



Lake Whatcom Water & Sewer District Board Meeting Access Information

Next Meeting:

Wed October 30, 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

October 30, 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. Recognition of District Service by Melanie Mankamyer, Wilson Engineering
 - B. Total Compensation Study Presentation
 - C. Geneva Reservoir/SVWTP Booster Station Seismic Improvements Project Professional Services Agreement Amendment Approval
 - D. Draft 2025-26 Budget Discussion
7. OTHER BUSINESS
8. STAFF REPORTS
 - A. General Manager
 - B. Engineering Department
 - C. Finance Department
 - D. Operations Department
9. PUBLIC COMMENT OPPORTUNITY
10. EXECUTIVE SESSION
Executive Session per RCW 42.30.110(1)(g): To review the performance of a public employee (General Manager performance evaluation) – 15 minutes

11. ADJOURNMENT



**AGENDA
BILL
Item 5**

Consent Agenda

DATE SUBMITTED:	October 23, 2024	MEETING DATE:	October 30, 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 10.29.2024****

BACKGROUND / EXPLANATION OF IMPACT

- Minutes for the October 9, 2024 Regular Board Meeting
- Minutes for the October 9, 2024 Special Meeting
- Accounts Payable Vouchers totaling \$79,016.23
- Payroll for Pay Period #21 (09.28.2024 through 10.11.2024) totaling \$49,481.79
- Benefits for Pay Period #21 totaling \$54,582.44
- 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

October 9, 2024

Board President Todd Citron called the Regular Session to order at 6:31 p.m.

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

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

Addition to Agenda

The board requested the addition of discussion of the draft 2025-2026 Biennial Budget under agenda item 7: Other Business.

Consent Agenda

Action Taken

Holland moved, Carter seconded, approval of:

- **Minutes for the September 25, 2024 Regular Board Meeting**
- **Payroll for Pay Period #20 (09.14.2024 through 09.27.2024) totaling \$46,787.45**
- **Benefits for Pay Period #19 totaling \$35,995.06**
- **Benefits totaling \$35,320.93**
- **Accounts Payable Vouchers totaling \$1,140,621.27**

Motion passed.

Beaver Creek Sewer Main CIPP Public Works Contract Award

Nicoll recalled that the District owns and operates gravity sewer pipes that were installed in the early 1970s beneath Beaver Creek, a small creek that runs through the Sudden Valley development. In November 2021, Whatcom County experienced record rainfall during a major storm event that dramatically increased flows in Beaver Creek, scouring the channel and banks of the creek and exposing the District sewer pipes. Following the event, District staff coordinated with the Washington State Department of Fish and Wildlife (WDFW) to install temporary measures to protect the exposed

with the condition that they must be removed within three years of the event and replaced with permanent improvements.

The primary improvement identified by WDFW and District staff to permanently protect the pipes is installation of cured-in-place-pipe (CIPP), which is installed inside the existing pipe, providing a “pipe within a pipe” that can withstand the impact from future flooding. District staff advertised a public works contract to install CIPP within four of the exposed sewer pipes running beneath Beaver Creek. A total of three bids were received and the lowest responsive bid provided by a responsible bidder was provided by Iron Horse, LLC. District staff completed a review of the bidder criteria and determined that Iron Horse meets the requirements of the contract and is a responsible contractor with generally positive reviews from other agencies. Staff recommend that the Board award the Beaver Creek Sewer Main CIPP (District Project #M2120C) to the lowest responsible bidder that provided a responsive bid, Iron Horse, LLC.

Action Taken

Carter moved, Ford seconded, to award the Beaver Creek Sewer Main CIPP public works contract to Iron Horse, LLC for a total contract price of \$122,400 and authorize the general manager to execute the contract. Motion passed.

Emergency Planning Services Interlocal Agreement with Whatcom County

Clary explained that as a local government that is responsible for the operation of essential public facilities, proactive planning for the myriad of natural and man-caused disasters that could impact services is critical to ensuring that the District is ready to provide continuity of those services. To assist the District in its emergency preparedness, the District previously entered into a four-year agreement with the Whatcom County Sheriff’s Office Division of Emergency Management.

Through this contract, the District has developed necessary emergency response and crisis communication planning documents, updated applicable District policies, and held multiple tabletop and field emergency response exercises. As the existing agreement expires December 31, 2024, staff developed this successor agreement, with a scope of work based upon District prior experience and anticipated needs. Discussion followed.

Action Taken

Carter moved, Ford seconded, to authorize the general manager to execute the contract with Whatcom County for emergency planning services, as presented. Motion passed.

Draft 2025-2026 Biennial Budget Discussion

Signs specified that staff would present information on the proposed sewer fund capital improvement plan, as it had not been covered in work session that occurred immediately prior to this regular meeting. Discussion followed.

General Manager’s Report

Clary updated the Board on several topics, including progress on the restoration of the District’s S&P Global bond rating, progress on the District’s ongoing compensation survey with an expected presentation to the board at the end of October, and recent review of the District’s Wet Weather Response Protocol in preparation for the winter weather season.

Executive Session Per RCW 42.30.110(1)(g)

Citron recessed the Regular Session to Executive Session at 7:28 p.m. It was estimated that the

Executive Session would take about 15 minutes and end at 7:43 p.m. The purpose of the Executive Session was to review the performance of a public employee (General Manager performance evaluation). No action was taken, and Citron recessed the Executive Session and reconvened the Regular Meeting at 7:43 p.m.

With no further business, Citron adjourned the regular session at 7:43 p.m.

Board President, Todd Citron

Attest: _____
Recording Secretary, Rachael Hope

Minutes approved by motion at Regular Special Board Meeting on _____



1220 Lakeway Dr • Bellingham, WA 98229

SPECIAL SESSION OF THE BOARD OF COMMISSIONERS

Minutes

October 9, 2024

Board President Todd Citron called the Special Session to order at 5:32 p.m.

Attendees: Commissioner Todd Citron General Manager Justin Clary
Commissioner John Carter Engineering Manager Greg Nicoll
Commissioner Bruce Ford 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 (v) attended virtually.

Commissioner Bruce Ford joined the meeting at 6:00 p.m.

Draft 2025-2026 Biennial Budget & 6-year Capital Improvement Program

Signs recalled that on September 25, 2024, staff presented a draft of the 2025-2026 Biennial Budget which outlined revenues, operating expenses, debt service, and capital improvements necessary to operate the system over the course of the next two years. Since that time, the draft was revised by staff to reflect projections through the end of 2024 as of September 30, 2024. Staff highlighted those changes, as well as presenting cash flow analysis and various financial models to receive board direction in finalizing the 2025-2026 Biennial Budget. Discussion followed.

With no further business, Citron adjourned the Special Session at 6:31 p.m.

Board President, Todd Citron

Attest: _____
Recording Secretary, Rachael Hope

Minutes approved by motion at Regular Special Board Meeting on _____
Date Minutes Approved

Lake Whatcom W-S District
ACCOUNTS PAYABLE **CHECK REGISTER**
 10/14/2024 To: 10/14/2024

Time: 11:16:31 Date: 10/14/2024
 Page: 1

Trans	Date	Type	Acct #	Chk #	Claimant	Amount	Memo
3034	10/14/2024	Claims	5	15741	PUGET SOUND ENERGY - CONSTRUCT	79,016.23	
402 Sewer Fund						79,016.23	
						<u>79,016.23</u>	Claims: 79,016.23
						79,016.23	

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

Sign  Date 10/14/2024
 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

PAYROLL

Lake Whatcom W-S District

Time: 15:43:20 Date: 10/14/2024

10/17/2024 To: 10/17/2024

Page: 1


Trans	Date	Type	Acct #	Chk #	Claimant	Amount	Memo
3035	10/17/2024	Payroll	5	EFT		715.52	09/28/2024 - 10/11/2024 PR 21
3036	10/17/2024	Payroll	5	EFT		293.34	09/28/2024 - 10/11/2024 PR 21
3037	10/17/2024	Payroll	5	EFT		3,745.71	09/28/2024 - 10/11/2024 PR 21
3038	10/17/2024	Payroll	5	EFT		2,775.86	09/28/2024 - 10/11/2024 PR 21
3039	10/17/2024	Payroll	5	EFT		3,507.39	09/28/2024 - 10/11/2024 PR 21
3041	10/17/2024	Payroll	5	EFT		2,749.85	09/28/2024 - 10/11/2024 PR 21
3043	10/17/2024	Payroll	5	EFT		2,042.29	09/28/2024 - 10/11/2024 PR 21
3044	10/17/2024	Payroll	5	EFT		3,199.85	09/28/2024 - 10/11/2024 PR 21
3045	10/17/2024	Payroll	5	EFT		590.39	09/28/2024 - 10/11/2024 PR 21
3046	10/17/2024	Payroll	5	EFT		2,456.82	09/28/2024 - 10/11/2024 PR 21
3047	10/17/2024	Payroll	5	EFT		2,211.35	09/28/2024 - 10/11/2024 PR 21
3048	10/17/2024	Payroll	5	EFT		733.33	09/28/2024 - 10/11/2024 PR 21
3049	10/17/2024	Payroll	5	EFT		2,624.81	09/28/2024 - 10/11/2024 PR 21
3050	10/17/2024	Payroll	5	EFT		2,620.18	09/28/2024 - 10/11/2024 PR 21
3051	10/17/2024	Payroll	5	EFT		3,329.40	09/28/2024 - 10/11/2024 PR 21
3052	10/17/2024	Payroll	5	EFT		2,622.82	09/28/2024 - 10/11/2024 PR 21
3053	10/17/2024	Payroll	5	EFT		2,341.79	09/28/2024 - 10/11/2024 PR 21
3054	10/17/2024	Payroll	5	EFT		3,895.64	09/28/2024 - 10/11/2024 PR 21
3055	10/17/2024	Payroll	5	EFT		2,170.01	09/28/2024 - 10/11/2024 PR 21
3056	10/17/2024	Payroll	5	EFT		2,772.88	09/28/2024 - 10/11/2024 PR 21
3040	10/17/2024	Payroll	5	15742		439.99	09/28/2024 - 10/11/2024 PR 21
3042	10/17/2024	Payroll	5	15743		1,642.57	09/28/2024 - 10/11/2024 PR 21

401 Water Fund
402 Sewer Fund

14,195.82
35,285.97

49,481.79 Payroll: 49,481.79

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

Sign  Date 10/14/2024
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: 16:04:47 Date: 10/14/2024

10/17/2024 To: 10/17/2024

Page: 1

Trans	Date	Type	Acct #	Chk #	Claimant	Amount	Memo
3057	10/17/2024	Payroll	5	EFT	DEPARTMENT OF RETIREMENT SYSTEMS	5,592.50	Pay Cycle(s) 10/17/2024 To 10/17/2024 - DCP; Pay Cycle(s) 10/17/2024 To 10/17/2024 - ROTH DCP
3058	10/17/2024	Payroll	5	EFT	UNITED STATES TREASURY	17,586.01	941 Deposit for Pay Cycle(s) 10/17/2024 - 10/17/2024
3059	10/17/2024	Payroll	5	EFT	WA ST PUBLIC EMP RET PLAN 2	8,278.36	Pay Cycle(s) 10/17/2024 To 10/17/2024 - PERS 2
3060	10/17/2024	Payroll	5	EFT	WA ST PUBLIC EMP RET PLAN 3	3,257.64	Pay Cycle(s) 10/17/2024 To 10/17/2024 - PERS 3
3061	10/17/2024	Payroll	5	EFT	WA ST SUPPORT ENFORCEMENT REGISTRY	958.00	Pay Cycle(s) 10/17/2024 To 10/17/2024 - SUP ENF
3062	10/17/2024	Payroll	5	15744	AFLAC	354.83	Pay Cycle(s) 10/17/2024 To 10/17/2024 - AFLAC PRE-TAX; Pay Cycle(s) 10/17/2024 To 10/17/2024 - AFLAC POST-TAX
3063	10/17/2024	Payroll	5	15745	AFSCME LOCAL	334.70	Pay Cycle(s) 10/17/2024 To 10/17/2024 - UNION DUES; Pay Cycle(s) 10/17/2024 To 10/17/2024 - UNION FUND
3064	10/17/2024	Payroll	5	15746	HRA VEBA TRUST (PAYEE)	560.00	Pay Cycle(s) 10/17/2024 To 10/17/2024 - VEBA
3065	10/17/2024	Payroll	5	15747	WA ST HEALTH CARE AUTHORITY	17,660.40	Pay Cycle(s) 10/17/2024 To 10/17/2024 - PEBB MEDICAL; Pay Cycle(s) 10/17/2024 To 10/17/2024 - PEBB ADD LTD; Pay Cycle(s) 10/17/2024 To 10/17/2024 - PEBB SMK Surcharge; Pay Cycle(s) 10/17/2024 To 10/17/2024
						40,311.68	
						14,270.76	
						54,582.44	Payroll: 54,582.44

CHECK REGISTER

BENEFITS

Lake Whatcom W-S District


Time: 16:04:47 Date: 10/14/2024

10/17/2024 To: 10/17/2024

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 10/14/2024
 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
BILL
Item 6.A**

**Recognition of
Melanie Mankamyer's
Service to the District**

DATE SUBMITTED:	October xx, 2024	MEETING DATE:	October 30, 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

Like most relatively small water-sewer districts, the Lake Whatcom Water and Sewer District relies on consultant engineers to provide the technical expertise to permit, design, construct, and often times, the operate infrastructure. Wilson Engineering has served in the role as the District's primary consultant engineer since 1987. For the past 27 years, Melanie Mankamyer of Wilson Engineering has played integral roles in many District projects. While a comprehensive list of projects that Melanie has supported the District is too great to show, a few of the more notable projects include:

- Water and Sewer Comprehensive Plans (multiple revisions)
- Sudden Valley/Geneva Water Intertie Project (2001)
- Airport and Austin Sewer Lift Stations Improvement Project (2005)
- Cable Street Water Main Replacement Project (2006)
- Plum and Strawberry Canyon Sewer Lift Stations Improvement Project (2006)
- Sewer Lift Stations Snorkel Installation Project (2009)
- Geneva Asbestos Cement Water Mains Replacement Project (2013)
- Septic System Conversions Project (2018)
- Agate Water Treatment Plant Upgrades Project (2018)

Beyond planned projects, Melanie has also been invaluable to District staff and board in providing the institutional knowledge of past District considerations and actions, as well as has made herself readily available in time of emergency (e.g., Division 30 water main rupture in 2021).

With Melanie's retirement on October 31, the District wishes to recognize Melanie's significant service to the District during the October 30 board meeting.

FISCAL IMPACT

No fiscal impact is anticipated.

APPLICABLE EFFECTIVE UTILITY MANAGEMENT ATTRIBUTE(S)

None

RECOMMENDED BOARD ACTION

None.

PROPOSED MOTION

Not applicable.



**AGENDA
BILL
Item 6.B**

**2024
Total Compensation Study
Presentation**

DATE SUBMITTED:	September 27, 2024	MEETING DATE:	October 9, 2024
TO: BOARD OF COMMISSIONERS	FROM: Justin Clary, General Manager		
GENERAL MANAGER APPROVAL			
ATTACHED DOCUMENTS	1. 2024 Total Compensation Study Report prepared by NW Management Consulting		
TYPE OF ACTION REQUESTED	RESOLUTION <input type="checkbox"/>	FORMAL ACTION/ MOTION <input type="checkbox"/>	INFORMATIONAL /OTHER <input checked="" type="checkbox"/>

BACKGROUND / EXPLANATION OF IMPACT

Employee wages and benefits make up a significant component of a service organization’s (like the District) overall operating budget (wages and benefits make up 53% of the District’s 2024 operating budget). The total compensation package (e.g., salary, benefits, professional development opportunities) offered to employees is a key component of promoting employee retention (which, in turn, is critical to maintaining institutional knowledge).

With the current collective bargaining agreement between the District and AFSCME set to expire December 31, the District hired NW Management Consulting LLC to assist in the completion of a total compensation study to guide the District in any revisions to its salary matrix and to assess the District’s benefits package as a means of remaining competitive with comparable agencies. To facilitate study development, a board discussion on the District’s compensation philosophy and priority areas will be beneficial in guiding the study.

Following individual staff interviews, evaluation of wages and benefits of comparable agencies, and input from District management and AFSCME representatives, NW Management Consulting staff will present its findings and recommendations to the board.

FISCAL IMPACT

No fiscal impact is anticipated with the board presentation. Should the board wish to revise the current salary matrix to accommodate the study findings, staff can provide a fiscal impact through yearend.

APPLICABLE EFFECTIVE UTILITY MANAGEMENT ATTRIBUTE(S)

Employee Leadership and Development

RECOMMENDED BOARD ACTION

None.

PROPOSED MOTION

Not applicable.

LAKE WHATCOM WATER & SEWER DISTRICT TOTAL COMPENSATION STUDY

PROGRESS REPORT ON TOTAL COMPENSATION STUDY - SURVEY ANALYSIS - PRELIMINARY DATA

PROGRESS REPORT AS OF OCTOBER 21, 2024

Lake Whatcom is reviewing its compensation programs. The project recognizes the uniqueness of Lake Whatcom’s communities, topography, water resources, Board, engineering, systems, management, crews and organization. The study is to indicate actions to be taken, if any, to avoid loss of qualified staff, enhance recruiting and assure positions do not lag the market by more than 5%.

This Progress Report presents updated total compensation survey worksheets. The purpose is to provide a summary introduction to salary survey, benefit and total compensation computations and findings. The survey is to provide credible and valid comparisons for 16 positions based on seven mid-scale, North Puget Sound area districts and cities. Survey comparisons reflect management, non-rep and AFSCME inputs and reviews.

Comparisons are for 11 AFSCME and five non-rep positions. Survey findings are considered reliable to within $\pm 5\%$. This means there is no measurable difference for comparisons within $\pm 5\%$. A variance negative sign "-" means Lake Whatcom lags the survey average and no sign means Lake Whatcom exceeds or is the same. The final report is to include explanatory texts and worksheets. Consultants: Ross Ardrey and Kathleen Grauman, NW Management Consulting. Findings reflect a collaborative process and the consultants’ professional opinions.

Report Outline

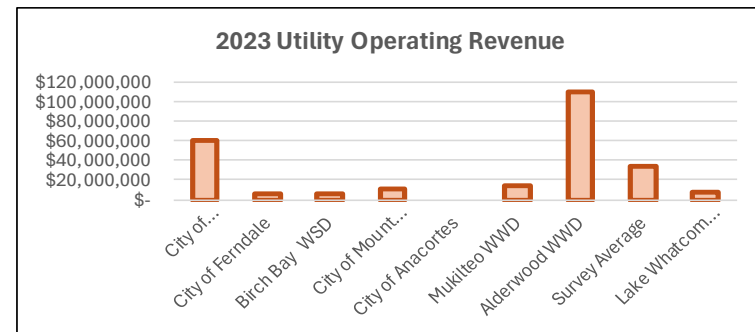
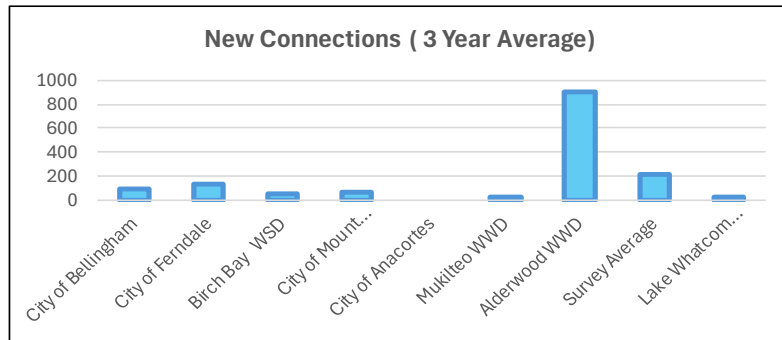
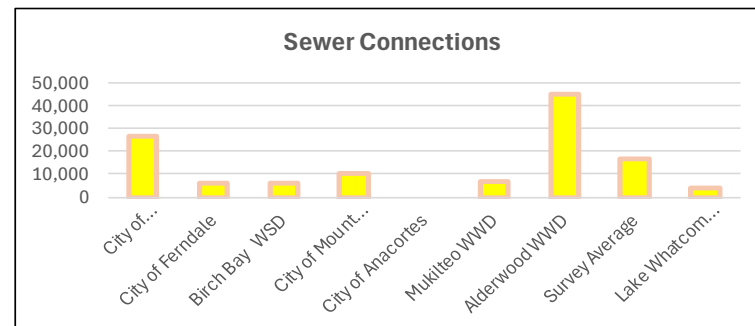
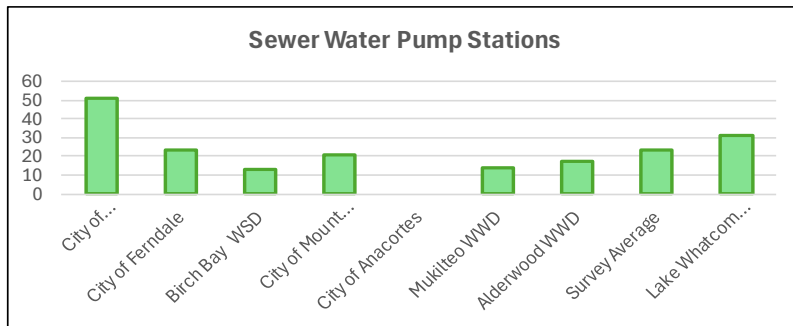
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The tables and charts following this page highlight Lake Whatcom Water & Sewer District’s comparisons with the other districts and cities.

LAKE WHATCOM WATER AND SEWER DISTRICT TOTAL COMPENSATION SURVEY - SURVEY COMPARISON PROSPECTS (7)

Narrative: Comparisons Highlight Location, Proximity, Scope of Services, Sewer Connections, 3 Year Average New Sewer Connections, and Operating Revenues
Findings: Survey Comparisons Focus on Whatcom County, Include Skagit and Snohomish Counties, and Present a Balance of North Sound Water and Sewer Services

Agency	City of Bellingham	City of Ferndale	Birch Bay WSD	City of Mount Vernon	City of Anacortes	Mukilteo WWD	Alderwood WWD	Survey Average	Lake Whatcom
Cities and Districts	Whatcom	Whatcom	Whatcom	Skagit	Skagit	Snohomish	Snohomish	Total: 7	Whatcom
Distance to LWWSO (miles)	5	14	25	27	40	70	75	37	--
Water/Sewer Utility	yes/yes	yes/yes	yes/yes	no/yes	yes/yes	yes/yes	yes/yes	Varies	yes/yes
Sewer/Water Pump Stations	51	23	13	21		14	17	23	31
Connections (sewer)	26,604	5,906	5,876	10,083		6,571	44,953	16,666	4,038
New Connections (3 year avg)	93	138	56	67		21	900	212	25
2023 Utility Operating Revenue	\$ 60,000,000	\$ 5,174,000	\$ 5,500,000	\$ 10,739,000		\$ 14,003,000	\$ 110,200,000	34,269,333	\$ 7,843,000



The worksheet following this page shows the salary survey positions, district and city comparisons, variances and preliminary findings.

TOTAL COMPENSATION SURVEY - SALARY SURVEY SUMMARY - DEPARTMENT/JOB ORDER

Narrative: First Column Lists Jobs and Depts - Middle Section Shows Survey Comparisons with Job Titles or Abbreviations - Columns on Right Show Summary and LWWS D

Findings: LWWS D Lags Average by About -7% (-6.6%) - -Eleven of 16 Positions Lag by - 5% or More (Green), Five of 16 Positions by Up to -5%

LWWS D Dept/Job (16)	Bellingham		Ferndale		Birch Bay WSD		Mt Vernon		Anacortes		Mukilteo WWD		Alderwood WWD		Survey		LWWS D	
	Job	Max	Job	Max	Job	Max	Job	Max	Job	Max	Job	Max	Job	Max	Jobs	Average	Max	Var
General Manager	Asst Dir Operations	80.86	Public Works Director	71.50	General Manager	94.70	Public Works Director	91.29	Public Works Director	85.08	General Manager	117.20	General Manager	124.25	7	94.98	85.68	-10.9%
Administrative Assistant					AR Clerk-Public Records	39.58	Executive Admin Assistant	41.82	Executive Assistant	41.85			Executive Assistant	53.00	4	44.06	41.01	-7.4%
Finance Mgr/Treasurer	Fin Services Mgr	57.77	Finance Director	51.49	Finance Director	70.93			Finance/CT	82.60	Finance Manager	87.45	Finance Manager, Accounting	75.53	6	70.96	66.80	-6.2%
AP/Payroll & Benefits Admin			Deputy Treasurer	39.13			Payroll Specialist	43.91	Accountant	48.52			Payroll Accountant	50.33	4	45.47	41.01	-10.9%
Utility Systems Support Spec			Utility Worker	46.68	Water Operator	41.37							Util Wrk w CDL	41.08	3	43.04	41.01	-5.0%
Accounts Receivable Tech	Accounting Technician, all divisions PW	32.20	Utility Billing Clk, Acct Clk II	33.74	AR Clerk - Utility Billing	39.58	Accounting Technician, Senior	37.93	Accounting Tech	36.58	Accounting Assistant II	44.45	Finance Technician II	41.08	7	37.94	37.20	-2.0%
Accounting Clerk	Office Asst II	27.00	Utility Billing Clk, Acct Clk II	33.74	AR Clerk	39.58	Accounting Technician	32.77			Accounting Assistant I	41.55	Finance Technician II	41.08	6	35.95	35.43	-1.5%
Operations & Maint Manager	Supt Maint Operations	69.85	Public Utilities Superintende	56.75	Operations Manager	70.93	WW Utility Manager	61.79	Operations Manager	63.30	O & M Mgr	87.45	Field Operations Manager	70.59	7	68.67	63.62	-7.9%
Maintenance Electrician	Maintenance Specialist	51.70					Instrument Control Technician	52.48					Senior Mnt Elect	61.66	3	55.28	52.34	-5.6%
Water Treatment Plant Operator	Chief Operator-Water	57.77	Lead Operator	46.68			WWTP Foreman	52.48	WTP Supervisor 1	56.24			WWTP Op Lead	61.66	5	54.97	49.85	-10.3%
Maintenance Worker Lead	Maintenance Specialist	51.70	Foreman	49.03	Water Foreman and Sewer	46.15	WW Foreman	52.48	WTP Supervisor 1/ WTPO 4	56.24	Util Svcs Tech Lead	54.46	Lead Utility Worker	53.84	7	51.99	47.47	-9.5%
Maintenance Worker II	MT 3/PO2	43.27	Utility Worker	46.68	Utility Operator	41.37	WW Operator 2	43.18			Utility Worker II	47.57	Sr. Utility Worker	50.33	6	45.40	43.06	-5.4%
Maintenance Worker I	Plant Maint Tech 2	38.46					WW Operator 1	41.12	WTP Operator 1	39.98	Utility Worker I	44.45	Utility Worker I	41.08	5	41.02	37.20	-10.3%
Engineering Mgr/District Engineer	Engineering Manager	69.85					Capital Programs Mgr/City	71.52	City Engineer	69.17	Engineering Manager	87.45	Capital Program Manager	86.46	5	76.89	73.65	-4.4%
Construction Engineer							Senior Engineer	64.86	Senior Engineer Tech	49.16			Project Engineer	75.53	3	63.18	60.59	-4.3%
Engr Tech/ Safety Officer	Engineering Technician	36.26					Engineering Technician	39.83	GIS Asset Coord/Engineering Tech	43.68	Water Quality/Engineering	62.36			4	45.53	45.21	-0.7%
Survey Average Formula: (Lake Whatcom - Survey)/Lake Whatcom)															5	54.71	51.32	-6.6%

The charts following this page show the preliminary data in survey order, variance order, and AFSCME and Non-Rep comparisons and trendlines.

TOTAL COMPENSATION SURVEY - SALARY SURVEY SUMMARY - SURVEY ORDER (HIGHER TO LOWER)

Narrative: First Column Lists Jobs and Depts - Middle Section Shows Survey Comparisons with Job Titles or Abbreviations - Columns on Right Show Summary and LWWS

Findings: LWWS Lags Average by About -7% (-6.6%) - - Variances Spread from Upper to Lower Salary Levels

LWWS	Bellingham		Ferndale		Birch Bay WSD		Mt Vernon		Anacortes		Mukilteo WWD		Alderwood WWD		Survey		LWWS	
	Job	Max	Job	Max	Job	Max	Job	Max	Job	Max	Job	Max	Job	Max	Jobs	Average	Max	Var
General Manager	Asst Dir Operations	80.86	Public Works Director	71.50	General Manager	94.70	Public Works Director	91.29	Public Works Director	85.08	General Manager	117.20	General Manager	124.25	7	94.98	85.68	-10.9%
Engineering Mgr/ District Engineer	Engineering Manager	69.85					Capital Programs Mgr/City	71.52	City Engineer	69.17	Engineering Manager	87.45	Capital Program Manager	86.46	5	76.89	73.65	-4.4%
Finance Mgr/ Treasurer	Fin Services Mgr	57.77	Finance Director	51.49	Finance Director	70.93			Finance/CT	82.60	Finance Manager	87.45	Finance Manager, Accounting	75.53	6	70.96	66.80	-6.2%
Operations & Maint Manager	Supt Maint Operations	69.85	Public Utilities Superintendent	56.75	Operations Manager	70.93	WW Utility Manager	61.79	Operations Manager	63.30	O & M Mgr	87.45	Field Operations Manager	70.59	7	68.67	63.62	-7.9%
Construction Engineer							Senior Engineer	64.86	Senior Engineer Tech	49.16			Project Engineer	75.53	3	63.18	60.59	-4.3%
Maintenance Electrician	Maintenance Specialist	51.70					Instrument Control Technician	52.48					Senior Mnt Elect	61.66	3	55.28	52.34	-5.6%
Water Treatment Plant Operator	Chief Operator-Water	57.77	Lead Operator	46.68			WWTP Foreman	52.48	WTP Supervisor 1	56.24			WWTP Op Lead	61.66	5	54.97	49.85	-10.3%
Maintenance Worker Lead	Maintenance Specialist	51.70	Foreman	49.03	Water Foreman and Sewer	46.15	WW Foreman	52.48	WTP Supervisor 1/ WTRQ 4	56.24	Util Svcs Tech Lead	54.46	Lead Utility Worker	53.84	7	51.99	47.47	-9.5%
Engr Tech/ Safety Officer	Engineering Technician	36.26					Engineering Technician	39.83	GIS Asset Coord/Engineering Tech Accountant	43.68	Water Quality/Engineering	62.36			4	45.53	45.21	-0.7%
AP/Payroll & Benefits Admin			Deputy Treasurer	39.13	N/A	-	Payroll Specialist	43.91		48.52			Payroll Accountant	50.33	4	45.47	41.01	-10.9%
Maintenance Worker II	MT 3/ PO2	43.27	Utility Worker	46.68	Utility Operator	41.37	WW Operator 2	43.18			Utility Worker II	47.57	Sr. Utility Worker	50.33	5	45.40	43.06	-5.4%
Administrative Assistant					AR Clerk-Public Records	39.58	Executive Admin Assistant	41.82	Executive Assistant	41.85			Executive Assistant	53.00	4	44.06	41.01	-7.4%
Utility Systems Support Spec			Utility Worker	46.68	Water Operator	41.37							Util Wrk w CDL	41.08	3	43.04	41.01	-5.0%
Maintenance Worker I	Plant Maint Tech 2	38.46					WW Operator 1	41.12	WTP Operator 1	39.98	Utility Worker I	44.45	Utility Worker I	41.08	5	41.02	37.20	-10.3%
Accounts Receivable Tech	Accounting Technician, all divisions PW	32.20	Utility Billing Clk, Acct Clk II	33.74	AR Clerk - Utility Billing	39.58	Accounting Technician, Senior	37.93	Accounting Tech	36.58	Accounting Assistant II	44.45	Finance Technician II	41.08	7	37.94	37.20	-2.0%
Accounting Clerk	Office Asst II	27.00	Utility Billing Clk, Acct Clk II	33.74	AR Clerk	39.58	Accounting Technician	32.77			Accounting Assistant I	41.55	Finance Technician II	41.08	6	35.95	35.43	-1.5%
Survey Average Formula: (Lake Whatcom - Survey)/Lake Whatcom)															5	54.71	51.32	-6.6%

TOTAL COMPENSATION SURVEY - SALARY SURVEY SUMMARY - VARIANCE ORDER

Narrative: First Column Lists Jobs and Depts - Middle Section Shows Survey Comparisons with Job Titles or Abbreviations - Columns on Right Show Summary and LWWS

Findings: LWWS Lags Average by About -7% (-6.6%) - - Variances Spread from Upper to Lower Salary Levels - - All Positions Lag Survey Comparisons

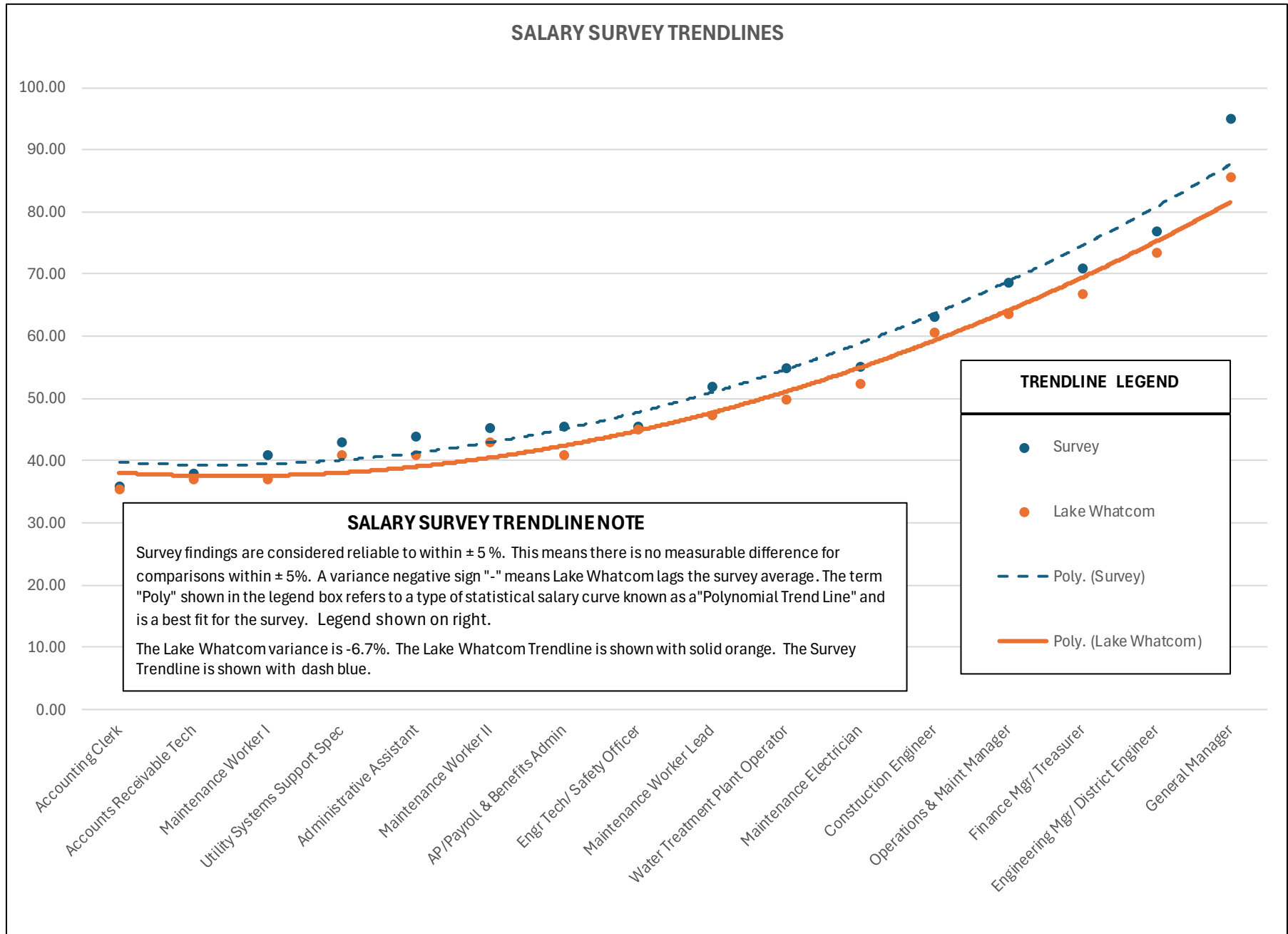
LWWS	Bellingham		Ferndale		Birch Bay WSD		Mt Vernon		Anacortes		Mukilteo WWD		Alderwood WWD		Survey		LWWS	
	Variance Order	Job	Max	Job	Max	Job	Max	Job	Max	Job	Max	Job	Max	Job	Max	Jobs	Average	Max
AP/Payroll & Benefits Admin			Deputy Treasurer	39.13	N/A	-	Payroll Specialist	43.91	Accountant	48.52			Payroll Accountant	50.33	4	45.47	41.01	-10.9%
General Manager	Asst Dir Operations	80.86	Public Works Director	71.50	General Manager	94.70	Public Works Director	91.29	Public Works Director	85.08	General Manager	117.20	General Manager	124.25	7	94.98	85.68	-10.9%
Water Treatment Plant Operator	Chief Operator - Water	57.77	Lead Operator	46.68			WWTP Foreman	52.48	WTP Supervisor 1	56.24			WWTP Op Lead	61.66	5	54.97	49.85	-10.3%
Maintenance Worker I	Plant Maint Tech 2	38.46					WW Operator 1	41.12	WTP Operator 1	39.98	Utility Worker I	44.45	Utility Worker I	41.08	5	41.02	37.20	-10.3%
Maintenance Worker Lead	Maintenance Specialist	51.70	Foreman	49.03	Water Foreman and Sewer Operations Manager	46.15	WW Foreman	52.48	WTP Supervisor 1 WTPQA	56.24	Util Svcs Tech Lead	54.46	Lead Utility Worker	53.84	7	51.99	47.47	-9.5%
Operations & Maint Manager	Supt Maint Operations	69.85	Public Utilities Superintendent	56.75		70.93	WW Utility Manager	61.79	Operations Manager	63.30	O & M Mgr	87.45	Field Operations Manager	70.59	7	68.67	63.62	-7.9%
Administrative Assistant					AR Clerk - Public Records	39.58	Executive Admin Assistant	41.82	Executive Assistant	41.85			Executive Assistant	53.00	4	44.06	41.01	-7.4%
Finance Mgr/ Treasurer	Fin Services Mgr	57.77	Finance Director	51.49	Finance Director	70.93			Finance/CT	82.60	Finance Manager	87.45	Finance Manager, Accounting	75.53	6	70.96	66.80	-6.2%
Maintenance Electrician	Maintenance Specialist	51.70					Instrument Control Technician	52.48					Senior Mnt Elect	61.66	3	55.28	52.34	-5.6%
Maintenance Worker II	MT 3/ PO2	43.27	Utility Worker	46.68	Utility Operator	41.37	WW Operator 2	43.18			Utility Worker II	47.57	Sr. Utility Worker	50.33	5	45.40	43.06	-5.4%
Utility Systems Support Spec			Utility Worker	46.68	Water Operator	41.37							Util Wrk w CDL	41.08	3	43.04	41.01	-5.0%
Engineering Mgr/ District Engineer	Engineering Manager	69.85					Capital Programs Mgr/City Senior Engineer	71.52	City Engineer	69.17	Engineering Manager	87.45	Capital Program Manager	86.46	5	76.89	73.65	-4.4%
Construction Engineer								64.86	Senior Engineer Tech	49.16			Project Engineer	75.53	3	63.18	60.59	-4.3%
Accounts Receivable Tech	Accounting Technician, all divisions PW	32.20	Utility Billing Clk, Acct Clk II	33.74	AR Clerk - Utility Billing	39.58	Accounting Technician, Senior	37.93	Accounting Tech	36.58	Accounting Assistant II	44.45	Finance Technician II	41.08	7	37.94	37.20	-2.0%
Accounting Clerk	Office Asst II	27.00	Utility Billing Clk, Acct Clk II	33.74	AR Clerk	39.58	Accounting Technician	32.77			Accounting Assistant I	41.55	Finance Technician II	41.08	6	35.95	35.43	-1.5%
Engr Tech/ Safety Officer	Engineering Technician	36.26					Engineering Technician	39.83	GIS Asset Coord/Engineering Tech	43.68	Water Quality/Engineering	62.36			4	45.53	45.21	-0.7%
Survey Average Formula: (Lake Whatcom - Survey)/Lake Whatcom															5	54.71	51.32	-6.6%

TOTAL COMPENSATION SURVEY - SALARY SURVEY SUMMARY - AFSCME AND NON-REP COMPARISONS (SURVEY ORDER)

Narrative: First Column Lists AFSCME and Non-Rep Jobs - Middle Shows Survey with Job Titles - Columns on Right Show Summary and LWWS D

Findings: LWWS D Lags Average by About -7% (-6.6%) - - Average for AFSCME Positions at -6.0% - - Average for Non-Rep Positions at -7.5%

LWWS D AFSCME NR	Bellingham		Ferndale		Birch Bay WSD		Mt Vernon		Anacortes		Mukilteo WWD		Alderwood WWD		Survey		LWWS D	
	Job	Max	Job	Max	Job	Max	Job	Max	Job	Max	Job	Max	Job	Max	Jobs	Average	Max	Var
AFSCME Positions																		
Construction Engineer							Senior Engineer	64.86	Senior Engineer Tech	49.16			Project Engineer	75.53	3	63.18	60.59	-4.3%
Maintenance Electrician	Maintenance Specialist	51.70					Instrument Control Technician	52.48					Senior Mnt Elect	61.66	3	55.28	52.34	-5.6%
Water Treatment Plant Operator	Chief Operator- Water	57.77	Lead Operator	46.68			WWTP Foreman	52.48	WTP Supervisor 1	56.24			WWTP Op Lead	61.66	5	54.97	49.85	-10.3%
Maintenance Worker Lead	Maintenance Specialist	51.70	Foreman	49.03	Water Foreman and Sewer	46.15	WW Foreman	52.48	WTP Supervisor 1/ WTPO 4	56.24	Util Svcs Tech Lead	54.46	Lead Utility Worker	53.84	7	51.99	47.47	-9.5%
Engr Tech/ Safety Officer	Engineering Technician	36.36					Engineering Technician	39.83	GIS Asset Coord/Engineering Tech Accountant	43.68	Water Quality/Engineering	62.36			4	45.56	45.21	-0.8%
AP/Payroll & Benefits Admin			Deputy Treasurer	39.13	N/A	-	Payroll Specialist	43.91		48.52			Payroll Accountant	50.33	4	45.47	41.01	-10.9%
Maintenance Worker II	MT 3/ PO2	43.27	Utility Worker	46.68	Utility Operator	41.37	WW Operator 2	43.18			Utility Worker II	47.57	Sr. Utility Worker	50.33	5	45.40	43.06	-5.4%
Utility Systems Support Spec			Utility Worker	46.68	Water Operator	41.37							Util Wrk w CDL	41.08	3	43.04	41.01	-5.0%
Maintenance Worker I	Plant Maint Tech 2	38.46					WW Operator 1	41.12	WTP Operator 1	39.98	Utility Worker I	44.45	Utility Worker I	41.08	5	41.02	37.20	-10.3%
Accounts Receivable Tech	Accounting Technician, all divisions PW	32.20	Utility Billing Clk, Acct Clk II	33.74	AR Clerk - Utility Billing	39.58	Accounting Technician, Senior	37.93	Accounting Tech	36.58	Accounting Assistant II	44.45	Finance Technician II	41.08	7	37.94	37.20	-2.0%
Accounting Clerk	Office Asst II	27.00	Utility Billing Clk, Acct Clk II	33.74	AR Clerk	39.58	Accounting Technician	32.77			Accounting Assistant I	41.55	Finance Technician II	41.08	6	35.95	35.43	-1.5%
Non-Represented Positions																		
General Manager	Asst Dir Operations	80.86	Public Works Director	71.50	General Manager	94.70	Public Works Director	91.29	Public Works Director	85.08	General Manager	117.20	General Manager	124.25	7	94.98	85.68	-10.9%
Engineering Mgr/ District Engineer	Engineering Manager	69.85					Capital Programs Mgr/City	71.52	City Engineer	69.17	Engineering Manager	87.45	Capital Program Manager	86.46	5	76.89	73.65	-4.4%
Finance Mgr/ Treasurer	Fin Services Mgr	57.77	Finance Director	51.49	Finance Director	70.93			Finance/ CT	82.60	Finance Manager	87.45	Finance Manager, Accounting	75.53	6	70.96	66.80	-6.2%
Operations & Maint Manager	Supt Maint Operations	69.85	Public Utilities Superintende	56.75	Operations Manager	70.93	WW Utility Manager	61.79	Operations Manager	63.30	O & M Mgr	87.45	Field Operations Manager	70.59	7	68.67	63.62	-7.9%
Administrative Assistant					AR Clerk- Public Records	39.58	Executive Admin Assistant	41.82	Executive Assistant	41.85			Executive Assistant	53.00	4	44.06	41.01	-7.4%
Survey Average Formula: (Lake Whatcom - Survey)/Lake Whatcom)															5	54.71	51.32	-6.6%
Survey Average - AFSCME Positions															5	47.25	44.58	-6.0%
Survey Average - Non-Rep Positions															6	77.88	72.44	-7.5%



The next section focuses on benefits and total compensation and is followed by position salary charts with percent variance comparisons.

SURVEY AND LAKE WHATCOM BENEFIT AND TOTAL COMPENSATION

PAID LEAVE, INSURANCES, RETIREMENT AND OTHER ADDITIONS:

This section draws together wage and salary administration as well as benefit comparisons for paid leave, insurance, retirement, and other additions to compensation. The purpose is intended to provide Lake Whatcom Board, GM, management, AFSCME and Non-Rep staff with a practical framework for discussing total compensation without getting into the details of an actuarial analysis. Included are: Compensated Leave for Holidays, Sick Leave, and Vacations; Health and Other Insurance such as Medical, Dental, Long Term Disability (LTD), plus Life; Retirement and Other Additions such as On Call Pay, Longevity and Incentives.

Benefits and Total Compensation Computations

The summary following this page lists the wage and salary administration practices as well as the benefit programs in the column on the left. The middle section shows district and city program comparisons. Averages for the district and city comparisons and the Lake Whatcom comparisons are shown in the columns on the right. The averages show a simple average that includes each of the organizations, and, for each program area, a compound average that is based on the averages from all of the districts and cities. Survey variances are shown on the right in each section and on the lower section of the table together with Lake Whatcom's comparisons.

To put compensated leave on the same basis, employer costs are computed based on the average salary top step from the survey. Examples of comparisons based on the survey data are shown in the following tabulation:

- The average maximum number of paid vacation days for a person with 25 years' service, with rounding, is 26, and the average top step on a per day basis is \$438 ($8 * \$54.71 = \438). This is approximately \$11,388 per year ($\$438 * 26 = \$11,388$).
- For Lake Whatcom, the average number of vacation days is 25. The average top step on a per day basis is \$410.56 ($8 * \$51.32 = \410.56). This is approximately \$10,264 ($\$410.56 * 25 = \$10,264$).

For medical and other insurances, the average percentage of each employer's contribution is shown. Retirement cost comparisons are simplified because of participation of all the district and cities in the Washington State programs. Other additions are computed on a per item basis.

For employee benefits, Lake Whatcom is about the same as the district and city program comparisons for paid leave. Except for AD&D, the Deferred Comp Match and LTD, Lake Whatcom is about the same. For On Call Pay and Longevity Lake Whatcom's total exceeds the other district and city program comparisons. Benefit are on a program by program based on the average hourly survey and Lake Whatcom comparisons.

TOTAL COMPENSATION SURVEY - PRELIMINARY WAGE AND SALARY STRUCTURE AND BENEFIT COMPARISONS - COMMENTS WELCOME

Narrative: First Block Shows Wage and Salary Administration; Second Shows Benefits - Data Based on Participant Inputs and LWUSD Survey Compilation

Findings: Prevailing Wage and Salary Practices Consistent for Rep and NR - LWUSD Wage, Salary and Benefits Consistent or Exceed Others

Next Steps: Corrections and Clarifications Welcome; Consultants to Follow-Up on Issues and Questions: Issues for Attention Shown in Yellow

Wage and Salary Program and Benefits	City of Bellingham	City of Ferndale	Birch Bay WSD	City of Mt Vernon	City of Anacortes	Mukilteo WWD	Alderwood WWD	Survey Average	LWUSD 2024
Represented Employee Comparison									
Steps or Rate	Steps	Steps	Steps	Steps	Steps	Steps	Steps	Steps	Steps
Range (%)	19.7%	18.9%	28.3%	26.7%	19.4%	27.5%	34.0%	24.9%	26.5%
No. of Steps	7	8	8	9	7	6	7	7.4	7
Increase/Step (%)	3.0%	2.5%	3.6%	3.0%	3.0%	5.0%	5.0%	3.6%	4.0%
Union	Guild/Teamsters	Teamster (2)	Emp Org	Teamsters	Teamsters	none	AFSCME	Rep: 6; NR: 1	AFSCME
Non-Represented Employee Comparison									
Steps or Rate	Steps	Rates	Rates	Steps	Steps	Steps	Steps	Steps: 5; Rates: 2	Steps
Range (%)	undefined	undefined	-	31.6%	26.5%	27.5%	34.0%	29.9%	26.5%
No. of Steps	undefined	undefined	-	8	7	6	7	7	7
Increase/Step (%)	undefined	undefined	-	4.0%	4.0%	5.0%	5.0%	4.5%	4.0%
General Manager/CEO	Steps	Rates	Rates	N/A	Steps	Rates	undefined	varies	Rates

Paid Leave (days per year, based on 8 hour/day)									
Holidays + Floaters	13	15	12	13	14	13	12	13.1	12
Vacation (25-yr)	28	25	25	27	25.5	25	25.5	25.9	25
Sick Leave	12	12	12	12	12	12	12	12.0	13
Total	53	52	49	52	51.5	50	49.5	51.0	50

Insurance (Medical, Dental, Vision)									
Medical Contribution:									
- Employee (%)	varies	95%	100%	80%	100%	100%	94%	95%	95%
- Dependent (%)	varies	95%	100%	80%	90%	100%	94%	93%	95%
Dnt/Vis Contrib. (%)	100%	100%	100%	100%	100%	100%	100%	100%	95%

Life Insurance									
Employer Contrib. (%)	100%	0%	100%	0%	100%	100%	100%	71%	95%

Retirement									
Program	PERS	PERS	PERS	PERS	PERS	PERS	PERS	PERS	PERS

Additional Benefits									
On Call Pay (hrs/wk)	varies	21	14	varies	varies	12	21	17.0	21
Call Back Min. (hrs)	4	3	2	2.5	2	3	4	2.9	2
AD&D Contribution	100%	0%	0%	0%	0%	100%	100%	43%	95%
Def Comp Match Max.	0%	\$150/mo	0%	0%	0%	2%	4%	1.0%	3%
Longevity (\$/yr@20 yrs)	3%	\$2,400	\$2,080	\$1,320	\$1,500	\$0	\$0	varies	\$720
LTD Contribution	100%	0%	0%	0%	100%	100%	100%	57%	95%

TOTAL COMPENSATION SURVEY - PRELIMINARY TOTAL COMPUTATION WORKSHEET - ANALYSIS IN PROGRESS

Narrative: Worksheet Shows Paid Leave, Insurances, Retirements and Additions to Compensation Total Compensation Computations

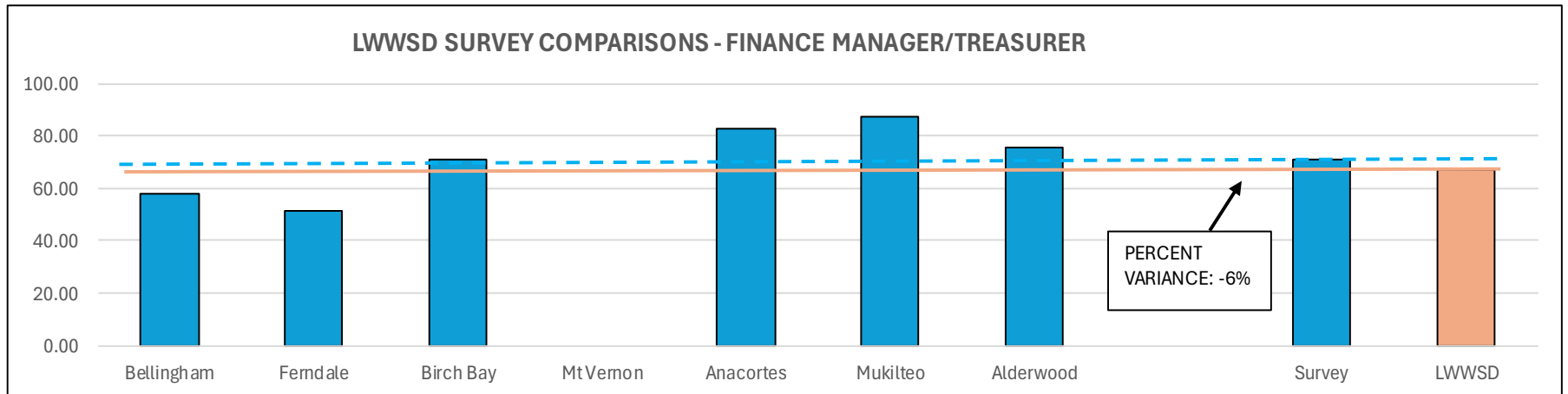
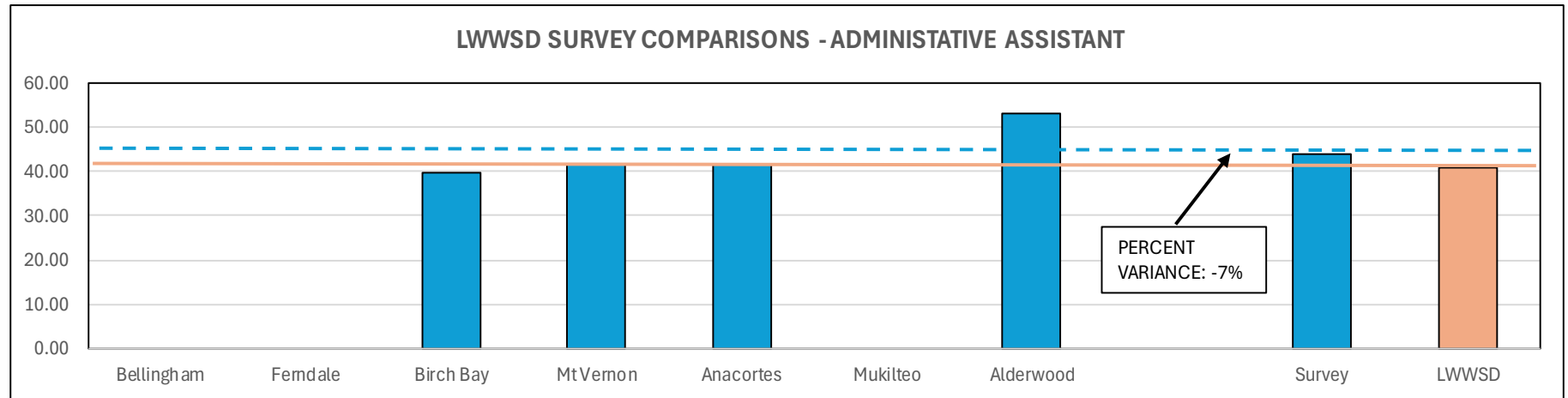
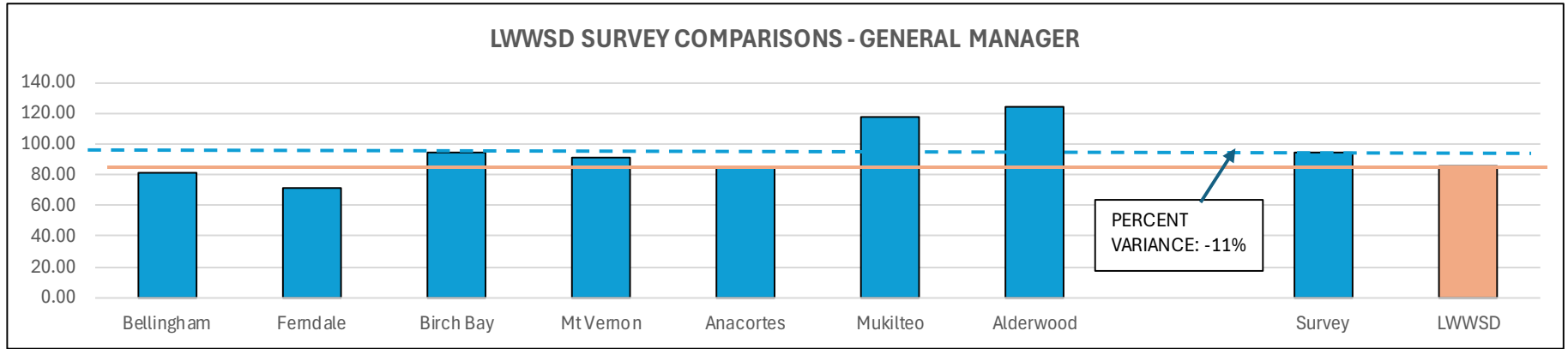
Findings: Lake Whatcom Total Compensation Lags Survey by about -7.0% (-6.9%) - Data Analysis in Progress

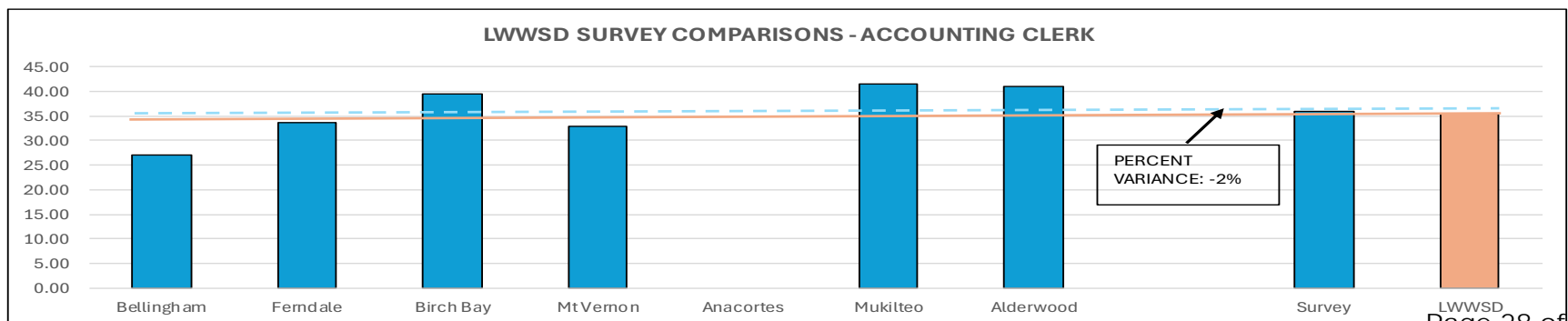
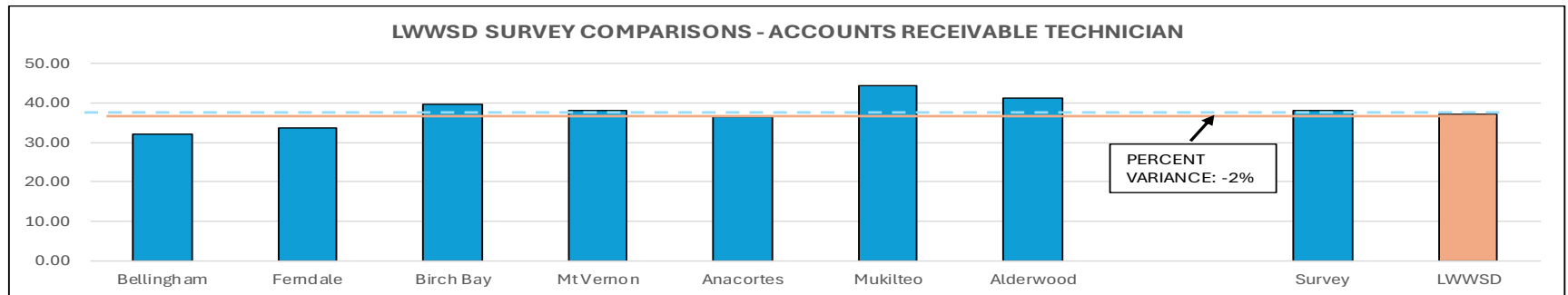
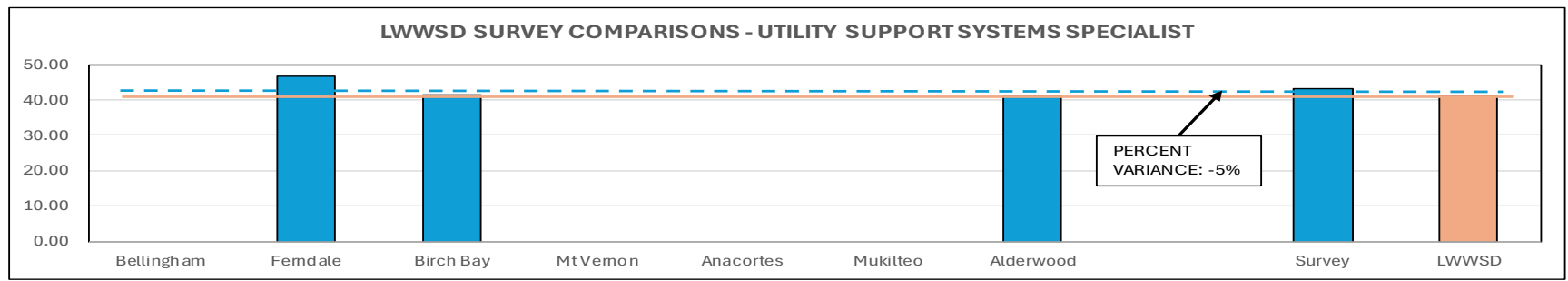
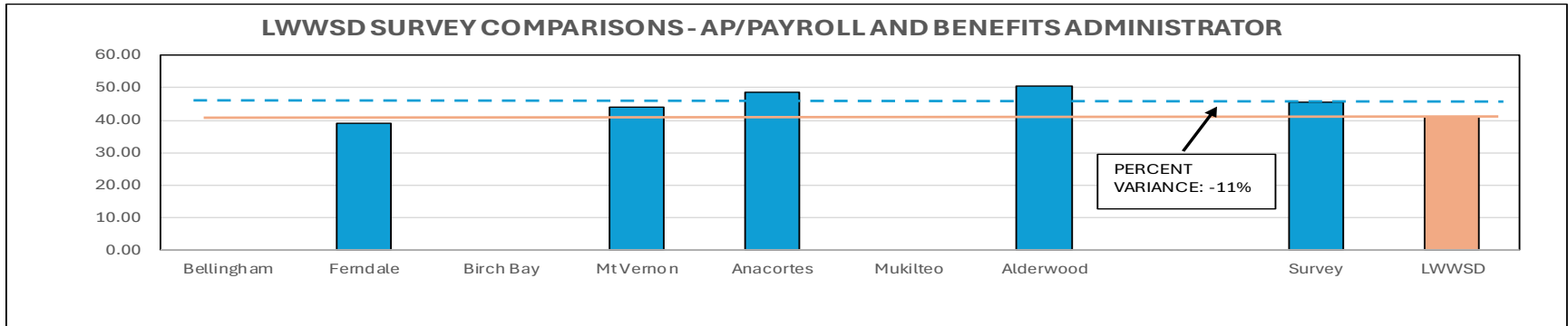
Wage and Salary Program and Benefits	City of Bellingham	City of Ferndale	Birch Bay WSD	City of Mt Vernon	City of Anacortes	Mukilteo WWD	Alderwood WWD	Survey Average	LWWSO 2024
Paid Leave (days per year, based on 8 hour/day)									
Holidays + Floaters	13	15	12	13	14	13	12	13.1	12
Vacation (25-yr)	28	25	25	27	25.5	25	25.5	25.9	25
Sick Leave	12	12	12	12	12	12	12	12.0	13
Total	53	52	49	52	51.5	50	49.5	51.0	50
Insurance (Medical, Dental, Vision)									
Medical Contribution:									
- Employee (%)	varies	95%	100%	80%	100%	100%	94%	95%	95%
- Dependent (%)	varies	95%	100%	80%	90%	100%	94%	93%	95%
Dnt/Vis Contrib. (%)	100%	100%	100%	100%	100%	100%	100%	100%	95%
Life Insurance									
Employer Contrib. (%)	100%	0%	100%	0%	100%	100%	100%	71%	95%
Retirement									
Program	PERS	PERS	PERS	PERS	PERS	PERS	PERS	PERS	PERS
Additional Benefits									
On Call Pay (hrs/wk)	varies	21	14	varies	varies	12	21	17.0	21
Call Back Min. (hrs)	4	3	2	2.5	2	3	4	2.9	2
AD&D Contribution	100%	0%	0%	0%	0%	100%	100%	43%	95%
Def Comp Match Max.	0%	\$150/mo	0%	0%	0%	2%	4%	1.0%	3%
Longevity (\$/yr@20 yrs)	3%	\$2,400	\$2,080	\$1,320	\$1,500	\$0	\$0	varies	\$720
LTD Contribution	100%	0%	0%	0%	100%	100%	100%	57%	95%

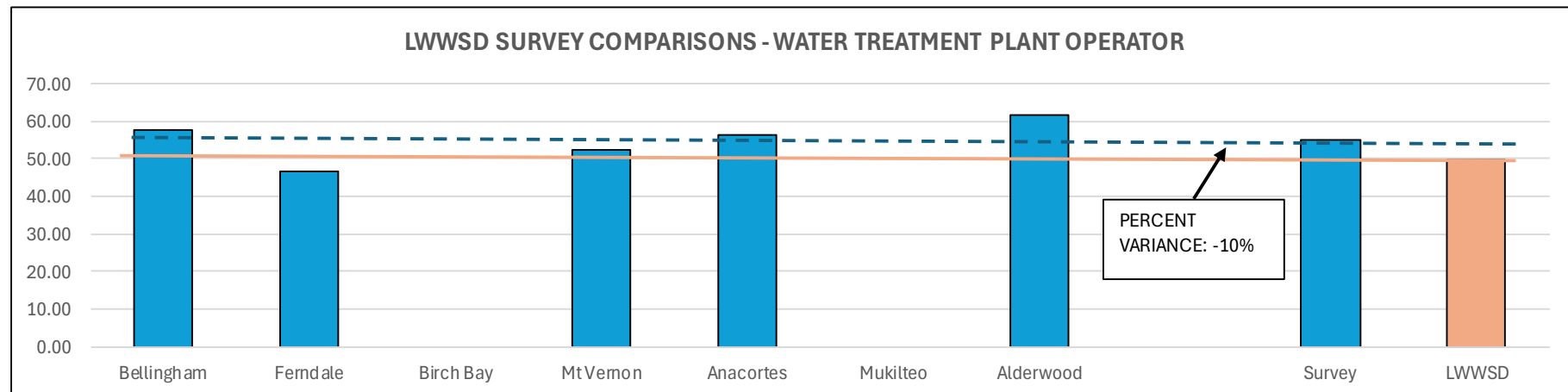
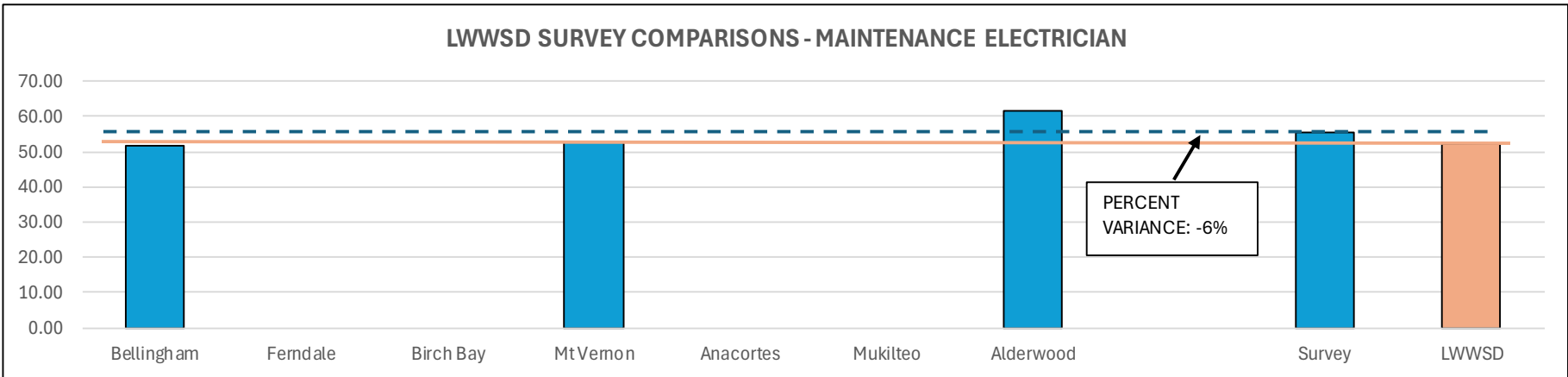
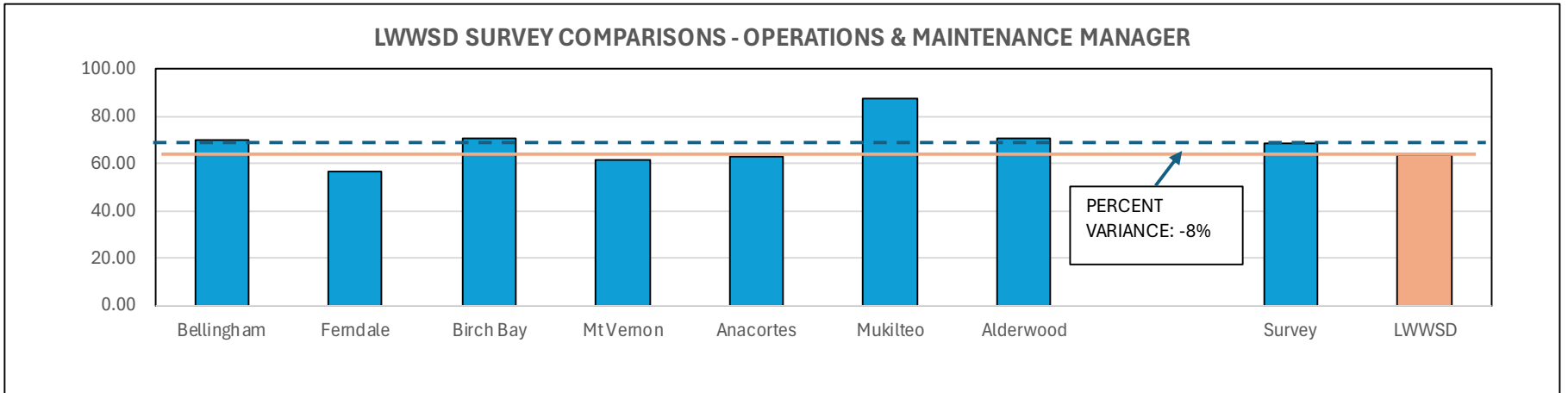
TOTAL COMPENSATION (\$/YEAR) Total Compensation Elements	SURVEY \$-Year	LWWSO \$-Year	VARIANCE - \$ \$-Year	VARIANCE - % (LW-Srv)/LW
Salary: Avg Hourly Top * 2080 Hours: LWWSO : \$51.32; Survey: \$54.71	113,797	106,746	-7,051	-6.6%
Paid Leave: Avg Hourly Rate * Days/Yr * 8: LWWSO: 51.32*50*8; Survey: 54.75*51*8	22,322	20,528	-1,794	-8.7%
Insurance (Med, Dent, Vis, Life): LWWSO and Survey Comparisons Vary	Varies	Varies	--	--
Retirement: (PERS, Def Cont, Other Retirement): 2024 Est at 12.9%	14,680	13,770	-641	-4.70%
Adds: On Call, Longevity, Call Back, AD&D, LTD, Other): LWWSO and Survey Comparisons Vary	Varies	Varies	--	--
TOTAL COMPENSATION AND VARIANCE (LW-Srv)/LW	150,799	141,044	-9,755	-6.9%

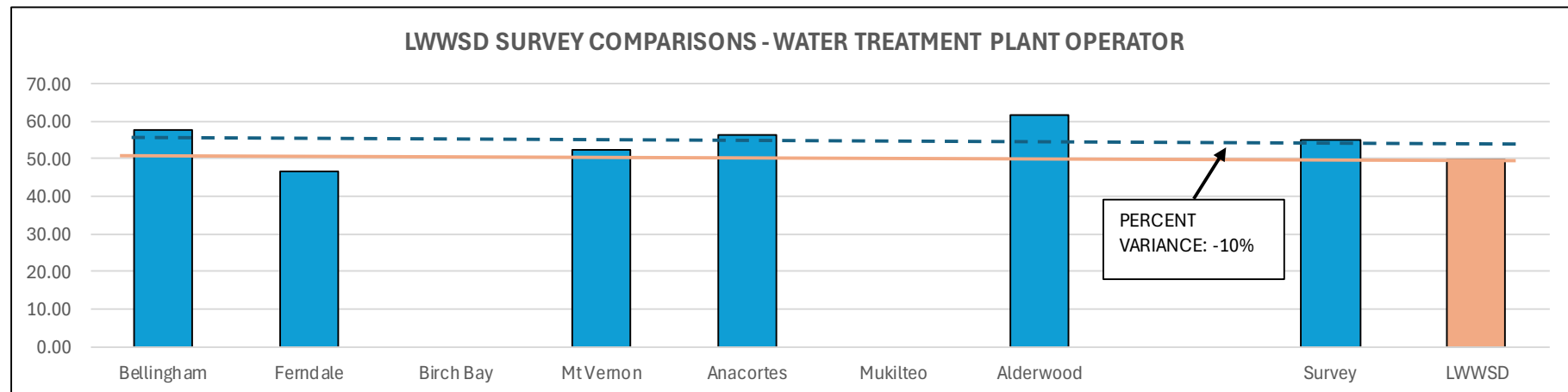
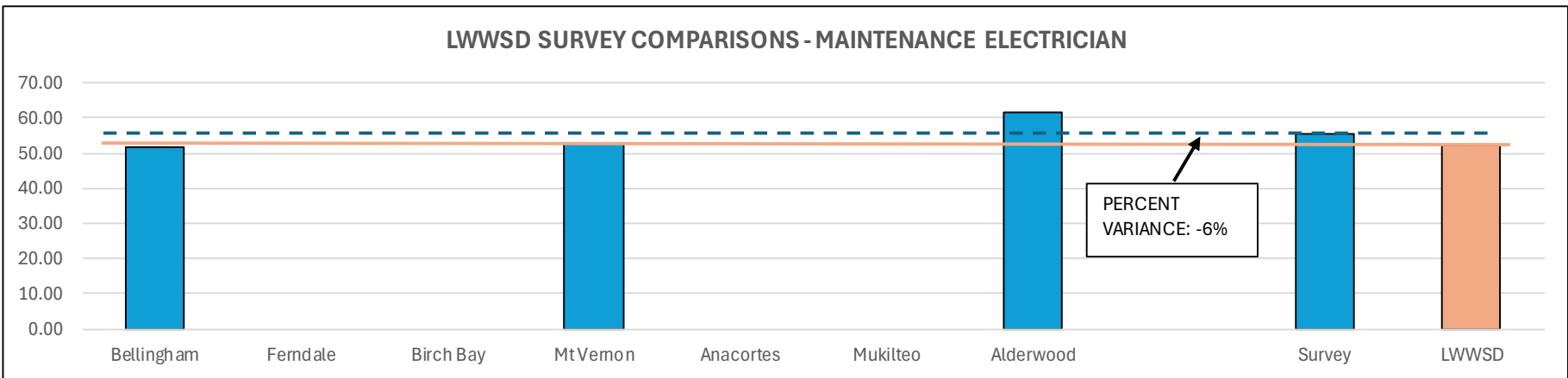
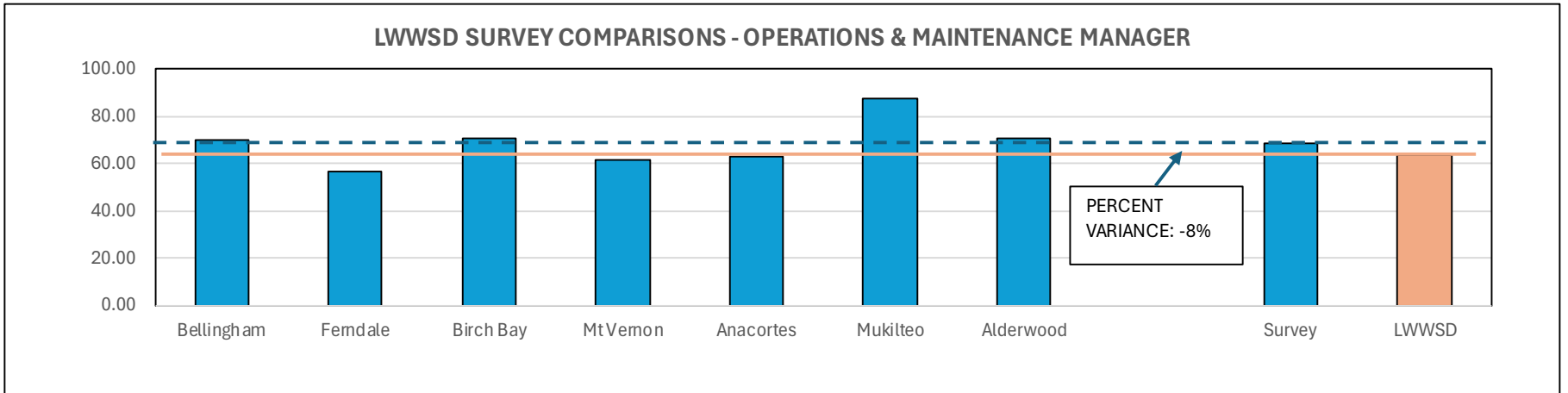
The next section presents salary survey bar charts with jobs grouped by departments and listed in survey order. Summaries are on the right. Positions are listed on the horizontal axis with salary range top steps or equivalents on the vertical axis. Percent variances are carried over from the survey summaries and based on the formula (Lake Whatcom - Survey) / Lake Whatcom.

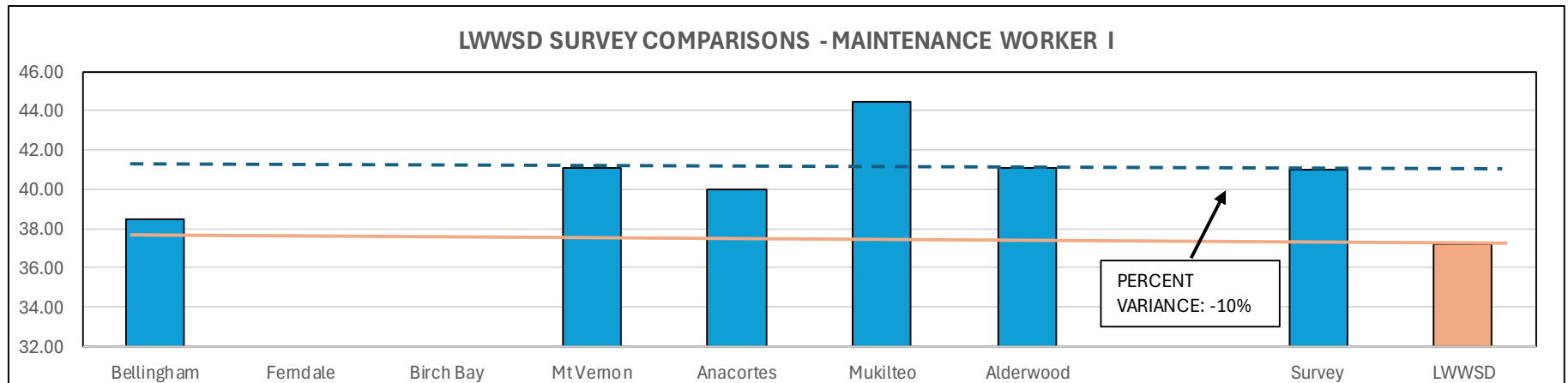
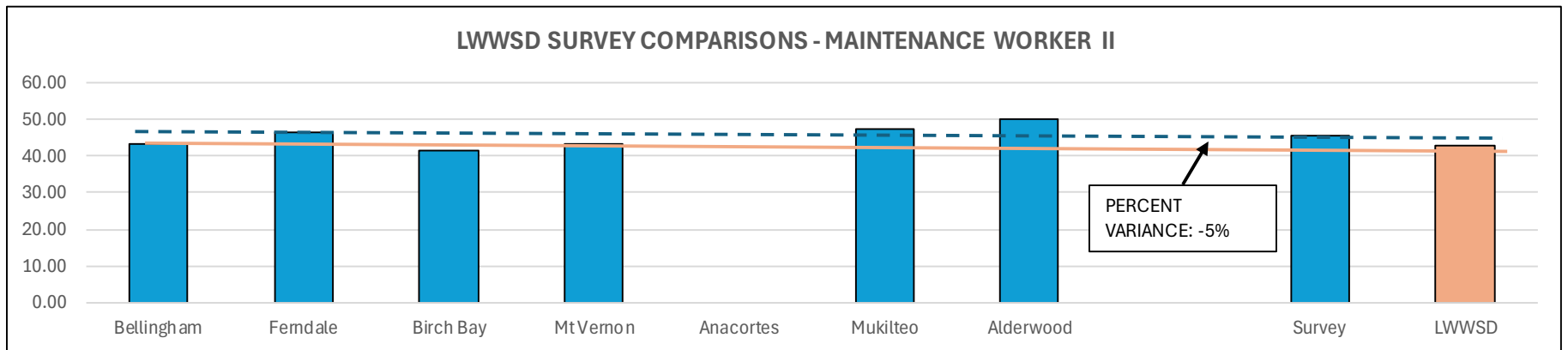
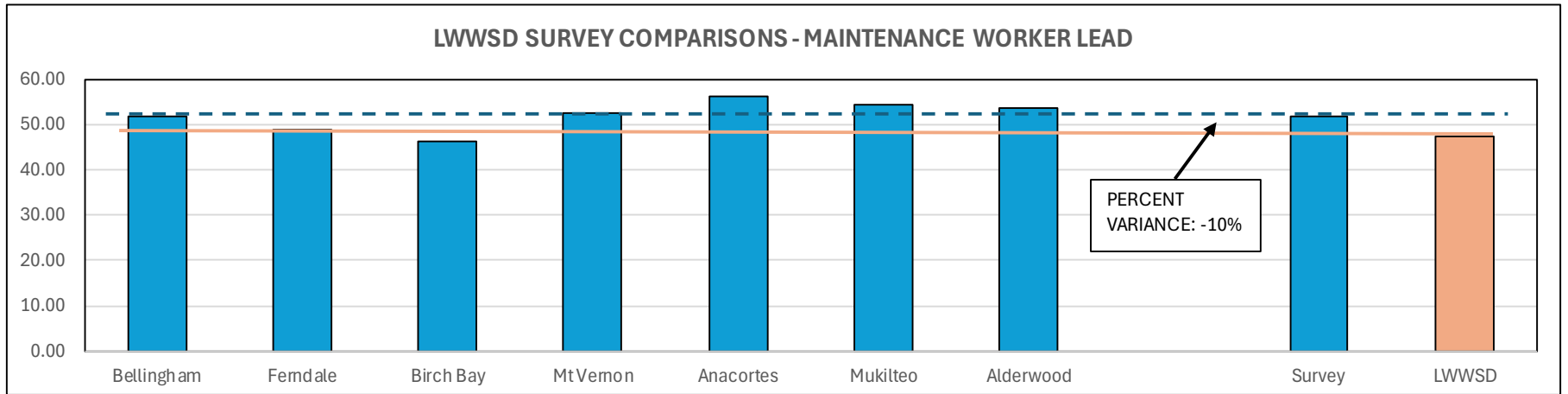
LWWSD SURVEY COMPARISONS - LWWSD, DISTRICT AND CITY POSITIONS

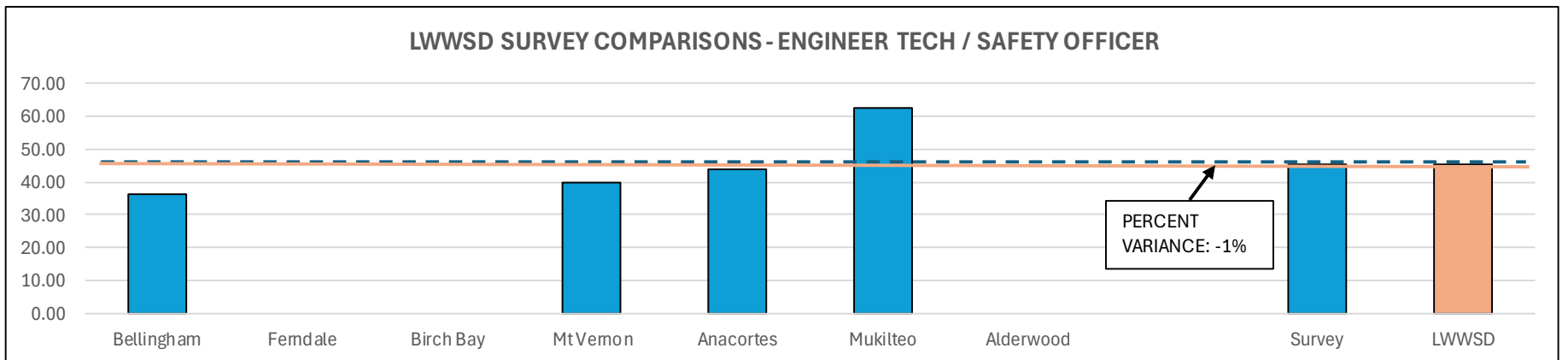
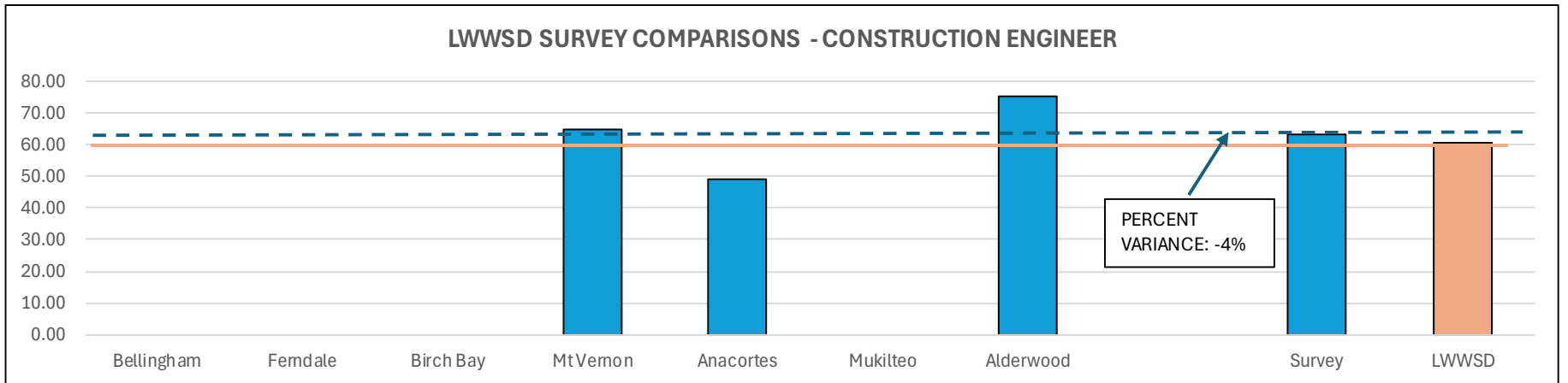
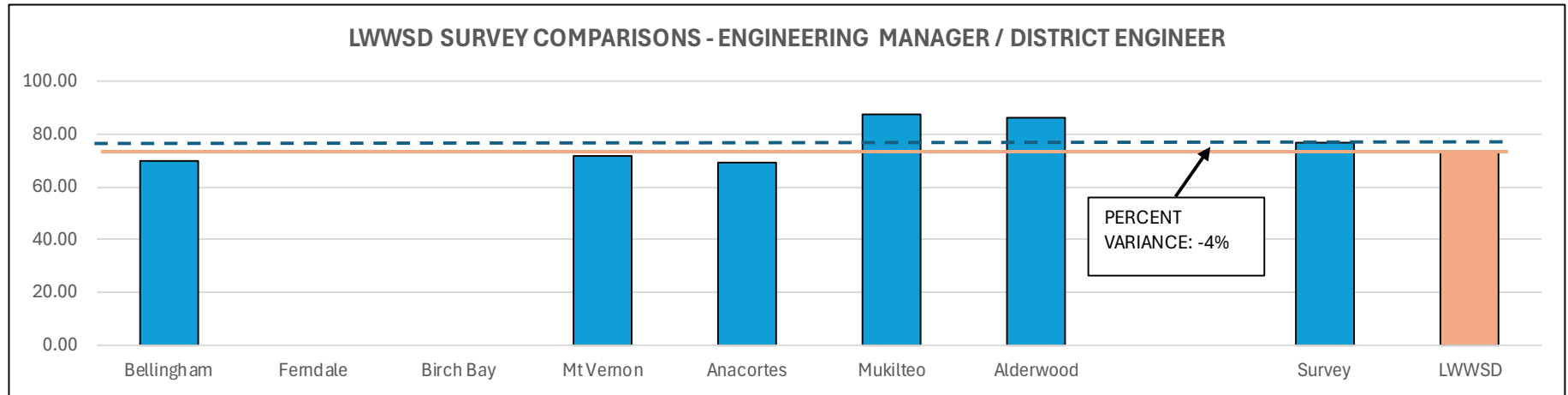














**AGENDA
BILL
Item 6.C**

**Geneva Reservoir and SVWTP
Booster Station Seismic Retrofits
Professional Services Agreement
Amendment Approval**

DATE SUBMITTED:	October 22, 2024	MEETING DATE:	October 30, 2024
TO: BOARD OF COMMISSIONERS		FROM: Greg Nicoll, District Engineer	
GENERAL MANAGER APPROVAL			
ATTACHED DOCUMENTS		1. Amendment No. 1 to Professional Services Agreement with Wilson Engineering	
TYPE OF ACTION REQUESTED		RESOLUTION <input type="checkbox"/>	FORMAL ACTION/ MOTION <input checked="" type="checkbox"/>
		INFORMATIONAL /OTHER <input type="checkbox"/>	

BACKGROUND / EXPLANATION OF IMPACT

In early 2024, the District was awarded a FEMA Hazard Mitigation Grant (HMG) to complete seismic retrofits to the Geneva Reservoir and the Sudden Valley WTP Booster Station building (also known as the “Pump House”). In May 2024, the Board approved execution of a professional services agreement with Wilson Engineering (Wilson) for preliminary design services. The scope of work for this contract was limited to preliminary evaluation of an alternative proposed by Wilson to replace the Geneva reservoir with two new concrete reservoirs rather than seismically upgrading the existing reservoir. Preliminary evaluation determined that the project cost for this option would be more than double the grant funds available and discussions with the HMG administrator, Washington State Emergency Management Division (WA-EMD) determined that additional grant funds could not be made available to fund the additional costs associated with the proposed reservoir replacement.

In light of the results of this preliminary evaluation, District staff directed Wilson to immediately stop all work on the original scope of work and requested a contract amendment proposal to complete preliminary design for the originally planned scope of work to structurally retrofit the Geneva reservoir to meet current seismic standards. The proposed amendment will reallocate the remaining budget from the original scope of work (reservoir replacement) to the revised scope (seismic upgrade) supplemented by additional budget needed to complete the revised scope of work.

The revised scope of work, which is described in further detail in the attached fee proposal, will complete a seismic and structural evaluation of the existing Geneva reservoir and Pump House, complete geotechnical evaluation of the soils supporting and surrounding the reservoir and Pump House and provide a conceptual design and construction cost estimate for the recommended improvements.

Following completion of the scope of work included in Amendment 1, District staff will develop with Wilson a second amendment to the contract to add final design and bidding assistance for both the Geneva reservoir and the Pump House for the Board’s consideration.

FISCAL IMPACT

The authorized budget for the Professional Services Agreement with Wilson Engineering will be revised as follows:

Original Contract Amount	\$ 46,938.00
Total Additional Authorized budget	\$ 83,912.25
Revised Total Authorized Contract Amount	\$ 130,850.25

As discussed in the Background section above, this project is funded by a FEMA Hazard Mitigation Grant that funds 95% of eligible project costs. Funding for Phase 1, which includes design and permitting for the project, is summarized in the table below:

Project Budget - Phase 1 (Design and Permitting)		\$ 248,000.00
<i>District Funds</i>	5%	\$ 12,400.00
<i>FEMA HM Grant</i>	90%	\$ 223,200.00
<i>EMD HM Grant</i>	5%	\$ 12,400.00
Revised Total Authorized Contract Amount - Amendment 1		\$ 120,150.00
Remaining Balance - Phase 1		\$ 117,149.75

The remaining Phase 1 balance will be used to fund final design for the project.

APPLICABLE EFFECTIVE UTILITY MANAGEMENT ATTRIBUTE(S)

- Product Quality
- Infrastructure Strategy and Performance
- Community Sustainability

RECOMMENDED BOARD ACTION

Staff recommends that the Board authorize the General Manager to execute Amendment No. 1 to the Professional Services Agreement with Wilson Engineering.

PROPOSED MOTION

Recommended motion is:

“I move to authorize the general manager to execute Amendment No. 1 to the professional services agreement with Wilson Engineering for seismic evaluation and conceptual design for the Geneva Reservoir and SVWTP Booster Station Seismic Retrofits Project as presented.”

**AMENDMENT NO. 1
TO
PROFESSIONAL SERVICES AGREEMENT
FOR
GENEVA RESERVOIR AND SUDDEN VALLEY WTP
BOOSTER STATION SEISMIC UPGRADES**

A PROFESSIONAL SERVICES AGREEMENT was made and entered into by and between Lake Whatcom Water and Sewer District, Whatcom County, Washington, hereinafter referred to as "District", and Wilson Engineering, LLC ("Consultant"), a corporation with a place of business at 805 Dupont Street, Suite 7, Bellingham, WA 98225, collectively referred to as "Parties", effective June 17, 2024.

WHEREAS, the District solicited for professional services as required by RCW 39.80 to assist in the alternative analysis, design, permitting, and construction oversight of the Geneva Reservoir and Sudden Valley WTP Booster Station Seismic Upgrades Project ("Project"); and

WHEREAS, the District selected and entered into a professional services agreement with the Consultant to provide the above stated professional services associated with the Project; and

WHEREAS, the District executed a Hazard Mitigation Grant Agreement with the Washington State Military Department on June 13, 2024, that was effective June 17, 2024, with an initial Total Award Amount of \$247,940 for Phase 1 of the project that included alternative analysis, design, and permitting activities; and

WHEREAS, the Consultant completed a portion of the tasks defined in the scope of work under the original Agreement and discontinued work on the remaining tasks at the direction of the District due to funding constraints associated with the evaluated alternative; and

WHEREAS, the scope is amended to include the Consultant's services related to seismic evaluation and conceptual design, as defined in Exhibit A – Contract Amendment No. 1.

The Parties amend the original Agreement as follows:

SECTION 1: PERIOD OF PERFORMANCE

All work defined in the original agreement and this Amendment No. 1 shall be completed by March 31, 2025, unless extended or terminated earlier by the District pursuant to the terms and conditions of the agreement.

SECTION 8: COMPENSATION

The Total Price is amended to **One hundred thirty thousand, eight hundred and fifty and 25/100 dollars (\$130,850.25).**

Phase 1 – Tank Replacement Alternative Evaluation	\$ 46,938.00
<u>Amendment No. 1 – Seismic Evaluation and Conceptual Design</u>	<u>\$ 83,912.25</u>
Total Price	\$ 130,850.25

EXHIBITS

Exhibit A – Contract Amendment No. 1, Seismic Evaluation and Conceptual Design, dated October 22, 2024.

IN WITNESS WHEREOF, the Parties hereto have caused this Amendment to the Agreement to be executed by their respective authorized officers or representatives as of the day and year written below.

Lake Whatcom Water and Sewer District

Wilson Engineering, LLC

By: _____
Justin Clary, General Manager

By: _____

Printed Name: _____

Title: _____

Dated: _____

Dated: _____

Exhibit A – Amended Scope of Work

The original contract scope of work for this project consisted of Task 1 and an alternatives analysis for the Geneva Reservoir portion of the project. That alternatives analysis was started and preliminary design concepts and costs were developed. Coordination with the funding agency revealed that Alternative 2 is not feasible from a funding perspective. So the alternatives analysis was cut short, and the project is proceeding with Alternative 1.

The attachments describe Task 2 work items, structural and geotechnical seismic evaluations to inform detailed structural design. Structural evaluation is to be completed by our Subconsultant Peterson Structural Engineers, and the geotechnical evaluation is to be completed by our Subconsultant GeoEngineers. Also addressed is a credit for unused Task 1 fee. Detailed structural design of seismic retrofits will be informed by these evaluations and will follow as a future contract amendment.

Lake Whatcom Water and Sewer District (LWWSD)
Geneva Reservoir and Sudden Valley WTP - Seismic Evaluation

Prepared by: Brian Smith, PE, Wilson Engineering, LLC
 Prepared for: Greg Nicoll, PE, LWWSD
 Project Number: 2024-031 Task 2: Seismic Evaluation
 Date: 22-Oct-24

Task Description	Direct Expenses (Including 8% Subconsultant Markup)	Principal Engineer	Senior Engineer	Engineer IV	Engineer II	Senior CAD Design Technician	Clerical	
Rate (\$/hr) =	L.S.	\$215	\$202	\$192	\$162	\$146	\$103	
Task 2: Seismic Evaluation								
- 2.1: Structural seismic evaluation (see Tasks 1-5 of attached Peterson scope), with subconsultant coordination and two virtual meetings	\$ 41,688	4	4	24				\$ 47,964.00
- 2.2: Structural Optional Task Item 2b, float investigation (see attached), with subconsultant coordination	\$ 2,376			3				\$ 2,952.00
- 2.3: Geotechnical engineering services (see Tasks 100-300 of attached Geongineers scope), with subconsultant coordination	\$ 66,096	2	2	12				\$ 69,234.00
Sub-Total	\$ 110,160	6	6	39	0	0	0	\$ 120,150.00
Credit for unused scope from Task 1								\$ (36,237.75)
Total Authorized Additional Budget								\$ 83,912.25

Assumptions:

- 1) See attached subconsultant scope and fee proposals for additional details



Lynnwood Office
12121 Harbour Reach Dr.
Suite 110
Mukilteo, WA 98275
253.830.2140

September 25, 2024

Brian Smith, PE
Wilson Engineering, LLC
805 Dupont Street, Suite 7
Bellingham, WA 98225
(360) 773-6100

Project #: 2402-0013

RE: **Lake Whatcom Water and Sewer District Seismic Upgrades – Scope and Fee Proposal – Rev 3
Phase 1 – Seismic Evaluation**

Dear Brian-

Thank you for the opportunity to provide structural engineering services for Phase 1 of the Lake Whatcom Water and Sewer District (LWWSD) Geneva Reservoir and Sudden Valley Water Treatment Plant (SVWTP) Pump House seismic evaluation and retrofit project. Peterson Structural Engineers (PSE) understands the subject project is being funded through a Federal Emergency Management Agency (FEMA) Hazard Mitigation program. Phase 1 of the project includes a seismic evaluation of the existing Geneva Reservoir located in Geneva, WA and the SVWTP Pump House located in Bellingham, WA.

Based on previous conversations and review of historical information made available to PSE, PSE understands that the Geneva Reservoir is a 0.52 Million-Gallon (MG) welded steel reservoir constructed in 1979. The subject reservoir has an approximate diameter of 52-feet, shell height of 32-feet 8-inches, and an overflow height of 32-feet. The shell is anchored to a reinforced concrete ringwall footing by (12) steel plate anchors. Historical project documents indicate that the design was performed per the American Water Works Association 1984 D-100 Standard for Welded Steel Tanks for Water Storage (AWWA D100-84). PSE understands that the subject reservoir was evaluated by BHC Consultants in 2016 using AWWA D100-11. Deficiencies noted in the BHC evaluation include the reservoir anchorage, ringwall footing, and overturning/stability. Phase 1 of this project includes performing an updated structural condition assessment and seismic evaluation to the current standard in effect, AWWA D100-21. PSE will generate a report to summarize findings from the evaluation as well as present conceptual-level options for repairs and retrofit.

Based on previous conversations and review of historical information made available to PSE, PSE understands that the SVWTP Pump House was constructed circa 1993 and consists of reinforced masonry walls, a timber-framed roof, and a shallow reinforced concrete foundation. In 2020-2021 Gray and Osborn performed a Tier 3 seismic evaluation per the American Society of Civil Engineers (ASCE) 41-13, Standard for Seismic Evaluation and Retrofit of Existing Buildings, which identified structural and nonstructural seismic deficiencies and potential retrofit solutions. PSE will perform an updated Tier 3 seismic evaluation to ASCE 41-17, such that retrofit designs may be developed in Phase 2 of the project to satisfy current Building Code and permitting requirements.

Following the completion of the evaluation, PSE will generate a report to summarize findings from the evaluation as well as present conceptual-level options for repairs and retrofits.

Note that the scope of services outlined herein is limited to Phase 1 of the project. PSE understands that Phase 2 of the project may include seismic retrofit design for the Geneva Reservoir and the SVWTP Pump House. Services for Phase 2 will be performed under a separate proposal.

Proposed Project Scope

PSE proposes the following scope of work for **Phase 1**:

1. **Review of Historical Records** – Review of historical and as-built information provided by the client and/or owner. This includes, but may not be limited to, reporting from prior structural evaluations and condition assessments, original construction documents, and other historical records.
2. **Geneva Reservoir Seismic Evaluation**
 - a. **Site Visit and Condition Assessment** – Perform a site visit to gather information and observe existing conditions. Review of existing conditions will be based on a visual, nondestructive evaluation. Exterior conditions of the reservoir will be reviewed where visible from the ground and the roof. The underside of the reservoir roof will be viewed through the roof hatch without entering the reservoir, unless a float investigation is performed per the **Optional Task 2b** below. PSE understands that the reservoir will not be drained in advance of the visual evaluation. PSE will require safe access to the roof.
 - b. **[OPTIONAL] Float Investigation - \$2,200** – Performance of site visit to float the interior of the tank in an inflatable raft to observe the condition of the roof framing and underside of the roof plate.
 - i. Assumes float investigation will be performed on the same day as Task 2a. If a separate site visit is desired, additional fees may apply.
 - ii. Assumes the tank will be filled to a level roughly 3-ft below the top of the shell to allow for close-up investigation of roof elements.
 - iii. District shall fulfill all confined space entry requirements including but not limited to permits, ventilation, and air quality monitors as required.
 - iv. PSE will provide raft and accessories, and our own personal safety, flotation, and sanitation equipment. Two PSE personnel are required for float investigations.
 - c. **Seismic Evaluation** – Perform a seismic evaluation per AWWA D100-21 to identify structural deficiencies.
3. **SVWTP Pump House Seismic Evaluation**
 - a. **Site Visit and Condition Assessment** – Perform a site visit to gather information and observe existing conditions. Review of existing conditions will be based on a visual, nondestructive evaluation.

- b. **ASCE 41-17 Tier 3 Seismic Evaluation** – Perform a systematic Tier 3 seismic evaluation per ASCE 41-17 for structural and nonstructural elements. The basis of evaluation is assumed to be as follows:

- i. Purpose of Evaluation: *Voluntary Mitigation*, as defined by Appendix B of ASCE 41-17, as part of the FEMA Hazard Mitigation Program. PSE understands that the retrofits have not been mandated by legislative action or triggered by change in risk category or occupancy.
- ii. Risk Category: IV
- iii. Performance Objective Levels and Seismic Hazards:

Systems	BSE-1N ¹ Seismic Hazard Level
Structural Performance Objective Level	Immediate Occupancy
Nonstructural Performance Objective Level	Operational

¹BSE-1N is equivalent to 2/3 of the Risk-Targeted Maximum Considered Earthquake (MCE_R) per ASCE 7 at the site.

- c. **Limitations of Evaluation:**

- i. PSE’s evaluation is limited to the as-built and other historical information provided by the client as well as information gathered during a visual, nondestructive evaluation.
- ii. Evaluation of fire suppression systems included in ASCE 41-17 are beyond PSE’s scope of work.
- iii. Evaluation of geotechnical-related seismic hazards included in ASCE 41-17, including liquefaction, slope failure, and surface fault rupture, are beyond PSE’s scope of work.

- 4. **Evaluation Reporting** – Generate a report stamped by a Structural Engineer licensed in the State of Washington to include the following:

- a. **Seismic Deficiencies** – Summarize findings from the completed site visits and seismic evaluations for the Geneva Reservoir and the SVWTP Pump House. Reporting will summarize seismic deficiencies of the primary structural elements. General conditions including damages, coating, or surface issues will be reported where observed and understood to potentially affect the structural performance of the tank. However, evaluations of the coating and non-structural appurtenances for the reservoir are beyond PSE’s scope of work.
- b. **Seismic Retrofit/Repair Concepts** – Develop conceptual-level repairs and retrofits to mitigate seismic deficiencies identified in PSE’s evaluation. If determined to be appropriate, a retrofit priority matrix and associated discussion may be included to highlight elements most impactful to global seismic performance.
- c. **Retrofit Cost Estimates** – Generate Rough Order of Magnitude (ROM) cost estimates for retrofit concepts based on values from the latest RS Means and our experience with similar work. For the Geneva Reservoir, estimates will be for the structural elements only and will not include costs for coatings, appurtenances, or other non-structural elements.

- 5. **Phase 2 Planning Workshop** – Participation in a planning workshop for Phase 2 to review evaluation findings with the client and owner.

Specifically excluded from Phase 1 of this proposal is generation of construction/retrofit drawings and structural specifications. Phase 2 services, which may include seismic retrofit design for the Geneva Reservoir and the SVWTP Pump House, will be scoped separately. Additional items specifically excluded from this proposal include destructive testing, client-initiated evaluation criteria changes after PSE has begun design, design and/or construction schedules, project and/or structural specifications, site civil (including but not limited to grading, drainage improvements, utility protection and ancillary piping), architectural (including but not limited to egress, clearances, waterproofing and flashing), and mechanical/electrical/plumbing element design and coordination. Permit, bid, and construction support are also specifically excluded.

PSE understands geotechnical investigations and subsequent reporting will be provided by GeoEngineers for both structures. At the time of this scoping, the investigations and reporting have not been completed. For the purpose of this evaluation, the geotechnical and seismic design criteria will be per the forthcoming geotechnical reports generated by GeoEngineers. Design criteria not addressed by the geotechnical reports will be assumed as allowed per the pertinent building code or coordinated with GeoEngineers.

Proposed Fee and Schedule

Based upon the scope above, we have generated a fee estimate as follows:

- Task Items 1-5: \$38,400 with estimated project expenses of \$200, for a total of \$38,600.
 - Note: Task Item 2b excluded
- [Optional] Task Item 2b: \$2,100 with estimated project expenses of \$100, for a total of \$2,200.

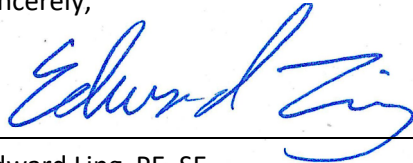
Payments may be made by ACH, check, or credit card. Credit card payments will incur a 3% processing fee. Project expenses will be billed at cost plus 10%. Invoices will be submitted at the beginning of the month for structural services performed in the previous month. Should revisions to this scope and fee proposal be affected by pending information or scope changes, we will apprise you of that situation before proceeding. Please note that the fee stated above is based solely on an estimate of the time to be expended to complete the scope items defined above. Changes or additions to the defined scope could result in additional fees. PSE will require an amended PO/TO or alternate client official notification before beginning work on design changes or modifications.

The above proposal has been generated assuming that the structural engineering services are to be initiated within a six-month period from the proposal date and substantially completed within twelve months of the proposal date. If the schedule of work exceeds the projected time, we reserve the right to revise our fee estimate accordingly.

Wilson Engineering, LLC

Thank you again for including us and we look forward to working with you on this project. Please call if you have any questions.

Sincerely,



9/25/2024

Edward Ling, PE, SE

Date

Firm Principal

Peterson Structural Engineers, Inc.

Sent via email to Brian Smith on 9/25/2024 <bsmith@wilsonengineering.com>

PETERSON STRUCTURAL ENGINEERS

2024 Hourly Rates

Principal-in-Charge	<i>\$284</i>
Principal	<i>\$272</i>
Senior Associate	<i>\$260</i>
Associate	<i>\$253</i>
Senior Project Manager	<i>\$247</i>
Senior Structural Engineer	<i>\$247</i>
Project Manager	<i>\$230</i>
Structural Engineer	<i>\$227</i>
Associate Project Manager	<i>\$215</i>
Senior Project Engineer	<i>\$204</i>
Project Engineer	<i>\$198</i>
Staff Engineer	<i>\$193</i>
Staff Designer	<i>\$187</i>
CADD Drafting	<i>\$153</i>
Administrative	<i>\$142</i>

- *Vehicle mileage will be billed at current U.S. General Services Administration allowable rates and periodically adjusted according to federal updates*
- *Direct expenses will be billed at cost plus 10%*

September 24, 2024

Wilson Engineering, LLC
805 Dupont Street, Suite 7
Bellingham, Washington 98225

Attention: Brian Smith, PE

Subject: Proposal
Geotechnical Engineering Services
LWWSO Geneva Reservoir and Sudden Valley WTP Pump House
Bellingham, Washington
File No. 0430-017-00

Introduction

GeoEngineers, Inc. (GeoEngineers) is pleased to present this proposal to provide geotechnical engineering services for the proposed retrofits to the Geneva Reservoir and the Sudden Valley Water Treatment Plant (WTP) Pump House for the Lake Whatcom Water and Sewer District (LWWSO) located in the Sudden Valley area of Bellingham. This submittal is based on discussions with representatives of Wilson Engineering, LLC (Wilson) and Peterson Structural Engineers (PSE), previous information and reports provided by Wilson and PSE of the originally built structures, our knowledge of the area, and our previous experience on similar projects.

Our understanding of the two structures to be retrofitted is outlined below:

- The Geneva Reservoir was built in 1979 just northeast of the intersection of Lakeview Street and 8th Street, consisting of a 32.7-foot steel tank with an approximate diameter of 52 feet. The tank is supported on a concrete ringwall foundation with steel plate anchors embedded into the concrete. Based on a seismic vulnerability assessment conducted, the following inadequacies were established: inadequate foundation support and inadequate factor of safety against overturning. Based on geologic mapping, the site is mapped as sedimentary rock, Chuckanut Formation which may have a thin mantle of undifferentiated glacial deposits. Where present, the bedrock unit is anticipated to provide adequate bearing for support of the water tank; however, liquefaction hazards from the overlying undifferentiated glacial deposits may need to be addressed.
- The Sudden Valley WTP Pump House is a one-story concrete building that is partially below-grade, located on Morning Beach Drive, one mile northeast of the intersection of Lake Whatcom Boulevard and Marigold Drive. Based on a seismic evaluation conducted for the building, it was recommended that LWWSO conduct a seismic retrofit. Based on geologic mapping, the site is mapped as sedimentary rock, Chuckanut Formation which may have a thin mantle of undifferentiated glacial deposits. Where present, the bedrock unit is anticipated to provide adequate bearing for support of the pump house, however, liquefaction hazards from the overlying undifferentiated glacial deposits may need to be addressed. No previous site explorations were available for this structure.

Scope of Services

Our purpose and scope of geotechnical engineering services include review of existing information, completion of a site-specific subsurface exploration program to characterize subsurface soil and groundwater conditions, completion of geotechnical design, and preparation of a geotechnical engineering report summarizing conclusions and recommendations for retrofitting both the reservoir and the pump house, along with associated earthwork and other site development features. Upon request, a site-specific response analysis can be completed. Specifically, our scope of services will include the following detailed tasks:

TASK 100. GEOTECHNICAL FIELD INVESTIGATION

- Review existing information in the vicinity of the site including available geotechnical, geologic, and project documentation (plans and construction records) for each site.
- Perform an initial site visit to mark exploration locations. As required by state law, we will then contact the state “dial-before-you-dig” contractor number to clear utility locations prior to the explorations; however, they do not check on-site utilities and locating the on-site utilities is the responsibility of the owner. We have included the cost of a subcontracted private utility locate service in our scope to identify locations of unmarked or unknown private utilities (e.g., electrical for light poles). GeoEngineers does not assume liability for any damage or losses related to encountering buried utilities that have been incorrectly located or were not located at all.
- Drill one boring at each site location (up to 40 feet below ground surface at each site or 80 feet of drilling total). Two borings with the same drill footage may be completed if bedrock is encountered at shallow depths. We will subcontract a driller with a small track-mounted drill rig for one day. The subsurface explorations will be observed by one of our field technicians under the direct supervision of our geotechnical engineers on a full-time basis. Our representative will obtain samples of the various soils encountered, classify the materials and maintain a detailed log of each exploration. The soil samples will be sealed and returned to our laboratory for additional examination and laboratory testing, as appropriate.
 - We assume the drill cuttings may be dispersed and left on-site.
- Evaluate pertinent physical and engineering characteristics of the site soils based on laboratory tests completed on samples obtained from the borings. The laboratory tests will include moisture content, grain-size distribution, percent fine content and Atterberg limits as appropriate. We have included the cost for two sulfate tests to evaluate sulfate levels in select soil samples near the surface.
- Complete site-specific shear wave velocity measurements in coordination with the design team at the site locations. Shear wave velocity measurements will be completed by a geophysical consultant subcontracted to GeoEngineers.

TASK 200. GEOTECHNICAL ANALYSIS AND REPORTING

1. For each site, complete the following analyses:
 - a. Description of site conditions including detailed subsurface soil and groundwater conditions encountered based on results of the previous and new field explorations and geotechnical laboratory analysis.

- b. Evaluation of geologic hazards, including liquefaction potential, estimated liquefaction induced subsidence, fault rupture and landslide/slope stability, as appropriate.
 - c. Seismic design criteria based on American Water Works Association (AWWA) and American Society of Civil Engineers (ASCE) 7-22 including soil profile type, spectral response accelerations, seismic coefficients, site class and seismic use group. The Geneva Reservoir retrofits will be designed as a new structure using ASCE 7-22, whereas the Sudden Valley WTP Pump House retrofits will be designed under ASCE 41-17 using the seismic hazard level BSE-1N.
 - d. Complete review of local scenario earthquakes in the 2014 Building Seismic Safety Council (BSSC) catalog (Boulder Creek fault and Devils Mountain fault). Provide recommendations for additional seismic analysis if warranted.
 - e. Recommend allowable bearing pressure and estimates of total and differential settlement, based on loading provided for new/modified structure foundation elements.
2. Lateral passive earth pressures and coefficient of friction values for the existing reservoirs and foundations. Lateral earth pressures, including static and seismic values for partially buried foundation elements.
 3. Present a summary of our findings and recommendations of both sites in a single comprehensive written report with supporting site plan, boring logs and other applicable figures.

TASK 300. SITE-SPECIFIC RESPONSE ANALYSIS (ADD-ALTERNATIVE)

A site-specific response analysis will be completed at sites requested by the design team. Conditions that may require site-specific response analyses are sites where potentially liquefiable soils are present or sites with taller tanks. Our scope of services for each site evaluated under this task includes:

1. Develop representative seismic soil profiles based on new and existing geotechnical and geophysical information.
2. Complete a site-specific probabilistic seismic hazard analysis (PSHA) based on the USGS seismic source characterization model to develop the firm-ground or rock outcrop uniform hazard response spectrum for the maximum considered earthquake (MCE) hazard level. Should ASCE 41 govern the structure at the site, we will complete the PSHA for the seismic hazard levels specified in ASCE 41 for that structure.
3. Complete a site-specific response analysis in support of developing a site-specific response spectrum for use in design. The site response analysis will be completed per ASCE 7 Chapter 21. We assume the design earthquake is the ASCE 7 risk-targeted maximum considered earthquake (MCER) event (i.e., 1 percent probability of collapse in 50 years). Should ASCE 41 govern the structure at the site, we will complete the site-specific response analyses for the seismic hazard levels specified in ASCE 41 for that structure.
4. Provide a written report which will be included as an appendix in our Task 200 comprehensive report, presenting our conclusions and recommendations regarding the performance-based seismic design.

Schedule, Terms and Budget

GeoEngineers is available to begin work on this project immediately following receipt of a signed agreement. Our specialty driller is typically scheduled 4 to 6 weeks in advance. We can complete the laboratory testing within 2 weeks of completion of the drilling. We can provide LWUSD and Wilson with preliminary design information as soon as it becomes available after laboratory testing. If this schedule does not meet your needs, please contact us regarding any modifications that will allow you to meet your time schedule.

We propose to complete the above-described services on a time-and-expense basis in accordance with our attached 2024 Schedule of Charges and terms of our Mutual Services Agreement with Wilson Engineering, LLC dated March 12, 2010 and addendum dated April 15, 2021 and will be authorized under separate task authorization. We estimate that our fees will be in general accordance with the breakdown in Table 1 below. We will only invoice for those services performed. We will not exceed this authorized budget without written authorization.

TABLE 1. PROJECT SCOPE AND ESTIMATED FEE SUMMARY

DESCRIPTION OF TASK	ESTIMATED FEE
Task 100 – Geotechnical Field Investigation	
Review Available Information and Project Setup	\$ 1,050
Field Coordination, Utility Locate and Subcontractor Coordination	\$ 1,000
GeoEngineers Field Labor and Expenses	\$ 1,950
Subcontracted Private Utility Locate	\$ 600
Subcontracted Driller	\$ 6,350
Review Samples and Log Preparation	\$ 900
Laboratory Testing (including sulfate testing)	\$ 1,600
Geophysical Testing (including coordination and field support for two sites)	\$ 7,250
Task 100 Total	\$ 20,700
Task 200 – Geotechnical Analysis and Reporting	
Engineering Analyses	\$ 2,500
Geotechnical Report Preparation (Draft and Final)	\$ 2,600
Project Management, Meetings, and Coordination	\$ 1,400
Task 200 Total	\$ 6,500
Total (Tasks 100 and 200)	\$ 27,200
Task 300 – Site-Specific Response Analysis (Add-Alternative)	
Site Response Analysis and Reporting (Geneva Reservoir Site)	\$ 17,000
Site Response Analysis and Reporting (Sudden Valley WTP Pump House Site)	\$ 17,000
Task 300 Total (If both sites are analyzed)	\$ 34,000
Total (Tasks 100, 200 and 300)	\$ 61,200


We will invoice only for the services provided. We will not exceed our estimated fee unless conditions require a change in our scope of services. We will not proceed with a change in our scope of services without prior authorization.

There are no intended third-party beneficiaries arising from the services described in this proposal and no party other than the party executing this proposal shall have the right to legally rely on the product of our services without prior written permission of GeoEngineers.

This proposal is valid for a period of 60 days commencing from the first date listed above and subject to renegotiation by GeoEngineers, Inc., after the expiration date.

We appreciate the opportunity to present this scope of services and look forward to working with you on this project. Please call if you have questions.

Sincerely,
GeoEngineers, Inc.


Piradeepan Uthayakumar, EIT
Staff Geotechnical Engineer


Sean W. Cool, PE
Principal Geotechnical Engineer

JJC:PU:SWC:nl:mce

Attachments:

Schedule of Charges – Bellingham 2024

One copy submitted electronically

Proprietary Notice: The contents of this document are proprietary to GeoEngineers, Inc. and are intended solely for use by our clients and their design teams to evaluate GeoEngineers' capabilities and understanding of project requirements as they relate to performing the services proposed for a specific project. Copies of this document or its contents may not be disclosed to any other parties without the written consent of GeoEngineers.

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Schedule of Charges - 2024

COMPENSATION

Our compensation will be determined on the basis of time and expenses in accordance with the following schedule unless a lump sum amount is so indicated in the proposal or services agreement. Current rates are:

PROFESSIONAL STAFF		
Staff 1 Scientist	\$	135/hour
Staff 1 Engineer	\$	139/hour
Staff 2 Scientist	\$	148/hour
Staff 2 Engineer	\$	154/hour
Staff 3 Scientist	\$	174/hour
Staff 3 Engineer	\$	179/hour
Project Engineer/Scientist 1	\$	202/hour
Project Engineer/Scientist 2	\$	207/hour
Senior Engineer/Scientist 1	\$	219/hour
Senior Engineer/Scientist 2	\$	241/hour
Associate	\$	275/hour
Principal	\$	292/hour
Senior Principal	\$	332/hour
TECHNICAL SUPPORT STAFF		
Administrator 1	\$	91/hour
Administrator 2	\$	103/hour
Administrator 3	\$	115/hour
CAD Technician	\$	112/hour
CAD Designer	\$	131/hour
Senior CAD Designer	\$	157/hour
GIS Analyst	\$	148/hour
Senior GIS Analyst	\$	164/hour
GIS Coordinator	\$	179/hour
*Technician	\$	98/hour
*Senior Technician	\$	110/hour
*Lead Technician	\$	122/hour
Environmental Database Manager	\$	202/hour
Health and Safety Specialist	\$	135/hour
Health and Safety Manager	\$	202/hour

*Hours in excess of 8 hours in a day or 40 hours in a week will be charged at one and one-half times the hourly rates listed above.

Contracted professional and technical services will be charged at the applicable hourly rates listed above. Staff time spent providing expert services in disputes, mediation, arbitration and litigation will be billed at one and one-half times the above rates. Time spent in either local or inter-city travel, when travel is in the interest of this contract, will be charged in accordance with the foregoing schedule. A surcharge may be applied to night and weekend work. See proposal for details.

Rates for data storage and web-based access will be provided on a project-specific basis.

EQUIPMENT		
Air Quality Equipment, per day	\$	210.00
Air Sparging Field Test, per day	\$	525.00
Construction Monitoring Equipment	\$	30.00
Continuous Recording Data Logger, per day	\$	350.00
Environmental Exploration Equipment, per day	\$	165.00
Field Data Acquisition Equipment (Field Tablet), per day	\$	55.00
Field Water Quality Testing Equipment, per day (1 day min.)	\$	90.00
Gas Detection and Oxygen Meters, per day (1 day min.)	\$	105.00
Generator, per day (1 day min.)	\$	105.00
Geotechnical Exploration Equipment, per day	\$	145.00
Groundwater Development and Sampling Pumps, per day (1 day min.)	\$	120.00
Groundwater Monitoring Equipment, per day	\$	250.00
Nuclear Density Gauge, per hour (4 hour daily min.)	\$	15.00
pH Probe/Meter, per day	\$	20.00
Rock/slope Fall Protection/Rigging Equipment, per day	\$	700.00
Single Channel Data Logger, per logger, per day (1 day min.)	\$	110.00
Slope Indicator, per day (1 day min.)	\$	210.00
Survey equipment, Porter sampling gear and Dynamic cone sounding equipment, per day	\$	50.00
Vapor Extraction Field Test, per day	\$	530.00
Vehicle usage, per mile, or \$30/half-day, whichever is greater	\$.65
Vehicle - 4-wheel drive truck, per day (1 day min.)	\$	90.00
Water Disposal Equipment, per use, per day	\$	55.00
Water Quality Equipment, per day	\$	140.00

Specialized and miscellaneous field equipment not listed above will be quoted on a project-specific basis.

OTHER SERVICES, SUPPLIES AND SPECIAL TAXES

Charges for services, equipment, supplies and facilities not furnished in accordance with the above schedule, and any unusual items of expense not customarily incurred in our normal operations, are charged at cost plus 15 percent. This includes shipping charges, subsistence, transportation, printing and reproduction, miscellaneous supplies and rentals, surveying services, drilling equipment, construction equipment, watercraft, aircraft, and special insurance which may be required. Taxes required by local jurisdictions for projects in specific geographic areas will be charged to projects at direct cost.

Per diem may be charged in lieu of subsistence and lodging.

Routinely used field supplies stocked in-house by GeoEngineers, at current rates, list available upon request.

In-house testing for geotechnical soil characteristics at current rates, list available upon request.

Associated Project Costs (APC)

Associated Project Costs (APC) equal to six percent (6%) of professional fees will be assessed. This fee allows GeoEngineers to invest in the necessary infrastructure to ensure we provide our clients with the latest technological and data security standards. The investments include maintaining and advancing technical tools and platforms across all aspects of our business, and strengthening our defenses against cyber threats to ensure data remains secure. These costs are not included in our hourly rates or direct expenses.

All rates are subject to change upon notification.



**AGENDA
BILL
Item 6.D**

**Draft 2025-2026 Biennial
Budget Discussion**

DATE SUBMITTED:	October 16, 2024	MEETING DATE:	October 30, 2024
TO: BOARD OF COMMISSIONERS	FROM: Jenny Signs, Finance Manager/ Treasurer		
GENERAL MANAGER APPROVAL			
ATTACHED DOCUMENTS	1. Draft 2025-2026 Budget & Capital Improvement Program		
TYPE OF ACTION REQUESTED	RESOLUTION <input type="checkbox"/>	FORMAL ACTION/ MOTION <input type="checkbox"/>	INFORMATIONAL/ OTHER <input checked="" type="checkbox"/>

BACKGROUND / EXPLANATION OF IMPACT

Through the powers granted under [Revised Code of Washington Title 57](#) (Water-Sewer Districts) and codified under the District’s [Administrative Code](#) Title 2, Chapter 2.2 (1):

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

During a Board meeting on September 25, 2024, staff presented a draft of the 2025-2026 Biennial Budget which outlined revenues, operating expenses, debt service, and capital improvements necessary to operate the system over the course of the next two years. Since that time, the draft has been revised to reflect projections through the end of 2024 as of September 30, 2024.

During a work session October 9, 2024, staff discussed with the Board anticipated challenges in the water fund with respect to anticipated revenues relative to necessary capital improvements for aging water reservoirs. The capital improvements will have significant cost impacts to the District and will require revision to the District’s long-term capital planning that differ from past presentations of the 6-Year Capital Improvement Plan, as well as what was planned for in the current rate schedule. Staff also presented to the Board various funding strategies as modeled in Waterworth. These strategies included pursuit of grants, issuance of debt, and/or the raising of rates.

Also reviewed at the October 9 work session was the Sewer Utility Fund. With the uncertainty of the scope and timeline of upgrades to the City of Bellingham's Post Point Wastewater Treatment Plant, the District's Sewer Utility Fund will continue to grow at a pace greater than expected as a result of the Post Point Resource Recovery Project being placed on hold. In 2022, the District began increasing rates to fund our portion (\$5 million) of this project through a capital surplus in which funds would be accumulated beginning in 2022 and continuing through 2025, when the project was anticipated to begin construction. However, with that project no longer being pursued and future plans and costs unknown at this time, staff are concerned about how the growing surplus in the coming years may impact customers.

The City of Bellingham's proposed 2025 budget projects approximately \$24,500,000 on projects associated with the Post Point Waste Water Treatment Plant. A high-level review of these projects would indicate that these costs would qualify as major improvements, which would require the District to pay 4.8% of total costs based upon the current interlocal agreement. However, it is unclear whether the City will exercise its discretion to have the District pay for this portion as there has been no communication with the District regarding these projects. In an effort to be fiscally responsible and plan conservatively, the District has budgeted for the 4.8% capital cost obligation (approximately \$1.2 million) in 2026. The District has revised the 6-year CIP to reflect this change as well as removing the \$5 million in 2030 that was planned for the Post Point Resource Recovery Project.

Further discussion from the work session approached the topic of an interfund loan between the Sewer Utility Fund and the Water Utility Fund since the sewer fund would appear to be overfunded in future years. Per the Washington Budgeting, Accounting and Reporting System (BARS) manual for cash basis entities, interfund loans are permissible so long as moneys are clearly inactive or in excess of anticipated cash needs throughout the duration of the loan and legally available for investment. The BARS manual further states that the minimum acceptable procedures for making and accounting for interfund loans are as follows:

- *The legislative body of a local government must, by ordinance or resolution, approve all interfund loans, indicating the lending and borrowing funds, and approved in the authorization a planned schedule of repayment of interest (based on the external rate available to the local government) to be paid to the lending fund. The planned schedule of repayment should specify the due date(s) or payment(s) needed to repay the principal and interest on the loan.*
- *Interest should be charged in all cases, unless:*
 - *The borrowing fund has no other source of revenue other than the lending fund; or*
 - *The borrowing fund is normally funded by the lending fund; or*
 - *The borrowing fund is a governmental fund and the lending fund is the General Fund.*

- *The borrowing fund must anticipate sufficient revenues to be able to cover the period of the loan to make the specified principal and interest payments required in the authorizing ordinance or resolution.*
- *The loan status should be reviewed annually by the legislative body at any open public meeting.*
- *The term of the loan may continue over a period of more than one year but must be “temporary” in the sense that no permanent diversion of the lending fund results from the failure to repay by the borrowing fund. A loan that continues longer than three years will be scrutinized for a permanent diversion of moneys.*
- *Appropriate accounting records should be maintained to reflect balance of loans in every fund affected by such transactions.*

Staff does not recommend the pursuit of an interfund loan based on the fifth bullet point above. Interfund loans are meant to be an alternative for short-term needs resulting from a cash flow issue rather than a long-term debt financing vehicle. Given the magnitude of costs associated with the water reservoirs, the Water Utility Fund would require a debt repayment schedule that extends beyond the three year threshold. Further, the socioeconomics of having sewer only customers fund a water service project may raise concerns among the District’s sewer only customers. Staff recommends that rather than use an interfund loan, the Board consider seeking outside funding and/or a revision to rates that address the greater needs in the water fund. Some revisions to the rates could include freezing rate increases or reducing rates in the sewer fund to allow for greater rate increases in the water fund. Staff will to model this scenario in Waterworth during the Board meeting discussion.

In 2022, the Board adopted rates through fiscal year 2026. Since the adoption of rates, the water rates have increased 4.5% each year. In the sewer fund, rates have increased 3.75% each year. These increases are set to continue through 2026 at which time the Board will need to approve new rates for 2027 and beyond. Inflation reached its highest level in recent history in June 2022, when the CPI-U for Seattle over a 12-month period was 10.1%. In January 2023 inflation reached its highest for the year at 8% and 2024 the highest inflation was in April at 4.4%. While inflation has slowed, the compounding effects of such high inflation year-over-year will continue to not only affect customers, but the District as well through rising operating and capital costs. It is important that rates keep pace with inflation as well as the District’s needs for capital projects and operating costs. While the District has been able to keep operating costs below budgeted projections, the current rate study only allowed for 2% inflation during the covered years as mentioned above. Inflation far outpaced 2% and is currently at 3.1% with the average over the last three years being approximately 7%.

FISCAL IMPACT

The preliminary budget, for the biennium 2025 – 2026, proposes a budget of approximately \$13 million for the water utility and a budget of approximately \$10.7 million for the sewer utility, resulting in a total budget of approximately \$23.7.

APPLICABLE EFFECTIVE UTILITY MANAGEMENT ATTRIBUTE(S)

Financial Viability

RECOMMENDED BOARD ACTION

No action is recommended at this time.

PROPOSED MOTION

Not applicable.



LAKE WHATCOM WATER AND SEWER FUND SUMMARIES 2025-2026 - DRAFT

	401 WATER	402 SEWER	TOTAL	460 BOND RESERVE (RESTRICTED)
2025 Projected Beginning Fund Balance	\$887,332	\$4,239,184	\$5,126,516	\$646,125
2025 - 2026 Revenues	\$12,973,018	\$10,748,312	\$23,721,330	
2025 - 2026 Expenditures	\$ (11,984,810)	\$ (12,075,041)	\$ (24,059,851)	
Net Surplus/(Deficit)	\$ 988,208	\$ (1,326,729)	\$ (338,521)	\$646,125
2026 Projected Ending Fund Balance	\$1,875,540	\$2,912,455	\$4,787,995	\$646,125
2025 - 2026 Allocated to Operating Reserve	\$731,347	\$560,054	\$1,291,401	
2025 - 2026 Rate Study Capital Surplus*	\$576,000	\$596,225	\$1,172,225	
2025 - 2026 Projected Year End Fund Balance	\$ 568,193	\$1,756,176	\$2,324,369	
	426 Water	425 Sewer	Total	
2025 Contingency Reserve Funds	\$460,000	\$815,000	\$1,275,000	
2026 Contingency Reserve Funds	\$460,000	\$901,000	\$1,361,000	

*Aggregate Rate Study Surplus 2025 through 2026

Lake Whatcom Water and Sewer District
2025 - 2026 Biennial Budget - DRAFT
Water Utility Fund (401)

Fund	Dept.	Account	Title	2023 Acual	2024 Budget	2024 Projected 9.30.2024	2025 Proposed	2026 Proposed	2025-2026 Combined Proposed
Intergovernmental Revenue									
401	330	331 66 00 01	Enviromental Protection Agency	\$ -	\$ 220,000	\$ -	\$ 220,000	\$ -	\$ 220,000
401	330	333 97 00 02	Federal Indirect Grant Homeland Security	\$ -	\$ 2,310,877	\$ 196,966	\$ 1,567,983	\$ 2,287,825	\$ 3,855,808
401	330	334 01 80 01	State Grant From Military Department	\$ -	\$ 93,700	\$ 77,625	\$ 647,926	\$ 266,134	\$ 914,060
Charges For Services									
401	340	343 40 10 00	Water Sales Metered	\$ 3,050,799	\$ 3,161,387	\$ 3,100,164	\$ 3,239,670	\$ 3,385,455	\$ 6,625,125
401	340	343 40 20 01	DEA Permits - Water	\$ 11,050	\$ -	\$ 5,000	\$ -	\$ -	\$ -
401	340	343 41 10 01	General Facilities Charges - Water	\$ 218,052	\$ 104,058	\$ 234,235	\$ 105,485	\$ 107,540	\$ 213,025
Fines & Penalties									
401	350	359 81 10 00	Combined Fees	\$ 15,315	\$ 8,500	\$ 8,114	\$ 12,500	\$ 12,500	\$ 25,000
401	350	359 90 00 00	Late Fees	\$ 64,752	\$ 60,000	\$ 51,352	\$ 65,000	\$ 65,000	\$ 130,000
Miscellaneous Revenues									
401	360	361 11 00 00	Investment Interest	\$ 77,205	\$ 64,091	\$ 103,367	\$ 118,000	\$ 70,000	\$ 188,000
401	360	369 10 00 00	Sale Of Surplus	\$ 3,991	\$ -	\$ -	\$ -	\$ -	\$ -
401	360	369 10 01 00	Miscellaneous	\$ 3,132	\$ 1,000	\$ 610	\$ 1,000	\$ 1,000	\$ 2,000
401	360	369 40 00 00	Project Reimbursement	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
401	360	369 80 00 00	Over/Under	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other Financing Sources									
401	390	391 80 00 01	Intergovernmental Loans - Public Works Board Loan	\$ -	\$ 200,000	\$ -	\$ 800,000	\$ -	\$ 800,000
401	390	395 10 00 00	Sale Of Capital Assets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
401	390	395 20 00 00	Deposits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
401	390	395 20 00 01	Compensation For Loss/Impairment (Formerly Ins. Recovery)	\$ 13,857	\$ -	\$ -	\$ -	\$ -	\$ -
Total Water Fund Revenues				\$ 3,458,153	\$ 6,003,613	\$ 3,777,433	\$ 6,777,564	\$ 6,195,454	\$ 12,973,018

Water Fund Expenditures									
401	534	534 10 10 00	Water - Gen Admin Payroll	\$ 346,232	\$ 371,432	\$ 370,781	\$ 398,451	\$ 410,405	\$ 808,856
401	534	534 10 20 00	Water - Gen Admin Personnel Benefits	\$ 136,723	\$ 184,645	\$ 151,448	\$ 163,307	\$ 168,206	\$ 331,513
401	534	534 10 31 00	Water - Gen Admin Supplies	\$ 7,948	\$ 12,500	\$ 8,000	\$ 12,500	\$ 12,500	\$ 25,000
401	534	534 10 31 01	Water - Meetings/Team building	\$ 2,399	\$ 2,000	\$ 3,132	\$ 3,200	\$ 3,200	\$ 6,400
401	534	534 10 40 00	Water - Merchant Services Fees	\$ 16,760	\$ 14,200	\$ 18,906	\$ 19,700	\$ 20,300	\$ 40,000
401	534	534 10 40 01	Water - Bank Fees	\$ 378	\$ 1,400	\$ 570	\$ 750	\$ 750	\$ 1,500
401	534	534 10 41 00	Water - Quality Assurance Programs	\$ 10,734	\$ 132,310	\$ 133,502	\$ 87,800	\$ 87,800	\$ 175,600
401	534	534 10 41 01	Water - Gen Admin Prof Svc	\$ 127,876	\$ 124,175	\$ 145,276	\$ 116,315	\$ 110,915	\$ 227,230
401	534	534 10 41 02	Water - Engineering Svc	\$ 4,987	\$ 14,000	\$ 7,645	\$ 9,000	\$ 9,000	\$ 18,000
401	534	534 10 41 03	Water - Legal Svc	\$ 18,070	\$ 31,000	\$ 24,407	\$ 31,000	\$ 31,900	\$ 62,900
401	534	534 10 41 04	Water - DEA Expenditures	\$ 6,557	\$ -	\$ -	\$ -	\$ -	\$ -
401	534	534 10 42 00	Water - Admin Communication	\$ 31,484	\$ 33,000	\$ 32,400	\$ 34,000	\$ 35,400	\$ 69,400
401	534	534 10 43 00	Water - Software/IT Subscriptions	\$ 59,653	\$ 63,405	\$ 73,055	\$ 79,060	\$ 80,710	\$ 159,770
401	534	534 10 46 00	Water - Gen Admin Insurance	\$ 98,619	\$ 114,000	\$ 114,000	\$ 89,000	\$ 93,450	\$ 182,450
401	534	534 10 49 00	Water - Gen Admin Misc.	\$ 105	\$ 200	\$ -	\$ 200	\$ 200	\$ 400
401	534	534 10 49 01	Water - Memberships/Dues/Permits	\$ 16,178	\$ 20,500	\$ 19,638	\$ 21,100	\$ 21,750	\$ 42,850
401	534	534 10 49 02	Water - Taxes	\$ 161,097	\$ 165,095	\$ 170,145	\$ 177,800	\$ 185,800	\$ 363,600
401	534	534 40 43 00	Water - Admin Training & Travel	\$ 9,025	\$ 13,000	\$ 10,000	\$ 13,000	\$ 13,000	\$ 26,000
401	534	534 40 43 01	Water - Tuition Reimbursement	\$ -	\$ 500	\$ -	\$ 500	\$ 500	\$ 1,000
401	534	534 50 31 00	Water - Maintenance Supplies	\$ 114,825	\$ 120,500	\$ 94,643	\$ 120,500	\$ 120,500	\$ 241,000
401	534	534 50 31 01	Water - Small Assets	\$ 39,698	\$ 62,250	\$ 57,770	\$ 48,000	\$ 48,000	\$ 96,000
401	534	534 50 48 00	Water - Repair & Maint	\$ 105,923	\$ 120,750	\$ 110,160	\$ 145,000	\$ 150,800	\$ 295,800
401	534	534 50 49 00	Water - Insurance Claims	\$ 3,418	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 10,000
401	534	534 60 41 00	Water - Operations Contracted (Edge Analytical)	\$ 9,485	\$ 12,000	\$ 11,984	\$ 12,500	\$ 12,900	\$ 25,400
401	534	534 60 47 00	Water - City of Bellingham	\$ 51,526	\$ 62,920	\$ 54,081	\$ 62,920	\$ 62,920	\$ 125,840
401	534	534 80 10 00	Water - Operations Payroll	\$ 638,689	\$ 692,736	\$ 662,951	\$ 734,736	\$ 756,778	\$ 1,491,513
401	534	534 80 20 00	Water - Operations Personnel Benefits	\$ 262,021	\$ 288,803	\$ 275,627	\$ 325,820	\$ 335,595	\$ 661,415
401	534	534 80 32 00	Water - Operations Fuel	\$ 26,201	\$ 26,000	\$ 17,811	\$ 31,900	\$ 33,200	\$ 65,100
401	534	534 80 35 00	Water - Safety Supplies	\$ 5,130	\$ 10,000	\$ 5,516	\$ 10,000	\$ 10,000	\$ 20,000
401	534	534 80 35 01	Water - Safety Boots	\$ 1,298	\$ 1,400	\$ 1,400	\$ 1,400	\$ 1,400	\$ 2,800
401	534	534 80 35 02	Water - Emergency Preparedness	\$ 588	\$ 3,000	\$ 450	\$ 3,000	\$ 3,000	\$ 6,000
401	534	534 80 43 00	Water - Operation Training/Travel/Certifications	\$ 12,693	\$ 13,000	\$ 14,670	\$ 13,000	\$ 13,000	\$ 26,000
401	534	534 80 47 00	Water - Ops Utilities	\$ 145,246	\$ 153,835	\$ 150,206	\$ 156,200	\$ 162,500	\$ 318,700
401	534	534 80 49 00	Water - Operations Laundry	\$ 1,269	\$ 2,000	\$ 1,648	\$ 2,000	\$ 2,000	\$ 4,000
Total Water Fund Expenditures				\$ 2,472,835	\$ 2,871,556	\$ 2,746,822	\$ 2,928,658	\$ 3,003,378	\$ 5,932,036

Debt Service									
401	591	591 34 77 01	Geneva AC Mains Principal	\$ 119,938	\$ 119,938	\$ 119,938	\$ 119,938	\$ 119,938	\$ 239,876
401	591	591 34 77 02	Div. 22 Reservoir Principal	\$ 65,475	\$ 65,475	\$ 65,475	\$ 65,475	\$ 65,475	\$ 130,950
401	591	591 34 77 03	PWB Loan for Division 7 Reservoir Principal	\$ -	\$ -	\$ -	\$ -	\$ 33,854	\$ 33,854
401	591	592 34 83 01	Geneva AC Mains Interest	\$ 23,388	\$ 21,589	\$ 21,589	\$ 19,790	\$ 17,991	\$ 37,781
401	591	592 34 83 02	Div. 22 Reservoir Interest	\$ 14,732	\$ 13,750	\$ 13,750	\$ 12,768	\$ 11,785	\$ 24,553
401	591	592 34 83 03	PWB Loan for Division 7 Reservoir Interest	\$ -	\$ -	\$ -	\$ -	\$ 13,760	\$ 13,760
Total Water Fund Debt Service				\$ 223,533	\$ 220,752	\$ 220,752	\$ 217,971	\$ 262,803	\$ 480,774

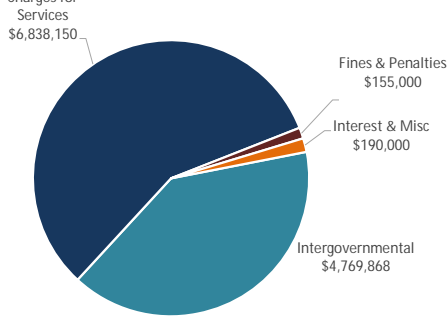
Lake Whatcom Water and Sewer District
2025 - 2026 Biennial Budget - DRAFT
Water Utility Fund (401)

Fund	Dept.	Account	Title	2023 Actual	2024 Budget	2024 Projected 9.30.2024	2025 Proposed	2026 Proposed	2025-2026 Combined Proposed
<i>System Reinvestments</i>									
Capital Expenditures									
401	594	594 34 60 01	Capital Outlay - Budget Only		\$ 1,978,138	\$ 1,463,765	\$ 2,556,000	\$ 3,016,000	\$ 5,572,000
401	594	594 34 62 01	Capital Projects - Water Structures	\$ 352,884					\$ -
401	594	594 34 63 01	Capital Projects - Water System	\$ 127,675					\$ -
401	594	594 34 64 01	Capital Outlay - Water Equipment	\$ 54,599					\$ -
401	594	594 34 65 01	Capital Outlay - Small Water Projects	\$ 2,637					\$ -
			Capital Outlay Carryover Projects/Additional Funding						\$ -
Total Water Fund Capital Expenditures				\$ 537,795	\$ 1,978,138	\$ 1,463,765	\$ 2,556,000	\$ 3,016,000	\$ 5,572,000
Other Financing Sources									
401	597	597 10 00 26	Transfers Out To Fund 426	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Water Fund Other Financing Sources				\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Water Fund Expenditures				\$ 3,234,163	\$ 5,070,446	\$ 4,431,339	\$ 5,702,629	\$ 6,282,181	\$ 11,984,810
Fund Gain/Loss				\$ 223,990	\$ 933,167	\$ (653,906)	\$ 1,074,935	\$ (86,727)	\$ 988,208

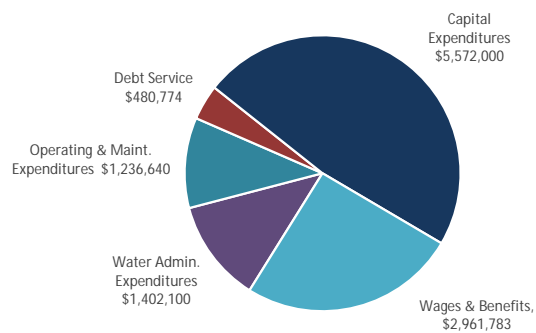
Fund Balance Summary		
2024 Beginning Fund Balance		\$ 1,541,238
2024 Projected Gain/Loss		\$ (653,906)
2024 Projected Ending Fund Balance		\$ 887,332
2025 Projected Gain/Loss		\$ 1,074,935
2025 Projected Ending Fund Balance		\$ 1,962,267
2026 Projected Gain/Loss		\$ (86,727)
2026 Projected Ending Fund Balance		\$ 1,875,540

Water Contingency Reserve Fund Balance Summary		
2024 Beginning Fund Balance		\$ 460,000
2024 Projected Gain/Loss		\$ -
2024 Projected Ending Fund Balance		\$ 460,000
2025 Projected Gain/Loss		\$ -
2025 Projected Ending Fund Balance		\$ 460,000
2026 Projected Gain/Loss		\$ -
2026 Projected Ending Fund Balance		\$ 460,000

2025 - 2026 Budgeted Water Fund Revenues



2025-2026 Budgeted Water Fund Expenditures



**Lake Whatcom Water and Sewer District
2025-2026 Biennial Budget - DRAFT
Sewer Utility Fund (402)**

Fund	Dept.	Account	Title	2023 Actual	2024 Budget	2024 Projected 9.30.2024	2025 Proposed	2026 Proposed	2025-2026 Combined Proposed
Intergovernmental Revenue									
401	330	331 97 10 02	Federal Grants (FEMA)	\$ 34,987	\$ -	\$ -	\$ -	\$ -	\$ -
Charges For Services									
402	340	343 50 11 00	Sewer Service Residential	\$ 4,791,731	\$ 4,763,437	\$ 4,865,130	\$ 5,047,572	\$ 5,236,856	\$ 10,284,428
402	340	343 50 19 00	Sewer Service Other	\$ 4,581	\$ 5,540	\$ 5,379	\$ 5,750	\$ 5,950	\$ 11,700
402	340	343 50 30 02	DEA Cost Reimbursement	\$ -	\$ -	\$ 6,186	\$ -	\$ -	\$ -
402	340	343 51 10 02	General Facilities Charges - Sewer	\$ 265,644	\$ 122,324	\$ 295,926	\$ 125,380	\$ 128,520	\$ 253,900
Miscellaneous Revenues									
402	360	361 11 00 02	Investment Interest	\$ 77,205	\$ 64,091	\$ 91,814	\$ 118,000	\$ 70,000	\$ 188,000
402	360	361 40 00 02	ULID 18 Interest/Penalties	\$ 1,550	\$ -	\$ 1,675	\$ -	\$ -	\$ -
402	360	368 10 00 02	ULID 18 Principal Payments	\$ 3,571	\$ -	\$ 1,396	\$ -	\$ -	\$ -
402	360	369 10 00 02	Sale Of Surplus	\$ 3,991	\$ 1,000	\$ -	\$ -	\$ -	\$ -
402	360	369 40 00 02	Project Reimbursement	\$ 4,142	\$ 4,141	\$ 4,142	\$ 4,142	\$ 4,142	\$ 8,284
402	360	369 91 01 02	Miscellaneous	\$ 3,132	\$ 1,000	\$ 608	\$ 1,000	\$ 1,000	\$ 2,000
Other Financing Sources									
402	390	395 10 00 02	Sale Of Capital Assets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
402	395	395 20 00 02	Compensation for Loss/Impairment of Capital Asset	\$ 13,857	\$ -	\$ -	\$ -	\$ -	\$ -
402	397	397 10 00 02	Transfers In	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Sewer Fund Revenues				\$ 5,169,404	\$ 4,961,533	\$ 5,272,256	\$ 5,301,844	\$ 5,446,468	\$ 10,748,312
Sewer Fund Expenditures									
402	535	535 10 10 00	Sewer - Admin Payroll	\$ 346,231	\$ 371,434	\$ 370,781	\$ 398,451	\$ 410,405	\$ 808,856
402	535	535 10 20 00	Sewer - Gen Admin Personnel Benefits	\$ 136,720	\$ 163,622	\$ 151,445	\$ 163,307	\$ 168,206	\$ 331,513
402	535	535 10 31 00	Sewer - Gen Admin Supplies	\$ 7,779	\$ 11,500	\$ 8,000	\$ 12,500	\$ 12,500	\$ 25,000
402	535	535 10 31 01	Sewer - Meetings/Team Building	\$ 2,388	\$ 2,000	\$ 3,132	\$ 3,200	\$ 3,200	\$ 6,400
402	535	535 10 40 00	Sewer - Merchant Services Fees	\$ 16,760	\$ 14,200	\$ 18,906	\$ 18,000	\$ 18,000	\$ 36,000
402	535	535 10 40 01	Sewer - Bank Fees	\$ 370	\$ 1,400	\$ 750	\$ 750	\$ 750	\$ 1,500
402	535	535 10 41 01	Sewer - Gen Admin Prof Srvc	\$ 111,810	\$ 124,175	\$ 121,275	\$ 116,315	\$ 110,915	\$ 227,230
402	535	535 10 41 02	Sewer - Engineering Srvc	\$ 3,831	\$ 14,000	\$ 3,800	\$ 9,000	\$ 9,000	\$ 18,000
402	535	535 10 41 03	Sewer - Legal Srvc	\$ 25,486	\$ 31,000	\$ 24,545	\$ 31,000	\$ 31,900	\$ 62,900
402	535	535 10 41 04	Sewer - DEA Expenditures	\$ 5,142	\$ -	\$ -	\$ -	\$ -	\$ -
402	535	535 10 42 00	Sewer - Admin Communication	\$ 31,484	\$ 33,000	\$ 30,301	\$ 34,000	\$ 35,400	\$ 69,400
402	535	535 10 43 00	Sewer - Software/IT Subscriptions	\$ 57,468	\$ 63,405	\$ 63,405	\$ 88,710	\$ 90,360	\$ 179,070
402	535	535 10 46 00	Sewer - Gen Admin Insurance	\$ 98,619	\$ 114,000	\$ 114,000	\$ 89,000	\$ 93,450	\$ 182,450
402	535	535 10 49 00	Sewer - Gen Admin Misc.	\$ 80	\$ 200	\$ -	\$ 200	\$ 200	\$ 400
402	535	535 10 49 01	Sewer - Memberships/Dues/Permits	\$ 9,326	\$ 15,300	\$ 15,746	\$ 16,220	\$ 16,700	\$ 32,920
402	535	535 10 49 02	Sewer - Taxes	\$ 112,681	\$ 115,000	\$ 124,960	\$ 129,650	\$ 134,500	\$ 264,150
402	535	535 40 43 00	Sewer - Gen Admin Training &Travel	\$ 9,029	\$ 13,000	\$ 10,000	\$ 13,000	\$ 13,000	\$ 26,000
402	535	535 40 43 01	Sewer - Tuition Reimbursement	\$ -	\$ 500	\$ -	\$ 500	\$ 500	\$ 1,000
402	535	535 50 31 00	Sewer - Maintenance Supplies	\$ 43,462	\$ 45,000	\$ 33,500	\$ 45,000	\$ 46,800	\$ 91,800
402	535	535 50 31 01	Sewer - Small Assets	\$ 19,105	\$ 42,000	\$ 28,776	\$ 42,000	\$ 43,700	\$ 85,700
402	535	535 50 48 00	Sewer - Repair & Maint	\$ 122,370	\$ 140,000	\$ 140,000	\$ 145,000	\$ 150,000	\$ 295,000
402	535	535 50 49 00	Sewer - Insurance Claims	\$ -	\$ 2,500	\$ -	\$ 2,500	\$ 2,500	\$ 5,000
402	535	535 60 47 00	Sewer - City of Bellingham	\$ 756,791	\$ 942,500	\$ 808,725	\$ 865,350	\$ 926,000	\$ 1,791,350
402	535	535 80 10 00	Sewer - Operations Payroll	\$ 549,579	\$ 588,048	\$ 572,059	\$ 625,864	\$ 644,639	\$ 1,270,503
402	535	535 80 20 00	Sewer - Operations Personnel Benefits	\$ 222,900	\$ 255,921	\$ 237,624	\$ 270,024	\$ 278,125	\$ 548,150
402	535	535 80 32 00	Sewer - Operations Fuel	\$ 30,048	\$ 26,000	\$ 26,000	\$ 31,900	\$ 33,200	\$ 65,100
402	535	535 80 35 00	Sewer - Safety Supplies	\$ 7,055	\$ 10,000	\$ 4,381	\$ 10,000	\$ 10,000	\$ 20,000
402	535	535 80 35 01	Sewer - Safety Boots	\$ 1,298	\$ 1,400	\$ 1,400	\$ 1,400	\$ 1,400	\$ 2,800
402	535	535 80 35 02	Sewer - Emergency Preparedness	\$ 3,753	\$ 5,000	\$ 3,800	\$ 5,000	\$ 5,000	\$ 10,000
402	535	535 80 43 00	Sewer - Operations Training/Travel/Certification	\$ 9,888	\$ 13,000	\$ 13,153	\$ 13,000	\$ 13,000	\$ 26,000
402	535	535 80 47 00	Sewer - Ops Utilities	\$ 124,037	\$ 156,383	\$ 151,332	\$ 160,000	\$ 164,800	\$ 324,800
402	535	535 80 49 00	Sewer - Operations Laundry	\$ 1,871	\$ 2,500	\$ 1,815	\$ 2,500	\$ 2,500	\$ 5,000
Total Sewer Fund Expenditures				\$ 2,867,361	\$ 3,317,988	\$ 3,083,611	\$ 3,343,341	\$ 3,470,650	\$ 6,813,991
Debt Service									
402	591	591 35 77 02	Bond 2016 Principal	\$ 470,000	\$ 480,000	\$ 480,000	\$ 490,000	\$ 520,000	\$ 1,010,000
402	591	591 35 83 02	Bond 2016 Interest	\$ 179,025	\$ 164,925	\$ 164,925	\$ 126,125	\$ 107,925	\$ 234,050
Total Sewer Fund Debt Service				\$ 649,025	\$ 644,925	\$ 644,925	\$ 616,125	\$ 627,925	\$ 1,244,050
Capital Expenditures									
402	594	594 35 60 02	Capital Outlay - Budget Only		\$ 2,729,500	\$ 1,317,020	\$ 1,875,000	\$ 2,056,000	\$ 3,931,000
402	594	594 35 62 02	Capital Projects - Sewer Structures	\$ 724,923					\$ -
402	594	594 35 63 02	Capital Projects - Sewer System	\$ 302,267					\$ -
402	594	594 35 64 02	Capital Outlay - Sewer Equipment	\$ 80,156					\$ -
402	594	594 35 65 02	Capital Outlay - Small Sewer Projects	\$ -					\$ -
402	594	594 35 65 02	Capital Outlay - Carry Over Projects/Additional Funding	\$ -					\$ -
Total Sewer Fund Capital Expenditures				\$ 1,107,346	\$ 2,729,500	\$ 1,317,020	\$ 1,875,000	\$ 2,056,000	\$ 3,931,000
Other Financing Sources									
402	597	597 10 00 25	Transfer Out To Sewer Contingency	\$ -	\$ -	\$ -	\$ -	\$ 86,000	\$ 86,000
Total Other Financing Sources				\$ -	\$ -	\$ -	\$ -	\$ 86,000	\$ 86,000

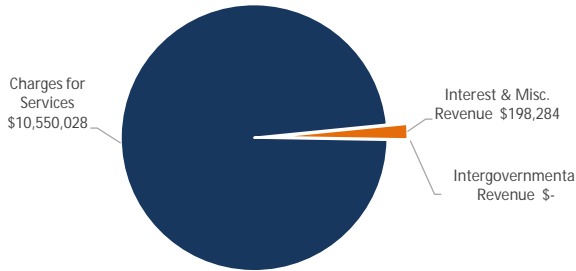
Lake Whatcom Water and Sewer District
2025-2026 Biennial Budget - DRAFT
Sewer Utility Fund (402)

Fund	Dept.	Account	Title	2023 Actual	2024 Budget	2024 Projected 9.30.2024	2025 Proposed	2026 Proposed	2025-2026 Combined Proposed
Total Sewer Fund Expenditures				\$ 4,623,732	\$ 6,692,413	\$ 5,045,556	\$ 5,834,466	\$ 6,240,575	\$ 12,075,041
Fund Gain/Loss				\$ 545,672	\$ (1,730,880)	\$ 226,700	\$ (532,622)	\$ (794,107)	\$ (1,326,729)

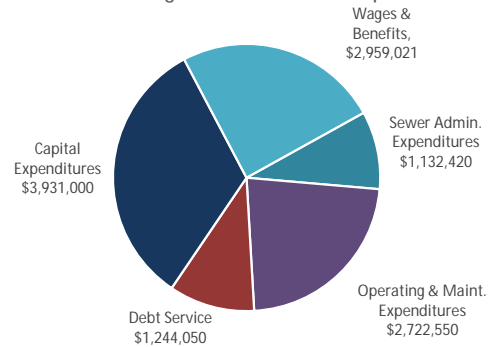
Fund Balance Summary	
2024 Beginning Fund Balance	\$ 4,012,484
2024 Projected Gain/Loss	\$ 226,700
2024 Projected Ending Fund Balance	\$ 4,239,184
2025 Projected Gain/Loss	\$ (532,622)
2025 Projected Ending Fund Balance	\$ 3,706,562
2026 Projected Gain/Loss	\$ (794,107)
2026 Projected Ending Fund Balance	\$ 2,912,455

Sewer Contingency Reserve Fund Balance Summary	
2024 Beginning Fund Balance	\$ 815,000
2024 Projected Gain/Loss	\$ -
2024 Projected Ending Fund Balance	\$ 815,000
2025 Projected Gain/Loss	\$ -
2025 Projected Ending Fund Balance	\$ 815,000
2026 Projected Gain/Loss	\$ 86,000
2026 Projected Ending Fund Balance	\$ 901,000

2025-2026 Budgeted Sewer Fund Revenues



2025-2026 Budgeted Sewer Fund Expenditures



Lake Whatcom Water and Sewer District
 2025 - 2026 Biennial Budget - DRAFT
 Sewer Contingency Reserve Fund (425)

Fund	Dept.	Account	Title	2023 Actual	2024 Budget	2024 Projected	2025 Proposed	2026 Proposed	2025-2026 Combined Proposed
Other Financing Sources									
425	397	397 10 00 25	Transfer In From Sewer Fund	\$ -	\$ -	\$ -	\$ -	\$ 86,000	\$ 86,000
Total Fund Revenue				\$ -	\$ -	\$ -	\$ -	\$ 86,000	\$ 86,000
Other Financing Sources									
425	597	597 10 20 00	Transfers Out To Fund 420	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Fund Expenditures				\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fund Gain/Loss				\$ -	\$ -	\$ -	\$ -	\$ 86,000	\$ 86,000

Sewer Contingency Reserve Fund Balance Summary

2024 Beginning Fund Balance	\$ 815,000
2024 Projected Gain/Loss	\$ -
2024 Projected Ending Fund Balance	<u>\$ 815,000</u>
2025 Projected Gain/Loss	\$ -
2025 Projected Ending Fund Balance	<u>\$ 815,000</u>
2026 Projected Gain/Loss	\$ 86,000
2026 Projected Ending Fund Balance	<u>\$ 901,000</u>

Lake Whatcom Water and Sewer District
 2025 - 2026 Biennial Budget - DRAFT
 Water Contingency Reserve Fund (426)

Fund	Dept.	Account	Title	2023 Actual	2024 Budget	2024 Projected	2025 Proposed	2026 Proposed	2025-2026 Combined Proposed
Other Financing Sources									
426	397	397 10 00 26	Transfers In From Fund 401	\$ -	\$ -	\$ -	\$ -	\$ -	-
Total Fund Revenue				\$ -	\$ -	\$ -	\$ -	\$ -	-
Total Fund Expenditures				\$ -	\$ -	\$ -	\$ -	\$ -	-

Water Contingency Reserve Fund Balance Summary

2024 Beginning Fund Balance	\$ 460,000
2024 Projected Gain/Loss	\$ -
2024 Projected Ending Fund Balance	<u>\$ 460,000</u>
2025 Projected Gain/Loss	\$ -
2025 Projected Ending Fund Balance	<u>\$ 460,000</u>
2026 Projected Gain/Loss	\$ -
2026 Projected Ending Fund Balance	<u>\$ 460,000</u>

Lake Whatcom Water and Sewer District
 2025 - 2026 Biennial Budget - DRAFT
 Bond Reserve Fund (460)

Fund	Program	Dept.	Sub Dept.	Account	Title	2023 Actual	2024 Budget	2024 Projected	2025 Proposed	2026 Proposed	2025-2026 Combined Proposed
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Total Fund Revenue						\$	-	\$	-	\$	-	\$	-	\$	-
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Total Fund Expenditures						\$	-	\$	-	\$	-	\$	-	\$	-
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Bond Reserve Fund Balance Summary

2024 Beginning Fund Balance	\$ 772,334
2024 Projected Gain/Loss	<u>\$ (126,209)</u>
2024 Projected Ending Fund Balance	\$ 646,125
2025 Projected Gain/Loss	<u>\$ -</u>
2025 Projected Ending Fund Balance	\$ 646,125
2026 Projected Gain/Loss	<u>\$ -</u>
2026 Projected Ending Fund Balance	\$ 646,125

Water System Reinvestment Plan 2025 through 2030

	Total (2025 - 2030)	2025	2026	2027	2028	2029	2030
Capital Outlay - General (Water Share)							
IT Infrastructure	\$ 38,000.00	\$ 18,000.00			\$ 20,000.00		
Replace 5-yard Dump Truck (2007 model in fleet)	\$ 99,000.00					\$ 99,000.00	
Replace Mini Excavator	\$ 52,000.00				\$ 52,000.00		
Replace Admin Staff Vehicle	\$ 20,000.00	\$ 20,000.00					
VEH31 - Tool Truck Replacement (2005)	\$ 52,000.00	\$ 52,000.00					
VEH41 - Tool Truck Replacement (2010)	\$ 60,000.00						\$ 60,000.00
Subtotal - Capital Outlay (General - Water Share)	\$ 321,000.00	\$ 90,000.00	\$ -	\$ -	\$ 72,000.00	\$ 99,000.00	\$ 60,000.00
Capital Outlay - Water Only							
Misc Water Capital Outlay	\$ 67,000.00	\$ 10,000.00	\$ 11,000.00	\$ 11,000.00	\$ 11,000.00	\$ 12,000.00	\$ 12,000.00
VEH36 - Utility Locater Van Replacement WATER ONLY	\$ 57,000.00				\$ 57,000.00		
Reservoirs - Inspection & Maintenance	\$ 48,000.00					\$ 48,000.00	
SVWTP - Replace 6 Turbidimeters and 2 Chlorine Analyzers	\$ 59,000.00				\$ 59,000.00		
Security - Intrusion Alarms at Reservoirs, Cameras at SVWTP AHWTP	\$ 184,000.00		\$ 184,000.00				
Water System Plan Update	\$ 147,000.00			\$ 147,000.00			
Subtotal - Capital Outlay (Water Only)	\$ 562,000.00	\$ 10,000.00	\$ 195,000.00	\$ 158,000.00	\$ 127,000.00	\$ 60,000.00	\$ 12,000.00
Capital Projects - Water Only							
Div 7 Reservoir Phase 2 Construction (year 2)	\$ 1,690,000.00	\$ 1,690,000.00					
1237 Lakeview St - Replace 2" PVC with 2" HDPE	\$ 65,000.00	\$ 65,000.00					
Eagleridge - Replace all pumps and controls with new package pump station	\$ 359,000.00						\$ 359,000.00
Scenic Intertie - Replace failed piping to restore intertie	\$ 78,000.00	\$ 78,000.00					
SVWTP - Core - Replace Finished Water Pumps	\$ 1,140,000.00				\$ 1,140,000.00		
SVWTP - Core - Replace Transfer Pumps	\$ 559,000.00						\$ 559,000.00
SVWTP - Core - New 0.3MG Welded Steel CCB - Design, Permitting	\$ 242,000.00	\$ 242,000.00					
SVWTP - Core - New 0.3MG Welded Steel CCB - Construction	\$ 1,669,000.00		\$ 1,669,000.00				
Geneva Reservoir and SVWTP Pump House Seismic Upgrades - Design and Permitting	\$ 218,000.00	\$ 218,000.00					
Geneva Reservoir and SVWTP Pump House Seismic Upgrades - Construction	\$ 1,152,000.00		\$ 1,152,000.00				
Physical Safety Improvements (Locks, Ladders and Fencing) - Phase 1	\$ 37,000.00	\$ 37,000.00					
Physical Safety Improvements (Locks, Ladders and Fencing) - Phase 2	\$ 46,000.00				\$ 46,000.00		
Physical Safety Improvements (Locks, Ladders and Fencing) - Phase 3	\$ 48,000.00						\$ 48,000.00
Replace flash mixer - SV WTP	\$ 16,000.00	\$ 16,000.00					
Treatment Center Wells Decommissioning	\$ 52,000.00	\$ 52,000.00					
Convert Phone Lines to Cellular Communication SHARED	\$ 26,000.00	\$ 26,000.00					
Eagleridge Building Roof	\$ 21,000.00	\$ 21,000.00					
Eagleridge Building Exterior Paint	\$ 11,000.00	\$ 11,000.00					
Johnson Well Pumps	\$ 36,000.00						\$ 36,000.00
Sudden Valley WTP Soda Ash Tank Coating	\$ 30,000.00						\$ 30,000.00
Division 22-1 - Recoat	\$ 811,000.00			\$ 811,000.00			
Geneva - Recoat	\$ 1,100,000.00			\$ 1,100,000.00			
Hydrants	\$ 104,000.00			\$ 50,000.00		\$ 54,000.00	
PRV Replacement	\$ 62,000.00			\$ 30,000.00		\$ 32,000.00	
Subtotal - Capital Projects - Water Only	\$ 9,572,000.00	\$ 2,556,000.00	\$ 3,016,000.00	\$ 2,149,000.00	\$ 1,385,000.00	\$ 245,000.00	\$ 1,104,000.00
GRAND TOTAL	\$ 10,455,000.00	\$ 2,556,000.00	\$ 3,016,000.00	\$ 2,149,000.00	\$ 1,385,000.00	\$ 245,000.00	\$ 1,104,000.00


Sewer System Reinvestment Plan 2025 through 2030

	Total (2025 - 2030)	2025	2026	2027	2028	2029	2030
Capital Outlay - General (Sewer Share)							
IT Infrastructure	\$ 38,000.00	\$ 18,000.00			\$ 20,000.00		
Replace 5-yard Dump Truck (2007 model in fleet)	\$ 93,000.00			\$ 93,000.00			
Replace Mini Excavator	\$ 52,000.00				\$ 52,000.00		
Replace Admin Staff Vehicle	\$ 20,000.00			\$ 20,000.00			
VEH31 - Tool Truck Replacement (2005)	\$ 52,000.00	\$ 52,000.00					
VEH41 - Tool Truck Replacement (2010)	\$ 60,000.00						\$ 60,000.00
Subtotal - Capital Outlay - General (Sewer Share)	\$ 315,000.00	\$ 70,000.00	\$ -	\$ 113,000.00	\$ 72,000.00	\$ -	\$ 60,000.00
Capital Outlay - Sewer Only							
Update Sewer Comprehensive Plan	\$ 124,000.00					\$ 124,000.00	
Subtotal - Capital Outlay - Sewer Only	\$ 124,000.00	\$ -	\$ -	\$ -	\$ -	\$ 124,000.00	\$ -
Capital Projects - Sewer Only							
Agate Bay Sewer Pump Station - Predesign	\$ 146,000.00	\$ 146,000.00					
Agate Bay Sewer Pump Station - Design and Bidding	\$ 188,000.00		\$ 188,000.00				
Agate Bay Sewer Pump Station - Construction	\$ 947,000.00			\$ 947,000.00			
Rocky Ridge Pump Station - Construction and CM							
Rocky Ridge Pump Station - Construction and CM (Carryover)	\$ 656,000.00	\$ 656,000.00					
Lakewood Pump Station - Construction and CM							
Lakewood Pump Station - Construction and CM (Carryover)	\$ 591,000.00	\$ 591,000.00					
Sudden Valley Lift Station - Recondition Electrical Controls	\$ 248,000.00				\$ 248,000.00		
Flat Car Lift Station - Recondition Electrical Controls	\$ 248,000.00				\$ 248,000.00		
Beaver Lift Station- Recondition Electrical Controls	\$ 248,000.00				\$ 248,000.00		
Airport Sewer Crossing Gravity Pipeline Sag	\$ 52,000.00			\$ 52,000.00			
LWBI CIPP Renewal Project P1-2023							
LWBI CIPP Renewal Project P1-2024	\$ 195,000.00	\$ 195,000.00					
LWBI CIPP Renewal Project P2	\$ 600,000.00		\$ 600,000.00				
Sewer System Rehab and Replacement Projects	\$ 294,000.00	\$ 36,000.00	\$ 38,000.00	\$ 39,000.00	\$ 40,000.00	\$ 65,000.00	\$ 76,000.00
Flatcar Lift Station Reverse Flow (Carryover)	\$ 155,000.00	\$ 155,000.00					
Revise Flow Meter Piping - Northshore	\$ 23,000.00				\$ 23,000.00		
Flow Meter - Sudden Valley LS (submersible system only)	\$ 54,000.00		\$ 54,000.00				
Convert Phone Lines to Cellular Communication SHARED	\$ 26,000.00	\$ 26,000.00					
COB WWTP Improvements - Post Point Generators & Controls	\$ 480,000.00		\$ 480,000.00				
COB WWTP Improvements - Post Point Sludge Tank Replacement	\$ 696,000.00		\$ 696,000.00				
Flat Car LS Building Roof	\$ 24,000.00						\$ 24,000.00
Sudden Valley LS Building Roof	\$ 24,000.00						\$ 24,000.00
Beaver LS Building Roof	\$ 24,000.00						\$ 24,000.00
Subtotal - Capital Projects - Sewer Only	\$ 5,919,000.00	\$ 1,805,000.00	\$ 2,056,000.00	\$ 1,038,000.00	\$ 807,000.00	\$ 65,000.00	\$ 148,000.00
GRAND TOTAL	\$ 6,358,000.00	\$ 1,875,000.00	\$ 2,056,000.00	\$ 1,151,000.00	\$ 879,000.00	\$ 189,000.00	\$ 208,000.00



**AGENDA
BILL
Item 8.A**

**General Manager's
Report**

DATE SUBMITTED:	October 23, 2024	MEETING DATE:	October 30, 2024
TO: BOARD OF COMMISSIONERS	FROM: Justin Clary, General Manager		
GENERAL MANAGER APPROVAL			
ATTACHED DOCUMENTS	1. General Manager's Report 2. 2022-2027 Strategic Plan Status Update		
TYPE OF ACTION REQUESTED	RESOLUTION <input type="checkbox"/>	FORMAL ACTION/ MOTION <input type="checkbox"/>	INFORMATIONAL /OTHER <input checked="" type="checkbox"/>

BACKGROUND / EXPLANATION OF IMPACT

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

FISCAL IMPACT

None.

RECOMMENDED BOARD ACTION

None required.

PROPOSED MOTION

None.



LAKE WHATCOM WATER AND SEWER DISTRICT

General Manager’s Report

Upcoming Dates & Announcements

Regular Meeting – Wednesday, October 30, 2024 – 8:00 a.m.

Important Upcoming Dates

Lake Whatcom Water & Sewer District			
Regular Board Meeting	Wed Nov 13, 2024	6:30 p.m.	Board Room/Hybrid
Employee Staff Meeting	Thu Nov 14, 2024	8:00 a.m.	Board Room/Hybrid Commissioner Carter to attend
Investment Comm. Meeting	Wed Oct 30, 2024	10:00 a.m.	Board Room/Hybrid
Safety Committee Meeting	Thur Nov 21, 2024	8:00 a.m.	Board Room
Lake Whatcom Management Program			
Policy Group Meeting	Wed Dec 4, 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	Wed Nov 12, 2024	6:30 p.m.	Bob’s Burgers 8822 Quil Ceda Pkwy, Tulalip, WA
Whatcom Water Districts Caucus Meeting	Wed Nov 20, 2024	2:00 p.m.	Remote Attendance
Whatcom County Council of Governments Board Meeting	Wed Dec 11, 2024	3:00 p.m.	Council of Governments Offices 314 E Champion Street/Hybrid

Committee Meeting Reports

Safety Committee:

- The committee met was scheduled to meet on October 24; anticipated discussion included status of fall protection installation the North Point sewer lift station and Sudden Valley water treatment plant pump pit, status on the revision to the asbestos cement pipe handling safety program, and potential safety award item(s).

Investment Committee:

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

Upcoming Board Meeting Topics

- 2025-2026 biennial budget discussion/adoption
- Whatcom County on-site sewage system regulation update
- Whatcom Conservation District water conservation program interlocal agreement
- Lake Whatcom Management Program 5-year work plan adoption
- 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.
NW Management Services is scheduled to present the total compensation study findings during the October 30 board meeting. Initial collective bargaining agreement negotiation sessions have been set with AFSCME for October 28 and 30.

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 associated with each water right are anticipated to be issued in late-winter or early-spring.

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 seven (7) programs (meter reading, wildfire smoke, employee orientation, chemical hazard communication, motor vehicle operation, fire safety, and workplace violence prevention) and is reviewing the asbestos cement material handling program.

Capital Improvement Program Support

- Support the Engineering Department through management of specific capital improvement project(s).
Due to workload issues within the Engineering Department, 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
Press releases were issued on April 29 (Division 7 Reservoir project groundbreaking) September 11 (J Signs appointment to the HRA VEBA Trust Board), September 24 (clean 2022-2023 audit), and October 11 (DOH TOP award).

Intergovernmental Relations

- *J Clary attended a Whatcom Water Alliance planning meeting on October 9 and chaired the WWA's quarterly meeting on October 15.*
- *J Clary attended the WASWD winter weather forecast webinar on October 15 and the small districts' meeting on October 16.*
- *J Clary attended the Whatcom Water Districts' Caucus meeting on October 16.*
- *J Clary, G Nicoll and J Dahlstrom met with Whatcom County public works personnel to coordinate planned capital improvements on October 23.*
- *J Clary and G Nicoll met with City of Bellingham public works management to coordinate operational and capital efforts on October 23.*

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 October 10 and the interjurisdictional coordinating team meeting on October 17.

**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	34			
- Reporting on the status of completion of Board initiatives		22	22	18			
- Annual number of Board initiatives		13	13	12			
- Annual number of Board meetings/work sessions held		25	23	20			
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				complete			
- Financial forecast updated biennially (even-numbered years)				fall			
- Balanced budget presented to the Board biennially		complete		fall			
Performance Measures							
- Complete strategic plan and financial forecast by Sep 1 (even-numbered years)				complete			
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		complete				
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	yes			
- 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	33			
- Number of WWA, WUCC, COG, and Whatcom Water Districts meetings attended	15	21	15			
- Number of meetings with City, County, SVCA, and SWFA staff	13	20	13			
- Number of conferences attended	3	2	3			
- 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	172/204			
- Number of press releases issued	5	5	3			
- Number of Facebook posts	51	50	42			
- Number of community events participated in	6	3	4			

**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	38			
- Increase number of finance staff meetings	9	31	25			

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	38			
- Number of staff meetings and engagement activities	13	31	25			

2. Improve financial sustainability and forecasting

Workload Indicators

- Work sessions to develop biennial budget process	complete		5			
- 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	25			

**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	7				
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	7				

**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	15,040			
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	54			
- Number of water treatment plant samples collected/analyzed		27	2,582	1,899			
- Number of water distribution system samples collected/analyzed		1,552	1,392	1,038			
- Number of hours performing equipment calibration and maintenance		1,062	1,006	756			
- Number of hours inventorying and preparing treatment chemicals		99	120	90			
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	yes			
- 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	7			
- SCADA hardware/software installation and maintenance		8	18	9			
- Communication 'fails' requiring followup		TBD	270	32			
- 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	7			
- Labor hours spent maintaining/repairing SCADA systems		TBD	248	115.4			
- Number of repairs required from communications provider		TBD	25	7			
- 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	494			
- Submersible pumps inspected (annually)		63	55	5			
- Suction lift stations maintained (annually)		30	9	0			
- Wetwells cleaned (annually)		54	12	2			
- Labor hours expended televising/inspecting and cleaning sewer mains		381.5	204	113			
- Manholes inspected (annually)		77	55	29			
- Labor hours expended to clean/inspect air relief valves		87	126	99			
Performance Measures							
- Number of sewer system overflows (per year)		3	4	1			
- Number of lift station 'true' fail alarms (per year)		TBD	40	11			
- Trend of maintaining annual lift station energy (pumping efficiencies)		TBD	TBD	TBD			
- Trend of reducing costs associated with pump repairs		\$305,869	\$18,165	\$23,287			
- Miles of sewer main televised/inspected (per year)		6.57	4.1	1.11			
- Miles of sewer main cleaned (per year)		0.76	0.16	0.49			
- 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	335			
	- Number of water mains flushed (annually)	132	440	356			
	- Number of pressure reducing valves inspected (annually)	88	34	46			
	- Number of pressure reducing valves repaired/rebuilt (annually)	0	11	9			
	- Number of reservoirs inspected (annually)	18	16	11			
	Performance Measures						
	- Number of valves failing to operate properly	0	4	1			
	- 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	11			
	- Miles of water main flushed (per year)	20.88	438	356			
	- Number of reservoirs requiring repair	18	2	1			
5.	Maintain level-of-service expectations relative to development services						
	Workload Indicators						
	- Water/sewer connection inquiries processed	22	100	68			
	- Water/sewer connection permits issued	28	20	26			
	- Pre-construction meetings attended	22	30	21			
	- Inspections conducted	34	20	39			
	- New water service installations	9	13	6			
	Performance Measures						
	- Number of permits issued within 5 working days (per year)	28	20	26			
	- Number of inspections completed per year	34	20	38			
	- Number of water connections made within 10 working days of request (per year)	9	13	6			



**AGENDA
BILL
Item 8.B**

**Engineering Department
Report**

DATE SUBMITTED:	October 23, 2024	MEETING DATE:	October 30, 2024	
TO: BOARD OF COMMISSIONERS	FROM: Greg Nicoll, Engineering Manager/District Engineer			
GENERAL MANAGER APPROVAL				
ATTACHED DOCUMENTS	1. Engineering Department Report			
	2. Summary of Capital Improvement Projects			
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 projects and current priorities in advance of the Board meeting.

FISCAL IMPACT

None.

RECOMMENDED BOARD ACTION

None required.

PROPOSED MOTION

None.



Lake Whatcom Water & Sewer District Engineering Department Report

Prepared for the October 30, 2024 Board Meeting
Data Compiled 10/23/24 by RH & 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	3987	68	46	2
Remaining Capacity (ERUs)	**	17	35	0
Permitted ERUs Under Construction	36	0	0	0
Pre-paid Connection Certificates & Expired Permits	12	0	3	0
Water Availabilities (trailing 12 months)	61	0	0	0
Subtotal - Commitments not yet connected	109	0	3	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 10 Years Next Due March 30, 2033	Time Extension granted May 3, 2024

SUMMARY OF CAPITAL IMPROVEMENT PROJECTS

Updated: 10/23/2024

Prepared by: G. Nicoll



LEGEND:

WATER	SEWER	SHARED
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MAJOR PROJECTS IN CONSTRUCTION:

C2111 - DIVISION 7 RESERVOIR REPLACEMENT



Project Summary:	Replace existing steel reservoir with two concrete reservoirs and provide seismic improvements.
Project Status:	The site was secured prior to the close of the watershed work window and there is currently no active work on-site. Construction of the reservoirs is scheduled to begin in mid-December. District staff has worked with Tiger to ensure that overlap between the new and old reservoirs is maintained.

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	[Blue bar spanning from 6/14/2017 to 8/31/2025]						
PROGRESS	[Light blue bar spanning from 6/14/2017 to approximately 4/18/2024]						

Budget Summary	
Budget:	\$ 3,301,000.00
Spent to Date:	\$ 1,359,551.56
Balance:	\$ 1,941,448.44

Budget Year:

C2112 - ROCKY RIDGE AND LAKEWOOD PUMP STATIONS REHABILITATION



Project Summary:	Replace existing pumps, enclosures, controls and power service.
Project Status:	All ground disturbing work was completed prior to the close of the watershed work window and the contractor has demobilized. The contractor and District staff are currently working through possible delays to the delivery of the lift stations.

PROJECT SCHEDULE

	10/31/2021	3/30/2022	8/27/2022	1/24/2023	6/23/2023	11/20/2023	4/18/2024	9/15/2024	2/12/2025
TOTAL PROJECT	[Green bar spanning from 10/31/2021 to 2/12/2025]								
PROGRESS	[Light green bar spanning from 10/31/2021 to approximately 9/15/2024]								

Budget Summary	
Budget:	\$ 2,116,353.00
Spent to Date:	\$ 1,050,216.86
Balance:	\$ 1,066,136.14

Budget Year:



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 Operations staff has completed installation of the new tank in the treatment plant and all associated piping and fittings and the new tank is in service. District crews are currently installing the seismic anchors to restrain the tank. A ground penetrating radar survey is being completed to ensure rebar and embedded conduit are not damaged by anchor installation.

PROJECT SCHEDULE

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

Budget Summary	
Budget:	\$ 88,000.00
Spent to Date:	\$ 73,357.75
Balance:	\$ 14,642.25
Budget Year:	2023

MAJOR PROJECTS IN DESIGN:


C2113 - FLAT CAR PUMP STATION REVERSE FLOW TO SUDDEN VALLEY PUMP STATION

Project Summary:	Construct a utility bridge across Beaver Creek and install new piping from Flat Car, across the new bridge to an existing bypass connection that will allow Flat Car PS to pump to the detention basin in the event of an emergency.
Project Status:	The Hydraulic Project Approval has been issued by WDFW. The County changed the permit requirements and is requiring a building permit, which has been submitted. The County has responded with comments on the application and the design engineer has submitted the required responses. No construction work is planned until the watershed work window opens on June 1, 2025.

PROJECT SCHEDULE

	6/23/2023	11/20/2023	4/18/2024	9/15/2024	2/12/2025	7/12/2025	12/9/2025
TOTAL PROJECT	[Progress bar from 6/23/2023 to 7/12/2025]						
PROGRESS	[Progress bar from 6/23/2023 to 4/18/2024]						

Budget Summary	
Budget:	\$ 153,000.00
Spent to Date:	\$ 98,512.60
Balance:	\$ 54,487.40
Budget Year:	2021



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:	District staff has reviewed the draft pre-design report and has provided input on the decision matrix that will be used to assist in the decision of material and configuration for the new reservoir. Gray & Osborne has also identified an additional alternative that was not previously identified and they will complete preliminary evaluation of the feasibility and cost effectiveness of this alternative.

PROJECT SCHEDULE

<u>Budget Summary</u>	
Budget: <input style="width: 100px;" type="text" value="\$ 1,963,000.00"/>	87.5% grant funded
Spent to Date: <input style="width: 100px;" type="text" value="\$ 31,414.79"/>	
Balance: <input style="width: 100px;" type="text" value="\$ 1,931,585.21"/>	
Budget Year: <input style="width: 150px;" type="text" value="2024-2026"/>	

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:	As discussed with the Board, District staff and the design team evaluated an alternative to replace the reservoir with two new reservoirs and approached FEMA to request additional grant funds. FEMA declined the request and it has been determined that, without grant funding, upgrading the existing reservoir is a more cost effective alternative. Wilson Engineering will proceed with preliminary design for the preferred alternative following execution of a contract amendment.

PROJECT SCHEDULE

<u>Budget Summary</u>	
Budget: <input style="width: 100px;" type="text" value="\$ 1,399,640.00"/>	95% grant funded
Spent to Date: <input style="width: 100px;" type="text" value="\$ 10,945.53"/>	
Balance: <input style="width: 100px;" type="text" value="\$ 1,388,694.47"/>	
Budget Year: <input style="width: 150px;" type="text" value="2024-2026"/>	

Geneva Reservoir

OTHER ACTIVE PROJECTS:

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

Status: This project will be completed as part of the Geneva Reservoir seismic improvements (C2402).

Budget Year: <input style="width: 60px;" type="text" value="2021"/>	Projected Completion: <input style="width: 100px;" type="text" value="2027"/>
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<u>Budget Summary</u>		
Budget: <input style="width: 60px;" type="text" value="\$ 10,000.00"/>	Spent to Date: <input style="width: 60px;" type="text" value="\$ 5,650.00"/>	Balance: <input style="width: 60px;" type="text" value="\$ 4,350.00"/>

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: The new concrete slab and tank have been installed and District operations staff is working on finishing all connections and appurtenances.

Budget Year: Projected Completion:

Budget Summary		
Budget: <input type="text" value="\$ 25,000.00"/>	Spent to Date: <input type="text" value="\$ 10,726.00"/>	Balance: <input type="text" value="\$ 14,274.00"/>

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. Operations staff has completed all in-stream work. A public works contract to complete the cured-in-place- pipe reinforcement has been executed with Iron Horse Construction. Staff is currently awaiting a project schedule from the contractor. CIPP work scheduled to be complete by the end of 2024.

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)"/>

M2410 - Midnight Court Sewer Repair: Replace a broken sewer main that runs beneath Harbor View Dr.
Status: All work is complete and the sewer pipe has been repaired. Final invoice for work, which is anticipated to be approximate \$41,000, is still outstanding.

Budget Year: Projected Completion:

Budget Summary		
Budget: <input type="text" value="Operating Budget"/>	Spent to Date: <input type="text" value="\$ 573.68"/>	Balance: <input type="text" value="N/A"/>


PROJECTS COMPLETED IN PAST 12 MONTHS

Project #	Project Name	Budget	Spent	Balance
M 2410	Midnight Court Sewer Repair	O&M	\$ 41,001.00	N/A
A 2210	Reservoir and WTP Site Security Assessment	\$ 50,000.00	\$ 50,000.00	\$ -
C 2203/2231	Div 30 Booster, SV Lift Station PLC/UPS Improvements	\$ 344,643.00	\$ 314,670.54	\$ 29,972.46
C 1802	Delesta, Edgewater and Euclid Lift Stations	\$1,816,583.06	\$ 1,762,153.54	\$ 54,429.52
C 2308	Div 30 Reservoir Cathodic Protection	\$ 36,000.00	\$ 27,795.14	\$ 8,204.86
M 2309	Reservoir Inspection and interior cleaning	\$ 41,000.00	\$ 27,308.80	\$ 13,691.20
C 2301	LWBI CIPP Renewal Project Priority1 (2023)	\$ 185,000.00	\$ 160,118.90	\$ 24,881.10
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	\$ 13,300.00	\$ 13,213.66	\$ 86.34
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)	\$ 16,240.00	\$ 16,237.79	\$ 2.21
C 2216	Replace Tool Truck	\$ 75,000.00	\$ 60,801.18	\$ 14,198.82
M 2226	Div 30 Reservoir Removal of Hazard Trees	\$ 35,000.00	\$ 39,434.34	\$ (4,434.34)
A 2228	Agate Area Wells Exhibits and Mapping	\$ 2,400.00	\$ 2,413.86	\$ (13.86)
M 2230	Scenic Ave Intertie Valve Repair	\$ 53,500.00	\$ 55,989.50	\$ (2,489.50)
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:	October 11, 2024	MEETING DATE:	October 30, 2024
TO: BOARD OF COMMISSIONERS	FROM: Jennifer Signs, Finance Manager		
GENERAL MANAGER APPROVAL			
ATTACHED DOCUMENTS	1. Third Quarter 2024 Financial Report		
	2. September 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 Third Quarter 2024

Lake Whatcom Water and Sewer District
Bellingham, Washington

Summary

Throughout the year to-date, Lake Whatcom Water and Sewer District's (District) financials largely have followed budgeted revenue projections in both the Water Utility Fund and the Sewer Utility Fund. Noteworthy financial events during the third quarter of 2024 include the completion of the District's financial and accountability audits for fiscal years 2022 and 2023 by the Washington State Auditor's Office (SAO). Currently, the District is on a biennial audit cycle with the Washington State Auditor's office. The District received an unmodified opinion on the financial audit, which is the best an entity can receive. The accountability audit was focused on processes associated with utility billing, cash receipting, and adjustments. The District was found to be in compliance with all material aspects with no findings or material weaknesses. Furthermore, the District received no recommendations from the SAO. The completion of this audit cycle marked 17 consecutive years of clean audits from the State.

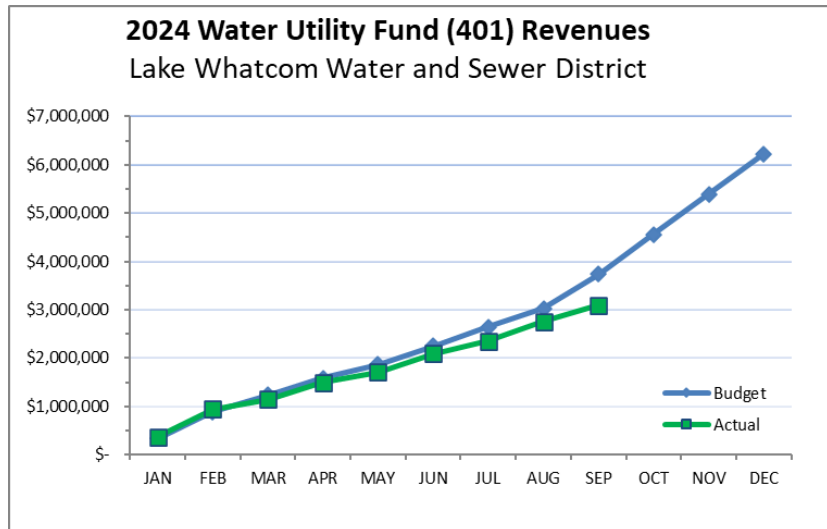
Throughout July and August, staff began preparation of the biennial budget for fiscal years 2025 and 2026. The development of this budget included rate increases in both the water and sewer utility funds that reflect adopted rates as outlined in the Master Fees and Charges schedule which has set rates through fiscal year 2026. Further, the budget established funds for operating expenses, debt service, and capital projects. The first draft of the 2025-2026 Biennial Budget was presented to the Board of Commissioners at the last meeting in September. It is anticipated that discussions will continue throughout the month of October and November with formal adoption of the budget anticipated at the first meeting in December.

In April, the District received notice from S&P Global Inc. that its credit rating had been withdrawn due to untimely audits by the SAO. The District is continuing to move forward with the assistance of bond counsel and underwriters to facilitate meetings with S&P Global to mitigate the long-term affects of this withdrawal and to have the District's bond rating reinstated. It is anticipated that these meetings will be completed early in the fourth quarter with S&P Global reinstating the rating.

Despite a rate cut in the third quarter, the District's investment portfolio remained strong, with approximately \$70,300 in investment earnings. The District has invested approximately \$3.5 million with Washington's Local Government Investment Pool. By maximizing investments in the LGIP, the District is ensuring that it has cash available for large capital expenditures and receives the highest return on funds. While the District has secured outside funding sources to pay for most of the Division 7 Reservoir replacement project costs and other large capital projects, these grant funds are only available as reimbursement. At the end of the third quarter, the District had approximately \$875,000 in grant funds that have been requested but have not yet been received. By maintaining the District's funds in the LGIP, we are afforded the safety, liquidity, and yield as we work towards completion of these projects. As the market continues to change, the District will monitor options for both short-term and long-term investment strategies that continue to ensure safety, liquidity, and yield.

Water Utility Fund (Fund 401)

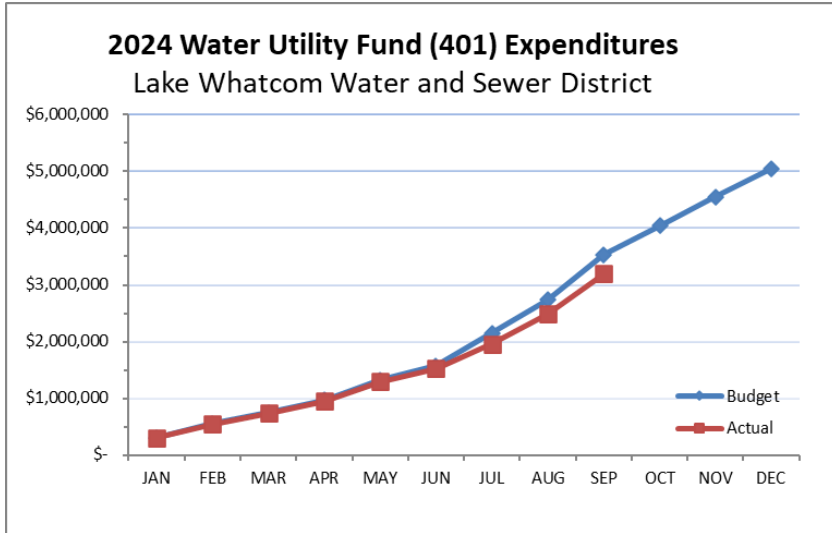
Revenues in the Water Utility Fund slightly lagged projections at the end of the third quarter. This is a direct correlation to outstanding grant funds that were budgeted for and have not yet been received. As mentioned in the summary above, the District currently has approximately \$875,000 in outstanding grant funds. It is anticipated that of the \$875,000, the District will



receive an estimated \$696,000 before the close of the year. With that being said, water service revenues are tracking with budgeted projections through the end of the third quarter. Lastly, it has been the practice of the District to conservatively budget for 10 new connections and the association water and sewer General Facilities Charges (GFCs) each year at the rate approved through the Master Fees and Charges Schedule; however, the District's GFC revenues are tracking higher than anticipated with over 20 new connections year-to-date.

As noted in the summary, 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 were anticipated to be significant in 2024. Investment earnings in the third quarter for the Water Utility Fund totaled approximately \$35,150, an increase from the second quarter. It is anticipated that investment earnings will taper off towards the end of the year with anticipated rate cuts from the Federal Open Market Committee (FOMC) and the District's need to use investment funding for capital projects. Further, the District had a \$500,000 bond that matured in September, which allowed for the payment of a half million-dollar construction invoice related to the Division 7 Reservoir project. At this time, the District doesn't plan on reinvesting additional money into its long-term investment portfolio as capital cost payment obligations continue to be significant. Ultimately, the District's revenues remained sufficient to support operations, capital, and debt service obligations throughout the quarter while maintaining full funding of all reserves.

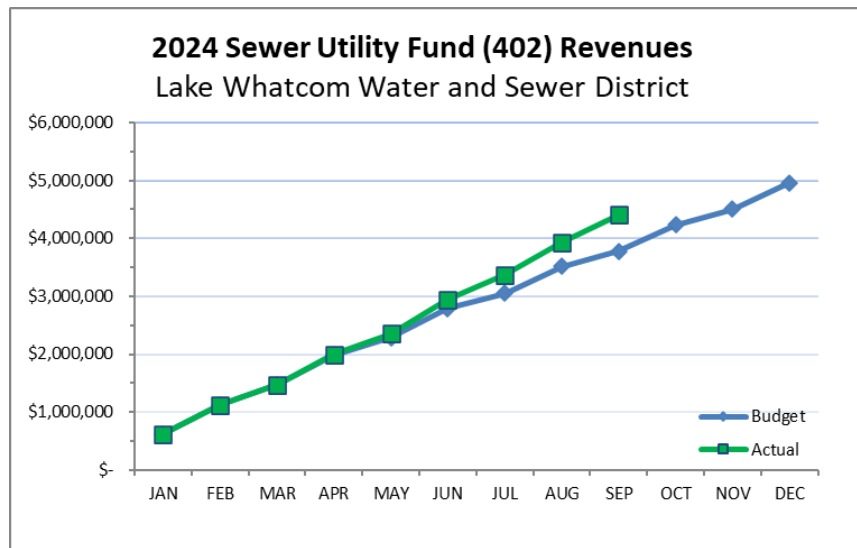
Expenditures in the Water Utility fund also slightly lagged projections through the third quarter. This is largely due to capital project costs that have been budgeted for but have not yet been expended. However, the District's operating costs are also under budget for the year by approximately ten percent. As the year end approaches, the District anticipates there to be higher costs associated with



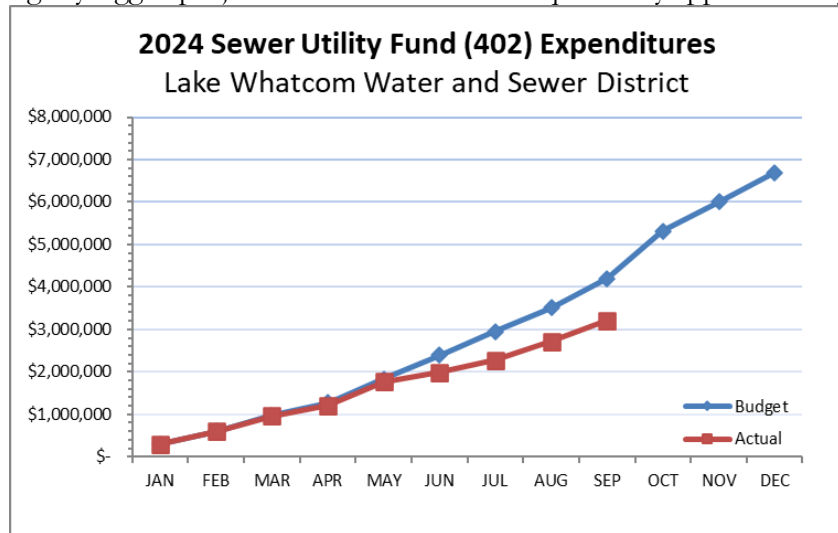
capital projects as the Division 7 Reservoir construction continues. Lastly, the District met all debt service obligations in the Water Utility fund during the third quarter, paying both principal and interest on loans associated with Geneva Mains and Division 22 Reservoir projects. Debt service in the third quarter accounted for approximately \$221,000 of total expenses.

Sewer Utility Fund (Fund 402)

Sewer Utility Fund revenues outpaced projected revenues in the third quarter. Similar to the Water Utility Fund, the GFC revenue in the third quarter was more than projected. This resulted in the fund recording higher revenues than anticipated. However, with the land disturbance window now closed in the Lake Whatcom Watershed, the District doesn't anticipate significant GFC revenue in the fourth quarter. With that being said, the District's service revenue in the Sewer Utility Fund also outpaced budgeted projections as did investment interest. The District's revenues remained sufficient to support operations, capital and debt service obligations throughout the quarter while maintaining full funding of all reserves.



Sewer Utility Fund expenditures slightly lagged projections at the close of the quarter by approximately 25%. This is largely due to capital projects that are budgeted as part of the District’s capital improvement plan but have yet to be completed. Significant costs associated with Rocky Ridge and Lakewood lift stations are anticipated to be realized in the fourth quarter as well as substantial completion. Lastly, the District will issue its annual debt service payment



(\$563,000) on the outstanding bonds in the fourth quarter. With major capital costs and debt service payments in the fourth quarter, it is anticipated that the expenditures in the Sewer Utility Fund will track more closely with budgeted projections as the year comes to an end.

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 through the third 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 decreased to \$1,437,177 through the third quarter. This decrease in fund balance was anticipated due to the delay in receiving grant revenue associated with the Division 7 Reservoir project. As grant funds are received, the District anticipates that the fund balance will once again increase.

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 2024 with a balance of \$4,012,484 and increased to \$5,211,342 through the third quarter. 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.

Sewer Contingency Reserve (Fund 425)

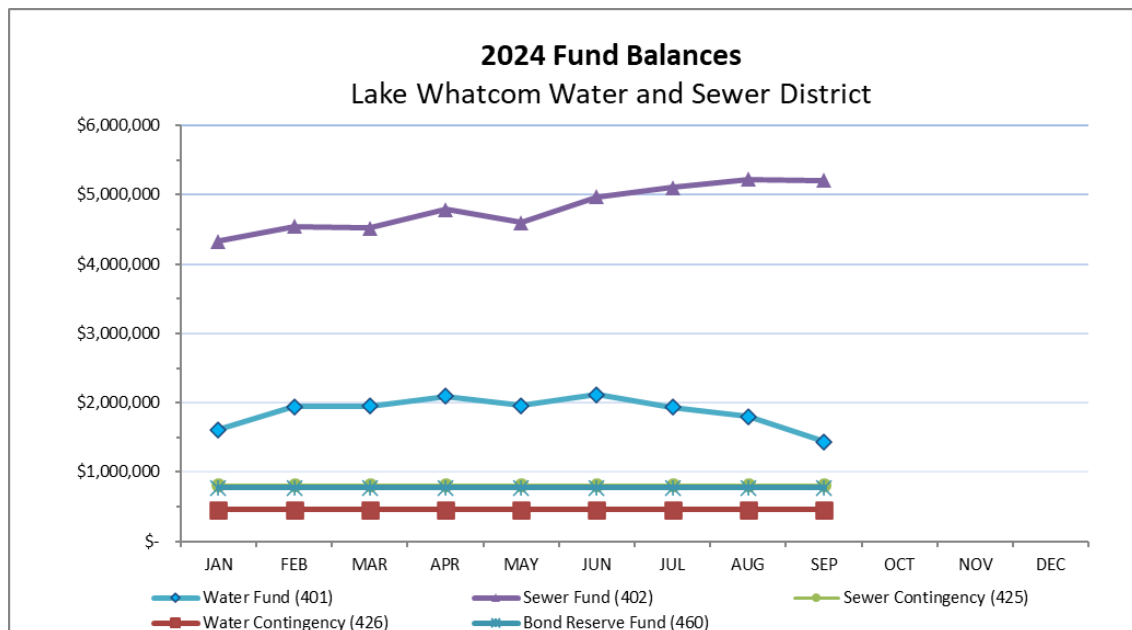
A sewer contingency reserve is maintained in accordance with District financial policies at one percent of the sewer utility infrastructure replacement cost (\$815,000). This fund provides for paying for unanticipated costs that may be incurred by the Sewer Utility. The Sewer Contingency Reserve was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



District Cash and 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. Below is a summary of the District's cash and investments through September 30, 2024.

Petty Cash	\$	1,600	
Cash	\$	1,078,458	
Public Funds Account	\$	<u>280,565</u>	2.940%
WA Federal	\$	1,360,623	
Local Gov't Investment Pool	\$	3,825,721	5.230%

		PRINCIPAL COST	MARKET VALUE	MATURITY DATE	YIELD
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	\$ 747,615	\$ 810,000	Dec-25	4.440%
US Treasury Note	Non-callable	\$ 797,274	\$ 855,000	Jan-26	3.950%
US Treasury Note	Non-callable	\$ 467,667	\$ 500,000	Jun-26	4.500%
US Bank Safekeeping		\$ 3,509,509	\$3,744,000		
TOTAL		<u>\$8,695,853</u>			

USE OF FUNDS:

Bond Reserve - Restricted	\$ 772,334
Contingency - Assigned	\$ 1,275,000
Operating Reserves	\$ 1,185,000
Operating Assigned	\$ 5,463,519
	<u>\$8,695,853</u>

Fund Balance Summary

Water Utility Fund (401)	\$ 1,437,177
Sewer Utility Fund (402)	\$ 5,211,342
Sewer Contingency Fund (425)	\$ 815,000
Water Contingency Fund (426)	\$ 460,000
Bond Reserve Fund (460)	<u>\$ 772,334</u>
	<u>\$8,695,853</u>



LAKE WHATCOM WATER AND SEWER DISTRICT
September 2024 Utility Account Adjustments

Sudden Valley Adjustments

Late Fee Credits	\$ 398.90
High Use/Leak Credits	\$ 542.99

North Shore/Geneva

Late Fee Credits	\$ 364.44
High Use/Leak Credits	<u>\$ 6,127.81</u>

Total Account Adjustments	\$ 7,434.14
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**AGENDA
BILL
Item 8.D**

**Operations Department
Report**

DATE SUBMITTED:	October 23, 2024	MEETING DATE:	October 30, 2024
TO: BOARD OF COMMISSIONERS	FROM: Jason Dahlstrom, Operations & Maintenance Manager		
GENERAL MANAGER APPROVAL	<i>Jason Dahlstrom</i>		
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.



Lake Whatcom Water & Sewer District Operations & Maintenance Department Report

Prepared for the October 30, 2024 Board Meeting
Data Compiled 10/23/24 by RH

State Required Report Status													
Monthly Reports													
Name Of Report		Completed											
Chlorination Report Agate Heights Prepared by: K Cook	Postmarked by the 10th of month	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec
		x	x	x	x	x	x	x	x	x	x		
Surface Water Treatment Rule Report (SVWTP) Prepared by: K Cook	Postmarked by the 10th of month	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec
		x	x	x	x	x	x	x	x	x	x		
Annual Reports													
Name Of Report	Deadline	Completed											
WA State Cross Connection Report Prepared by: R Munson	May	March 3, 2024											
OSHA 300 Log Prepared by: R Munson	February 1	January 10, 2024											
Water Use Efficiency Performance Report Prepared by: K Cook	July 1	January 18, 2024											
Community Right to Know (Hazardous Materials) Prepared by: R Munson	March 31	January 8, 2024											
Northwest Clean Air Emissions Report	February 1	January 24, 2024											
Consumer Confidence Reports Prepared by: K Cook	June 30	Geneva		SV		EagleR		Agate Ht					
		6/10/24		6/10/24		6/10/24		6/10/24					
Other Reports													
Name Of Report	Deadline	Last Completed											
CPR/First Aid Training Coordinated by: R Munson	Due Biennially Next Due 2025	February 23, 2023											
Flagging Card Training Coordinated by: R Munson	Due Triennially Next Due 2025	May 19, 2022											

Safety Program Summary

Completed by Rich Munson

Summary of Annual Safety Training

2023/24 Testing Period - Oct 23, 2023 to March 22, 2024

	% Complete
Engineering - Managers	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

01.25.2024	05.30.2024	09.26.2024
02.22.2024	06.27.2024	10.24.2024
03.28.2024	07.25.2024	
04.25.2024	08.22.2024	

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

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Status of District Water and Sewer Systems
Prepared by Jason Dahlstrom - Operations and Maintenance Manager
10/30/2024 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.
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 0.5 million gallons per day (MGD) at 700 GPM. b. Water use is consistent with typical seasonal usage. 2. Agate Heights <ol style="list-style-type: none"> a. Plant is operating well. b. Water use is consistent with typical seasonal usage. <p><i>Distribution System</i></p> <ol style="list-style-type: none"> 1. 1 water service line leaks repaired this month 2. 2 new water services installed this month
Sewer Utility Activities	
	<p><i>Lift Stations</i></p> <ol style="list-style-type: none"> 1. Sewer pump inspections and lift station maintenance completed in preparation for wet season <p><i>Collection System</i></p> <ol style="list-style-type: none"> 1. Nothing new to report
Fleet	
	<p><i>Vehicles</i></p> <ol style="list-style-type: none"> 1. New service truck ETA 10/2024 - C2306 <p><i>Equipment</i></p> <ol style="list-style-type: none"> 1. All equipment is functional.
Facilities	
	<ol style="list-style-type: none"> 1. All facilities are in good working order and prepared for winter
Training	
	<ol style="list-style-type: none"> 1. Open position for Maintenance Worker 1 interviews held week of 10/21, candidate pending review
Development	
	<ol style="list-style-type: none"> 1. There are 6 permits currently in stages of development

Strategic Business Plan Update Q3 2024

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

- Water system reports and samples have all been submitted on time with favorable results
- Receipt of Washington State Dept of Health Treatment Optimization Program Award for Sudden Valley Water Treatment Plant
- We have not received a water quality complaint this year

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

- Continued scheduled inspections of electrical equipment have led to fewer unscheduled repairs
- Conversion of failing communications equipment has led to fewer comm fails requiring provider follow-up

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

- Sewer lift station bi-weekly inspections have been reduced to monthly based on productivity review
- Preventative maintenance of sewer system assets has been completed as scheduled
- Lone sewer overflow incident was caused by contractor failure rather than system failure

Goal #4 Ensure the maximum operable life of District water infrastructure

- Preventative maintenance of water system assets has been completed as scheduled
- Water pressure complaints are up, mostly related to homeowner PRV issues
- Division 22 reservoir vent required recoating due to paint peeling off, work done by staff

Goal #5 Maintain level-of-service expectations relative to development services

- Permits sold exceeded expectations despite fewer development inquiries
- Work and inspections completed in shorter timeframe than previous years
- Permits issued and construction work done 100% within target timeframes

Status of District Water and Sewer Systems
Prepared by Jason Dahlstrom - Operations and Maintenance Manager
10/30/2024 Board Meeting

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	54			
- Number of water treatment plant samples collected/analyzed		27	2,582	1,899			
- Number of water distribution system samples collected/analyzed		1,552	1,392	1,038			
- Number of hours performing equipment calibration and maintenance		1,062	1,006	756			
- Number of hours inventorying and preparing treatment chemicals		99	120	90			
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	yes			
- 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	7			
- SCADA hardware/software installation and maintenance		8	18	9			
- Communication 'fails' requiring followup		TBD	270	32			
- 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	7			
- Labor hours spent maintaining/repairing SCADA systems		TBD	248	115.4			
- Number of repairs required from communications provider		TBD	25	7			
- Number of generators inspected/maintained per year		0	18	0			
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	494			
- Submersible pumps inspected (annually)		63	55	5			
- Suction lift stations maintained (annually)		30	9	0			
- Wetwells cleaned (annually)		54	12	2			
- Labor hours expended televising/inspecting and cleaning sewer mains		381.5	204	113			
- Manholes inspected (annually)		77	55	29			
- Labor hours expended to clean/inspect air relief valves		87	126	99			
Performance Measures							
- Number of sewer system overflows (per year)		3	4	1			
- Number of lift station 'true' fail alarms (per year)		TBD	40	11			
- Trend of maintaining annual lift station energy (pumping efficiencies)		TBD	TBD	TBD			
- Trend of reducing costs associated with pump repairs		\$305,869	\$18,165	\$23,287			
- Miles of sewer main televised/inspected (per year)		6.57	4.1	1.11			
- Miles of sewer main cleaned (per year)		0.76	0.16	0.49			
- Downward trend of volume of I&I conveyed to City of Bellingham		TBD	TBD	TBD			
4. Ensure the maximum operable life of District water infrastructure							
Workload Indicators							
- Number of water valves exercised (annually)		0	352	335			
- Number of water mains flushed (annually)		132	440	356			
- Number of pressure reducing valves inspected (annually)		88	34	46			
- Number of pressure reducing valves repaired/rebuilt (annually)		0	11	9			
- Number of reservoirs inspected (annually)		18	16	11			
Performance Measures							
- Number of valves failing to operate properly		0	4	1			
- 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	11			
- Miles of water main flushed (per year)		20.88	438	356			
- Number of reservoirs requiring repair		18	2	1			
5. Maintain level-of-service expectations relative to development services							
Workload Indicators							
- Water/sewer connection inquiries processed		22	100	68			
- Water/sewer connection permits issued		28	20	26			
- Pre-construction meetings attended		22	30	21			
- Inspections conducted		34	20	39			
- New water service installations		9	13	6			
Performance Measures							
- Number of permits issued within 5 working days (per year)		28	20	26			
- Number of inspections completed per year		34	20	38			
- Number of water connections made within 10 working days of request (per year)		9	13	6			