects shall be projects that are identified in a District rate study.*

In conjunction with this proposed Administrative Code revision, the adopted budget will continue to manage this surplus within each utility operating fund.

**FISCAL IMPACT**

None anticipated.

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

Financial Viability

**RECOMMENDED BOARD ACTION**

Revision to the Capital Improvement Plan Policy will ensure that the District continues to focus on the preservation, maintenance, and future improvements of the District's capital facilities, equipment, and assets by ensuring the recommended funding plan in both the Water and Sewer Utility Funds is implemented in a way that allows for future planning and flexibility. Therefore, staff recommends the Board adopt Resolution No. 889.

**PROPOSED MOTION**

A recommended motion is:

"I move to adopt Resolution No. 889, as presented."



**LAKE WHATCOM WATER AND SEWER DISTRICT  
RESOLUTION NO. 889**

A Resolution of the Board of Commissioners Revising the Capital Improvement Plan Policy  
defined in Administrative Code Title 2, Fiscal Management Policies, Section 3

**WHEREAS**, the Lake Whatcom Water and Sewer District (“District”) is a special purpose district located in Washington State authorized under Title 57 Revised Code of Washington; and

**WHEREAS**, the District is responsible for planning, improvements, maintenance, and operation of comprehensive water and sewer systems capable of providing reliable service to District ratepayers; and

**WHEREAS**, the District completed a comprehensive study of rates in 2021 that defined a funding plan for the effective management of the District’s water and sewer utilities for 2022-2026; and

**WHEREAS**, the District Board of Commissioners (“Board”) adopted annual rate increases consistent with those projected in the 2021 rate study through Resolution No. 879 during a regular meeting held on November 24, 2021; and

**WHEREAS**, the rate study identified one specific large capital project in each utility that will significantly impact the required revenue to finance those projects (specifically, the Sudden Valley Water Treatment Plant Improvements in the Water Fund and the Post Point Resource Recovery Project within the Sewer Fund); and

**WHEREAS**, the rate study recommended the creation of a capital surplus from the proposed rate increases to limit debt financing for large capital projects; and

**WHEREAS**, the capital surplus will gradually increase as revenues increase with rate adjustments and then be utilized in the appropriate year for the large capital projects; and

**WHEREAS**, the Board has previously set fiscal management policies, codified under Title 2 of the District Administrative Code, to ensure the long-term fiscal health and effective management of District resources in accordance with applicable laws; and

**WHEREAS**, Section 3 of Title 2 of the District Administrative Code defines the Capital Improvement Plan Policy; and

**WHEREAS**, Paragraph 15 requires that the District maintain a six-year capital financing plan that supports execution of a Capital Improvement Plan that can sustain long-term District capital requirements and establish an integrated capital funding strategy; and

**WHEREAS**, the Board has determined it in the best interest of the District to revise Title 2, Section 3, Paragraph 15 of the Administrative Code to create a capital surplus to ensure funds are used in the manner in which they were intended while also maintaining flexibility within the Capital Improvement Plan; and

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

**NOW, THEREFORE, BE IT RESOLVED** by the Board of Commissioners of the Lake Whatcom Water and Sewer District, Whatcom County, Washington as follows:

**Section 1.** Paragraph 15 of Section 3, Capital Improvement Plan Policy, of Title 2 of the Administrative Code is hereby revised to read in its entirety:

In conjunction with establishing or planning its capital program, the District maintains a six-year capital financing plan that supports execution of that program and is capable of sustaining long-term District capital requirements. The capital program incorporates system expansion, upgrades and improvements, and system repair and replacement. The intention is to establish an integrated capital funding strategy. In anticipation of large capital projects, a capital surplus may be accumulated in advance to limit debt financing. Large capital projects shall be projects that are identified in a District rate study.

**Section 2.** Any resolutions or parts of resolutions in conflict herewith are hereby repealed insofar as they conflict with the provisions of this Resolution.

**Section 3.** If any section, subsection, sentence, clause or phrase of this Resolution is for any reason held to be invalid or unconstitutional, such decision shall not affect the validity of the remaining portions of this Resolution. The Board of Commissioners hereby declare that it would have passed this Resolution and each section, subsection, sentence, clause and phrase thereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses or phrases has been declared invalid or unconstitutional, and if, for any reason, this Resolution should be declared invalid or unconstitutional, then the original resolution or resolutions shall be in full force and effect.

**Section 4.** This Resolution shall be effective immediately.

**ADOPTED** by the Board of Commissioners of Lake Whatcom Water and Sewer District, Whatcom County, Washington, at a regular meeting thereof, on the 8<sup>th</sup> day of March, 2023.

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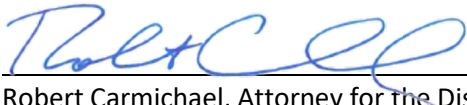
Todd Citron, President, Board of Commissioners

Attest:

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Rachael Hope, Recording Secretary

Approved as to form:


A handwritten signature in blue ink, appearing to read "Robt Carmichael", is written over a horizontal line.

Robert Carmichael, Attorney for the District



**AGENDA  
BILL  
Item 6.B**

**Division 7 Reservoir  
Replacement Project  
Funding Commitment**

DATE SUBMITTED:	February 28, 2023	MEETING DATE:	March 8, 2023
TO: BOARD OF COMMISSIONERS	FROM: Justin Clary, General Manager		
GENERAL MANAGER APPROVAL			
ATTACHED DOCUMENTS	1. none		
TYPE OF ACTION REQUESTED	RESOLUTION <input type="checkbox"/>	FORMAL ACTION/ MOTION <input checked="" type="checkbox"/>	INFORMATIONAL /OTHER <input type="checkbox"/>

**BACKGROUND / EXPLANATION OF IMPACT**

A structural analysis of the Lake Whatcom Water and Sewer District Division 7 Water Reservoir found significant deficiencies in its ability to meet existing earthquake code requirements (BHC report, December 2016). The 2017 Water System Plan also analyzed the capacity of the Division 7 reservoir and found it to be significantly oversized. Technical memoranda prepared by Wilson Engineering LLC (dated February 8, 2018, and December 28, 2020) provided alternatives analyses that investigated several options associated with future use of the reservoir or replacement. The recommended alternative replaces the existing welded steel 1-million gallon reservoir with two smaller concrete 185,000 gallon reservoirs.

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 (earthquake early warning system) on the new reservoirs. The grant application was developed in conjunction with Washington State Emergency Management Division (WA-EMD) of the Washington State Military Department and the Federal Emergency Management Agency (FEMA) as a Hazard Mitigation project. Hazard Mitigation Grant cost sharing is typically as follows: FEMA 75%, WA-EMD 12.5%, and local agency 12.5%.

Though the grant application was submitted in 2018, the project did not proceed for a few years due to varying circumstances (e.g., grant administrator staffing issues, the COVID-19 pandemic). As a result, the project did not start in earnest until 2021, which culminated in the Board approving a grant agreement for the first phase of work during its February 2, 2022 meeting (the project was split into two phases: Phase I – Design and Permitting; and Phase II – Construction). At the time of approval of Phase I, the total project cost was estimated at \$2,281,000 (FEMA at \$1,710,750, WA-EMD at \$285,125, and the District at \$285,125).

With design and permitting progressing, and recognizing significant escalations in the construction industry over the past year, a more current cost estimate for the entire project was recently prepared. The October 2022 estimate is \$2,950,000 (\$669,000 beyond the FEMA-approved grant agreement). Recognizing the significant increase, the District requested additional funding from FEMA. The District was recently notified by WA-EMD staff that there are no additional federal funds that may be allocated toward the project, and that if the District wishes to proceed, it will have to finance the estimated additional \$669,000 (in addition to the District's grant commitment of \$285,125).

District options include:

- 1) Cancel the project
- 2) Proceed with the project and pursue other external funding
- 3) Proceed with the project and self-finance
- 4) Proceed with the project and pursue other external funding with the fallback position of self-financing

The 2018 structural analysis identified the Division 7 reservoir as the District's highest reservoir priority; therefore, cancelling the project is not discussed further in this agenda bill. Staff have been in regular communication with Congressman Larsen's office regarding an FY2024 community funding project award (earmark) to cover the additional project cost. Other viable external funding options include pursuit of low-interest loans through Public Works Assistance Account (administered by the State Public Works Board) or Drinking Water State Revolving Fund (administered by the State Department of Health); though neither of these sources would be a grant, it would allow the District to finance the project costs over a 20-year period at a low interest rate. Should pursuit of external funding be unsuccessful, the District could use Contingency Fund Reserves (\$460,000) to cover a significant portion of the costs, and reorganize the District's six-year water utility capital improvement program to accommodate the project.

#### **FISCAL IMPACT**

Dependent upon Board action. Receipt of a congressional community funding project earmark would create no additional financial obligation for the District; receipt of PWAA or SRF loans would amortize the costs over a 20-year period, and self-financing would have immediate impacts in depletion of the District's contingency reserve and ability to proceed on other necessary water utility projects.

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

Financial Viability

Infrastructure Strategy and Performance

Enterprise Resiliency

#### **RECOMMENDED BOARD ACTION**

Staff recommends that the Board affirm the District's commitment to financing the additional project costs to enable the Division 7 reservoir replacement project to proceed, and continue pursuing other external funding opportunities (Option 4 above).

**PROPOSED MOTION**


A recommended motion is:

“I move to affirm the District’s commitment to fund any financial obligations associated with the Division 7 Reservoir Replacement Project beyond the \$1,995,875 provided through federal hazard mitigation grant funding and direct staff to continue pursuit of other external funding opportunities.”



**AGENDA  
BILL  
Item 6.C**

**Electrical On-Call Unit Price  
Public Works Contact Award**

DATE SUBMITTED:	February 28, 2023	MEETING DATE:	March 8, 2023
TO: BOARD OF COMMISSIONERS	FROM: Bill Hunter, District Engineer / Assistant General Manager		
GENERAL MANAGER APPROVAL			
ATTACHED DOCUMENTS	1. Bid Tabulation		
TYPE OF ACTION REQUESTED	RESOLUTION <input type="checkbox"/>	FORMAL ACTION/ MOTION <input checked="" type="checkbox"/>	INFORMATIONAL /OTHER <input type="checkbox"/>

**BACKGROUND / EXPLANATION OF IMPACT**

The District maintains and operates a substantial number of sewer lift stations, water booster stations, reservoirs, treatment plants, and building facilities. All of these facilities have electrical and control systems that need routine maintenance and repair. The District has one licensed electrician on staff. There is a continuous and increasing amount of electrical and control maintenance, troubleshooting, and repair tasks. Additional contracted support is recommended to assist in keeping up with the workload.

The intent is to utilize a unit price contract to order electrical work as needed to support and supplement the District's maintenance crews. The majority of work is anticipated to be for maintenance and repair, with each work order being relatively small in value (a few thousand dollars each) and would be funded by operations and maintenance funds.

The value of work is estimated to be less than \$50,000. Per the District's administrative code and as allowed by state law, staff solicited bids from five local electrical contractors. Two bids were received.

The contract will be in effect for 12-months from the date of contract execution with the District's option to extend the contract for an additional one-year period (as allowed by statute).

Staff has verified Elite Electrical Contractors, Inc. meets mandatory and supplemental bidder responsibility criteria.

**FISCAL IMPACT**

This contract is a unit price contract. The total amount listed on the Bid Tabulation is only used to determine the low bidder for contract award. It is NOT the amount of work that will be ordered by the District, nor is the District obligated in any way to order a minimum amount of work once the contract is executed.

Work will be defined and authorized by work order using the unit prices on the Bid Tabulation. Work orders will be issued in accordance with the policies established in the administrative code.

It is anticipated that most of the work using work orders will be for regular maintenance and repair and be funded by the operations and maintenance budget.

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

Operational Optimization

Enterprise Resiliency

**RECOMMENDED BOARD ACTION**

Staff recommends that the Board award the Electrical On-Call Unit Price Contract to Elite Electrical Contractors, Inc.

**PROPOSED MOTION**

Recommended motion is:

“I move to award the Electrical On-Call Unit Price Contract to Elite Electrical Contractors, Inc. 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.”



LAKE WHATCOM WATER & SEWER DISTRICT  
 1220 LAKEWAY DRIVE  
 BELLINGHAM, WA 982298  
 (360) 734-9224



**BID TABULATION**


PROJECT NAME	PROJECT #	BID REVIEW DATE	PAGE # OF #	LOCATION
Electrical On-Call Unit Price Contract	M2312	2/23/2023	1 OF 1	BID PROPOSAL RECEIVED BY E-MAIL PER BIDDER INSTRUCTIONS
NAME OF FIRM	VECA ELECTRIC & TECHNOLOGIES, LLC		ELITE ELECTRICAL CONTRACTORS, INC.	

Item	Description	Quantity	Unit	Unit Price	Amount	Unit Price	Amount	Unit Price	Amount
BASE BID									
1	Mobilization / Demobilization	6	EA	\$85.00	\$510.00	\$30.00	\$180.00		
2	Project Manager (Regular Hourly Rate)	20	HR	\$95.00	\$ 1,900.00	\$135.00	\$2,700.00		
3	Journeyman Electrician (Regular Hourly Rate)	150	HR	\$130.00	\$ 19,500.00	\$135.00	\$20,250.00		
4	Journeyman Electrician (Premium Hourly Rate)	50	HR	\$220.00	\$ 11,000.00	\$200.00	\$10,000.00		
5	Electrical Trainee (Regular Hourly Rate)	50	HR	\$115.00	\$ 5,750.00	\$110.00	\$5,500.00		
6	Electrical Trainee (Premium Hourly Rate)	15	HR	\$175.00	\$ 2,625.00	\$160.00	\$2,400.00		
7	Electrical Service Vehicle	100	HR	\$15.00	\$ 1,500.00	\$0.00	\$0.00		
8	Owner Pre-authorized Material Purchase(s)	1	LS	\$5,000.00	\$ 5,000.00	\$5,000.00	\$5,000.00		
	Sub Total Base Bid (does not include Washington State Sales Tax)				\$47,785.00		\$46,030.00		



**AGENDA  
BILL  
Item 6.D**

**Interlocal Agreement with  
Whatcom Conservation District  
for Water Conservation Public  
Outreach Support Services**

DATE SUBMITTED:	February 28, 2023	MEETING DATE:	March 8, 2023
TO: BOARD OF COMMISSIONERS	FROM: Justin Clary, General Manager		
GENERAL MANAGER APPROVAL			
ATTACHED DOCUMENTS	1. Draft Interlocal Agreement between the District and Whatcom Conservation District		
TYPE OF ACTION REQUESTED	RESOLUTION <input type="checkbox"/>	FORMAL ACTION/ MOTION <input checked="" type="checkbox"/>	INFORMATIONAL /OTHER <input type="checkbox"/>

**BACKGROUND / EXPLANATION OF IMPACT**

Growing communities, agriculture, industry, and the importance of conserving water for fish have placed an increasing demand on Washington's water resources. To help meet these growing needs, the Washington State Legislature passed the Municipal Water Law in 2003, which includes requirements for municipal water suppliers to adopt water supply efficiency measures. Subsequently, in 2007 the Water Use Efficiency rule became effective, requiring municipal water suppliers to develop and implement water conservation measures in their water system comprehensive plans. The District's Water Use Efficiency Plan was most recently updated and adopted by the Board in December 2021.

Recognizing that greater success can be achieved through common messaging and economies of scale, coupled with the significant focus on water use and rights in Water Resource Inventory Area (WRIA) No. 1, Whatcom County reconvened the [Whatcom Water Alliance](#) (WWA) in 2019 and hired the Whatcom Conservation District to facilitate development of an enhanced countywide water conservation program. The WWA is partnership of Water County water utilities that collaborate and coordinate on water conservation, supply, and delivery activities with the goal of increasing the efficiency and effectiveness of each partner's water conservation program. Through multiple meetings and discussion, the WWA developed a multi-year program that focusses efforts on priorities communicated by the member organizations. The Board formerly approved submittal of a letter in September 2020 to the Whatcom County executive supporting the multi-year program, which includes development of a website, media kit and water conservation how-to videos, and new in 2022, a voluntary rebate program. Though Whatcom County continues to finance the bulk of the Whatcom Conservation District's WWA support efforts, consistent with the District's September 2020 letter of support, the attached interlocal agreement would commit the District to \$2,132 (\$0.40 per connection, plus a \$492 administrative charge) in 2023.

**FISCAL IMPACT**

The fiscal impact would \$2,132, which is included in the 2023-24 Budget.

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

Community Sustainability

Water Resource Sustainability

Stakeholder Understanding and Support

**RECOMMENDED BOARD ACTION**

Staff recommends that the Board approve the proposed agreement.

**PROPOSED MOTION**

A recommended motion is:

“I move to authorize the general manager to execute the Interlocal Agreement with the Whatcom Conservation District for water conservation public outreach support services, as presented.”

**INTERLOCAL AGREEMENT**  
**LAKE WHATCOM WATER AND SEWER DISTRICT - WHATCOM CONSERVATION DISTRICT**  
Water Conservation Community Education and Outreach Program

This Interlocal Agreement is made and entered into by the Lake Whatcom Water and Sewer District, a Washington special purpose district authorized under Title 57 Revised Code of Washington (RCW), hereinafter referred to as the "District", and the Whatcom Conservation District, a Washington governmental subdivision, hereinafter referred to as the "WCD", collectively referred to as "Parties", to establish an arrangement pursuant to RCW Chapter 39.34 wherein the District will provide funding to the WCD to provide water conservation community education and outreach to the mutual advantage of the Parties.

WHEREAS, the WCD is equipped to provide the additional water conservation public outreach services needed by the District; and

WHEREAS, it is in the best interest of each party to enter into this Agreement; and

WHEREAS, the recitals herein are a material part of this Agreement;

NOW THEREFORE, the WCD and District agree as follows:

- I. *Purpose:* The purpose of this Agreement is to set the terms whereby the District will make available funds to the WCD to implement a water conservation community education and outreach program for District customers.
- II. *Administration:* No new or separate legal or administrative entity is created to administer the provisions of this Agreement.
- III. *Whatcom Conservation District Responsibilities:* The WCD hereby agrees to provide services as described in Exhibit A, Scope of Work, attached hereto.
- IV. *District Responsibilities:* The District hereby agrees to reimburse the WCD, not to exceed the total budget amount allocated to the WCD as shown in Exhibit B attached hereto, for the costs in providing and performing the services stated in the scope of work.
- V. *Payment:* The WCD shall submit a single invoice by July 1, 2023 for the full amount defined in Exhibit B associated with services to be rendered. The District will pay the WCD for the full invoice amount within thirty (30) days following receipt of an approved invoice, provided all other terms and conditions of the contract have been met and are certified as such by the Contract Administrator.
- VI. *Term:* This Agreement shall be effective from March 1, 2023 through December 31, 2023; however, this Agreement may be extended an additional year if both parties agree to the terms.
- VII. *Responsible Persons:* The persons responsible for administration of this Agreement shall be the District General Manager and the WCD District Manager, or their respective designees.

- VIII. *Treatment of Assets and Property:* No fixed assets or personal or real property will be jointly or cooperatively acquired, held, used, or disposed of pursuant to this Agreement.
- IX. *Relationship of the Parties:* The Parties are separate entities organized under the laws of the State of Washington and this Agreement is not intended to create any new legal or corporate entity. No agent, employee, servant, or representative of any party shall be deemed to be an employee, agent, servant, or representative or any other party for any purpose. Each party will be solely responsible for its acts and for the acts of its agents, employees, and servants during the term of this Agreement.
- X. *Indemnification:* Each party agrees to be responsible and assume liability for its own wrongful and/or negligent acts or omissions or those of their officials, officers, agents, or employees to the fullest extent required by law, and further agrees to save, indemnify, defend, and hold the other party harmless from any such liability. It is further provided that no liability shall attach to the Parties by reason of entering into this Agreement except as expressly provided herein.
- XI. *Non-discrimination in Employment and Client Services:* Neither Party shall discriminate against any person on the grounds of race, creed, color, national origin, sex, marital status, age, religion, or on the presence of any sensory, mental or physical handicap. No Party shall discriminate against any employee or applicant for employment because of handicap; provided that, this provision shall not apply if the particular disability prevents proper performance of the work involved.
- XII. *Termination:* This Agreement may be terminated by either party effective upon sixty (60) days written notice, mailed postage pre-paid by certified mail, return receipt requested, to the other party's last known address for the purposes of giving notice under this section. If this Agreement is so terminated, the Parties shall be liable only for performance rendered or costs incurred in accordance with the terms of this Agreement prior to the effective date of termination.
- XIII. *Modifications:* This Agreement may be changed, modified, amended or waived only by written agreement executed by the Parties hereto. Waiver or breach of any term or condition of this Agreement shall not be considered a waiver of any prior or subsequent breach.
- XIV. *Applicable Law:* In the performance of this Agreement, it is mutually understood and agreed upon by the Parties hereto that this Agreement shall be governed by the laws and regulations of the State of Washington and the federal government, both as to interpretation and performance. The venue of any action arising here from shall be in the Superior Court of the State of Washington in and for Whatcom County.
- XV. *Severability:* In the event any term or condition of this Agreement or application thereof to any person or circumstance is held invalid, such invalidity shall not affect other terms, conditions, or applications of this Agreement that can be given effect without the invalid term, condition, or application. To this end the terms and conditions of this Agreement are declared severable.
- XVI. *Entire Agreement:* This Agreement contains all the terms and conditions agreed upon by the Parties. All items incorporated herein by reference are attached. No other understandings, oral or otherwise, regarding the subject matter of this Agreement shall be deemed to exist or to

bind any of the Parties hereto.

XVII. *Counterparts*: This Agreement may be executed in multiple counterparts and each shall be deemed an original, but all of which together constitute a single instrument.

XVIII. *Effective Date*: This Agreement shall be in full force and effect at date of signature.

IN WITNESS WHEREOF, the Parties have signed this Agreement this \_\_\_\_ day of \_\_\_\_\_, 2023.

WHATCOM CONSERVATION DISTRICT

LAKE WHATCOM WATER AND SEWER DISTRICT

By: \_\_\_\_\_  
Brandy Reed, District Manager

By: \_\_\_\_\_  
Justin Clary, General Manager

STATE OF WASHINGTON )  
 ) ss.  
COUNTY OF WHATCOM ).

I certify that I know or have satisfactory evidence that Justin Clary is the person who appeared before me, and said person acknowledged that he signed this instrument, on oath stated that he was authorized to execute the instrument and acknowledged it as the General Manager of the Lake Whatcom Water and Sewer District to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

\_\_\_\_\_  
NOTARY PUBLIC in and for the State  
of Washington, residing at\_\_\_\_\_.  
My commission expires: \_\_\_\_\_

STATE OF WASHINGTON )  
 ) ss.  
COUNTY OF WHATCOM ).

I certify that I know or have satisfactory evidence that Brandy Reed is the person who appeared before me, and said person acknowledged that she signed this instrument, on oath stated that he was authorized to execute the instrument and acknowledged it as the District Manager for the Whatcom Conservation District to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

\_\_\_\_\_  
NOTARY PUBLIC in and for the State  
of Washington, residing at\_\_\_\_\_.  
My commission expires: \_\_\_\_\_

## EXHIBIT A - SCOPE OF WORK

### **Task 1: Water Conservation Education and Outreach**

WCD will collaborate with the District to implement a community education and outreach program for water conservation in partnership with Whatcom Water Alliance.

#### **Tasks include, but are not limited to the following:**

- Develop and distribute education materials on water conservation
- Coordinate and administer water conservation rebate program and home audit
- Partner with other organizations to amplify efforts

#### **Deliverables:**

1. Educational materials generated (consumer confidence report, web design, print materials)
2. Report on number of rebate applications and home audits completed
3. Other projects for specific audiences as needed
4. Annual written reports to include a summary of outreach & education efforts

## EXHIBIT B - BUDGET


Item	Budget
<b>Water Conservation Education and Outreach</b> (# of connections 4,100 x \$0.40)	\$ 1,640
<b>Overhead 30%</b>	\$492
<b>Contract Total</b>	<b>\$2,132</b>





**AGENDA  
BILL  
Item 8.A**

**General Manager's  
Report**

DATE SUBMITTED:	March 2, 2023	MEETING DATE:	March 8, 2023
TO: BOARD OF COMMISSIONERS	FROM: Justin Clary, General Manager		
GENERAL MANAGER APPROVAL			
ATTACHED DOCUMENTS	1. General Manager's Report		
TYPE OF ACTION REQUESTED	RESOLUTION <input type="checkbox"/>	FORMAL ACTION/ MOTION <input type="checkbox"/>	INFORMATIONAL /OTHER <input checked="" type="checkbox"/>

**BACKGROUND / EXPLANATION OF IMPACT**

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

**FISCAL IMPACT**

None.

**RECOMMENDED BOARD ACTION**

None required.

**PROPOSED MOTION**

None.



## LAKE WHATCOM WATER AND SEWER DISTRICT

### General Manager's Report

#### Upcoming Dates & Announcements

Regular Meeting – Wednesday, March 8, 2023 – 6:30 p.m.

#### Important Upcoming Dates

Lake Whatcom Water & Sewer District			
Special Board Meeting (tent.)	Wed Mar 22, 2023	6:00 p.m.	Board Room/Hybrid
Regular Board Meeting	Wed Mar 29, 2023	8:00 a.m.	Board Room/Hybrid
Employee Staff Meeting	Thu Mar 9, 2023	8:00 a.m.	Board Room/Hybrid Commissioner Knakal to attend
Investment Comm. Meeting	Wed Apr 26, 2023	10:00 a.m.	Board Room/Hybrid
Safety Committee Meeting	Wed Mar 23, 2023	8:00 a.m.	Board Room/Hybrid
Lake Whatcom Management Program			
Policy Group Meeting	Wed Jun 7, 2023	3:00 p.m.	City of Bellingham Fireplace Room 625 Halleck Street/Hybrid
Joint Councils Meeting	Wed Mar 29, 2023	6:30 p.m.	Bellingham City Council Chambers 210 Lottie Street
Other Meetings			
WASWD Section III Meeting	Tue Mar 14, 2023	6:00 p.m.	Bob's Burgers 8822 Quil Ceda Pkwy, Tulalip, WA
Whatcom Water Districts Caucus Meeting	Wed Mar 15, 2023	2:00 p.m.	Remote Attendance
Whatcom County Council of Governments Board Meeting	Wed May 10, 2022	3:00 p.m.	Council of Governments Offices 314 E Champion Street/Hybrid

#### Committee Meeting Reports

##### Safety Committee:

- The Safety Committee met on February 23. Discussion included status on scheduled in-person safety training, installation of fall protection anchors at sewer lift stations, and committee review of the flagging and traffic control safety program.

##### Investment Committee:

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

#### Upcoming Board Meeting Topics

- Commissioner Position No. 1 applicant interviews/appointment
- Washington School Information Processing Cooperative interlocal agreement approval
- Lake Whatcom Boulevard sewer interceptor CIPP contract award
- Division 30 water booster/Sudden Valley sewer lift station PLC replacement contract award
- Utility bill payment period policy discussion
- City of Bellingham Post Point Resource Recovery Project shift implications on District
- Glen Cove Water Association assumption consideration

## 2023 Initiatives Status

### Administration and Operations

#### Performance Management

- Explore various approaches to performance management (PerformanceStat, Lean/Six Sigma, etc.) for implementation in coming years (Six-Year Strategic Business Plan goal).  
*To be initiated.*

#### Operations Manager Support

- To facilitate the success of Jason Dahlstrom in his new role as O&M Manager, devote more time to coordinating and assisting Mr. Dahlstrom than has been recently provided to this position. *Monthly one-on-one check-in meetings are scheduled throughout 2023; approval granted for attendance at the Evergreen Rural Water Assoc. annual conference; approval granted to pursue personnel management training through the Northwest Public Works Institute.*

#### Records Management System Overhaul

- Implement new records management system (Six-Year Strategic Business Plan goal).  
*The District contracted with an enterprise content management (ECM) expert that identified the most-applicable records management system for the District. Staff met on January 18 to scope the software components relative to District needs.*

#### Safety Program Update

- Continue systematic review and revision of District's safety programs by updating eight programs in 2023.  
*The safety committee has finalized updates to one (1) program (hand & power tools) and is reviewing the flagging & traffic control 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 project manager or providing technical support) for several District capital improvement projects.*

### Emergency Response/System Security

#### Emergency Readiness

- Continue use of Whatcom County Department of Emergency Management services to hold tabletop and/or field emergency response field exercises.  
*A tabletop exercise is scheduled for May 18 (facilitated by Whatcom County personnel).*

#### Cybersecurity Assessment

- Hire an IT-service provider to perform a third-party assessment of the District's vulnerability to cybercriminal attack.  
*A USEPA-provided confidential cybersecurity assessment of the District's systems was completed in 2022; implementation of recommendations from that assessment is underway. A third-party consultant will then be hired to complete a vulnerability assessment following implementation of the 2022 assessment recommendations.*

#### Business Continuity Plan

- Develop a District-specific business continuity plan following FEMA guidance that leads District transition from emergency response (District Emergency Response Plan) to return to normal operation following a disruptive event.  
*A draft of the plan is under preparation.*

### **Community/Public Relations**

#### General

- Website  
*The District's web content is reviewed and updated on a regular basis.*
- Social Media  
*Posts are made to District Facebook, LinkedIn, and Nextdoor (new) pages regularly; Nextdoor is also regularly monitored for District-related posts.*
- Press Releases  
*A press release was issued on January 26 associated with the District's clean audit.*

#### Intergovernmental Relations

- *J Clary met with Whatcom County Councilmember Kaylee Galloway on February 23 regarding a county Dig-Once policy.*
- *J Clary attended the City of Bellingham Public Works Operations Center dedication on March 1.*

### **Lake Whatcom Water Quality**

#### Lake Whatcom Management Program

- Participate in meetings of Lake Whatcom Management Program partners.  
*J Clary scheduled to meet with Bellingham Mayor Fleetwood and Whatcom County Executive Sidhu on March 6 regarding the Lake Whatcom Management Program.*