



Lake Whatcom Water & Sewer District Board Meeting Access Information

Next Meeting:

Wed April 24, 2024
8:00 a.m.

Meeting Access

Meetings are held in person at our Administrative offices at 1220 Lakeway Drive in Bellingham. If you prefer to attend remotely, access information is below.

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 Access Code: 596-307-141

*Press *6 to mute/unmute your microphone*

New to GoToMeeting? Get the app now and be ready when the meeting starts:

<https://meet.goto.com/install>

Attending a Meeting

Lake Whatcom Water & Sewer District's regular Board meetings take place on the second Wednesday of each month at 6:30 pm and the last Wednesday of each month at 8:00 am.

Meetings are open to the public per the Open Public Meetings Act.

All meetings are hybrid, available in person or online. 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 your display name to "Observation Only."

Public Comment Periods

Public comment periods are built in to the agenda, one near the beginning of the meeting and one near the end.

Commissioners will listen, but will not respond or engage in dialogue during the comment period. Direct questions or requests are noted by staff for follow-up.

For the sake of time, and to leave plenty of time for scheduled agenda items, public comments are limited to 3 minutes per person and 45 minutes per comment period.

Comments may be submitted at any time through mail, email, our online contact form, or by phone.

For more information about communicating with the Board of Commissioners, [please visit our website!](#)



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.



LAKE WHATCOM WATER AND SEWER DISTRICT

1220 Lakeway Drive
Bellingham, WA 98229

REGULAR MEETING OF THE BOARD OF COMMISSIONERS

AGENDA

April 24, 2024


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. Commissioner Insurance Discussion
7. OTHER BUSINESS
8. STAFF REPORTS
 - A. General Manager
 - B. Engineering Department
 - C. Finance Department
 - D. Operations Department
9. PUBLIC COMMENT OPPORTUNITY
10. ADJOURNMENT



**AGENDA
BILL
Item 5**

Consent Agenda

DATE SUBMITTED:	April 18, 2024	MEETING DATE:	April 24, 2024
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 04.23.2024****

BACKGROUND / EXPLANATION OF IMPACT

- Minutes for the 3.27.24 Regular Board Meeting
- Minutes for the 4.10.24 Regular Board Meeting
- Payroll for Pay Period #8 (03.31.2024 through 04.12.2024) totaling \$47,325.69
- Benefits for Pay Period #8 totaling \$53,817.44
- 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 2023-2024 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.”



1220 Lakeway Dr • Bellingham, WA 98229

REGULAR SESSION OF THE BOARD OF COMMISSIONERS

Minutes

March 27, 2024

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

Attendees:	Commissioner Todd Citron (v)	General Manager Justin Clary
	Commissioner John Carter	Engineering Manager Greg Nicoll
	Commissioner Bruce Ford	Finance Manager Jenny Signs
	Commissioner Jeff Knakal	Operations Manager Jason Dahlstrom
	Commissioner David Holland	Recording Secretary Rachael Hope

Attendees noted with a (v) attended the meeting virtually.

Consent Agenda

Action Taken

Knakal moved, Holland seconded, approval of:

- **Minutes for the February 28, 2024 Regular Board Meeting**
- **Minutes for the March 13, 2024 Regular Board Meeting**
- **Payroll for Pay Period #6 (03.02.2024 through 03.15.2024) totaling \$52,984.68**
- **Benefits for Pay Period #6 totaling \$56,138.57**
- **Accounts Payable Vouchers totaling \$109,393.95**

Motion passed.

Board Meeting Protocol and Compliance with the Open Public Meetings Act

In light of a disruptive event that occurred during the Board of Commissioners’ meeting on March 13, Clary presented the Board with information about the District’s protocols as well as compliance with the Open Public Meetings Act. Discussion followed.

Effective Utility Management Assessment

Clary recalled that the Effective Utility Management (EUM) assessment process has been developed by industry professionals to help water and wastewater utilities make informed decisions and practical, systematic changes to enhance level-of-service and achieve excellence in utility performance. Clary provided the Board with a memorandum containing additional information on the EUM process and its implementation by the District, and Commissioners supplied responses for the 2024 EUM assessment. Discussion followed.

General Manager’s Report

Clary updated the Board on several topics, including the Division 7 Reservoir Replacement Project groundbreaking, the March 27 Joint Councils meeting at Bellingham City Hall, and recognized Finance Manager Jenny Signs for successfully completing the training and exam to become a Certified Public Funds Investment Manager.

Engineering Department Report

Nicoll highlighted several projects, including the Euclid Lift Station generator replacement, recent meetings with Wilson Engineering and Grey & Osborne regarding RFQs for design and engineering of the Sudden Valley Water Treatment Plant Chlorine Contact Basin Replacement, and expected bid opening for Rocky Ridge & Lakewood sewer lift stations on April 9. Discussion followed.

Finance Department Report

Signs’ report focused on trends in water and sewer revenues with the District’s recent billing due date changes, expenditures related to annual payments, and investments in the Local Government Investment Pool, which is currently earning nearly \$15,000 a month in interest. Discussion followed.

Operations & Maintenance Department Report

Dahlstrom reported on field crew operations, including another month of no time-loss injuries, safety improvements like a railing for the Upper Agate Reservoir, progress in the lead service line inventory inspection progress, upcoming water main flushing, and promised delivery of new sewer camera van hardware and software in April. Discussion followed.

With no further business, Citron adjourned the regular session at 9:48 a.m.

Board President, Todd Citron

Attest: _____
Recording Secretary, Rachael Hope pre

Minutes approved by motion at Regular Special Board Meeting on _____



1220 Lakeway Dr • Bellingham, WA 98229

REGULAR SESSION OF THE BOARD OF COMMISSIONERS

Minutes

April 10, 2024

Board President Todd Citron called the Regular Session to order at 6:30 p.m.

Attendees:

Commissioner Todd Citron (v)	General Manager Justin Clary
Commissioner John Carter	Engineering Manager Greg Nicoll
Commissioner Bruce Ford	Legal Counsel Bob Carmichael
Commissioner Jeff Knakal	Recording Secretary Rachael Hope
Commissioner David Holland	

No public were in attendance. Attendees noted with a (v) attended the meeting virtually.

Consent Agenda

Action Taken

Carter moved, Knakal seconded, approval of:

- **Payroll for Pay Period #7 (03.16.2024 through 03.30.2024) totaling \$46,712.21**
- **Benefits for Pay Period #7 totaling \$53,410.48**
- **Accounts Payable Vouchers totaling \$113,389.41**

Motion passed.

Effective Utility Management Assessment Results Presentation

Clary recalled that the Effective Utility Management (EUM) assessment process has been developed by industry professionals to help water and sewer utilities make informed decisions and practical, systematic changes to enhance level-of-service and achieve excellence in utility performance. District staff, management, and board have gone through the assessment process over the past few months. The results of the assessment process, both by each group and in aggregate, were presented to the Board. Discussion followed.

Whatcom County Onsite Sewage System Regulation Approach Discussion

Clary explained that the potential impacts of onsite sewage systems (OSS; commonly referred to as septic systems) within the Lake Whatcom Watershed has been an ongoing concern of the District for the past several years. OSS are regulated under Chapter 24.05 of the Whatcom County Code. The Whatcom County Department of Health and Community Services is responsible for administering the regulations throughout Whatcom County, including the 789 recorded OSS in the Lake Whatcom Watershed.

Health Department staff presented an overview of the OSS compliance monitoring program specific to regulation of OSS in the Watershed during the February 28, 2024 meeting. An outcome of that presentation

was the County's commitment to collaborate between its Health and Public Works departments to develop an enhanced approach to regulating OSS in the Watershed. The Board reviewed the County's proposed approach, and discussion followed.

Other Business

Commissioner Ford provided the Board with a draft letter regarding OSS and management of Lake Whatcom, to be discussed at a future meeting.

General Manager's Report

Clary updated the Board on several topics, including a recent meeting with the selected contractors and stakeholders for the Division 7 Reservoir Replacement project, a recent meeting with Eric Johnston from the City of Bellingham's public works department regarding the Post Point Treatment Plant, and a recent customer inquiry regarding buildout and the impending end of the 25-year development moratorium related to ULID 18. Discussion followed.

With no further business, Citron adjourned the regular session at 8:00 p.m.

Board President, Todd Citron

Attest: _____
Recording Secretary, Rachael Hope

Minutes approved by motion at Regular Special Board Meeting on _____

PAYROLL

CHECK REGISTER

Lake Whatcom W-S District

Time: 13:52:55 Date: 04/15/2024

04/18/2024 To: 04/18/2024

Page: 1

Trans	Date	Type	Acct #	Chk #	Claimant	Amount	Memo
1124	04/18/2024	Payroll	5	EFT		293.34	03/20/2024 - 04/12/2024 PR 08
1125	04/18/2024	Payroll	5	EFT		439.99	03/20/2024 - 04/12/2024 PR 08
1126	04/18/2024	Payroll	5	EFT		3,745.71	03/20/2024 - 04/12/2024 PR 08
1127	04/18/2024	Payroll	5	EFT		2,774.02	03/20/2024 - 04/12/2024 PR 08
1128	04/18/2024	Payroll	5	EFT		3,516.67	03/20/2024 - 04/12/2024 PR 08
1130	04/18/2024	Payroll	5	EFT		1,758.70	03/20/2024 - 04/12/2024 PR 08
1132	04/18/2024	Payroll	5	EFT		2,045.24	03/20/2024 - 04/12/2024 PR 08
1133	04/18/2024	Payroll	5	EFT		3,190.10	03/20/2024 - 04/12/2024 PR 08
1134	04/18/2024	Payroll	5	EFT		147.61	03/20/2024 - 04/12/2024 PR 08
1135	04/18/2024	Payroll	5	EFT		2,765.18	03/20/2024 - 04/12/2024 PR 08
1136	04/18/2024	Payroll	5	EFT		3,278.30	03/20/2024 - 04/12/2024 PR 08
1137	04/18/2024	Payroll	5	EFT		293.34	03/20/2024 - 04/12/2024 PR 08
1138	04/18/2024	Payroll	5	EFT		2,699.39	03/20/2024 - 04/12/2024 PR 08
1139	04/18/2024	Payroll	5	EFT		2,612.16	03/20/2024 - 04/12/2024 PR 08
1140	04/18/2024	Payroll	5	EFT		3,298.55	03/20/2024 - 04/12/2024 PR 08
1141	04/18/2024	Payroll	5	EFT		1,515.47	03/20/2024 - 04/12/2024 PR 08
1142	04/18/2024	Payroll	5	EFT		2,341.43	03/20/2024 - 04/12/2024 PR 08
1143	04/18/2024	Payroll	5	EFT		3,752.94	03/20/2024 - 04/12/2024 PR 08
1144	04/18/2024	Payroll	5	EFT		2,147.56	03/20/2024 - 04/12/2024 PR 08
1145	04/18/2024	Payroll	5	EFT		2,774.52	03/20/2024 - 04/12/2024 PR 08
1129	04/18/2024	Payroll	5	15173		293.34	03/20/2024 - 04/12/2024 PR 08
1131	04/18/2024	Payroll	5	15174		1,642.13	03/20/2024 - 04/12/2024 PR 08
						401 Water Fund	13,499.38
						402 Sewer Fund	33,826.31

47,325.69 Payroll: 47,325.69

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 4/16/2024
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

BENEFITS

CHECK REGISTER

Lake Whatcom W-S District

Time: 07:42:03 Date: 04/16/2024

04/18/2024 To: 04/18/2024

Page: 1

Trans	Date	Type	Acct #	Chk #	Claimant	Amount	Memo
1148	04/18/2024	Payroll	5	EFT	DEPARTMENT OF RETIREMENT SYSTEMS	5,592.50	Pay Cycle(s) 04/18/2024 To 04/18/2024 - DCP; Pay Cycle(s) 04/18/2024 To 04/18/2024 - ROTH DCP
1149	04/18/2024	Payroll	5	EFT	UNITED STATES TREASURY	16,814.13	941 Deposit for Pay Cycle(s) 04/18/2024 - 04/18/2024
1150	04/18/2024	Payroll	5	EFT	WA ST PUBLIC EMP RET PLAN 2	8,274.26	Pay Cycle(s) 04/18/2024 To 04/18/2024 - PERS 2
1151	04/18/2024	Payroll	5	EFT	WA ST PUBLIC EMP RET PLAN 3	3,328.97	Pay Cycle(s) 04/18/2024 To 04/18/2024 - PERS 3
1152	04/18/2024	Payroll	5	EFT	WA ST SUPPORT ENFORCEMENT REGISTRY	897.64	Pay Cycle(s) 04/18/2024 To 04/18/2024 - SUP ENF
1153	04/18/2024	Payroll	5	15175	AFLAC	354.85	Pay Cycle(s) 04/18/2024 To 04/18/2024 - AFLAC PRE-TAX; Pay Cycle(s) 04/18/2024 To 04/18/2024 - AFLAC POST-TAX
1154	04/18/2024	Payroll	5	15176	AFSCME LOCAL	334.70	Pay Cycle(s) 04/18/2024 To 04/18/2024 - UNION DUES; Pay Cycle(s) 04/18/2024 To 04/18/2024 - UNION FUND
1155	04/18/2024	Payroll	5	15177	HRA VEBA TRUST (PAYEE)	560.00	Pay Cycle(s) 04/18/2024 To 04/18/2024 - VEBA
1156	04/18/2024	Payroll	5	15178	WA ST HEALTH CARE AUTHORITY	17,660.39	Pay Cycle(s) 04/18/2024 To 04/18/2024 - PEBB MEDICAL; Pay Cycle(s) 04/18/2024 To 04/18/2024 - PEBB ADD LTD; Pay Cycle(s) 04/18/2024 To 04/18/2024 - PEBB SMK Surcharge; Pay Cycle(s) 04/18/2024 To 04/18
						401 Water Fund	39,586.61
						402 Sewer Fund	14,230.83
						<hr/>	
						53,817.44	Payroll: 53,817.44

CHECK REGISTER

Lake Whatcom W-S District


Time: 07:42:03 Date: 04/16/2024

04/18/2024 To: 04/18/2024

Page: 2

Trans	Date	Type	Acct #	Chk #	Claimant	Amount	Memo
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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 4/16/2024
 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 **Commissioner Insurance**
BILL **Discussion**
Item 6.A

DATE SUBMITTED:	April 15, 2024	MEETING DATE:	April 24, 2024
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 type="checkbox"/>	INFORMATIONAL /OTHER <input checked="" type="checkbox"/>

BACKGROUND / EXPLANATION OF IMPACT

The Lake Whatcom Water and Sewer District is authorized under Title 57 Revised Code of Washington (RCW). [RCW 57.08.100](#) provides water/sewer districts the option of providing health insurance to commissioners. District employees are currently provided health insurance through Washington State’s Public Employees Benefit Board (PEBB) Program. The current collective bargaining agreement with American Federation of Station, County and Municipal Employees (AFSCME) Council 2 Local 114WD dictates that the health insurance plan provided District employees be: “the second-lowest non-high deductible health plan offered each year by PEBB which includes medical, dental, life, and vision insurance plans.” Following are the 2024 insurance monthly premiums for the subject PEBB plan (Uniform Medical Plan [UMP] Classic).

Coverage	Cost (per month)
Employee	\$ 994.82
Employee/Partner	\$ 1,832.54
Employee/Family	\$ 2,460.83

In 2019, the Board discussed over the course of seven separate board meetings whether to extend health insurance coverage to commissioners. Ultimately, with the projected additional annual cost of \$95,000 to the District to extend insurance coverage to the board (based upon 2020 rates for commissioner and partner/family and board makeup at the time), the Board decided to conclude further consideration without formal action.

A District commissioner recently inquired if they may acquire insurance through the District’s plan if they agree to pay the full premium. PEBB representatives have indicated that commissioners may participate by amending the District’s current

contract with PEBB to add commissioners as a separate “group,” even if participation is not by all five commissioners. That being said, if the Board wishes to extend the option for coverage to commissioners at cost, staff recommends that a formal District-commissioner agreement that defines the terms of the coverage, including a payment enforcement policy, also be considered.

FISCAL IMPACT

No fiscal impact is anticipated should the Board extend insurance coverage to commissioners at cost.

APPLICABLE EFFECTIVE UTILITY MANAGEMENT ATTRIBUTE(S)

Employee Leadership & Development

RECOMMENDED BOARD ACTION

No action is recommended; staff has brought this item to the Board for discussion only at this time.

PROPOSED MOTION

None.



**AGENDA
BILL
Item 8.A**

**General Manager's
Report**

DATE SUBMITTED:	April 18, 2024	MEETING DATE:	April 24, 2024
TO: BOARD OF COMMISSIONERS	FROM: Justin Clary, General Manager		
GENERAL MANAGER APPROVAL	<i>Justin Clary</i>		
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, April 24, 2024 – 8:00 a.m.

Important Upcoming Dates

Lake Whatcom Water & Sewer District			
Regular Board Meeting	Wed May 8, 2024	6:30 p.m.	Board Room/Hybrid
Employee Staff Meeting	Thu May 9, 2024	8:00 a.m.	Board Room/Hybrid Commissioner Knakal to attend
Investment Comm. Meeting	Wed May 29, 2024	10:00 a.m.	Board Room/Hybrid
Safety Committee Meeting	Thur Apr 25, 2024	8:00 a.m.	Board Room
Lake Whatcom Management Program			
Policy Group Meeting	Wed Apr 24, 2024	3:00 p.m.	City of Bellingham Fireplace Rm 625 Halleck Street/Hybrid
Joint Councils Meeting	March 2025	TBD	TBD
Other Meetings			
WASWD Section III Meeting	Tues May 14, 2024	6:00 p.m.	Bob’s Burgers 8822 Quil Ceda Pkwy, Tulalip, WA
Whatcom Water Districts Caucus Meeting	Wed May 15, 2024	2:00 p.m.	Remote Attendance
Whatcom County Council of Governments Board Meeting	Wed May 8, 2024	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

- Rocky Ridge/Lakewood sewer lift stations improvements public works contract approval
- Geneva reservoir/SWTP booster station seismic retrofits project hazard mitigation grant and professional services agreements approval
- Facility security assessment presentation
- Euclid sewer lift station improvements project contract closeout

2024 Initiatives Status

Administration and Operations

Strategic Planning

- Conduct the AWWA Effective Utility Management (EUM) assessment process, which will inform the next revision to the six-year strategic business plan.
District management, staff, and board completed the EUM assessment process with the results discussed during the April 10 board meeting. District staff have initiated update to the six-year strategic business plan based upon the EUM assessment results.

Collective Bargaining Agreement

- Negotiate a successor agreement with AFSCME Local 114WD by December 31, 2024.
The District, with AFSCME input, has contracted NW Management Services to assist in the completion of a total compensation study, which will be completed in Spring 2024 to inform a critical component of agreement negotiations with AFSCME in Summer/Fall 2024.

Management Team Support

- With the 2022 and 2023 departures of the District's O&M Manager and Engineering Manager, respectively, devote time to coordinating and assisting Mr. Dahlstrom and Mr. Nicoll in their relatively new roles.
One-on-one check-in meetings are scheduled throughout 2024; both J Dahlstrom and G Nicoll are considering applicable leadership/management training opportunities (in addition to J Dahlstrom's participation in the yearlong APWA emerging leaders academy).

Water Right Adjudication

- Represent the District in the water right adjudication process to ensure that its certificated and permitted rights are protected.
The Department of Ecology plans to file for adjudication in Spring 2024; J Clary continues to monitor the status and attend associated webinars/meetings (next is scheduled for May 6).

Records Management System

- Implement new records management system.
The District executed a personal services agreement in December 2023 for purchase and implementation of the selected enterprise content management (ECM) system (Laserfiche); conversion to the new system is underway and anticipated to be complete Spring 2024.

Safety Program Update

- Continue systematic review and revision of District's safety programs by updating eight programs in 2024.
Staff has finalized updates to three (3) programs (meter reading, wildfire smoke, and employee orientation) and is reviewing the chemical hazard communication and motor vehicle operation programs.

Capital Improvement Program Support

- Support the Engineering Department through management of specific capital improvement project(s).
Due to workload issues within the Engineering Department, J Clary 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 exercises.

J Clary and R Munson met with Holly Woll-Salkeid (Whatcom County) on April 11 to coordinate 2024 exercises (the first tentatively planned for the July timeframe).

Business Continuity Plan

- Finalize 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.

Complete.

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 pages regularly; Nextdoor is also regularly monitored for District-related posts.
- Press Releases
None to-date; press releases will be issued based upon need.

Intergovernmental Relations

- *R Hope issued an invite to the Division 7 reservoir groundbreaking event on March 28 to U.S. Rep. Larsen, 40th and 42nd district legislators, and officials representing Washington State Public Works Board, Whatcom County, South Whatcom Fire Authority, and Sudden Valley Community Association.*
- *J Clary and G Nicoll met with Bellingham Public Works Department management on April 10.*
- *J Clary and R Munson met with Whatcom County emergency management staff on April 11 regarding 2024 emergency response exercise planning.*
- *J Clary chaired the quarterly Whatcom Water Alliance meeting on April 16.*
- *J Clary attended (and presented at) the WASWD spring conference in Marysville April 16-18.*

Lake Whatcom Water Quality

Lake Whatcom Management Program

- Participate in meetings of Lake Whatcom Management Program partners.
J Clary attended the data team meeting on April 11 and is scheduled to attend the policy group meeting on April 24.

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

Executive Department Goals		2022	2023	2024 YTD	2025	2026	2027
1. Facilitate achievement of annually establish Board initiatives							
Workload Indicators							
- Meetings with management team to attain Board initiatives		49	44	12			
- Reporting on the status of completion of Board initiatives		22	22	6			
- Annual number of Board initiatives		13	13	12			
- Annual number of Board meetings/work sessions held		25	23	7			
Performance Measures							
- Completion of initiatives within Board/staff agreed timelines		11/13	11/13	underway			
2. Biennial EUM self-assessment and update to strategic plan							
Workload Indicators							
- Draft departmental strategic plans by June 30 of even-numbered years			to be initiated				
- Financial forecast updated biennially (even-numbered years)				no			
- Balanced budget presented to the Board biennially		complete		no			
Performance Measures							
- Complete strategic plan and financial forecast by Sep 1 (even-numbered years)				no			
3. Pursue implementation of performance management throughout operations							
Workload Indicators							
- Review literature associated with potential approaches			complete	complete			
- Meet with applicable vendors/consultants representing potential approaches			no	no			
- Departmental operational reviews to identify optimization opportunities			no	no			
Performance Measures							
- Number of performance management approaches analyzed			1	0			
- Number of meetings with vendors/consultants			0	0			
- Budgetary allocation supporting implementation of performance management			\$0	\$0			
- Implementation of performance management approach			no	no			

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

Executive Department Goals		2022	2023	2024 YTD	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		procured					
5. Expand intergovernmental relations program							
Workload Indicators							
- Participation in LWMP data group, ICT, policy group, and joint councils meetings	yes	yes	yes				
- Participation in WWA, WUCC, COG, and Whatcom Water Districts meetings	yes	yes	yes				
- Participation in WASWD and WSRMP meetings	yes	yes	yes				
- Meet with City, County, SVCA, and SWFA staff	yes	yes	yes				
- Attendance of WASWD and IACC conferences	yes	yes	no				
- Presentation at SVCA board meetings	no	no	no				
Performance Measures							
- Annual budgetary allocation supporting organization memberships	complete	complete	complete				
- Number of LWMP meetings attended	29	26	11				
- Number of WWA, WUCC, COG, and Whatcom Water Districts meetings attended	15	21	4				
- Number of meetings with City, County, SVCA, and SWFA staff	13	20	5				
- Number of conferences attended	3	2	1				
- Number of presentations to SVCA board	0	0	0				

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

Executive Department Goals	2022	2023	2024 YTD	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	yes			
- Active participation in community events	yes	yes	yes			
Performance Measures						
- Completion of website updated by December 31, 2025						
- Completion of Board discussion on District rebranding						
- Number of Facebook likes/followers	153/168	163/188	170/195			
- Number of press releases issued	5	5	0			
- Number of Facebook posts	51	50	10			
- Number of community events participated in	6	3	2			

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

Finance Department Goals	2022	2023	2024 YTD	2025	2026	2027
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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	no	no			
- Review each job description within department on a regular basis and seek opportunities for cross-training	complete	no	no			
- Identify professional trainings & webinars that align w/ job duties for each employee	yes	ongoing	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	47	12			
- Increase number of finance staff meetings	9	31	8			

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	47	12			
- Number of staff meetings and engagement activities	13	31	8			

2. Improve financial sustainability and forecasting

Workload Indicators

- Work sessions to develop biennial budget process	complete		0			
- Development and routine evaluation of forecasting model	in progress	in progress	In Progress			
- Routine evaluation of financial policies	complete	in progress	In Progress			
- Routine evaluation of investments	yes	yes	yes			
- Number of financial webinars, seminars, and conferences attended	22	38	7			

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

Finance Department Goals		2022	2023	2024 YTD	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	yes			
- Forecasting model is utilized on a regular basis for "what if" situations, budgeting, and forecasting		in progress	in progress	In Progress			
- Financial policies are kept current and practiced to align with current industry best practices and standards		yes	yes	yes			
- Investment revenue increases		yes	yes	yes			
- Financials and financial policies comply with State Auditor's Office		yes	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	2024 YTD	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	4				
Performance Measures							
- Implementation of alternative system or more detailed use of Springbrook	complete						
- Implementation of document management software	ongoing	ongoing	ongoing				
- Number of staff and management trainings held and increased by use of software	5	6	4				

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

Engineering Department Goals				2022	2023	2024 YTD	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	53			
- Number of IT consultant computer engineer support hours billed				141	56.75	36.75			
- Number of SCADA on-call support consultant hours billed				42.6	117.5	32.5			
- Number of SCADA, telemetry, electrical engineer consultant hours billed				0	0	0			
- Number of physical/virtual servers				2/10	2/10	2/10			
- Number of terabytes of backup storage utilized				4.97	4.55	1.81			
- Number of managed on-premise business applications				6	6	6			
- Number of telemetry communication and control systems issues reported				17	28	8			
Performance Measures									
- Develop tracking methods to collect workload indicator numbers over time				complete					
- Develop internal tech memo analyzing job description functions				in progress		Cancelled			
- Fund new position								Cancelled	
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	1			
- Est. number of permitting-related email exchanges/telephone calls received				124	90	4			
- Number of locations (electronic/paper) permitting info is entered/tracked				8	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	2024 YTD	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	6973	0			
- Number of assets inspected and assigned condition rating		661	548	77			
- Number of asset locations updated in GIS		0	0	0			
- Number of assets in Cartegraph with active Overall Condition Index decay curves		6,281	15,040	5			
Performance Measures							
- Develop tech memo to est. labor available if other resources allocated to land development				in progress			
- Revise administrative staff job descriptions				in progress			
- Hire temporary GIS/engineering intern to assist with field inspection/GPS			cancelled				

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

Operations Department Goals		2022	2023	2024 YTD	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	72	18			
- Number of water treatment plant samples collected/analyzed		27	2,582	645			
- Number of water distribution system samples collected/analyzed		1,552	1,392	348			
- Number of hours performing equipment calibration and maintenance		1,062	1,006	271			
- Number of hours inventorying and preparing treatment chemicals		99	120	30			
Performance Measures							
- Meet all Department of Health water quality requirements		yes	yes	yes			
- Annual receipt of Treatment Optimization Program (TOP) award		yes	yes	TBD			
- Annual issuance of Consumer Confidence Reports by state deadline		yes	yes	TBD			
- Number of annual water quality customer complaints received		1	0	0			
- Operating Permit is color green		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		10	68	25			
- Scheduled repair of electrical cabinets, components and assoc. equipment		15	36	3			
- SCADA hardware/software installation and maintenance		8	18	2			
- Communication 'fails' requiring followup		TBD	270	13			
- Execution of annual contract for generator inspection/maintenance		no	Yes	NA			
Performance Measures							
- Number of inspections (per year)		10	68	25			
- Number of repairs (per year)		15	36	3			
- Labor hours spent maintaining/repairing SCADA systems		TBD	248	14			
- Number of repairs required from communications provider		TBD	25	2			
- Number of generators inspected/maintained per year		0	18	0			

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

Operations Department Goals		2022	2023	2024 YTD	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	748	156			
- Submersible pumps inspected (annually)		63	55	0			
- Suction lift stations maintained (annually)		30	9	0			
- Wetwells cleaned (annually)		54	12	0			
- Labor hours expended televising/inspecting and cleaning sewer mains		381.5	204	47			
- Manholes inspected (annually)		77	55	6			
- Labor hours expended to clean/inspect air relief valves		87	126	0			
Performance Measures							
- Number of sewer system overflows (per year)		3	4	0			
- Number of lift station 'true' fail alarms (per year)		TBD	40	4			
- Trend of maintaining annual lift station energy (pumping efficiencies)		TBD	TBD	TBD			
- Trend of reducing costs associated with pump repairs		\$305,869	\$18,165	\$14,315			
- Miles of sewer main televised/inspected (per year)		6.57	4.1	0.55			
- Miles of sewer main cleaned (per year)		0.76	0.16	0.34			
- Downward trend of volume of I&I conveyed to City of Bellingham		TBD	TBD	TBD			

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

Operations Department Goals		2022	2023	2024 YTD	2025	2026	2027
4.	Ensure the maximum operable life of District water infrastructure						
	Workload Indicators						
	- Number of water valves exercised (annually)	0	352	0			
	- Number of water mains flushed (annually)	132	440	0			
	- Number of pressure reducing valves inspected (annually)	88	34	23			
	- Number of pressure reducing valves repaired/rebuilt (annually)	0	11	4			
	- Number of reservoirs inspected (annually)	18	16	2			
	Performance Measures						
	- Number of valves failing to operate properly	0	4	0			
	- Number of distribution system water quality violations (per year)	0	0	0			
	- Levels of disinfection byproducts monitored justifying reduced monitoring	yes	yes	yes			
	- Number of customer complaints regarding water pressure (per year)	6	4	1			
	- Miles of water main flushed (per year)	20.88	438	0			
	- Number of reservoirs requiring repair	18	2	0			
5.	Maintain level-of-service expectations relative to development services						
	Workload Indicators						
	- Water/sewer connection inquiries processed	22	100	24			
	- Water/sewer connection permits issued	28	20	0			
	- Pre-construction meetings attended	22	30	0			
	- Inspections conducted	34	20	1			
	- New water service installations	9	13	0			
	Performance Measures						
	- Number of permits issued within 5 working days (per year)	28	20	0			
	- Number of inspections completed per year	34	20	0			
	- Number of water connections made within 10 working days of request (per year)	9	13	0			



**AGENDA
BILL
Item 8.B**

**Engineering Department
Report**

DATE SUBMITTED:	April 18, 2024	MEETING DATE:	April 24, 2024	
TO: BOARD OF COMMISSIONERS		FROM: Greg Nicoll, Engineering Manager/District Engineer		
GENERAL MANAGER APPROVAL		<i>Greg Nicoll</i>		
ATTACHED DOCUMENTS		1. Engineering Department Report		
		2. Summary of Capital Improvement 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 April 24, 2024 Board Meeting
Data Compiled 4/18/24 by GN, KH

Status of Water and System Capacities				
	South Shore ID# 95910	Eagleridge ID# 08118	Agate Heights ID# 52957	Johnson Well ID# 04782
DOH Approved ERUs	**	85	81	2
Connected ERUs	3969	68	45	2
Remaining Capacity (ERUs)	**	17	36	0
Permitted ERUs Under Construction	29	0	1	0
Pre-paid Connection Certificates & Expired Permits	12	0	3	0
Water Availabilities (trailing 12 months)	71	0	0	0
Subtotal - Commitments not yet connected	112	0	4	0
Available ERUs	**	17	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: Greg Nicoll	January 15	January 31, 2024
Other Reports		
Name Of Report	Deadline	Last Completed
Water Right Permit No. G1-22681 Development Extension	Due Every 5 Years Next Due Feb 15, 2024	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, 2024	Time Extension Request sent to Ecology January 31, 2023

SUMMARY OF CAPITAL IMPROVEMENT PROJECTS

Updated: 4/17/2024

Prepared by: G. Nicoll



LEGEND:

WATER	SEWER	SHARED
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MAJOR PROJECTS IN CONSTRUCTION:

C1802 - DELESTA, EDGEWATER & EUCLID PUMP STATION IMPROVEMENTS

Project Summary:	Install new diesel backup generator, pump station controls and 480V power service
Project Status:	Delesta & Edgewater completed. Euclid is substantially complete and all punchlist work is complete except for the on-going generator issues. Contractor has ordered a replacement generator and has estimated delivery and installation in late June 2024.

PROJECT SCHEDULE

	4/10/2018	2/4/2019	12/1/2019	9/26/2020	7/23/2021	5/19/2022	3/15/2023	1/9/2024	11/4/2024
TOTAL PROJECT PROGRESS									

Budget Summary	
Budget:	\$ 1,816,583.06
Spent to Date:	\$ 1,718,707.15
Balance:	\$ 97,875.91

Budget Year:	2018
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C2111 - DIVISION 7 RESERVOIR REPLACEMENT

Project Summary:	Replace existing steel reservoir with two concrete reservoirs and provide seismic improvements.
Project Status:	Contract for construction has been executed with Tiger Construction of Bellingham, Washington. Contractor is currently preparing and providing submittals for all materials and equipment for review by District staff and Wilson Engineering. Ground breaking scheduled for May 2 at 3:00 pm.

PROJECT SCHEDULE

	6/14/2017	10/27/2018	3/10/2020	7/23/2021	12/5/2022	4/18/2024	8/31/2025
TOTAL PROJECT PROGRESS							

Budget Summary	
Budget:	\$ 3,301,000.00
Spent to Date:	\$ 402,913.20
Balance:	\$ 2,898,086.80

Budget Year:	2021
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C2303 - SUDDEN VALLEY WTP ALUM SYSTEM REPLACEMENT

Project Summary:	Replace existing alum dosing system that was installed in 1992. Replacement of the alum storage tank requires removal of the existing glass storefront with a new coil-up door.
Project Status:	District staff issued a purchase order to TMG, Inc. for procurement of the selected 2,550 gallon polyethylene tank. TMG is currently preparing product submittals for review by the District. 10-12 week lead time. Installation anticipated to be completed by District staff in mid to late summer.

PROJECT SCHEDULE

	7/3/2023	9/16/2023	11/30/2023	2/13/2024	4/28/2024	7/12/2024	9/25/2024	12/9/2024
TOTAL PROJECT	[Progress bar from 7/3/2023 to 9/25/2024]							
PROGRESS	[Progress bar from 7/3/2023 to 4/28/2024]							

Budget Summary	
Budget:	\$ 88,000.00
Spent to Date:	\$ 71,204.66
Balance:	\$ 16,795.34
Budget Year: <input style="width: 100px;" type="text" value="2023"/>	



C2307 - EAGLERIDGE BOOSTER PUMP STATION EVALUATION AND UPGRADES

Project Summary:	Evaluate aging domestic and high flow pumps and controls and construct recommended upgrades to extend the useful life of the booster station.
Project Status:	District O&M team has completed inspection of volutes and impellers on the domestic pumps and have found them to be in generally good condition. All pumps and motors appear to be in good condition and operating properly. Staff is preparing recommendations for the scope of this project.

PROJECT SCHEDULE

	12/20/2023	3/4/2024	5/18/2024	8/1/2024	10/15/2024	12/29/2024	3/14/2025
TOTAL PROJECT	[Progress bar from 12/20/2023 to 12/29/2024]						
PROGRESS	[Progress bar from 12/20/2023 to 5/18/2024]						

Budget Summary	
Budget:	\$ 116,000.00
Spent to Date:	\$ -
Balance:	\$ 116,000.00
Budget Year: <input style="width: 100px;" type="text" value="2024"/>	


C2316 - SUDDEN VALLEY WTP CHLORINE CONTACT BASIN REPLACEMENT

Project Summary:	Replace existing chlorine contact basin with a new basin that will include seismic restraints and will be sized for sufficient contact time at buildout flows. (FEMA Hazard Mitigation Grant 5395-10R).
Project Status:	FEMA/WA EMD awarded the District a hazard mitigation grant funding 87.5% of this project and the District is awaiting delivery of the grant agreement for consideration by the Board. District staff has selected Gray & Osborne to complete an alternative analysis to select construction materials and configuration and design and permitting for the selected alternative.

PROJECT SCHEDULE

	12/20/2023	3/4/2024	5/18/2024	8/1/2024	10/15/2024	12/29/2024	3/14/2025	5/28/2025	8/11/2025	10/25/2025	1/8/2026
TOTAL PROJECT	[Progress bar from 12/20/2023 to 10/25/2025]										
PROGRESS	[Progress bar from 12/20/2023 to 3/4/2024]										

Budget Summary	
Budget:	\$ 1,963,000.00 <i>Not incl. in 2023/24 Budget. 87.5% grant funded</i>
Spent to Date:	\$ -
Balance:	\$ 1,963,000.00
Budget Year: <input type="text" value="2024 (pushed forward from 2026)"/>	





C2402 - SVWTP PUMPHOUSE AND GENEVA RESERVOIR SEISMIC UPGRADES

Project Summary:	Construct improvements at the SV WTP Finished Water Pump Building and the Geneva Reservoir to improve seismic resiliency of critical infrastructure (FEMA Hazard Mitigation Grant 5395-10R).
Project Status:	FEMA/WA EMD awarded the District a hazard mitigation grant funding 95% of this project. District staff subsequently advertised a request for qualifications (RFQ) for design services. Two SOQs were received. District staff has selected Wilson Engineering as the preferred design engineer and is working with Wilson to develop a scope of work.

PROJECT SCHEDULE

	12/20/2023	3/29/2024	7/7/2024	10/15/2024	1/23/2025	5/3/2025	8/11/2025	11/19/2025
TOTAL PROJECT	[Progress bar from 12/20/2023 to 11/19/2025]							
PROGRESS	[Progress bar from 12/20/2023 to 3/29/2024]							

Budget Summary	
Budget:	\$ 1,399,640.00 <i>Not incl. in 2023/24 Budget. 95% grant funded</i>
Spent to Date:	\$ -
Balance:	\$ 1,399,640.00
Budget Year: <input type="text" value="2024 (pushed forward from 2028)"/>	

Geneva Reservoir

OTHER ACTIVE PROJECTS:

A2214 - Lead Line Survey: EPA required inventory of all water service connections within the District, including construction materials to identify any remaining lead service lines within the system. Deadline for completion is October 2024.

Status: Desktop review complete. O&M staff is completing field investigation of 20% of approximately 700 connections with undocumented construction materials. O&M has inspected upwards of 30 connections to date.

Budget Year: <input type="text" value="2022"/>	Projected Completion: <input type="text" value="October 2024"/>
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Budget Summary					
Budget:	\$ 15,000.00	Spent to Date:	\$ -	Balance:	\$ 15,000.00

C2203/C2231 - Div 30 Booster, SV Pump Station PLC/UPS Improvements and Stand-alone Control Panel: Modification and improvement of the PLC and UPS equipment at the Division 30 Booster Station and Sudden Valley Pump Station. Fabrication of a new stand alone control panel that will be available to control pump stations in the event that existing controls are lost.

Status: Project submittals have been approved and shop fabrication of the various project components is underway. Field installation and startup is planned for May-June.

Budget Year: Projected Completion:

Budget Summary		
Budget:	<input type="text" value="\$ 244,643.00"/>	Spent to Date: <input type="text" value="\$ 89,553.34"/>
		Balance: <input type="text" value="\$ 155,089.66"/>

C2109 - Geneva Reservoir Valve for Emermency Isolation: Install a new gate valve to allow shut off and isolation of the Geneva

Status: This project will be with the Geneva Reservoir seismic improvements (C2402).

Budget Year: Projected Completion:

Budget Summary		
Budget:	<input type="text" value="\$ 10,000.00"/>	Spent to Date: <input type="text" value="\$ 5,650.00"/>
		Balance: <input type="text" value="\$ 4,350.00"/>

A2210 - Reservoir and WTP Site Security Assessment: Assessment to identify recommended security improvements.

Status: BHC Engineers completed a preliminary memo which has been reviewed by District staff, and completed a site visit to evaluate District facilities. BHC will prepare a second memo with specific recommendations and present to the Board in June.

Budget Year: Projected Completion:

Budget Summary		
Budget:	<input type="text" value="\$ 50,000.00"/>	Spent to Date: <input type="text" value="\$ 24,563.00"/>
		Balance: <input type="text" value="\$ 25,437.00"/>

C2304 - Eagleridge Diesel Fuel Tank Replacement: Replace existing diesel tank that is installed on the exterior of the building with a new diesel tank with secondary containment.

Status: Staff has coordinated with the fire marshal regarding requirements for the proposed installation. The fire marshal has identified additional requirements that will result in additional costs beyond the project budget. Additional budget will be required to replace this tank with a new tank meeting fire marshal requirements.

Budget Year: Projected Completion:

Budget Summary		
Budget:	<input type="text" value="\$ 6,000.00"/>	Spent to Date: <input type="text" value="\$ -"/>
		Balance: <input type="text" value="\$ 6,000.00"/>

M2120C - Nov 2021 Flood Event Response: Cleanup and repairs associated with the November 2021 flood event.

Status: Remaining work includes addressing temporary protection of exposed pipelines crossing Beaver Creek. District staff working with WA DNR to leave the protection in place permanently.

Budget Year: Projected Completion:

Budget Summary		
Budget:	<input type="text" value="\$ -"/>	Spent to Date: <input type="text" value="\$ 271,928.83"/>
		Balance: <input type="text" value="\$ (271,928.83)"/>

C2308 - Div 30 Reservoir Cathodic Protection: Installation of cathodic protection.

Status: The District has contracted with Norton Corrosion. Due to extended lead times for materials, installation of the improvements is delayed until mid-May 2024.

Budget Year: Projected Completion:

Budget Summary		
Budget:	<input type="text" value="\$ 36,000.00"/>	Spent to Date: <input type="text" value="\$ -"/>
		Balance: <input type="text" value="\$ 36,000.00"/>

M2309 - Reservoir Inspection and interior cleaning: Clean and inspect all 8 reservoirs and raw water intake.
Status: H2O Solutions has completed interior and exterior inspections and has provided the raw video footage. Engineering will provide an update on the condition of the reservoirs once a complete report has been provided.

Budget Year: Projected Completion:

Budget Summary		
Budget:	\$ 41,000.00	Spent to Date: \$ -
		Balance: \$ 41,000.00

PROJECTS COMPLETED IN PAST 12 MONTHS

Project #	Project Name	Budget	Spent	Balance
C 2301	LWBI CIPP Renewal Project Priority1 (2023)	\$185,000.00	\$ 144,702.50	\$ 40,297.50
C 1909	Little Strawberry Bridge Water Main Slip Line with HDPE	\$ 20,000.00	\$ 1,669.59	\$ 18,330.41
C 2012	Austin-Fremont PRV Rebuild	\$ 10,000.00	\$ 13,279.20	\$ (3,279.20)
C 2106	SVWTP to SVPS Telemetry Comm Study, Testing	\$ 10,000.00	\$ 4,224.00	\$ 5,776.00
C 2213	Pinto Creek PRV Replacement (labor by District crew)	\$ 14,000.00	\$ 16,238.00	\$ (2,238.00)
C 2216	Replace Tool Truck	\$ 75,000.00	\$ 60,801.18	\$ 14,198.82
M 2226	Div 30 Reservoir Removal of Hazard Trees	\$ 20,000.00	\$ 39,434.34	\$ (19,434.34)
A 2228	Agate Area Wells Exhibits and Mapping	\$ 5,400.00	\$ 2,413.86	\$ 2,986.14
M 2230	Scenic Ave Intertie Valve Repair	\$ 60,000.00	\$ 55,989.50	\$ 4,010.50
C 2202	Replace Sewer Camera Equipment	\$150,000.00	\$ 174,737.79	\$ (24,737.79)



**AGENDA
BILL
Item 8.C**

**Finance Department
Report**

DATE SUBMITTED:	April 16, 2024	MEETING DATE:	April 24, 2024
TO: BOARD OF COMMISSIONERS	FROM: Jennifer Signs, Finance Manager		
GENERAL MANAGER APPROVAL			
ATTACHED DOCUMENTS	1. First Quarter 2024 Financial Report		
	2. March 2024 Cash & Investment Summary		
	3. March 2024 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 First Quarter 2024

Lake Whatcom Water and Sewer District
Bellingham, Washington

Summary

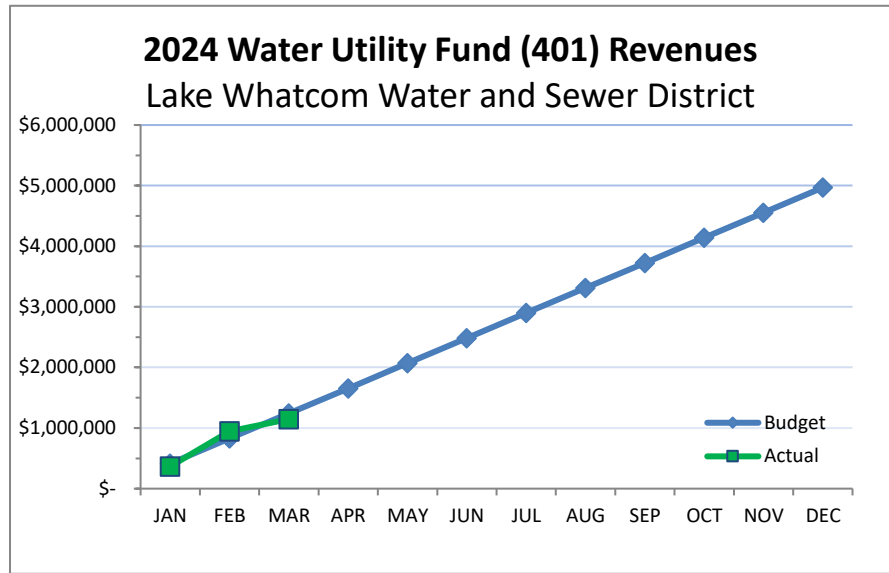
Lake Whatcom Water and Sewer District's (District) commitment to its conservative fiscal policies throughout 2023 allowed the District to close out the previous year with stable fund balances and fully funded operations and contingency reserves to begin the new fiscal year. Noteworthy financial events in the first quarter of 2024 included official notice from Congressman Larsen's office that the District will receive a \$220,000 congressional earmark through the Department of Interior to help fund the replacement of the District's Division 7 Reservoir. The official press release can be viewed [here](#). The funding is an instrumental component for the replacement of this aging reservoir with two new reservoirs that are designed to meet current seismic standards and will be outfitted with ShakeAlert earthquake warning system which will contribute to a safer and more reliable drinking water system to the customers served within the District. The total cost of this project is estimated at \$2.9 million and includes funding sources from a Hazard Mitigation Grant through FEMA, loan proceeds from a low interest rate loan from the Public Works Board, and matching dollars from the District.

Other items worth mentioning in the first quarter include the purchase of rate modeling software from Waterworth. This new software will allow the District to have a greater understanding of cash-flows and the impacts future operating and capital costs will have on the District's finances. It will help ensure the District's commitment to financial viability and sustainability through rates while delivering the best possible service to our customers at the lowest cost possible. Also taking place in the first quarter, January was the first month that the District's new billing cycle took effect. The District still maintains a billing cycle of every two months but shortened the due date from approximately 55 days to pay to 25 days to pay with disconnections taking place at 60 days past due rather than approximately 100 days past due.

The District continues to take advantage of the higher interest rates in 2024 and is strategically investing funds in both short-term liquid investments through Washington State's Local Government Investment Pool (LGIP) and long-term investments with Time Value Investments to maintain and maximize reserve funds that can be accessed if needed. During the first quarter of 2024, the District invested approximately \$800,000 additional funds in the LGIP. By keeping more of our portfolio in LGIP, we are not only getting the highest return on our money but we are also ensuring that as we head into the second and third quarters of the year, we maintain liquidity to pay for large capital projects that are anticipated to begin in those quarters. While the District has secured outside funding sources to cover the majority of the Division 7 Reservoir replacement, these funds are only available as reimbursement and we anticipate delays in receiving those funds. As it is unclear if the Federal Open Market Committee (FOMC) will raise rates again or begin cutting rates, the District continues to monitor the market closely and continues to perform cash flow analysis on a regular basis. As the market continues to change, the District will monitor options for both short-term and long-term investment strategies that ensure safety, liquidity, and yield.

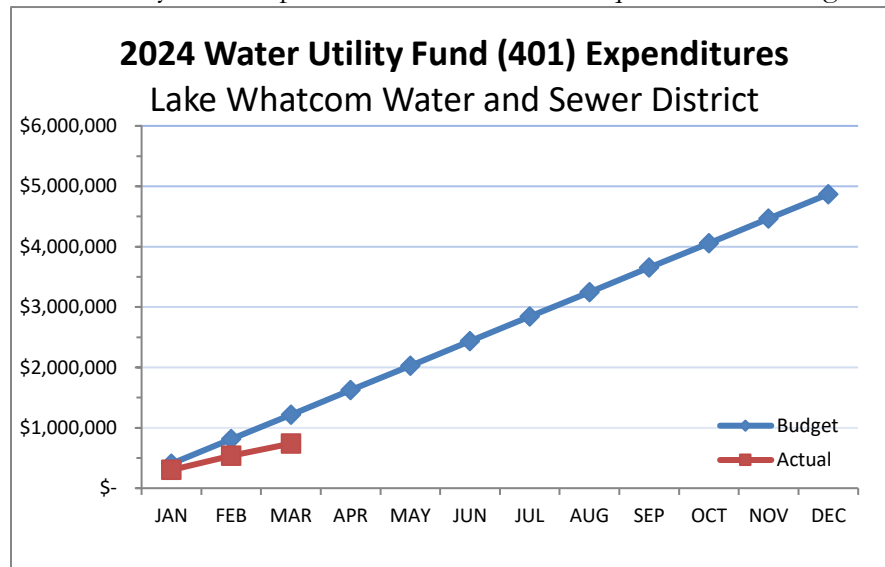
Water Utility Fund (Fund 401)

As of March 31, 2024, Water Utility Fund revenues tracked closely with projections. (\$1.2 million budgeted vs. \$1.1 million actual). The Water Utility Fund saw slight increases in revenue during the months of January and February due to the overlap in the revised billing cycle. However, it is anticipated that these will track more closely with projections and



past trends as the year continues. As noted in the summary above, the District continues to manage its investment portfolio strategically to take advantage of higher interest rates and ensure liquidity throughout the year as capital costs are anticipated to be significant in 2024. Investment earnings in the first quarter for the Water Utility Fund totaled approximately \$25,000. It is anticipated that the investment earnings will surpass budgeted expectations in the second quarter but will more than likely taper off towards the end of the year with anticipated rate cuts from the FOMC and the District's needs to use investment funding for capital projects. Ultimately, the District's revenues remained sufficient to support operations, capital, and debt service obligations throughout the first quarter of 2024.

Water Utility Fund expenditures closed the first quarter of 2024 significantly under budget. (\$737,966



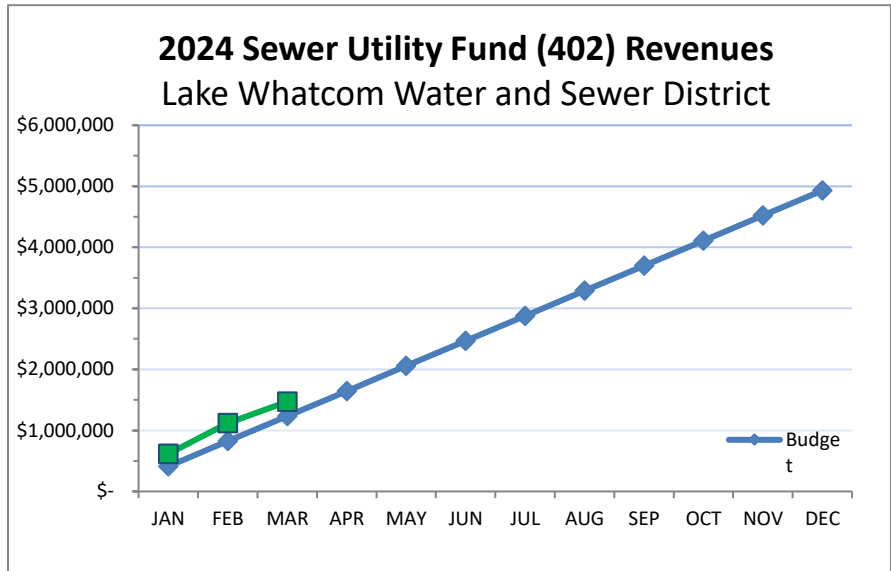
actual vs. \$1,217,262 budget). This largely is a result of capital improvement projects that are scheduled to be completed later in 2024 and will track more closely with budgeted projections. That said, operating expenditures in the Water Utility Fund remained on budget through the first quarter. This is a result of the conservative approach

staff took in preparing the 2023-2024 Biennial Budget and continued monitoring of costs throughout the year to keep inflationary cost impacts to a minimum. Also, in accordance with the District's

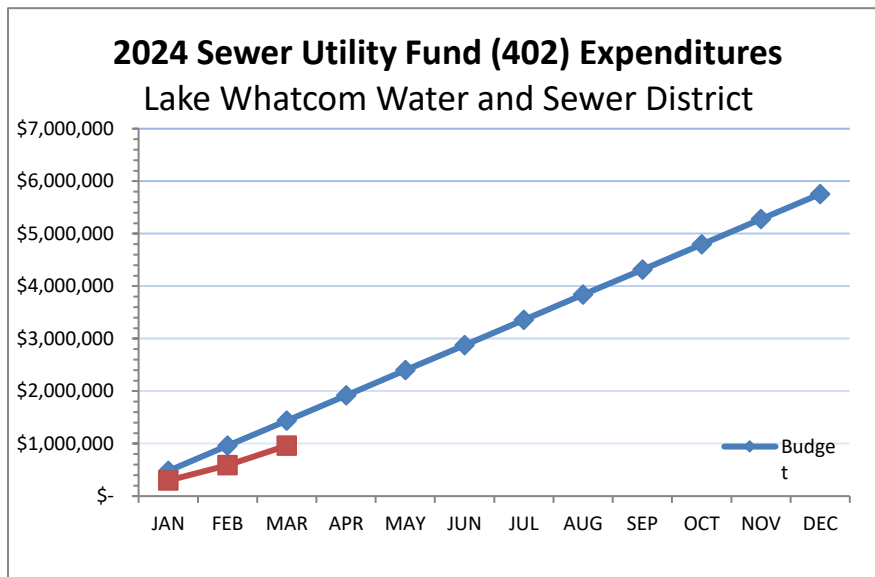
adopted rate schedule, District revenues will continue to outpace expenditures in the coming years as the District prepares for significant capital projects that will require reserves to be built up to mitigate reliance on debt financing.

Sewer Utility Fund (Fund 402)

Sewer Utility Fund revenues slightly outpaced budgeted expectations during the first quarter (\$1,470,581 actual vs. \$1,232,883 budgeted). Similar to the Water Utility Fund, the Sewer Utility Fund saw increases in revenue during the first quarter due to the overlap of the new billing cycle. The District anticipates revenues to align more closely with projections as the year continues.



Lastly, like the Water Utility Fund, investment interest also outpaced projections in the first quarter in the Sewer Utility Fund earning approximately \$25,000.



Similar to the Water Utility Fund, the Sewer Utility Fund expenditures lagged projections (\$961,468 actual vs. \$1,438,791 budgeted). This is, again, largely due to capital projects that are budgeted as part of the District’s capital improvement plan but have yet to be started or completed due to the District’s adherence to the land disturbance window

allowed within the Lake Whatcom Watershed which limits construction activity and only allows for significant land disturbance between June 1st through September 30th. It is also worth noting that, similar to the Water Utility Fund, operating expenditures finished the first quarter under budgeted projections as well. This again, is a result of the District’s conservative approach to budgeting and fiscal management of the District’s resources.

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 quarter of 2024.

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 2024 with a balance of \$1,541,238 and increased to \$1,950,939 in the first quarter. The overall fund balance is anticipated to continue to increase to build fund balances for significant future capital projects in the coming months and years. This surplus is identified through the adopted 2021 rate study.

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 202 with a balance of \$4,012,484 and increased to \$4,521,596 in the first quarter. Similar to 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 months and years. This surplus is identified through the adopted 2021 rate study.

Sewer Contingency Reserve (Fund 425)

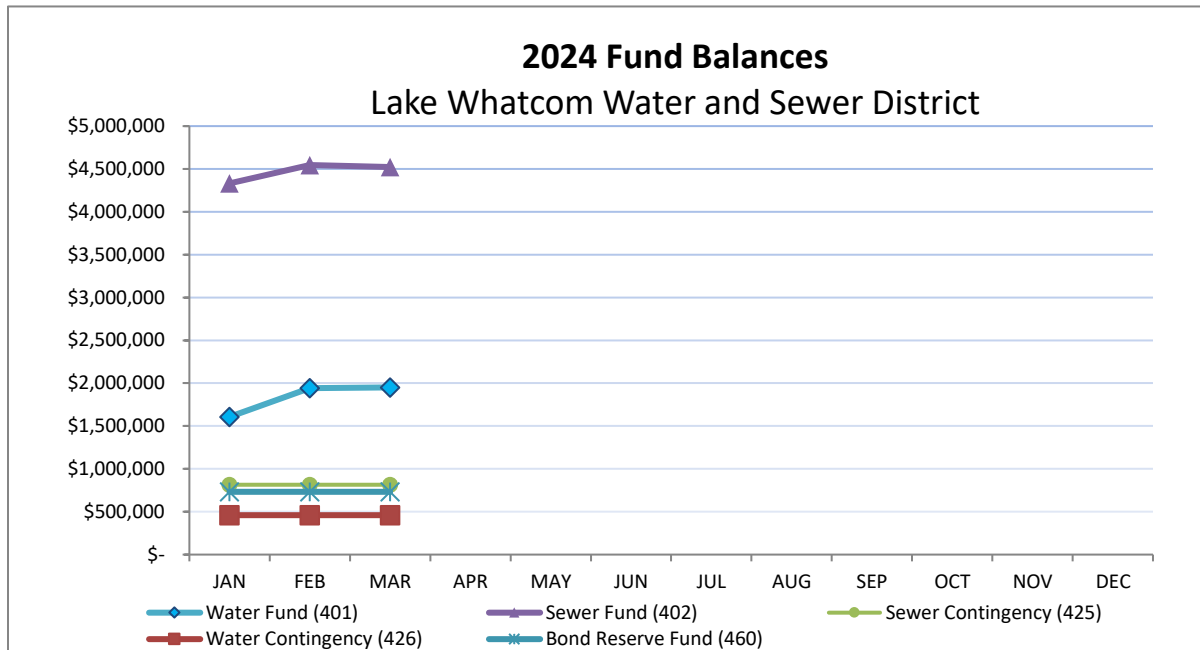
A sewer contingency reserve is maintained in accordance with District financial policies at one percent of the sewer utility infrastructure replacement cost (\$815,000). This fund provides for paying for unanticipated costs that may be incurred by the Sewer Utility. The Sewer Contingency Reserve was fully funded throughout the first quarter of 2024.

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 first quarter of 2024.

Bond Reserve Fund (Fund 460)

The District's Bond Reserve Fund is a restricted fund associated with covenants of the 2016 bond sale. It was fully funded at \$772,334 throughout the first quarter of 2024.



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 March 31, 2024.



LAKE WHATCOM WATER AND SEWER
INVESTMENTS/CASH AS OF 3/31/2024

Petty Cash	\$ 1,600	
Cash	\$ 781,094	
Public Funds Account	<u>\$ 276,476</u>	2.940%
 WA Federal	 \$ 1,059,170	
 Local Gov't Investment Pool	 \$ 3,425,545	 5.422%

		PRINCIPAL COST	MARKET VALUE	MATURITY DATE	YIELD
FANNIE MAE - Pro Equity	Callable	\$ 500,825	\$ 500,000	Jun-24	0.21%
US Treasury Note	Non-callable	\$ 492,488	\$ 500,000	Sep-24	0.375%
US Treasury Note	Non-callable	\$ 498,359	\$ 500,000	Jan-25	1.125%
US Treasury Note	Non-callable	\$ 499,082	\$ 536,000	Apr-25	4.921%
US Treasury Note	Non-callable	\$ 499,512	\$ 543,000	Jul-25	4.783%
US Treasury Note	Non-callable	\$ 747,614	\$ 810,000	Dec-25	4.440%
US Treasury Note	Non-callable	\$ 797,274	\$ 855,000	Jan-26	3.950%
US Bank Safekeeping		\$ 4,035,154	\$ 4,244,000		
 TOTAL		 <u>\$ 8,519,869</u>			

USE OF FUNDS:	
Bond Reserve - Restricted	\$ 772,334
Contingency - Assigned	\$ 1,275,000
Operating Reserves	\$ 1,185,000
Operating Assigned	\$ 5,287,535
	<u>\$ 8,519,869</u>

<u>Fund Balance Summary</u>	
Water Utility Fund (401)	\$ 1,950,939
Sewer Utility Fund (402)	\$ 4,521,596
Sewer Contingency Fund (425)	\$ 815,000
Water Contingency Fund (426)	\$ 460,000
Bond Reserve Fund (460)	<u>\$ 772,334</u>
	<u>\$ 8,519,869</u>



LAKE WHATCOM WATER AND SEWER DISTRICT
March 2024 Utility Account Adjustments

Sudden Valley Adjustments

Late Fee Credits	\$ -
High Use/Leak Credits	\$ 2,704.51

North Shore/Geneva

Late Fee Credits	\$ 694.05
High Use/Leak Credits	\$ -

Total Account Adjustments	\$ 3,398.56
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Lake Whatcom Water & Sewer District Operations & Maintenance Department Report

Prepared for the April 24, 2024 Board Meeting
Data Compiled 04/18/24 by RH, RM

State Required Report Status													
Monthly Reports													
Name Of Report	Completed	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec
Chlorination Report Agate Heights Prepared by: Kevin	Postmarked by the 10th of month	x	x	x	x								
Surface Water Treatment Rule Report (SVWTP) Prepared by: Kevin	Postmarked by the 10th of month	x	x	x	x								
Annual Reports													
Name Of Report	Deadline	Completed											
WA State Cross Connection Report Prepared by: Rich	May	March 3, 2024											
OSHA 300 Log Prepared by: Rich	February 1	January 10, 2024											
Water Use Efficiency Performance Report Prepared by: Kevin	July 1												
Community Right to Know (Hazardous Materials) Prepared by: Rich	March 31	January 8, 2024											
Northwest Clean Air Emissions Report	February 1	January 24, 2024											
Consumer Confidence Reports Prepared by: Kevin	June 30	Geneva	SV	EagleR	Agate Ht								
Other Reports													
Name Of Report	Deadline	Last Completed											
CPR/First Aid Training Coordinated by: Rich	Due Biennially Next Due 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	
<i>2023/24 Testing Period - Oct 23, 2023 to March 22, 2024</i>	
	% Complete
Engineering - Managers	100%
Engineering - Staff	100%
Field Crew - Managers	100%
Field Crew - Staff	100%
Office - Managers	100%
Office - Staff	100%
Overall	100%

Safety meetings for the field crew take place every Thursday at 8 a.m.

Dates of Completed Safety Committee Meetings		
1.25.2024		
2.22.2024		
3.28.2024		


Summary of Work-Related Injuries & Illnesses						
	Current Month	2024	2023	2022	2021	2020
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	0	0	0	0	0	0
• Significant injury or illness diagnosed by a licensed health care professional						
• Days away from work (off work)						
• Restricted work or job transfer						
Total Number of Days of Job Transfer or Restriction (light duty or other medical restriction)	0	0	0	0	0	0
Total Number of Days Away from Work (at home, in hospital, not at work)	0	0	0	0	0	0
Near Misses	0	0	0	0	0	2

Safety Coordinator Update	



**AGENDA
BILL
Item 8.D**

**Operations Department
Report**

DATE SUBMITTED:	April 18, 2024	MEETING DATE:	April 24, 2024
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	FORMAL ACTION/ MOTION	INFORMATIONAL /OTHER
	<input type="checkbox"/>	<input type="checkbox"/>	<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.

Status of District Water and Sewer Systems
Prepared by Jason Dahlstrom - Operations and Maintenance Manager
4/24/2024 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. 4. Upper Agate reservoir safety railing installation completed.
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 0.6 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. <p><i>Distribution System</i></p> <ol style="list-style-type: none"> 1. 5 water service line leaks repaired this month 2. Water main flushing completed for Agate Heights and Eagleridge. Geneva flushing starts 4/22 3. Lead service line investigations have begun, approx 30% done. Targeted completion 7/1/24 well in advance of due date of 10/16/24
Sewer Utility Activities	
	<p><i>Lift Stations</i></p> <ol style="list-style-type: none"> 1. Bypass planning for Sudden Valley sewer lift station controls upgrade. 2. Sewer check valve cleaning/ inspection ongoing. <p><i>Collection System</i></p> <ol style="list-style-type: none"> 1. Repair of large infiltration source in Euclid basin, found through camera inspections.
Fleet	
	<p><i>Vehicles</i></p> <ol style="list-style-type: none"> 1. All vehicles are in good order. 2. New service truck ETA 9/2024 - C2306 <p><i>Equipment</i></p> <ol style="list-style-type: none"> 1. All equipment is functional. 2. Sewer camera inspection hardware and software ETA mid-April.
Facilities	
	<ol style="list-style-type: none"> 1. All facilities are in good working order. 2. Exchange and application server migration is ongoing.
Training	
	<ol style="list-style-type: none"> 1. Jonathan, Cyrus - Erosion & Sediment Control workshop 4/24 Wenatchee
Development	
	<ol style="list-style-type: none"> 1. There are 9 permits currently in stages of development