



Lake Whatcom Water & Sewer District Board Meeting Access Information

Next Meeting:

Wed October 25, 2023
8:00 am - 9:00 am

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

Call: [+1 \(224\) 501-3412](tel:+12245013412) Access Code: 596-307-141 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



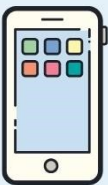
If you wish to make a public comment, you may submit it in written form via email or the contact form on our website, or utilize the public comment periods during the District's regular meetings.

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.



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....



Our Meetings

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

October 25, 2023


8:00 a.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. None
7. OTHER BUSINESS
8. STAFF REPORTS
 - A. General Manager
 - B. Engineering Department
 - C. Finance Department
 - D. Operations Department
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



**AGENDA
BILL
Item 5**

Consent Agenda

DATE SUBMITTED:	October 18, 2023	MEETING DATE:	October 25, 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 10.24.2023****

BACKGROUND / EXPLANATION OF IMPACT

- Payroll for Pay Period #21 (09.30.2023 through 10.13.23) totaling \$47,765.73
- Benefits for Pay Period #21 totaling \$50,671.50
- Payroll Taxes for 3rd Quarter 2023 totaling \$11,672.69
- 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."

CHECK REGISTER

PAYROLL

Lake Whatcom W-S District

Time: 12:49:46 Date: 10/16/2023

10/19/2023 To: 10/19/2023

Page: 1

Trans	Date	Type	Acct #	Chk #	Claimant	Amount	Memo
3127	10/19/2023	Payroll	5	EFT		349.48	09/30/2023 - 10/13/2023 PR 21
3128	10/19/2023	Payroll	5	EFT		465.99	09/30/2023 - 10/13/2023 PR 21
3129	10/19/2023	Payroll	5	EFT		3,624.10	09/30/2023 - 10/13/2023 PR 21
3130	10/19/2023	Payroll	5	EFT		2,696.73	09/30/2023 - 10/13/2023 PR 21
3131	10/19/2023	Payroll	5	EFT		3,156.09	09/30/2023 - 10/13/2023 PR 21
3133	10/19/2023	Payroll	5	EFT		2,926.97	09/30/2023 - 10/13/2023 PR 21
3135	10/19/2023	Payroll	5	EFT		1,937.32	09/30/2023 - 10/13/2023 PR 21
3136	10/19/2023	Payroll	5	EFT		3,065.04	09/30/2023 - 10/13/2023 PR 21
3137	10/19/2023	Payroll	5	EFT		586.19	09/30/2023 - 10/13/2023 PR 21
3138	10/19/2023	Payroll	5	EFT		2,384.98	09/30/2023 - 10/13/2023 PR 21
3139	10/19/2023	Payroll	5	EFT		2,148.01	09/30/2023 - 10/13/2023 PR 21
3140	10/19/2023	Payroll	5	EFT		116.49	09/30/2023 - 10/13/2023 PR 21
3141	10/19/2023	Payroll	5	EFT		2,642.11	09/30/2023 - 10/13/2023 PR 21
3142	10/19/2023	Payroll	5	EFT		2,535.13	09/30/2023 - 10/13/2023 PR 21
3143	10/19/2023	Payroll	5	EFT		2,084.94	09/30/2023 - 10/13/2023 PR 21
3144	10/19/2023	Payroll	5	EFT		1,558.46	09/30/2023 - 10/13/2023 PR 21
3145	10/19/2023	Payroll	5	EFT		2,231.59	09/30/2023 - 10/13/2023 PR 21
3146	10/19/2023	Payroll	5	EFT		3,342.33	09/30/2023 - 10/13/2023 PR 21
3147	10/19/2023	Payroll	5	EFT		3,116.41	09/30/2023 - 10/13/2023 PR 21
3148	10/19/2023	Payroll	5	EFT		2,668.26	09/30/2023 - 10/13/2023 PR 21
3126	10/19/2023	Payroll	5	14619		1,839.75	09/30/2023 - 10/13/2023 PR 21
3132	10/19/2023	Payroll	5	14620		815.47	09/30/2023 - 10/13/2023 PR 21
3134	10/19/2023	Payroll	5	14621		1,473.89	09/30/2023 - 10/13/2023 PR 21

401 Water Fund


12,866.06

402 Sewer Fund

34,899.67

47,765.73 Payroll: 47,765.73

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

Sign  Date 10/16/2023
General Manager, Justin Clary

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

CHECK REGISTER

BENEFITS

Lake Whatcom W-S District


Time: 12:51:02 Date: 10/16/2023

10/19/2023 To: 10/19/2023

Page: 1

Trans	Date	Type	Acct #	Chk #	Claimant	Amount	Memo
3149	10/19/2023	Payroll	5	EFT	DEPARTMENT OF RETIREMENT SYSTEMS	4,308.50	Pay Cycle(s) 10/19/2023 To 10/19/2023 - DCP
3150	10/19/2023	Payroll	5	EFT	UNITED STATES TREASURY	16,721.32	941 Deposit for Pay Cycle(s) 10/19/2023 - 10/19/2023
3151	10/19/2023	Payroll	5	EFT	WA ST PUBLIC EMP RET PLAN 2	8,176.62	Pay Cycle(s) 10/19/2023 To 10/19/2023 - PERS 2
3152	10/19/2023	Payroll	5	EFT	WA ST PUBLIC EMP RET PLAN 3	3,218.36	Pay Cycle(s) 10/19/2023 To 10/19/2023 - PERS 3
3153	10/19/2023	Payroll	5	EFT	WA ST SUPPORT ENFORCEMENT REGISTRY	814.47	Pay Cycle(s) 10/19/2023 To 10/19/2023 - SUP ENF
3154	10/19/2023	Payroll	5	14622	AFLAC	354.85	Pay Cycle(s) 10/19/2023 To 10/19/2023 - AFLAC PRE-TAX; Pay Cycle(s) 10/19/2023 To 10/19/2023 - AFLAC POST-TAX
3155	10/19/2023	Payroll	5	14623	AFSCME LOCAL	356.07	Pay Cycle(s) 10/19/2023 To 10/19/2023 - UNION DUES; Pay Cycle(s) 10/19/2023 To 10/19/2023 - UNION FUND
3156	10/19/2023	Payroll	5	14624	HRA VEBA TRUST (PAYEE)	590.00	Pay Cycle(s) 10/19/2023 To 10/19/2023 - VEBA
3157	10/19/2023	Payroll	5	14625	WA ST HEALTH CARE AUTHORITY	16,131.31	Pay Cycle(s) 10/19/2023 To 10/19/2023 - PEBB MEDICAL; Pay Cycle(s) 10/19/2023 To 10/19/2023 - PEBB ADD LTD; Pay Cycle(s) 10/19/2023 To 10/19/2023 - PEBB SMK Surcharge; Pay Cycle(s) 10/19/2023 To 10/19/2023
401 Water Fund						37,037.27	
402 Sewer Fund						13,634.23	
						50,671.50	Payroll: 50,671.50

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

Sign  Date 10/16/2023
General Manager, Justin Clary

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

CHECK REGISTER

Lake Whatcom W-S District


Time: 11:57:44 Date: 10/13/2023

10/31/2023 To: 10/31/2023

Page: 1

Trans	Date	Type	Acct #	Chk #	Claimant	Amount	Memo
3112	10/31/2023	Payroll	5	14615	WA ST EMPL. SECURITY DEPT PAID FAMILY & MEDICAL LEAVE	2,499.03	Pay Cycle(s) 07/13/2023 To 07/13/2023 - PFMLA; Pay Cycle(s) 07/27/2023 To 07/27/2023 - PFMLA; Pay Cycle(s) 08/10/2023 To 08/10/2023 - PFMLA; Pay Cycle(s) 08/24/2023 To 08/24/2023 - PFMLA; Pay Cycle(s)
3111	10/31/2023	Payroll	5	14616	WA STATE EMPL SECURITY DEPT LONG TERM CARE	2,211.46	Pay Cycle(s) 07/13/2023 To 07/13/2023 - LTC; Pay Cycle(s) 07/27/2023 To 07/27/2023 - LTC; Pay Cycle(s) 08/10/2023 To 08/10/2023 - LTC; Pay Cycle(s) 08/24/2023 To 08/24/2023 - LTC; Pay Cycle(s) 09/07/2
3113	10/31/2023	Payroll	5	14617	EMPLOYMENT SECURITY DEPARTMENT	911.77	3rd Quarter Unemployment: 07/01/2023 - 09/30/2023
3114	10/31/2023	Payroll	5	14618	WA ST DEPT OF LABOR AND IND	6,050.43	3RD Quarter L&I: 07/01/2023 - 09/30/2023
401 Water Fund						9,008.53	
402 Sewer Fund						2,664.16	
						11,672.69	Payroll: 11,672.69

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

Sign  Date 10/16/2023
General Manager, Justin Clary

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 8.A**

**General Manager's
Report**

DATE SUBMITTED:	October 18, 2023	MEETING DATE:	October 25, 2023
TO: BOARD OF COMMISSIONERS	FROM: Justin Clary, General Manager		
GENERAL MANAGER APPROVAL			
ATTACHED DOCUMENTS	1. General Manager's Report 2. Strategic Plan Summary		
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, October 25, 2023 – 8:00 a.m.

Important Upcoming Dates

Lake Whatcom Water & Sewer District			
Regular Board Meeting	Wed Nov 8, 2023	6:30 p.m.	Board Room/Hybrid
Employee Staff Meeting	Thu Nov 9, 2023	8:00 a.m.	Board Room/Hybrid Commissioner Ford to attend
Investment Comm. Meeting	Wed Nov 29, 2023	10:00 a.m.	Board Room/Hybrid
Safety Committee Meeting	Thur Oct 26, 2023	8:00 a.m.	Board Room
Lake Whatcom Management Program			
Policy Group Meeting	Wed Dec 6, 2023	3:00 p.m.	City of Bellingham Fireplace Room 625 Halleck Street/Hybrid
Joint Councils Meeting	March 2024	TBD	TBD
Other Meetings			
WASWD Section III Meeting	Thur Nov 14, 2023	6:00 p.m.	Bob's Burgers 8822 Quil Ceda Pkwy, Tulalip, WA
Whatcom Water Districts Caucus Meeting	Wed Nov 15, 2023	2:00 p.m.	Remote Attendance
Whatcom County Council of Governments Board Meeting	Wed Dec 13, 2023	3:00 p.m.	Council of Governments Offices 314 E Champion Street/Hybrid

Committee Meeting Reports

Safety Committee:

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

Investment Committee:

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

Upcoming Board Meeting Topics

- Euclid sewer lift station improvements project contract closeout
- General Manager annual performance evaluation
- Public Works Board Division 7 reservoir construction loan agreement approval
- Wilson Engineering 2024 on-call rates approval
- 2024 non-represented staff cost-of-living-adjustment approval

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).
J Clary is in the process of conducting calls with other local government managers that have implemented performance management processes to gain lessons learned prior to initiating the District's analysis.

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; attended the Evergreen Rural Water Assoc. annual conference; registered to participate in the NW Public Works Institution program; approval granted to pursue personnel management training through the APWA emerging leaders academy (was recently selected).

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. Executed interlocal agreement for purchase of preferred system WISPC; in the process of executing a purchase agreement for the selected ECM and a personal services agreement for implementation.

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 six (6) programs (hand & power tools, flagging & traffic control, securing loads, accident investigation, welding, cutting and brazing, and construction equipment) and is reviewing the sodium hypochlorite handling 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 field exercise was conducted May 17 (facilitated by Whatcom County personnel). Staff attended a meeting on August 16 regarding participating agency status in implementation of the actions defined in the Whatcom County Natural Hazards Mitigation Plan.

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. District management and IT consultant are in the process of prioritizing and implementing system improvements to address each action identified in the assessment.

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
Press releases were issued on January 26 (District's clean audit), March 29 (Commissioner Abele's resignation), April 13 (Commissioner Holland's appointment), May 11 (Kevin Cook Commitment to Excellence award), July 20 (Lake Louise Rd forcemain wastewater overflow), and October 9 (Greg Nicoll hire).

Intergovernmental Relations

- *J Clary, T Citron, and J Knakal met on October 10 with Bellingham Mayor Fleetwood.*
- *J Clary and J Signs met with The Firs staff on October 12 regarding sewer billing reconciliation findings.*
- *J Clary met with City of Bellingham Public Works management on October 18.*
- *J Clary chaired the quarterly Whatcom Water Alliance meeting on October 18.*
- *J Clary and J Signs scheduled to attend the Infrastructure Assistance Coordinating Conference in Wenatchee October 24-26.*

Lake Whatcom Water Quality

Lake Whatcom Management Program

- Participate in meetings of Lake Whatcom Management Program partners.
J Clary attended a data group meeting on October 12 and the interjurisdictional coordinating team meeting on October 19.

2022-2027 Strategic Business Plan Implementation Status
Lake Whatcom Water and Sewer District

Executive Department Goals		2022	2023 YTD	2024	2025	2026	2027
1.	Facilitate achievement of annually establish Board initiatives						
	Workload Indicators						
	- Meetings with management team to attain Board initiatives	49	33				
	- Reporting on the status of completion of Board initiatives	22	17				
	- Annual number of Board initiatives	13	13				
	- Annual number of Board meetings/work sessions held	25	18				
	Performance Measures						
	- Completion of initiatives within Board/staff agreed timelines	11/13	ongoing				
2.	Biennial EUM self-assessment and update to strategic plan						
	Workload Indicators						
	- Draft departmental strategic plans by June 30 of even-numbered years						
	- Financial forecast updated biennially (even-numbered years)						
	- Balanced budget presented to the Board biennially	complete					
	Performance Measures						
	- Complete strategic plan and financial forecast by Sep 1 (even-numbered years)						
3.	Pursue implementation of performance management throughout operations						
	Workload Indicators						
	- Review literature associated with potential approaches		complete				
	- Meet with applicable vendors/consultants representing potential approaches		no				
	- Departmental operational reviews to identify optimization opportunities		no				
	Performance Measures						
	- Number of performance management approaches analyzed		1				
	- Number of meetings with vendors/consultants		0				
	- Budgetary allocation supporting implementation of performance management		\$0				
	- Implementation of performance management approach		no				

2022-2027 Strategic Business Plan Implementation Status
Lake Whatcom Water and Sewer District

Executive Department Goals		2022	2023 YTD	2024	2025	2026	2027
4.	Overhaul records management system						
	Workload Indicators						
	- Review literature associated with potential approaches	complete					
	- Meet with applicable vendors/consultants representing potential approaches	complete					
	- Departmental operational reviews to identify optimization opportunities	complete					
	Performance Measures						
	- Number of records management committee meetings held	0	3				
	- Number of presentations to Board on topic	1	1				
	- Budgetary allocation supporting acquisition of new system/software	\$5,000	\$30,000				
	- Implementation of new system		underway				
5.	Expand intergovernmental relations program						
	Workload Indicators						
	- Participation in LWMP data group, ICT, policy group, and joint councils meetings	yes	yes				
	- Participation in WWA, WUCC, COG, and Whatcom Water Districts meetings	yes	yes				
	- Participation in WASWD and WSRMP meetings	yes	yes				
	- Meet with City, County, SVCA, and SWFA staff	yes	yes				
	- Attendance of WASWD and IACC conferences	yes	no				
	- Presentation at SVCA board meetings	no	no				
	Performance Measures						
	- Annual budgetary allocation supporting organization memberships	complete	complete				
	- Number of LWMP meetings attended	29	19				
	- Number of WWA, WUCC, COG, and Whatcom Water Districts meetings attended	15	17				
	- Number of meetings with City, County, SVCA, and SWFA staff	13	15				
	- Number of conferences attended	3	1				
	- Number of presentations to SVCA board	0	0				

2022-2027 Strategic Business Plan Implementation Status
Lake Whatcom Water and Sewer District

Executive Department Goals		2022	2023 YTD	2024	2025	2026	2027
6.	Expand public relations program						
	Workload Indicators						
	- Update of District website						
	- Issuance of press releases and Facebook posts on a regular basis	yes	yes				
	- Active participation in community events	yes	no				
	Performance Measures						
	- Completion of website updated by December 31, 2025						
	- Completion of Board discussion on District rebranding						
	- Number of Facebook likes/followers	153/168	159/180				
	- Number of press releases issued	5	5				
	- Number of Facebook posts	51	37				
	- Number of community events participated in	6	2				

2022-2027 Strategic Business Plan Implementation Status
Lake Whatcom Water and Sewer District

Finance Department Goals		2022	2023 YTD	2024	2025	2026	2027
1. Commit to excellence to improve performance standards and enhance professional growth and development							
Workload Indicators							
- Meet with each department member and perform SWOTs within their positions	yes						
- Review each job description within department on a regular basis and seek opportunities for cross-training	complete						
- Identify professional trainings & webinars that align w/ job duties for each employee	yes	ongoing					
- Work with Board to develop Public Financial Professionals Appreciation Week	not being pursued						
- Issue weekly updates to staff re: policies, procedures, events & ongoing projects	44	37					
- Increase number of finance staff meetings	9	24					
Performance Measures							
- Complete comprehensive SWOT analysis	complete						
- Implement strategies identified through completion of analysis	in progress						
- Number of trainings and webinars attended by staff	17	4					
- Implementation of cross-training and development tracking system	complete						
- Adoption of Public Finance Professionals Appreciation Week	not being pursued						
- Number of weekly updates issued by Finance Manager	44	37					
- Number of staff meetings and engagement activities	13	24					
2. Improve financial sustainability and forecasting							
Workload Indicators							
- Work sessions to develop biennial budget process	complete						
- Development and routine evaluation of forecasting model	in progress	in progress					
- Routine evaluation of financial policies	complete	in progress					
- Routine evaluation of investments	yes	yes					
- Number of financial webinars, seminars, and conferences attended	22	23					

2022-2027 Strategic Business Plan Implementation Status
Lake Whatcom Water and Sewer District

Finance Department Goals		2022	2023 YTD	2024	2025	2026	2027
Performance Measures							
- Transition to a biennial budget	complete						
- Overhead and personnel costs align with sustainable rate revenue by increasing proportionately to rate increase	yes	yes					
- Forecasting model is utilized on a regular basis for "what if" situations, budgeting, and forecasting	in progress	in progress					
- Financial policies are kept current and practiced to align with current industry best practices and standards	yes	yes					
- Investment revenue increases	yes	yes					
- Financials and financial policies comply with State Auditor's Office	yes	yes					
3. Develop and implement a supplemental utility customer assistance program							
Workload Indicators							
- Meet with state and local agencies to develop program and seek funding for program	complete						
- Meet with applicable vendors/consultants representing potential approaches	complete						
- Meet with GM and hold work sessions with Board to develop and adopt program	no						
Performance Measures							
- Number of meeting with state and local agencies	3						
- Number of meetings with GM	2						
- Number of work sessions with the Board	0						
- Implementation of program	cancelled						

2022-2027 Strategic Business Plan Implementation Status
Lake Whatcom Water and Sewer District

Finance Department Goals		2022	2023 YTD	2024	2025	2026	2027
4.	Maximize and utilize technology to improve workflow						
	Workload Indicators						
	- Meet with service providers to better understand the capabilities of Springbrook	in progress					
	- Meet with service providers to investigate potential transition to a different financial management system	complete					
	- Develop cost-benefit analysis of Springbrook vs. other system	complete					
	- Analyze systems' ability to acc. growth needs, workflow improvement & reporting	complete					
	- Increase staff and management trainings	5	6				
	Performance Measures						
	- Implementation of alternative system or more detailed use of Springbrook	complete					
	- Implementation of document management software	ongoing	ongoing				
	- Number of staff and management trainings held and increased by use of software	5	6				

2022-2027 Strategic Business Plan Implementation Status
Lake Whatcom Water and Sewer District

Operations Department Goals		2022	2023 YTD	2024	2025	2026	2027
1. Ensure continuity of potable water production that meets or exceeds regulatory requirements							
Workload Indicators							
- Number of required water system reports submitted to agencies		54	54				
- Number of water treatment plant samples collected/analyzed		27	1,936				
- Number of water distribution system samples collected/analyzed		1,552	1,044				
- Number of hours performing equipment calibration and maintenance		1,062	728				
- Number of hours inventorying and preparing treatment chemicals		99	90				
Performance Measures							
- Meet all Department of Health water quality requirements		yes	yes				
- Annual receipt of Treatment Optimization Program (TOP) award		yes	yes				
- Annual issuance of Consumer Confidence Reports by state deadline		yes	yes				
- Number of annual water quality customer complaints received		1	0				
- Operating Permit is color green		yes	yes				
2. Sustain, and as applicable enhance, utility efficiency and resiliency through proactive maintenance of electrical systems and SCADA instrumentation							
Workload Indicators							
- Scheduled inspections of electrical cabinets, components and assoc. equipment		10	41				
- Scheduled repair of electrical cabinets, components and assoc. equipment		15	24				
- SCADA hardware/software installation and maintenance		8	16				
- Communication 'fails' requiring followup		TBD	189				
- Execution of annual contract for generator inspection/maintenance		no	Yes				
Performance Measures							
- Number of inspections (per year)		10	41				
- Number of repairs (per year)		15	24				
- Labor hours spent maintaining/repairing SCADA systems		TBD	226				
- Number of repairs required from communications provider		TBD	20				
- Number of generators inspected/maintained per year		0	18				

2022-2027 Strategic Business Plan Implementation Status
Lake Whatcom Water and Sewer District

Operations Department Goals		2022	2023 YTD	2024	2025	2026	2027
3.	Ensure the effective and reliable collections and conveyance of sewage out of the watershed through routine inspection and prevent. maintenance						
	Workload Indicators						
	- Sewer lift stations inspected (weekly)	714	572				
	- Submersible pumps inspected (annually)	63	47				
	- Suction lift stations maintained (annually)	30	6				
	- Wetwells cleaned (annually)	54	0				
	- Labor hours expended televising/inspecting and cleaning sewer mains	381.5	80				
	- Manholes inspected (annually)	77	29				
	- Labor hours expended to clean/inspect air relief valves	87	126				
	Performance Measures						
	- Number of sewer system overflows (per year)	3	1				
	- Number of lift station 'true' fail alarms (per year)	TBD	23				
	- Trend of maintaining annual lift station energy (pumping efficiencies)	TBD	TBD				
	- Trend of reducing costs associated with pump repairs	\$305,869	\$12,934				
	- Miles of sewer main televised/inspected (per year)	6.57	1.96				
	- Miles of sewer main cleaned (per year)	0.76	0.06				
	- Downward trend of volume of I&I conveyed to City of Bellingham	TBD	TBD				

2022-2027 Strategic Business Plan Implementation Status
Lake Whatcom Water and Sewer District

Operations Department Goals		2022	2023 YTD	2024	2025	2026	2027
4.	Ensure the maximum operable life of District water infrastructure						
	Workload Indicators						
	- Number of water valves exercised (annually)	0	352				
	- Number of water mains flushed (annually)	132	436				
	- Number of pressure reducing valves inspected (annually)	88	4				
	- Number of pressure reducing valves repaired/rebuilt (annually)	0	4				
	- Number of reservoirs inspected (annually)	18	9				
	Performance Measures						
	- Number of valves failing to operate properly	0	4				
	- Number of distribution system water quality violations (per year)	0	0				
	- Levels of disinfection byproducts monitored justifying reduced monitoring	yes	yes				
	- Number of customer complaints regarding water pressure (per year)	6	4				
	- Miles of water main flushed (per year)	20.88	436				
	- Number of reservoirs requiring repair	18	1				
5.	Maintain level-of-service expectations relative to development services						
	Workload Indicators						
	- Water/sewer connection inquiries processed	22	77				
	- Water/sewer connection permits issued	28	19				
	- Pre-construction meetings attended	22	29				
	- Inspections conducted	34	19				
	- New water service installations	9	10				
	Performance Measures						
	- Number of permits issued within 5 working days (per year)	28	19				
	- Number of inspections completed per year	34	19				
	- Number of water connections made within 10 working days of request (per year)	9	10				

**2022-2027 Strategic Business Plan Implementation Status
Lake Whatcom Water and Sewer District**

Engineering Department Goals		2022	2023 YTD	2024	2025	2026	2027
1. Enhance oversight, management, maintenance, and resiliency of business information, infrastructure SCADA, and cybersecurity systems							
Workload Indicators							
- Number of IT consultant support tickets generated		140	62				
- Number of IT consultant computer engineer support hours billed		141	56.75				
- Number of SCADA on-call support consultant hours billed		42.6	52.5				
- Number of SCADA, telemetry, electrical engineer consultant hours billed		0	0				
- Number of physical/virtual servers		2/10	2/10				
- Number of terabytes of backup storage utilized		4.97	4.55				
- Number of managed on-premise business applications		6	6				
- Number of telemetry communication and control systems issues reported		17	12				
Performance Measures							
- Develop tracking methods to collect workload indicator numbers over time	complete						
- Develop internal tech memo analyzing job description functions	in progress						
- Fund new position					subject to funding		
2. Improve water/sewer permitting process and status lookups for application, issuance, inspection, and completion							
Workload Indicators							
- Number of water/sewer permits processed annually		31	26				
- Est. number of permitting-related email exchanges/telephone calls received		124	90				
- Number of locations (electronic/paper) permitting info is entered/tracked		8	8				
Performance Measures							
- Explore/research systems and develop implementation costs	in progress						
- Develop tech memo to document various options, labor efficiency gains	in progress						
- Program implementation					subject to funding		


2022-2027 Strategic Business Plan Implementation Status
Lake Whatcom Water and Sewer District

Engineering Department Goals		2022	2023 YTD	2024	2025	2026	2027
3.	Increase field inspection/condition grading of assets; improve accuracy of asset locations documented in GIS						
	Workload Indicators						
	- Number of assets field located by GPS	298	7268				
	- Number of assets inspected and assigned condition rating	661	548				
	- Number of asset locations updated in GIS	0	0				
	- Number of assets in Cartegraph with active Overall Condition Index decay curves	6,281	15,040				
	Performance Measures						
	- Develop tech memo to est. labor available if other resources allocated to land development						
	- Revise administrative staff job descriptions						
	- Hire temporary GIS/engineering intern to assist with field inspection/GPS		cancelled				



**AGENDA
BILL
Item 8.B**

**Engineering Department
Report**

DATE SUBMITTED:	October 18, 2023	MEETING DATE:	October 25, 2023
TO: BOARD OF COMMISSIONERS	FROM: Greg Nicoll, Engineering Manager/District Engineer		
GENERAL MANAGER APPROVAL			
ATTACHED DOCUMENTS	1. Engineering Department Report		
	2. Summary of District Projects		
TYPE OF ACTION REQUESTED	RESOLUTION <input type="checkbox"/>	FORMAL ACTION/ MOTION <input type="checkbox"/>	INFORMATIONAL /OTHER <input checked="" type="checkbox"/>

BACKGROUND / EXPLANATION OF IMPACT

Updated information regarding District projects and current priorities in advance of the Board meeting.

FISCAL IMPACT

None.

RECOMMENDED BOARD ACTION

None required.

PROPOSED MOTION

None.



Lake Whatcom Water & Sewer District Engineering Department Report

Prepared for the October 25, 2023 Board Meeting
Data Compiled October 18, 2023 by RH, RM, KH

Status of Water System Capacities				
	South Shore ID# 95910	Eagleridge ID# 08118	Agate Heights ID# 52957	Johnson Well ID# 04782
DOH Approved ERUs	**	85	81	2
Connected ERUs	3968	70	45	2
Remaining Capacity (ERUs)	**	15	36	0
Permitted ERUs Under Construction	33	0	1	0
Pre-paid Connection Certificates & Expired Permit	12	0	3	0
Water Availabilities (trailing 12 months)	45	0	0	0
Subtotal - Commitments not yet connected	97	0	4	0
Available ERUs	**	15	32	0

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

Agate Heights approved ERUs increased from 57 to 81 with DOH approval on August 10, 2021

Annual Reports		
Name Of Report	Deadline	Completed
Report Number of Sewer ERUs to City of Bellingham Prepared by: Bill Hunter	January 15	January 24, 2023
Other Reports		
Name Of Report	Deadline	Last Completed
Water Right Permit No. G1-22681 Development Extension	Due Every 5 Years Next Due February 15, 2023	Time Extension Request sent to Ecology January 31, 2023
Water Right Permit No. S1-25121 Development Extension	Due Every 5 Years Next Due March 30, 2023	Time Extension Request sent to Ecology January 31, 2023

Summary of District Projects

Report Prepared 08/23/2023

Project		Authorized	Spent	Amount	2023 Schedule											
Number	Project Title / Tasks	Budget	to Date	Remaining	J	F	M	A	M	J	J	A	S	O	N	D
C 1802	Dellesta, Edgewater & Euclid Sewer Pump Stations	\$1,816,583	\$1,434,164	\$382,419												
G 1909	Little Strawberry Bridge Water Main Slip Line with HDPE	\$20,000	\$1,635	\$18,365												
C 2006	SCADA Telemetry—Managed Ethernet Switches	\$20,000	\$16,263	\$3,737												
C 2012	Austin-Fremont PRV Rebuild	\$10,000	\$0	\$10,000												
G 2106	SVWTP to SVPS Telemetry Comm Study, Testing	\$10,000	\$4,224	\$5,776												
C 2109	Geneva Res Valve for Emergency Isolation	\$10,000	\$5,650	\$4,350												
C 2111	Div 7 Reservoir Replacement	\$1,192,292	\$313,938	\$878,354												
C 2112	Rocky Ridge & Lakewood Sewer Pump Station Improvements	\$2,116,353	\$171,650	\$1,944,703												
C 2113	Flat Car Reverse Flow to SVPS - Design & Permitting	\$153,000	\$20,592	\$132,408												
M 2120	Nov 2021 Flood Event - Emergency Response & Recovery	\$0	\$271,831	\$271,831												
C 2202	Replace Sewer Camera Equipment	\$150,000	\$0	\$150,000												
C 2203	Div 30 Booster and SVSP PLC and UPS Improvements	\$224,643	\$40,539	\$184,104												
C 2203.1	RH2 Design, SDC, Programming	\$94,643	\$40,539	\$54,104												
C 2203.2	Construction	\$130,000	\$0	\$130,000												
M 2207	UPS and Battery Backup Mods (Various stations)	\$15,000	\$0	\$15,000												
M 2208	Tomb SPS Control Panel Mods	\$8,000	\$0	\$8,000												
A 2210	Reservoir and WTP Site Security Assessment and Plan	\$50,000	\$0	\$50,000												
C 2211	South Geneva Booster Standby Generator and ATS	\$60,000	\$39,836	\$20,164												
G 2213	Pinto Creek PRV Replacement (labor by District crew)	\$14,000	\$16,238	\$2,238												
A 2214	Lead Service Line Inventory	\$15,000	\$0	\$15,000												
C 2216	Replace Tool Truck	\$75,000	\$56,311	\$18,689												
M 2218	Spare PLC Components	\$20,000	\$0	\$20,000												
G 2219	1000-Gal Diesel Fuel Tank at Shop	\$20,000	\$0	\$20,000												
M 2226	Div 30 Reservoir Removal of Hazard Trees	\$20,000	\$34,904	\$14,904												
A 2228	Agate Area Wells Exhibits and Mapping	\$5,400	\$2,414	\$2,986												
M 2230	Scenic Ave Intertie Valve Repair	\$60,000	\$53,523	\$6,477												
C 2231	Stand-alone Temporary Control Panel	\$20,000	\$0	\$20,000												
C 2301	LWBI CIPP Renewal Project Priority1 (2023)	\$185,000	\$405	\$184,595												
C 2302	Sewer System Rehab and Replacement Projects (2023+2024)	\$232,000	\$70,894	\$161,106												
C 2302.4	C2302-D Ranch House SPS Gate & Ball Valves	\$2,100	\$2,012	\$88												
C 2303	SVWTP Alum System Improvements (2023)	\$88,000	\$0	\$88,000												
C 2304	Eagleridge Diesel Fuel Tank Replacement (2023)	\$6,000	\$0	\$6,000												
M 2305	Stationary Generator Maintenance and Load Testing	\$88,000	\$84,099	\$3,901												
C 2306	Replace Tool Truck (2024)	\$98,000	\$0	\$98,000												
C 2307	Eagleridge Replace High Flow Pump Control Panel (2024)	\$116,000	\$0	\$116,000												
C 2308	Div30 Reservoir Impressed Current Cathodic Protection (2024)	\$36,000	\$0	\$36,000												
M 2309	Reservoir Internal Inspection, Cleaning, Maint (2024)	\$41,000	\$0	\$41,000												
C 2310	SVWTP Replace 5 Flow Meters - Filters & Backwash (2024)	\$26,000	\$0	\$26,000												
C 2311	Auto Flushers - Wood Rush and Big Leaf (2024)	\$12,000	\$0	\$12,000												
M 2312	Electrical On-Call Unit Price Contract	\$0	\$0	\$0												
A 2313	Vac Truck and Shop Doors Repairs	\$0	\$30,625	\$30,625												
M 2314	Scenic Intertie Water Main Replacement	\$0	\$0	\$0												
M 2315	Mitigation Report/Maint at Country Club, Geneva (2023)	\$0	\$4,531	\$4,531												
C 2316	SVWTP CCB FEMA Hazard Mitigation Grant Application	\$0	\$1,594	\$1,594												
C 2320	Low Flow PRV Replacements	\$25,000	\$0	\$25,000												

NOTATION LEGEND


A _____ Administrative Project
 C _____ Capital Project
 M _____ Maintenance Project
 Sewer Project (Green Font)
 Water Project (Blue Font)
 Sewer and Water Project (Black Font)

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



**AGENDA
BILL
Item 8.C**

**Finance Department
Report**

DATE SUBMITTED:	October 13, 2023	MEETING DATE:	October 25, 2023
TO: BOARD OF COMMISSIONERS	FROM: Jennifer Signs, Finance Manager		
GENERAL MANAGER APPROVAL			
ATTACHED DOCUMENTS	1. Third Quarter 2023 Financial Report		
	2. September 2023 Cash & Investment Summary		
	3. September 2023 Utility Account Adjustments		
TYPE OF ACTION REQUESTED	RESOLUTION <input type="checkbox"/>	FORMAL ACTION/ MOTION <input type="checkbox"/>	INFORMATIONAL /OTHER <input checked="" type="checkbox"/>

BACKGROUND / EXPLANATION OF IMPACT

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

FISCAL IMPACT

None

APPLICABLE EFFECTIVE UTILITY MANAGEMENT ATTRIBUTE(S)

Financial Viability

RECOMMENDED BOARD ACTION

None required.

PROPOSED MOTION

None



Quarterly Financial Report Third Quarter 2023

Lake Whatcom Water and Sewer District
Bellingham, Washington

Summary

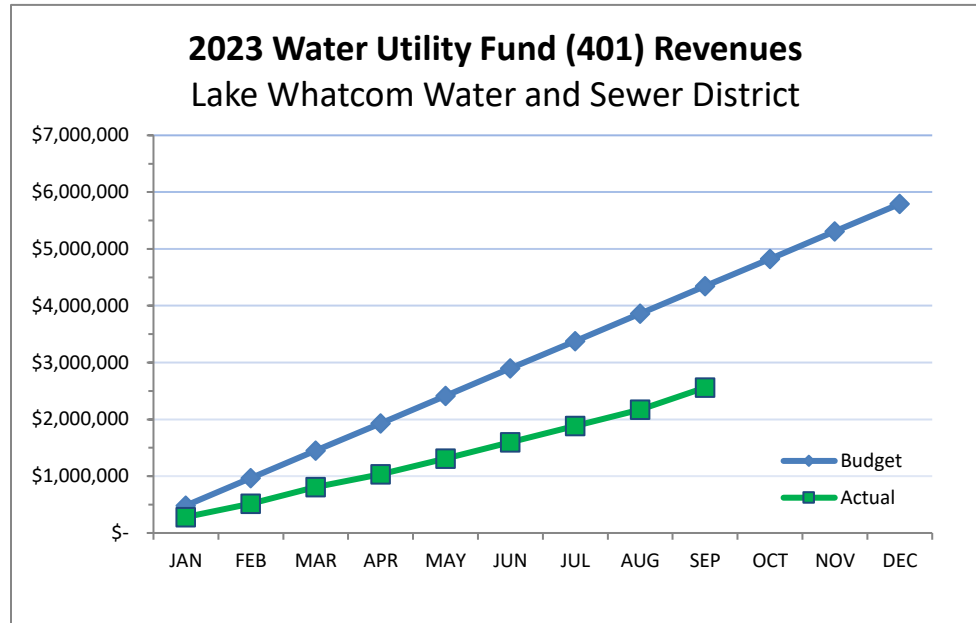
Lake Whatcom Water and Sewer District's (District) commitment to its conservative fiscal policies continued through the third quarter of 2023 allowing it to maintain stable fund balances and fully fund operations and contingency reserves. The District has two funds that serve as the primary operational funds for the District's water and sewer utilities. The Water Utility Fund (Fund 401) revenue lagged projections through the third quarter of 2023. This continues to be largely due to revenue budgeted for federal awards through the Department of Homeland Security (FEMA) that hasn't been received or requested but have been approved through the adopted 2023-2024 Biennial Budget (budget). Sewer Utility Fund (Fund 402) revenue exceeded financial projections reflected in the budget through the third quarter of 2023. This is in large part due to FEMA reimbursement received for the November 2021 flood event and increased General Facilities Charges collected in September. Expenditures in both the Water and Sewer Utility funds lagged budgeted projections as a result of capital projects budgeted for but not yet completed.

The District currently has two active grants with FEMA, one for disaster recovery from the November 2021 flood event and one for the Division 7 reservoir replacement. The District received \$360,986 from FEMA in the second quarter of 2023, with total expenditures projected to be approximately \$1.1 million over the course of several years. Since the November 2021 flood event, the District has expended approximately \$430,000 in federal funds for recovery. Revenue associated with the hazard mitigation grant for the Division 7 reservoir replacement is expected to be \$337,000 for the first phase and approximately \$1.6 million for the second phase.

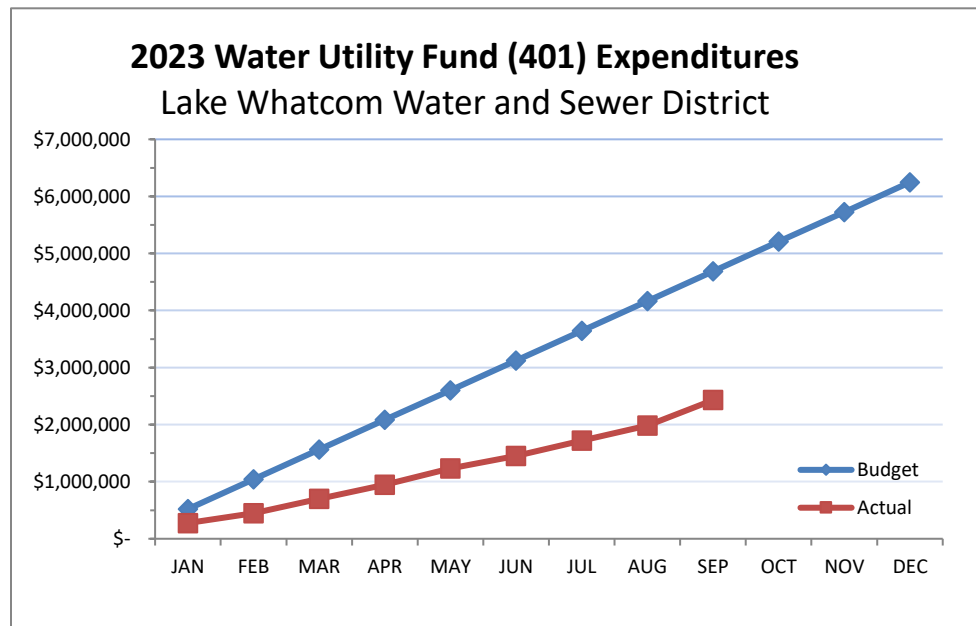
As inflation continues to be a concern, the District's staff remain diligent in monitoring rising costs to ensure the District maintains proper fund balances and operates within the approved 2023-2024 Biennial Budget. Along with monitoring inflation, the District has taken advantage of rising interest rates and strategically invested funds in both short-term liquid investments through Washington State's Local Government Investment Pool (LGIP) and long-term investments with District's investment broker to maintain and maximize reserve funds that can be accessed if needed. During the third quarter of 2023, the District invested approximately \$1 million in US Treasury notes with maturity dates in 2025 earning over 4.75%. As it is unclear if the Federal Open Market Committee will raise rates again or begin cutting rates, the District made this shift through the transfer of \$750,000 from the LGIP and \$250,000 from the District's operating account to lock in those rates for the next two years. As the market continues to change, the District will monitor options for both short-term and long-term investments through the remainder of 2023.

Water Utility Fund (Fund 401)

As of September 30, 2023, Water Utility Fund revenues were approximately \$2.6 million, which is less than projected for the third quarter (\$4.3 million). As discussed in the summary, this is a direct result of grant funding that hasn't been received through FEMA to date but is anticipated



throughout 2023 and into 2024. However, it should be noted that service revenue in the Water Utility is following past trends and tracking relatively close to budgeted projections. It is anticipated that the LGIP will continue to perform well with potential higher interest rates to be announced in the fourth quarter of 2023 before rates stabilize and ultimately fall. As stated in the Summary above, the District continues to monitor these changes closely to maximize return on investments. Overall, the District's revenues remain sufficient to support operations, capital, and debt service obligations throughout 2023.



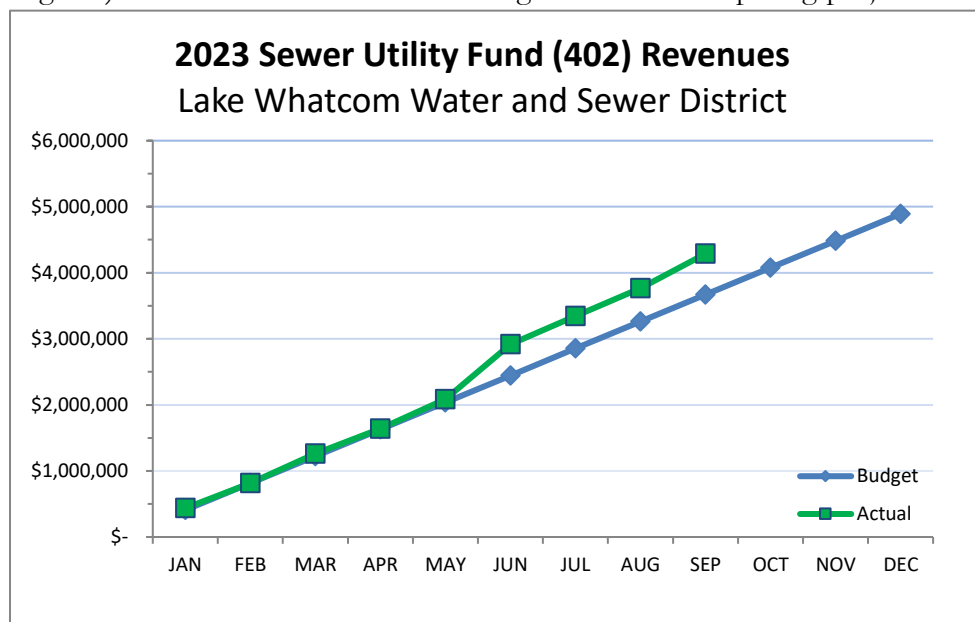
Water Utility Fund expenditures lagged budgeted projections as of September 30, 2023 (\$2,429,760 actual vs. \$4,685,535 budget). This follows past trends and remains largely a result of capital improvement projects scheduled to be completed in 2023 and into 2024.

That said, operating expenditures in the Water Utility Fund were approximately \$200,000 less than budgeted projection (\$1,794,521 actual vs. \$1,991,750 budgeted). However, as the year progresses, it is anticipated that operating expenditures will track more closely with budgeted projections as a result of one-time expenditures such as the District's general liability insurance, dues, and software subscriptions that are paid in the last quarter. Also, in accordance with the District's adopted rate schedule, District revenues will continue to outpace expenditures in the coming years as the District prepares for significant capital projects that will require reserves to be built up to mitigate reliance on debt financing.

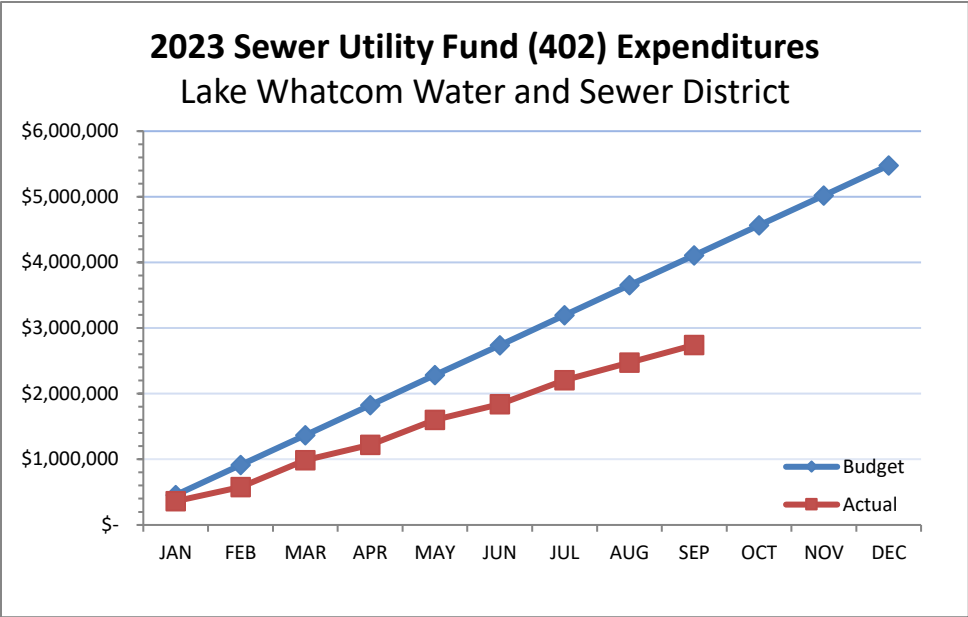
Sewer Utility Fund (Fund 402)

Sewer Utility Fund revenues exceeded budget expectations through the third quarter (\$4,287,796 actual vs. \$3,668,832 budgeted). Various factors are contributing to revenues outpacing projections.

During the second quarter of 2023, the District received reimbursement from FEMA for disaster recovery associated with the November 2021 flood event in the amount of approximately \$361,000. Service revenues continue to follow past trends and, like the Water Utility Fund,



investment interest also outpaced projections in the Sewer Utility Fund. That being said, operating revenues followed budgeted projections closely. As stated in the Water Utility Fund, as the District continues to follow the adopted rate schedule, revenues will outpace expenditures in an effort to build reserves for large capital projects in the coming years associated mainly with the City of Bellingham's wastewater treatment plant capital improvements. The District may be required to pay part of these costs under the District's interlocal agreement with the City of Bellingham for wastewater treatment.

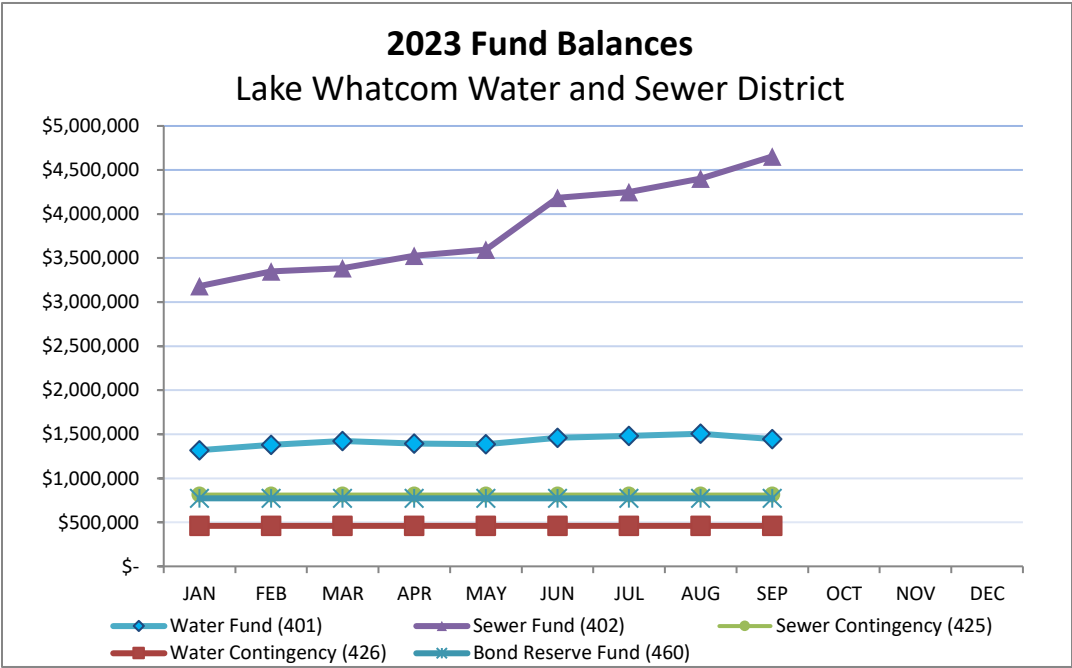


Like past trends, Sewer Utility Fund expenditures continued to lag projections in the third quarter (\$2,742,495 actual vs. \$4,108,879 budgeted). This is, again, in large part due to capital projects that are budgeted as part of the District's capital improvement plan

but have yet to be started and debt service obligations that will be paid in the fourth quarter. It is worth noting that operating expenditures lagged projections as well. Similar to the Water Utility Fund, this lag in operating expenditures is largely a result of one-time expenditures such as the District's general liability insurance, dues, and software subscriptions that will be paid in the fourth quarter.

District Fund Balances

The District manages its monies within five funds: Water Utility Fund (401), Sewer Utility Fund (402), Sewer Contingency Reserve Fund (425), Water Contingency Reserve Fund (426), and Bond Reserve Fund (460). Within the Water Utility and Sewer Utility funds are system reinvestment funds (i.e., funds dedicated to capital projects) and debt service funds associated with the respective utility. The following discussion summarizes the activity associated with each fund during the first three quarters of 2023.



Water Utility Fund (Fund 401)

The Water Utility Fund, which serves as the primary operating fund for the District's water utility, derives most of its revenue from rates charged to water customers. Fund expenditures are comprised of general operating expenses (personnel salary and benefits, professional services, utilities, etc.), payments relative to debt service on past capital improvement projects, and expenditures on water system reinvestment-defined equipment and projects. Also managed within the Water Utility Fund are monies allocated towards an operating reserve, which is equal to the cost of operating the water utility for 90 days (\$664,000). The fund entered 2023 with a balance of \$1,313,778. To date, the fund balance has increased to \$1,445,304. As discussed earlier, the overall fund balance is anticipated to continue to increase to build fund balances for significant future capital projects in the coming years. This surplus is identified through the adopted rate schedule.

Sewer Utility Fund (Fund 402)

Like the Water Utility Fund, the Sewer Utility Fund serves as the primary operating fund for the District's sewer utility. Revenues are comprised primarily of rates charged to sewer customers, and expenditures consist of general operating expenses (personnel salary and benefits, professional services, utilities, etc.), payments relative to debt service on past capital improvement projects, and expenditures on sewer system reinvestment-defined equipment and projects. Also managed within the fund are monies allocated towards an operating reserve, which is equal to the cost of operating the sewer utility for 60 days (\$521,000). The fund entered 2023 with a balance of \$3,108,723. To date, the fund balance has increased to \$4,654,025. Like the Water Utility Fund, the overall fund balance is anticipated to increase in an effort to build fund balances for significant future capital projects in the coming years. This surplus is identified through the adopted rate study.

Sewer Contingency Reserve (Fund 425)

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

Water Contingency Reserve (Fund 426)

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

Bond Reserve Fund (Fund 460)

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

District Investments

In accordance with its financial policies, the District invests its funds in a manner that provides the highest return with maximum security while meeting daily cash flow demands. Attached is the Investment/Cash Summary as of September 30, 2023.



LAKE WHATCOM WATER AND SEWER

INVESTMENTS/CASH AS OF 09/30/2023

Petty Cash	\$ 1,600	
Cash	\$ 1,297,718	
Public Funds Account	<u>\$ 521,017</u>	2.980%
WA Federal	\$ 1,820,335	
Local Gov't Investment Pool	\$ 3,036,065	5.390%

		PRINCIPAL COST		YIELD
FFCB - Pro Equity	Callable	\$ 799,999	Jan-24	0.19%
FANNIE MAE - Pro Equity	Callable	\$ 500,824	Jun-24	0.21%
US Treasury Note	Non-callable	\$ 492,488	Sep-24	0.375%
US Treasury Note	Non-callable	\$ 498,359	Jan-25	1.125%
US Treasury Note	Non-callable	\$ 499,082	Apr-25	4.921%
US Treasury Note	Non-callable	\$ 499,512	Jul-25	4.783%
US Bank Safekeeping		\$ 3,290,264		

TOTAL		<u><u>\$ 8,146,664</u></u>	
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USE OF FUNDS:

Bond Reserve - Restricted	\$ 772,334
Contingency - Assigned	\$ 1,275,000
Operating Reserves	\$ 1,185,000
Operating Assigned	\$ 4,914,330
	<u><u>\$ 8,146,664</u></u>

Fund Balance Summary

Water Utility Fund (401)	\$ 1,445,304
Sewer Utility Fund (402)	\$ 4,654,026
Sewer Contingency Fund (425)	\$ 815,000
Water Contingency Fund (426)	\$ 460,000
Bond Reserve Fund (460)	<u>\$ 772,334</u>
	<u><u>\$ 8,146,664</u></u>



LAKE WHATCOM WATER AND SEWER DISTRICT
September 2023 Utility Account Adjustments

Sudden Valley Adjustments

Late Fee Credits	\$ 99.92
High Use/Leak Credits	\$ 1,055.19

North Shore/Geneva


Late Fee Credits	\$ 121.93
High Use/Leak Credits	<u>\$ 772.59</u>

Total Account Adjustments	\$ 2,049.63
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**AGENDA
BILL
Item 8.D**

**Operations Department
Report**

DATE SUBMITTED:	October 18, 2023	MEETING DATE:	October 25, 2023
TO: BOARD OF COMMISSIONERS	FROM: Jason Dahlstrom, Operations & Maintenance Manager		
GENERAL MANAGER APPROVAL			
ATTACHED DOCUMENTS	1. Operations Department Report		
	2. Status of District Water & Sewer Systems		
TYPE OF ACTION REQUESTED	RESOLUTION <input type="checkbox"/>	FORMAL ACTION/ MOTION <input type="checkbox"/>	INFORMATIONAL /OTHER <input checked="" type="checkbox"/>

BACKGROUND / EXPLANATION OF IMPACT

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

FISCAL IMPACT

None.

RECOMMENDED BOARD ACTION

None required.

PROPOSED MOTION

None.



Lake Whatcom Water & Sewer District Operations & Maintenance Department Report

Prepared for the October 25, 2023 Board Meeting

Data Compiled 10/18/23 by RH, RM

State Required Report Status														
Monthly Reports														
Name Of Report		Completed												
Chlorination Report Agate Heights Prepared by: Kevin	Postmarked by the 10th of month	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	
		x	x	x	x	x	x	x	x	x	x			
Surface Water Treatment Rule Report (SVWTP) Prepared by: Kevin	Postmarked by the 10th of month	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	
		x	x	x	x	x	x	x	x	x	x			
Annual Reports														
Name Of Report	Deadline	Completed												
WA State Cross Connection Report Prepared by: Rich	May	February 22, 2023												
OSHA 300 Log Prepared by: Rich	February 1	January 1, 2023												
Water Use Efficiency Performance Report Prepared by: Kevin	July 1	March 16, 2023												
Community Right to Know (Hazardous Materials) Prepared by: Rich & Brent	March 31	January 10, 2023												
Northwest Clean Air Emissions Report	February 1	January 5, 2023												
Consumer Confidence Reports Prepared by: Kevin	June 30	Geneva			SV		EagleR			Agate Ht				
		6/6/23			6/6/23		6/6/23			6/6/23				
Other Reports														
Name Of Report	Deadline	Last Completed												
CPR/First Aid Training Coordinated by: Rich	Due Biennially Next Due 2025	February 23, 2023												
Flagging Card Training Coordinated by: Rich	Due Triennially Next Due 2025	May 19, 2022												

Safety Program Summary	
Completed by Rich Munson	
Summary of Annual Safety Training	
2023/24 Testing Period - Oct 23, 2023 to March 22, 2024	
	% Complete
Engineering - Managers	0%
Engineering - Staff	0%
Field Crew - Managers	0%
Field Crew - Staff	0%
Office - Managers	0%
Office - Staff	0%
Overall	0%

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

Dates of Completed Safety Committee Meetings						
1.26.23	5.25.23	9.28.23				
2.23.23	6.22.23	10.26.23 (scheduled)				
3.23.23	7.27.23					
4.27.23	8.31.23					
Summary of Work-Related Injuries & Illnesses						
	Current Month	2023	2022	2021	2020	2019
Total Number of Work Related Injuries						
Defined as a work related injury or illness that results in:						
• Death						
• Medical treatment beyond first aid						
• Loss of consciousness						
• Significant injury or illness diagnosed by a licensed health care professional						
• Days away from work (off work)						
• Restricted work or job transfer						
Total Number of Days of Job Transfer or Restriction (light duty or other medical restriction)						
Total Number of Days Away from Work (at home, in hospital, not at work)						
Near Misses						
Safety Coordinator Update						

Status of District Water and Sewer Systems
Prepared by Jason Dahlstrom - Operations and Maintenance Manager
10/25/2023 Board Meeting

Safety Activities	
<ol style="list-style-type: none"> 1. No time-loss injuries or near misses. 2. Daily safety reminders directly relevant to the day's tasks. Weekly safety trainings based on District specific safety programs. 3. Jobsite tailgate meetings by project lead. 	
Water Utility Activities	
<p><i>Water Treatment Plants</i></p> <ol style="list-style-type: none"> 1. Sudden Valley <ol style="list-style-type: none"> a. Plant is operating well, averaging .5 million gallons per day (MGD) at 700 GPM. b. Water use is consistent with typical seasonal usage 2. Agate Heights <ol style="list-style-type: none"> a. Plant is operating well b. Water use is consistent with typical seasonal usage c. PFAS sample taken 10/4/23, results expected 11/3/2023 <p><i>Distribution System</i></p> <ol style="list-style-type: none"> 1. Annual maintenance of pressure reducing valves ongoing 2. 2 water service leaks repaired this month 	
Sewer Utility Activities	
<p><i>Lift Stations</i></p> <ol style="list-style-type: none"> 1. Wetwell inspections ongoing <p><i>Collection System</i></p> <ol style="list-style-type: none"> 1. Sewer camera inspections ongoing with emphasis on sewer mains with old or incomplete inspection records 	
Fleet	
<p><i>Vehicles</i></p> <ol style="list-style-type: none"> 1. VEH24 1999 F350 at auction <p><i>Equipment</i></p> <ol style="list-style-type: none"> 1. All equipment is functional 	
Facilities	
<ol style="list-style-type: none"> 1. All facilities are in good order 	
Training	
<ol style="list-style-type: none"> 1. Jason Northwest Public Works Institute Developing Leaders training Oct 24-27 2. James is training for Combination Drivers License 	
Development	
<ol style="list-style-type: none"> 1. There are currently 8 active permits for development purposes. 	

Operations & Maintenance
Strategic Business Plan Summary

Q3 2023

Goal 1 Ensure continuity of potable water production that meets or exceeds regulatory requirements

The water treatment plants for both Sudden Valley and Agate Heights have continued to exceed all regulatory requirements and meet the demand of our customers. We have not had a problematic sample result in either water system. Our Consumer Confidence Reports were sent out ahead of the deadline and were well received by our customers.

Goal 2 Sustain, and as applicable enhance, utility efficiency and resiliency through proactive maintenance of electrical systems and SCADA instrumentation

Our electrical systems have continued to perform at or above expectations. During our pump station maintenance this quarter, we gathered data related to motor performance and overall were satisfied with those results. Our SCADA system maintenance was lower during this time period due to the consulting engineer's vacation schedule. We had no emergency situations regarding our SCADA system. We continue to struggle with the failing of the aging phone line infrastructure. We have switched some troublesome sites over to cellular modems and have had robust success with these systems. We're currently strategizing and planning the implementation of more cellular modems as a part of the long term plan.

Goal 3 Ensure the effective and reliable collection and conveyance of sewage out of the watershed through routine inspection and preventative maintenance

Sewer pump station maintenance was completed, which includes pulling and inspecting all submersible pumps. No major issues were detected and pumps continue to follow historical trending of wear. Three pumps were identified as needing impeller replacement, and that cost falls in line with what is budgeting in 2024. We had no sewer backups in the collection system, and the one spill that happened was due to a catastrophic failure of piping. We have started sewer camera inspections in earnest to be ongoing through the wet season. Our focus will be on areas that have incomplete or older inspections on file.

Goal 4 Ensure the maximum operable life of District water infrastructure

Water main flushing was completed in Q2 and we have since moved into the annual maintenance of 49 pressure reducing valves that we have throughout distribution. Operations staff is scheduling the replacement of valves that have been previously identified as candidates and doing the work as they see fit.

Status of District Water and Sewer Systems
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10/25/2023 Board Meeting

Goal 5 Expand public relations program. Maintain level of service expectations relative to development services.

Development of lots in the District exceeded our projections for this year. Along with the new permits issued and connections made, we were able to pursue connections that had previously expired and work with contractors through completion of these connections. Most contractors working within the District have experience with our standards and work well within them without issues. We plan to have a postseason meeting to discuss the efficiency of our internal processes.

2022-2027 Strategic Business Plan Implementation Status
Lake Whatcom Water and Sewer District

Operations Department Goals		Quarter 1	Quarter 2	Quarter 3	Quarter 4	Annual
1.	Gadget# Ensure continuity of potable water production that meets or exceeds regulatory requirements Workload Indicators - Number of required water system reports submitted to agencies - Number of water treatment plant samples collected/analyzed to maintain water quality - Number of water distribution system samples collected/analyzed to maintain water quality - Number of hours performing equipment calibration and maintenance - Number of hours inventorying and preparing treatment chemicals Performance Measures - Meet all Department of Health water quality requirements - Annual receipt of Treatment Optimization Program (TOP) award - Annual issuance of Consumer Confidence Reports by state deadline - Number of annual water quality customer complaints received - Operating Permit is color green					
		18	18	18		54
		645	646	645		1936
		348	348	348		1044
		245	224	259		728
		30	30	30		90
		Yes	Yes	Yes		
		Yes	Yes	Yes		
		NA	Yes	Yes		
		0	0	0		0
		Yes	Yes	Yes		
2.	Sustain, and as applicable enhance, utility efficiency and resiliency through proactive maintenance of electrical systems and SCADA instrumentation Workload Indicators - Scheduled inspections of electrical cabinets, components and assoc. equipment - Scheduled repair of electrical cabinets, components and assoc. equipment - SCADA hardware/software installation and maintenance - Communication fails requiring follow up - Execution of annual contract for generator inspection/maintenance Performance Measures - Number of inspections per year - Number of repairs per year - Labor hours spent repairing/maintaining SCADA systems - Number of repairs required from communications provider - Number of generators inspected/maintained per year					
		35	0	6		41
		9	5	10		24
		6	8	2		16
		66	71	52		189
		NA	Yes	Yes		Yes
		35	0	6		41
		9	5	10		24
		66	78	82		226
		10	3	7		20
		NA	18	18		36
3.	Ensure the effective and reliable collections and conveyance of sewage out of the watershed through routine inspection and prevent. Maintenance Workload Indicators - Sewer pumpstations inspected weekly - Submersible pumps inspected annually - Suction lift pumpstations maintained annually - Wetwells cleaned annually - Labor hours expended televising/inspecting and cleaning sewer mains - Manholes inspected annually - Labor hours expended to clean/inspect air relief valves Performance Measures - Number of sewer system overflows per year - Number of sewer pump fail alarms per year - Trend of maintaining annual lift station energy use (pumping efficiencies)					
		207	189	176		572
		20	0	20		40
		0	0	6		6
		0	0	0		0
		60	20	0		80
		3	26	0		29
		0	126	0		126
		0	0	1		1
		4	7	12		23
		TBD	TBD	TBD		

Status of District Water and Sewer Systems
Prepared by Jason Dahlstrom - Operations and Maintenance Manager
10/25/2023 Board Meeting

2022-2027 Strategic Business Plan Implementation Status
Lake Whatcom Water and Sewer District

Operations Department Goals						
	- Trend of reducing costs associated with pump repairs	0	12,934	0		12,934
	- Miles of sewer main inspected by camera per year	1.06	0.7	0.2		1.96
	- Miles of sewer main cleaned per year	0	0.06	0		0.06
	- Downward trend of volume of I&I conveyed to City of Bellingham	TBD	TBD	TBD		
4.	Ensure the maximum operable life of District water infrastructure					
	Workload Indicators					
	- Number of water valves exercised annually	0	352	0		352
	- Number of water mains flushed annually	0	436	0		436
	- Number of water PRVs inspected annually	0	0	4		4
	- Number of water PRVs repaired/rebuilt annually	1	1	2		4
	- Number of water storage tanks inspected annually	2	7	0		9
	Performance Measures					
	- Number of valves failing to operate properly	NA	3	1		4
	- Number of distribution system water quality violations per year	0	0	0		0
	- Percent of action level for disinfection byproducts (reduced monitoring)	33/25	30/30	40/32		
	- Number of customer complaints regarding water pressure per year	2	1	1		4
	- Number of water mains flushed per year	0	436	0		436
	- Number of water storage tanks requiring repair	1	0	0		1
5.	Expand public relations program					
	Maintain level-of-service expectations relative to development services					
	- Water/sewer connection inquiries processed	9	55	13		77
	- Water/sewer connection permits issued	2	6	11		19
	- Pre-construction meetings attended	0	10	19		29
	- Inspections conducted	2	4	13		19
	- New water service installations	1	2	7		10
	Performance Measures					
	- Number of permits issued within 5 working days per year	2	6	11		19
	- Number of inspections completed per year	2	4	13		19
	- Number of water connections made within 10 days of request per year	1	2	7		10