



# Lake Whatcom Water & Sewer District Board Meeting Access Information

**Next Meeting:**

Wed August 14, 2024  
6:30 p.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*

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<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](mailto: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

*August 14, 2024*

6:30 p.m. – Regular Session

1. CALL TO ORDER
2. ROLL CALL
3. PUBLIC COMMENT OPPORTUNITY  
*At this time, members of the public may address the Board of Commissioners. Please state your name and address prior to making comments, and limit your comments to three minutes. For the sake of time, each public comment period will be limited to 45 minutes.*
4. ADDITIONS, DELETIONS, OR CHANGES TO THE AGENDA
5. CONSENT AGENDA
6. SPECIFIC ITEMS OF BUSINESS
  - A. Geneva Reservoir Improvement Plan Discussion
  - B. Rate Affordability Analysis Presentation
  - C. District Mission and Goals Review
7. OTHER BUSINESS
8. STAFF REPORTS
  - A. General Manager
9. PUBLIC COMMENT OPPORTUNITY
10. ADJOURNMENT



**AGENDA  
BILL  
Item 5**

**Consent Agenda**

DATE SUBMITTED:	August 8, 2024	MEETING DATE:	August 14, 2024
TO: BOARD OF COMMISSIONERS	FROM: Rachael Hope		
GENERAL MANAGER APPROVAL	<i>[Signature]</i>		
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 08.14.2024\*\***

**BACKGROUND / EXPLANATION OF IMPACT**

- Minutes for the July 31, 2024 Regular Board Meeting
- Payroll for Pay Period #16 (07.20.2024 through 08.02.2024) totaling \$48,782.36
- Benefits for Pay Period #16 totaling \$55,3863.12
- 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

*July 31, 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(v)	Engineering Manager Greg Nicoll
Commissioner Bruce Ford (v)	Finance Manager Jenny Signs
Commissioner Jeff Knakal (v)	Operations Manager Jason Dahlstrom
Commissioner David Holland (v)	Recording Secretary Rachael Hope

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

### **Consent Agenda**

#### **Action Taken**

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

- **Minutes for the July 10, 2024 Regular Board Meeting**
- **Payroll for Pay Period #15 (07.06.2024 through 07.19.2024) totaling \$51,083.80**
- **Benefits for Pay Period #15 totaling \$55,150.42**
- **Payroll taxes for 2nd quarter 2024 totaling \$14,611.64**
- **Accounts Payable Vouchers totaling \$166,480.08**

**Motion passed.**

### **Water and Sewer Systems Capital Improvement Programs Presentation**

Nicoll explained that the Lake Whatcom Water and Sewer District (District) operates water treatment and distribution and sewer collection systems that serve a majority of the Lake Whatcom Watershed. The water system is comprised of approximately 71 miles of water transmission and distribution pipes, two water treatment plants, eight water storage reservoirs and six booster stations. The sewer system is comprised of approximately 75 miles of sewer collection and transmission pipes and 26 sewer lift stations that convey all sewage from the District to the City of Bellingham's sewer collection system.

Nicoll provided the Board with a summary of the water and sewer systems, the various assets that comprise the two systems, the current priorities of the CIP and an overview of the projects being proposed for the 2025-2026 biennium as well as the 6-year CIP and long-term goals of the plan. Discussion followed.

**General Manager’s Report**

Clary updated the Board on several topics, including the upcoming Washington Association of Sewer and Water Districts upcoming fall conference, public comment period for the Lake Whatcom Management Program’s 5-year work plan, staffing changes at the City of Bellingham, and Whatcom County Health & Community Service’s response letter regarding on-site sewage system regulations. Discussion followed.

**Engineering Department Report**

Nicoll highlighted several projects, including an update on subgrade rock removal and active construction at the Division 7 Reservoir Replacement project, ongoing work at the Rocky Ridge & Lakewood sewer lift stations improvement project, and installation of a new backup generator at the Euclid sewer lift station. Discussion followed.

**Finance Department Report**

Signs’ report focused on the District’s 2<sup>nd</sup> Quarter 2024 Financial Report, with highlights including the procurement of Waterworth rate forecasting software, long and short-term investments, and revenues and expenditures.

**Operations & Maintenance Department Report**

Dahlstrom reported on activity in the Operations Department, including near completion of the lead service line inventory and a recent sewer spill resulting from a contractor cutting through a sewer main. The spill was reported immediately and repaired with no flow to a waterbody.

With no further business, Citron adjourned the regular session at 9:22 a.m.

\_\_\_\_\_  
Board President, Todd Citron

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

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

# CHECK REGISTER

# PAYROLL

Lake Whatcom W-S District


Time: 13:48:07 Date: 08/05/2024

08/08/2024 To: 08/08/2024

Page: 1

Trans	Date	Type	Acct #	Chk #	Claimant	Amount	Memo
2281	08/08/2024	Payroll	5	EFT		3,746.64	07/20/2024 - 08/02/2024 PR 16
2282	08/08/2024	Payroll	5	EFT		2,792.76	07/20/2024 - 08/02/2024 PR 16
2283	08/08/2024	Payroll	5	EFT		3,507.39	07/20/2024 - 08/02/2024 PR 16
2284	08/08/2024	Payroll	5	EFT		1,765.66	07/20/2024 - 08/02/2024 PR 16
2286	08/08/2024	Payroll	5	EFT		2,042.03	07/20/2024 - 08/02/2024 PR 16
2287	08/08/2024	Payroll	5	EFT		3,228.86	07/20/2024 - 08/02/2024 PR 16
2288	08/08/2024	Payroll	5	EFT		2,456.52	07/20/2024 - 08/02/2024 PR 16
2289	08/08/2024	Payroll	5	EFT		2,215.98	07/20/2024 - 08/02/2024 PR 16
2290	08/08/2024	Payroll	5	EFT		1,499.13	07/20/2024 - 08/02/2024 PR 16
2291	08/08/2024	Payroll	5	EFT		2,700.73	07/20/2024 - 08/02/2024 PR 16
2292	08/08/2024	Payroll	5	EFT		2,619.92	07/20/2024 - 08/02/2024 PR 16
2293	08/08/2024	Payroll	5	EFT		3,300.29	07/20/2024 - 08/02/2024 PR 16
2294	08/08/2024	Payroll	5	EFT		2,436.16	07/20/2024 - 08/02/2024 PR 16
2295	08/08/2024	Payroll	5	EFT		2,342.08	07/20/2024 - 08/02/2024 PR 16
2296	08/08/2024	Payroll	5	EFT		3,894.94	07/20/2024 - 08/02/2024 PR 16
2297	08/08/2024	Payroll	5	EFT		2,169.64	07/20/2024 - 08/02/2024 PR 16
2298	08/08/2024	Payroll	5	EFT		4,420.36	07/20/2024 - 08/02/2024 PR 16
2285	08/08/2024	Payroll	5	15512		1,643.27	07/20/2024 - 08/02/2024 PR 16
						13,468.65	
401 Water Fund						35,313.71	
402 Sewer Fund							
						48,782.36	Payroll: 48,782.36

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 8/5/2024  
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

# CHECK REGISTER

# BENEFITS

Lake Whatcom W-S District

Time: 14:02:50 Date: 08/05/2024

08/08/2024 To: 08/08/2024

Page: 1

Trans	Date	Type	Acct #	Chk #	Claimant	Amount	Memo
2299	08/08/2024	Payroll	5	EFT	DEPARTMENT OF RETIREMENT SYSTEMS	5,592.50	Pay Cycle(s) 08/08/2024 To 08/08/2024 - DCP; Pay Cycle(s) 08/08/2024 To 08/08/2024 - ROTH DCP
2300	08/08/2024	Payroll	5	EFT	UNITED STATES TREASURY	17,961.36	941 Deposit for Pay Cycle(s) 08/08/2024 - 08/08/2024
2301	08/08/2024	Payroll	5	EFT	WA ST PUBLIC EMP RET PLAN 2	8,711.35	Pay Cycle(s) 08/08/2024 To 08/08/2024 - PERS 2
2302	08/08/2024	Payroll	5	EFT	WA ST PUBLIC EMP RET PLAN 3	3,249.60	Pay Cycle(s) 08/08/2024 To 08/08/2024 - PERS 3
2303	08/08/2024	Payroll	5	EFT	WA ST SUPPORT ENFORCEMENT REGISTRY	897.64	Pay Cycle(s) 08/08/2024 To 08/08/2024 - SUP ENF
2304	08/08/2024	Payroll	5	15513	AFLAC	354.85	Pay Cycle(s) 08/08/2024 To 08/08/2024 - AFLAC PRE-TAX; Pay Cycle(s) 08/08/2024 To 08/08/2024 - AFLAC POST-TAX
2305	08/08/2024	Payroll	5	15514	AFSCME LOCAL	368.28	Pay Cycle(s) 08/08/2024 To 08/08/2024 - UNION DUES; Pay Cycle(s) 08/08/2024 To 08/08/2024 - UNION FUND
2306	08/08/2024	Payroll	5	15515	HRA VEBA TRUST (PAYEE)	590.00	Pay Cycle(s) 08/08/2024 To 08/08/2024 - VEBA
2307	08/08/2024	Payroll	5	15516	WA ST HEALTH CARE AUTHORITY	17,660.54	Pay Cycle(s) 08/08/2024 To 08/08/2024 - PEBB MEDICAL; Pay Cycle(s) 08/08/2024 To 08/08/2024 - PEBB ADD LTD; Pay Cycle(s) 08/08/2024 To 08/08/2024 - PEBB SMK Surcharge; Pay Cycle(s) 08/08/2024 To 08/08/2024
						41,000.59	
						14,385.53	
						55,386.12	Payroll: 55,386.12

**CHECK REGISTER**

**BENEFITS**

Lake Whatcom W-S District

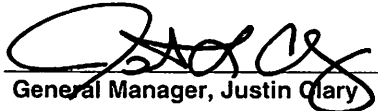
Time: 14:02:50 Date: 08/05/2024

08/08/2024 To: 08/08/2024

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 8/5/2024  
General Manager, Justin Gray

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

\_\_\_\_\_  
Board President, Todd Citron

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


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





**AGENDA  
BILL  
Item 6.A**

**Geneva Reservoir  
Improvement Plan  
Discussion**

DATE SUBMITTED:	August 7, 2024	MEETING DATE:	August 14, 2024
TO: BOARD OF COMMISSIONERS	FROM: Greg Nicoll, P.E., District Engineer		
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 Geneva Reservoir, a 500,000 gallon welded steel reservoir, serves the majority of the Geneva community, which includes approximately 1,136 connections. In 2016, BHC Consultants performed a seismic vulnerability assessment of the District’s steel reservoirs, including the Geneva Reservoir. The assessment identified two structural deficiencies with the Geneva Reservoir (inadequate uplift resistance of the foundation and insufficient anchorage) that would prohibit the Geneva Reservoir from surviving a significant earthquake.

In 2022, the District submitted a FEMA Hazard Mitigation Grant application to complete seismic retrofits to the Geneva Reservoir as well as the Sudden Valley WTP Booster Station and the grant was awarded in early 2024. The District subsequently advertised a request for proposals for engineering services to design the seismic upgrades needed to meet current standards and selected Wilson Engineering to be the design engineer. As part of their statement of qualifications, Wilson suggested an alternative that would replace the existing Geneva Reservoir with two new concrete reservoirs rather than seismically upgrading the existing reservoir.

As a first task following execution of the contract, District staff directed Wilson to further evaluate this alternative to estimate construction and life cycle costs. Wilson provided a budgetary estimate of \$4,400,000 to replace the existing reservoir with two new concrete reservoirs. This estimate substantially exceeds the total grant amount of \$903,000 awarded for design and construction of this project. Wilson’s preliminary life cycle cost analysis shows that the total life cycle cost for the two new reservoirs is approximately equal to the life cycle cost to seismically upgrade and continue to maintain and operate the existing reservoir for an additional 50 years.

District staff subsequently approached Washington State Emergency Management Department (EMD), who is administering the grant, and inquired if additional grant

funding is available to replace the Geneva Reservoir with two new reservoirs rather than completing the seismic upgrades. EMD responded that the requested change and additional budget request could not be considered due to funding limitations.

Prior to moving forward with the originally planned seismic upgrades, this action provides an opportunity for Board discussion of the options for renovation or replacement of the Geneva Reservoir.

**FISCAL IMPACT**

No action will be requested by presentation.

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

Product Quality  
Enterprise Resiliency  
Infrastructure Strategy and Performance  
Operational Optimization  
Financial Viability

**RECOMMENDED BOARD ACTION**

No action is recommended at this time.


**PROPOSED MOTION**

Not applicable.



**AGENDA  
BILL  
Item 6.B**

**Utility Rate  
Affordability Analysis**

DATE SUBMITTED:	August 1, 2024	MEETING DATE:	August 14, 2024
TO: BOARD OF COMMISSIONERS	FROM: Justin Clary, General Manager		
GENERAL MANAGER APPROVAL			
ATTACHED DOCUMENTS	1. District Utility Rate Affordability Analysis		
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 a special purpose district authorized under Title 57 Revised Code of Washington (RCW). [RCW 57.08.005\(11\)](#) provides water-sewer districts the power to set rates and charges for water and sewer service as may be needed to operate, maintain and expand, as necessary, its systems to meet federal, state, and local requirements and regulations.

Historically, the District has periodically (at least every five years) reviewed and updated its rates and fees to ensure its ability to finance anticipated operational, capital, and debt service obligations in a manner that maintains the District’s financial viability and preserves the effective operation of its water and sewer systems into the foreseeable future. The most recent comprehensive review of rates was completed in 2021, with the Board subsequently adopting a multi-year (2022-2026) rate program whereby water and sewer rates increase annually by 4.5% and 3.7%, respectively.

Recognizing the significant impacts that the national/global inflation rate has had upon District customers, the Board requested that a review of District rates be completed from an affordability perspective. Utility rate affordability is not a new concern, nor is it unique to the District. A significant reduction over the past few decades in external (state/federal) funding for water and sewer utilities has resulted in an increased burden of self-sufficiency of utilities in the operation and maintenance of their systems. To keep pace with operational and capital cost escalations, utilities have been faced with the challenge of significantly raising rates while their customers’ ability to pay (income) has largely been stagnant. The most widely used approach to calculating rate affordability was developed by the U.S. Environmental Protection Agency in the 1990s. This method has, however, come under increased scrutiny over the past couple decades (the calculation method was not originally developed as a means of determining rate affordability, but rather to assess a community’s financial capability for purposes of negotiating regulatory compliance). Key arguments against

the U.S. EPA method are: 1) it is based upon a community's median household income (MHI) rather than low-income households (generally considered the bottom income quintile (20<sup>th</sup> percentile); 2) it uses the community's average water consumption rather than the base/minimum consumption necessary for life (drinking, cooking, and health/sanitation); and 3) it does not factor in other essential costs of living (housing, food, energy). Recognizing these reasons, there has been a recent shift of funding agency (including the Washington State Department of Health, Washington State Department of Commerce, and Washington State Public Works Board) use of the MHI in determining community eligibility for hardship funding assistance.

Given the shortcomings of the U.S. EPA rate affordability method, several other methods have emerged in determining the utility rate affordability of a community. For the Board's discussion, attached is an analysis of the District's rates using the U.S. EPA method and other identified methods for determining rate affordability.

**FISCAL IMPACT**

No fiscal impact is anticipated with the board's discussion regarding District utility rate affordability.

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

Customer Satisfaction  
Financial Viability

**RECOMMENDED BOARD ACTION**

No action is recommended.

**PROPOSED MOTION**

Not applicable.

## 2024 Rate Affordability Analysis Lake Whatcom Water and Sewer District

### 2024 Water and Sewer Rates

Utility	Bi-monthly Rate	
Sewer Service	\$ 191.71	
Water Sales		
base	\$ 86.79	up to 600 cf
use over 600 cf	\$ 12.31	per 100 cf
use over 2,500 cf	\$ 15.40	per 100 cf

### Average Daily Water Consumption

Community	GPD/ERU	CFD/ERU
Sudden Valley	104	13.9
Geneva	125	16.7
Eagleridge	191	25.5
Agate Heights	189	25.3

2020 LWWSD Water Use Efficiency Plan

GPD/ERU = gallons per day per equivalent residential unit

CFD/ERU = cubic feet per day per equivalent residential unit

### Average Bi-Monthly Water Consumption

Community	CF/ERU
Sudden Valley	834.2
Geneva	1,002.7
Eagleridge	1,532.1
Agate Heights	1,516.0

CF/ERU = cubic feet per equivalent residential unit

### 2024 Average Water/Sewer Utility Bill

Community	Bi-monthly	Monthly
Sudden Valley	\$ 307.33	\$ 153.67
Geneva	\$ 328.07	\$ 164.03
Eagleridge	\$ 393.24	\$ 196.62
Agate Heights	\$ 391.26	\$ 195.63
LWWSD Average	\$ 354.98	\$ 177.49

**Annual Household Income Data**

Area	MHI	Lowest Quintile	
Census Tract 8.04	\$ 103,923	\$ 38,919	Eagleridge/Agate Heights
Census Tract 8.05	\$ 101,192	\$ 23,709	Geneva
Census Tract 8.07	\$ 89,932	\$ 39,903	North Shore/South Bay
Census Tract 8.08	\$ 126,803	\$ 47,257	Sudden Valley - Gates 1/2
Census Tract 8.09	\$ 97,622	\$ 35,372	Sudden Valley - Remainder
LWWSA Average	\$ 103,894	\$ 37,032	
Whatcom County	\$ 84,052	\$ 18,814	

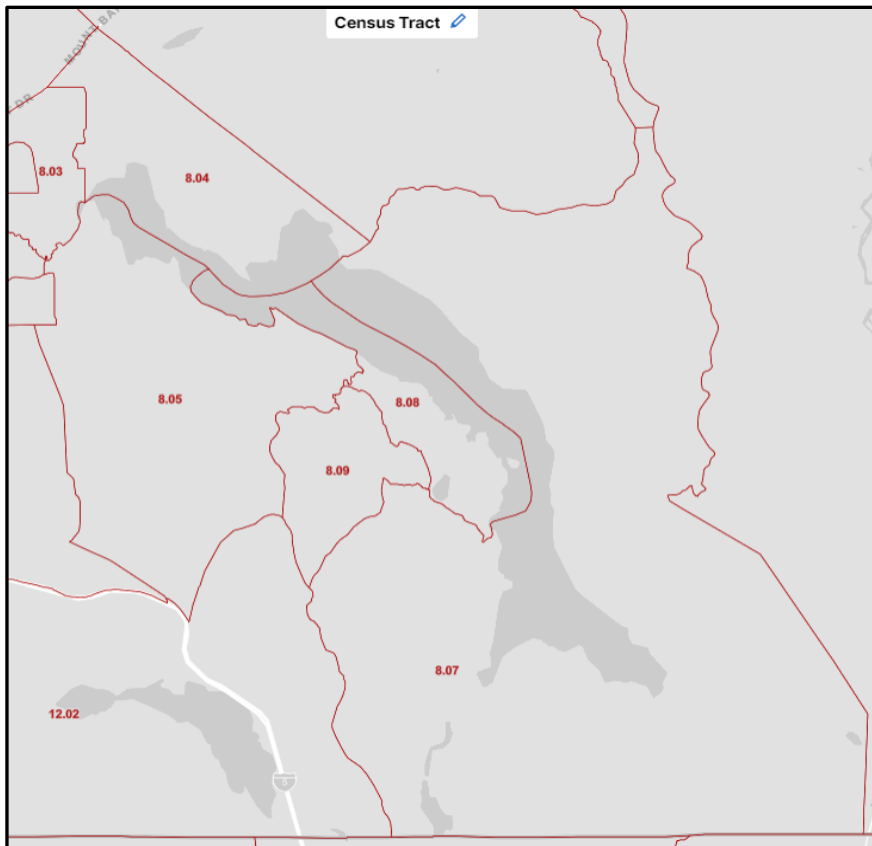
Based on 2022 American Community Survey (U.S. Census Bureau) escalated 3%/yr to 2024

**2024 Minimum Wage**

Area	Wage/Hour
Whatcom County	\$ 16.28
Bellingham	\$ 17.28

**2024 Cost of Other Essential Goods/Services**

Good/Service	Monthly Cost
Housing	\$ 1,600.00
Energy	\$ 150.00
Food	\$ 500.00
Total	\$ 2,250.00



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**Method No. 1 - U.S. EPA Rate Affordability Method**

Method Summary. Widely-adopted approach developed in the 1990s for determining water/sewer rate affordability based upon the average consumption and median household income of a utility (currently most commonly implemented method).

LWWSD Average Utility Bill	\$	2,129.86	/yr
LWWSD MHI	\$	103,894	/yr
Percentage of MHI		2.1%	

A combined average water and sewer bill greater than 4.5% of the MHI is considered unaffordable. Therefore, District rates are considered **affordable** by this method.

Method Pros:

- Longtime (30+ years) standard for assessing water/sewer rate affordability.

Method Cons:

- Use of average bill data rather than base data inflates the actual bill of most customers.
- Use of median income data does not address affordability for the target (low-income households).
- Water/sewer services are vital, but not the only essential goods (energy, food, housing, etc.).

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**Method No. 2 - Affordability Ratio-20th Income Percentile (AR<sub>20</sub>) Method**

Method Summary. Rate affordability approach that focuses on the low-income households (20th percentile income) as a function of essential services (base rate) while accommodating other vital services (housing, energy, food).

LWWSD Base Utility Bill	\$	1,671.00	/yr
Other Essential Expenses	\$	27,000.00	/yr
LWWSD 20th Percentile	\$	37,032	/yr (lowest quintile)
Percentage of AR <sub>20</sub>		16.7%	

Expending more than 10% of disposable income for lowest quintile is considered unaffordable. Therefore, District rates are considered **unaffordable** by this method.

Method Pros:

- Focuses on low-income households (lowest quintile for income).
- Based on essential (base) costs rather than average.
- Accounts for essential costs other than water/sewer.

Method Cons:

- Definition of other essential expenditures can vary greatly.

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### Method 3 - Hours of Labor at Minimum Wage (HM) Method

Method Summary. Basic method in defining affordability based upon the number of hours worked at minimum wage necessary to pay for essential (base) water and sewer services.

LWWSD Base Utility Bill	\$	139.25	/month
Whatcom Co Min. Wage	\$	16.28	/hr
Hours to Pay LWWSD Bill		8.6	hours/month

A combined base water and sewer bill requiring more than 8.0 hours/month worked at minimum wage is considered unaffordable.

Therefore, District rates are considered **unaffordable** by this method.

Method Pros:

- Focuses on low-income households (minimum wage earners).
- Based on essential (base) costs rather than average.

Method Cons:

- Method is not sensitive to other essential costs.
- Use of minimum wage is likely not reflective of the income of District customers.

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### Method 4 - Utility Bill as Percentage of 20th Percentile Income

Method Summary. This method is similar to Method 1 (U.S. EPA Method), but uses the lowest quintile income rather than median household income.

LWWSD Average Utility Bill	\$	2,129.86	/yr
LWWSD Lowest Quintile	\$	37,032	/yr
Percentage of 20th Percentile		5.8%	

A combined average water and sewer bill greater than 4.5% of the lowest quintile is considered unaffordable. Therefore, District rates are considered **unaffordable** by this method.

Method Pros:

- Uses longtime accepted approach specific to the target population for affordability.

Method Cons:


- Use of average bill data rather than base data inflates the actual bill of most customers.
- Is a combination of Methods 1 and 2, which may not accurately reflect affordability.





**AGENDA  
BILL  
Item 6.C**

**District Mission  
& Goals Review**

DATE SUBMITTED:	August 1, 2024	MEETING DATE:	August 14, 2024
TO: BOARD OF COMMISSIONERS	FROM: Justin Clary, General Manager		
GENERAL MANAGER APPROVAL			
ATTACHED DOCUMENTS	1. District Mission & Goals (2019)		
TYPE OF ACTION REQUESTED	RESOLUTION <input type="checkbox"/>	FORMAL ACTION/ MOTION <input type="checkbox"/>	INFORMATIONAL /OTHER <input checked="" type="checkbox"/>

**BACKGROUND / EXPLANATION OF IMPACT**

A mission statement is used by an organization to explain, in simple and concise terms, its purpose(s) for being. A mission statement is usually one sentence or a short paragraph explaining the organization’s culture, values, and ethics. A list of goals may accompany a mission statement that defines foundational actions to be pursued that support the organization’s mission.

The District’s current mission and goals have remained relatively unchanged for decades (a 1996 presentation to the Board of Commissioners presented a similar form of the current mission and goals). The most current revision was adopted by the Board of Commissioners in February 2019, which added to the Goals attainment of fire flow requirements in the water system and providing a safe work environment for District staff. During the Board’s adoption of the 2025-2030 Six-year Strategic Business Plan, it was noted that it has been several years since the District’s mission and goals (which are identified in the strategic plan) have been reviewed.

Recognizing that conditions have changed since the last review of the mission and goals (including the appointment of two new commissioners to the board), staff will lead the Board through a strengths, weaknesses, opportunities and threats (SWOT) analysis to identify primary internal and external factors that have the potential to affect the District. From this exercise, the Board will then be positioned to review the District’s mission and goals and make any revisions that are reflective of the current organization.

**FISCAL IMPACT**

No fiscal impact is anticipated with the board’s of the District’s mission and goals.

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

The District’s mission and goals support all ten EUM attributes.

**RECOMMENDED BOARD ACTION**

No action is recommended.

**PROPOSED MOTION**

Not applicable.



## Lake Whatcom Water & Sewer District Mission & Goals

Our mission is to provide the best possible water and sewer services to District customers in a cost efficient manner, and in a way that contributes to protecting Lake Whatcom's water quality.

We strive:

- To provide safe and reliable drinking water with sufficient capacity to meet fire flow requirements and sewage collection to District customers.
- To establish connection charges and utility rates necessary to maintain the District's financial viability.
- To protect the natural resources within the Lake Whatcom watershed through cooperative efforts with other community and governmental organizations.
- To be recognized as an outstanding public utility that is responsive to the diverse expectations of its customers.
- To maintain the District's facilities through effective planning, prevention, and corrective maintenance practices.
- To provide sewer and water service to those portions of the District as may reasonably be served.
- To have an organization environment that is responsive to customer needs, promotes teamwork and a safe work environment, and allows all people to achieve their full potential.



**AGENDA  
BILL  
Item 8.A**

**General Manager's  
Report**

DATE SUBMITTED:	August 8, 2024	MEETING DATE:	August 14, 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, August 14, 2024 – 6:30 p.m.

**Important Upcoming Dates**

Lake Whatcom Water & Sewer District			
Regular Board Meeting	Wed Aug 28, 2024	8:00 a.m.	Board Room/Hybrid
Employee Staff Meeting	Thu Aug 15, 2024	8:00 a.m.	Board Room/Hybrid Commissioner Citron to attend
Investment Comm. Meeting	Wed Aug 28, 2024	10:00 a.m.	Board Room/Hybrid
Safety Committee Meeting	Thur Aug 22, 2024	8:00 a.m.	Board Room
Lake Whatcom Management Program			
Policy Group Meeting	Wed Sep 18, 2024	3:00 p.m.	City of Bellingham Pacific St Ops Center, Rm 111/Hybrid
Joint Councils Meeting	March 2025	TBD	TBD
Other Meetings			
WASWD Section III Meeting	Tues Aug 13, 2024	6:00 p.m.	Bob’s Burgers 8822 Quil Ceda Pkwy, Tulalip, WA
Whatcom Water Districts Caucus Meeting	Wed Aug 21, 2024	2:00 p.m.	Remote Attendance
Whatcom County Council of Governments Board Meeting	Wed Oct 9, 2024	3:00 p.m.	Council of Governments Offices 314 E Champion Street/Hybrid

**Committee Meeting Reports**

Safety Committee:

- The committee met on July 25; discussion included progress on design of an extraction system for the pump pit confined space at the SVWTP, progress on design of a netting fall protection system at the North Point sewer lift station, and the status of safety program reviews.

Investment Committee:

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

**Upcoming Board Meeting Topics**

- Total compensation study presentation
- Euclid sewer lift station improvements project contract closeout
- Division 30 reservoir/SWVTP booster PLC improvements project contract closeout
- Whatcom County on-site sewage system regulation update
- 2025-2026 biennial budget presentation
- General Manager annual performance evaluation

## 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.  
*Complete—the EUM assessment was conducted in January-March and the 2025-2030 six-year strategic business plan was adopted by the board on July 10.*

#### 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 August 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 filed for adjudication on May 1, 2024; District legal counsel filed a notice of appearance on the District's behalf on June 20 to be formally notified of adjudication-related filings with the Whatcom County Superior Court; summons are anticipated to be issued in November-December.*

#### Records Management System

- Implement new records management system.  
*The District purchased the selected enterprise content management (ECM) system (Laserfiche) in December 2023 and has converted to the new system; implementation, including staff training is underway.*

#### Safety Program Update

- Continue systematic review and revision of District's safety programs by updating eight programs in 2024.  
*Staff has finalized updates to five (5) programs (meter reading, wildfire smoke, employee orientation, chemical hazard communication, and motor vehicle operation) and is reviewing the fire safety program.*

#### Capital Improvement Program Support

- Support the Engineering Department through management of specific capital improvement project(s).  
*Due to workload issues within the Engineering Department, 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.  
*An emergency response tabletop was held on July 10; participants included the Whatcom County Sheriff's Office and Health Department, South Whatcom Fire Authority, Sudden Valley Community Association, Washington State Department of Health, U.S. Cybersecurity & Infrastructure Security Agency, and the Federal Bureau of Investigation.*

### 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—the business continuity plan finalized in March 2024.*

## **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  
*A press release was issued on April 29 (Division 7 Reservoir project groundbreaking).*

### Intergovernmental Relations

- *J Clary attended the WASWD general managers' meeting on August 7.*
- *J Clary is scheduled to meet with the new Whatcom County Sheriff's Office emergency management director, Matt Klein, on August 13.*
- *J Clary is scheduled to attend a City of Lynden groundbreaking event on August 13.*
- *J Clary is scheduled to present on the WRIA No. 1 adjudication at the WASWD Section III meeting on August 13.*

## **Lake Whatcom Water Quality**

### Lake Whatcom Management Program

- Participate in meetings of Lake Whatcom Management Program partners.  
*J Clary attended the data group meeting on August 8 and is scheduled to attend the interjurisdictional coordinating team meeting on August 15.*