



# Lake Whatcom Water & Sewer District Board Meeting Access Information

**Special Meeting**  
*(date change)*

Tue November 26, 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](tel:+12245013412) **Access Code:** 596-307-141  
*Press \*6 to mute/unmute your microphone*

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## 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."



## Questions?

If you have questions about attending an upcoming meeting, please contact Administrative Assistant Rachael Hope at [rachael.hope@lwwsd.org](mailto:rachael.hope@lwwsd.org) or 360-734-9224.



## LAKE WHATCOM WATER AND SEWER DISTRICT

1220 Lakeway Drive  
Bellingham, WA 98229

### SPECIAL MEETING OF THE BOARD OF COMMISSIONERS

## AGENDA

*November 26, 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. Wilson Engineering 2025 On-call Rates Approval
  - B. 2025-26 Budget Adoption
7. OTHER BUSINESS
8. STAFF REPORTS
  - A. General Manager
  - B. Engineering Department
  - C. Finance Department
  - D. Operations Department
9. PUBLIC COMMENT OPPORTUNITY
10. CLOSED SESSION  
*Closed Session per RCW 42.30.140(4)(a): Considering issues related to collective bargaining with a labor union – 20 minutes*
11. EXECUTIVE SESSION  
*Executive Session per RCW 42.30.110(1)(g): To review the performance of a public employee (General Manager performance evaluation) – 30 minutes*

## 12. ADJOURNMENT



**AGENDA  
BILL  
Item 5**

**Consent Agenda**

DATE SUBMITTED:	November 21, 2024	MEETING DATE:	November 26, 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 11.25.2024\*\***

**BACKGROUND / EXPLANATION OF IMPACT**

- Minutes for the November 13, 2024 Regular Board Meeting
- Payroll for Pay Period #24 (11.09.2024 through 11.22.2024) total to be added
- Benefits for Pay Period #24 total to be added
- Accounts Payable Vouchers total to be added

**FISCAL IMPACT**

Fiscal impact is as indicated in the payroll/benefits/accounts payable quantities defined above. All costs are within the Board-approved 2023-2024 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

*November 13, 2024*

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

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

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

### **Consent Agenda**

#### **Action Taken**

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

- **Minutes for the October 30, 2024 Regular Board Meeting**
- **Payroll for Pay Period #23 (10.26.2024 through 11.08.2024) totaling \$47,135.08**
- **Benefits for Pay Period #23 totaling \$54,543.79**
- **Accounts Payable Vouchers totaling \$205,064.87**

**Motion passed.**

### **Lead Service Line Inventory Presentation**

Clary explained that in 2021, the U.S. EPA issued the Lead and Copper Rule Revisions, which were the first substantial revisions to the 1991 Lead and Copper Rule. A primary component of the LCRR was a requirement that all public water systems serving 25 or more connections complete and submit an inventory of the material of all public and private water service lines connected to the water system by October 16, 2024. Clary provided a presentation on the District's approach to conducting inventories of its three water systems, and the inventory findings. Discussion followed.

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

Clary updated the Board on several topics, including recent and upcoming meetings with Washington legislators, and recent topics covered at the Washington Association of Sewer and Water Districts' General Managers Meeting.

**Closed Session – Collective Bargaining**

Citron recessed the Regular Session to Closed Session at 7:18 p.m. The purpose of the Closed Session was considering issues related to collective bargaining with a labor union. Citron reconvened the Regular Meeting at 8:25 p.m. with no action taken.

**Executive Session Per RCW 42.30.110(1)(g)**

Citron recessed the Regular Session to Executive Session at 8:26 p.m. It was estimated that the Executive Session would take about 20 minutes and end at 8:46 p.m. The purpose of the Executive Session was to review the performance of a public employee (General Manager performance evaluation).Citron recessed the Executive Session and reconvened the Regular Meeting at 8:45 p.m. with no action taken.

With no further business, Citron adjourned the regular session at 8:45 p.m.

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

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

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



**AGENDA  
BILL  
Item 6.A**

**2025 Wilson  
Engineering Rates**

DATE SUBMITTED:	November 14, 2024	MEETING DATE:	November 26, 2024
TO: BOARD OF COMMISSIONERS	FROM: Justin Clary, General Manager		
GENERAL MANAGER APPROVAL			
ATTACHED DOCUMENTS	1. Wilson Engineering letter dated October 28, 2024		
TYPE OF ACTION REQUESTED	RESOLUTION <input type="checkbox"/>	FORMAL ACTION/ MOTION <input checked="" type="checkbox"/>	INFORMATIONAL /OTHER <input type="checkbox"/>

**BACKGROUND / EXPLANATION OF IMPACT**

Wilson Engineering provides on-call engineering services to the District through a professional services agreement executed on September 2, 2021, and effective through July 31, 2026. Per Section 8.4 of the agreement, Wilson Engineering may annually request revision to the approved rates to accommodate inflation and market conditions. Attached is a letter from Wilson Engineering dated October 28, 2024, requesting revision to its rates and fees for 2025.

**FISCAL IMPACT**

The proposed rates are relatively consistent with inflationary and marketplace values. Because specific services to be performed have yet to be fully defined, actual budgetary impacts are not known at this time.

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

Infrastructure Strategy & Performance  
Product Quality

**RECOMMENDED BOARD ACTION**

Staff recommends that the board approve the Wilson Engineering-proposed 2025 rate and fee schedule.

**PROPOSED MOTION**

Recommended motion is:

“I move to approve rates and fees to be effective January 1, 2025, for professional services performed by Wilson Engineering under the existing on-call professional services contract with the District, as requested in the October 28, 2024, letter from Wilson Engineering.”



October 28, 2024

Justin Clary, General Manager  
Lake Whatcom Water and Sewer District  
1220 Lakeway Drive  
Bellingham, WA 98229

Re: On-Call Engineering Services Contract  
Rate Increase Request for 2025 and Change in Primary Point of Contact

Dear Justin:

Wilson Engineering, LLC respectfully submits the following rate increase request in accordance with Section 8.4 of the On-Call General Engineering Services Contract. The proposed rates for 2025 are presented in the attached 2025 Rate Schedule.

Melanie Mankamyler has been the primary point of contact for this on-call contract (as shown in Section 16). Melanie is retiring at the end of this calendar year and therefore will no longer be available to be the primary point of contact. We are proposing that Brian Smith take on the role of the primary point of contact for this on-call contract. Brian has been working on District projects since 2015, was the author of the most recent District Water System Plan, and has a strong depth of knowledge of District infrastructure and priorities as well as good working relationships with District staff.

We are also providing a revised list of Key Personnel per Section 2.2 D. The changes include adding several new engineers to our staff, some of which may be utilized for on-call tasks.

A comparison of the old and new rates is attached. These rates reflect a moderate escalation to cover inflation and our increased costs to retain experienced staff and maintain a competitive benefits package. We have also added two classifications and associated rates to more accurately reflect staff roles, which are shown on the attachment.

We very much enjoy working with the District Board and staff and value our long-term relationship. We look forward to continuing to serve the District with its future engineering needs.

If you have any questions or require any additional information, please don't hesitate to call.

Very Truly Yours,

WILSON ENGINEERING, LLC

Andrew Law, PE  
President

Brian Smith, PE  
Senior Engineer



Encl. 2025 Billing Rates  
2025 Staff List  
2024-2025 Rate Comparison

cc: Greg Nicoll, PE, District Engineer



**Billing rates for work performed January 1 - December 31, 2025:**

Principal Engineer	\$240
Senior Engineer II	\$225
Senior Engineer I	\$215
Engineer IV	\$198
Engineer III	\$182
Engineer II	\$168
Engineer I	\$154
Environmental / Permit Technician	\$116
Senior CAD Design Technician	\$164
CAD Design Technician	\$132
Inspector III	\$160
Inspector II	\$145
Inspector I	\$125
Clerical	\$108
Senior Professional Land Surveyor	\$212
Hydrographer	\$235
Professional Land Surveyor	\$200
Senior Survey Technician	\$150
Survey Technician	\$127
1-Person Survey Crew	\$181
2-Person Survey Crew	\$272
3-Person Survey Crew	\$336
3-D Scanning Survey Crew	\$360
Hydrographic Survey Crew	\$395
1-Person Survey Crew Prevailing Wage	\$230
2-Person Survey Crew Prevailing Wage	\$340
3-Person Survey Crew Prevailing Wage	\$436

- Subconsultants – reimbursed at cost plus 8%
- Reimbursable direct expenses (reimbursed at cost plus 8%) include (but are not limited to) the following:
  - Project application fees and project permit fees; publication of notices
  - Reproduction of drawings and construction documents
  - Postage and shipping
  - Direct expenses for travel, meals and lodging outside of Whatcom and Skagit Counties
  - Mileage at project-current IRS mileage rate
  - Specialized Equipment Rental, at rental rate



**KEY PERSONNEL LIST**  
**Lake Whatcom Water and Sewer District**  
**General Engineering Services**

**Civil Engineering**

Andrew Law, PE	President, Principal
Michael Matthes, PE	Senior Project Manager, Principal
Jeff Christner, PE	Senior Project Manager, Principal
Curt Schoenfelder, PE	Senior Project Manager, Principal
Scott Wilson, PE	Senior Project Manager, Principal
Danielle Johnston, PE, LEED AP	Senior Project Manager, Senior Engineer II
Rhett Winter, PE, LEED AP	Senior Project Manager, Senior Engineer I
Brian Smith, PE	Senior Project Manager, Senior Engineer I
Bill Hunter, PE	Project Engineer, Engineer IV
Paige Hammerl, PE	Project Engineer, Engineer IV
Ben Gibson, PE, LEED AP	Project Engineer, Engineer III
Kenna Wurden-Foster, PE	Project Engineer, Engineer III
Matt Kulp, PE	Project Engineer, Engineer III
Mark Wu, PE	Project Engineer, Engineer II
Tracy Svanda, PE	Project Engineer, Engineer II
Mitchell de Schepper, PE	Project Engineer, Engineer II
Matthew Strittmatter, PE	Project Engineer, Engineer II
Paul Thomas, PE	Project Engineer, Engineer II
Ryan Keliher, PE	Project Engineer, Engineer II
Eric Hull, PE	Project Engineer, Engineer II
Troy McFarland, EIT	Design Engineer, Engineer I
Tom Gagliardi, EIT	Design Engineer, Engineer I
	CAD Manager, Senior CAD Design
Jeff Smith	Technician
Benton Seay	CAD Design Technician
Cheri Pendarvis	CAD Design Technician
Steve Elliott	Inspector III
Jeremy Cyphers	Inspector II

**Land and Hydrographic Survey**

Tom Brewster, PLS	Senior Professional Land Surveyor
Paul Darrow, PLS	Professional Land Surveyor
Joe Hertzog, PLS	Professional Land Surveyor
Colette McNabb	Senior Survey Technician
Renny Beal	Senior Survey Technician
Adam Skibinski	Survey Technician
Henry Brewster	Survey Technician



**Rate Comparison between 2024 and 2025:**


<b>Billing</b>	<b>2024 RATE</b>	<b>2025 RATE</b>	<b>Approx. Increase</b>
Principal Engineer	\$215	\$240	11.63%
Senior Engineer II	N/A	\$225	New
Senior Engineer I	\$202	\$215	6.44%
Engineer IV	\$192	\$198	3.13%
Engineer III	\$174	\$182	4.60%
Engineer II	\$162	\$168	3.70%
Engineer I	\$149	\$154	3.36%
Environmental /Permit Technician	\$110	\$116	5.45%
Senior CAD Design Technician	\$146	\$164	12.33%
CAD Design Technician	\$116	\$132	13.79%
Inspector III	N/A	\$160	New
Inspector II	\$136	\$145	6.62%
Inspector I	\$117	\$125	6.84%
Clerical	\$103	\$108	4.85%
Senior Professional Land Surveyor	\$200	\$212	6.00%
Hydrographer	\$220	\$235	6.82%
Professional Land Surveyor	\$190	\$200	5.26%
Senior Survey Technician	\$140	\$150	7.14%
Survey Technician	\$119	\$127	6.72%
1-Person Survey Crew	\$173	\$181	4.62%
2-Person Survey Crew	\$259	\$272	5.02%
3-Person Survey Crew	\$320	\$336	5.00%
3-D Scanning Survey Crew	\$337	\$360	6.82%
Hydrographic Survey Crew	\$378	\$395	4.50%
1-Person Survey Crew Prevailing Wage	\$217	\$230	5.99%
2-Person Survey Crew Prevailing Wage	\$324	\$340	4.94%
3-Person Survey Crew Prevailing Wage	\$417	\$436	4.56%





**AGENDA  
BILL  
Item 6.B**

**2025-26 Biennial Budget  
Adoption**

DATE SUBMITTED:	November 18, 2024	MEETING DATE:	November 26, 2024	
TO: BOARD OF COMMISSIONERS	FROM: Jenny Signs, Finance Manager/ Treasurer			
GENERAL MANAGER APPROVAL				
ATTACHED DOCUMENTS	1. 2025-26 Biennial Budget			
TYPE OF ACTION REQUESTED	RESOLUTION <input type="checkbox"/>	FORMAL ACTION/ MOTION <input checked="" type="checkbox"/>	INFORMATIONAL /OTHER <input 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) (revised by the board via adoption of Resolution No. 884 on July 13, 2022):

*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.*

Using projected revenues based upon rate increases adopted by Resolution No. 879 (4.5% and 3.75% water and sewer rates, respectively), actual 2024 operating expenses and projects defined in the District’s water and sewer capital improvement plans, District staff have developed the attached budget for Board consideration. Earlier revisions of the budget were presented during regularly scheduled meetings of the Board held on September 25, 2024, and October 30, 2024, as well as a special work session on October 9, 2024. Comments provided by the Board during those meetings have been incorporated into the attached 2025-26 Budget.

**FISCAL IMPACT**

The budget for 2025-26 proposes a budget of approximately \$12 million and \$12.1 million for the water utility and the sewer utility, respectively, resulting in a total budget of approximately \$24.1 million.

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

The 2025-26 Budget funds District support to all ten EUM attributes at various levels.

**RECOMMENDED BOARD ACTION**

Staff recommends adoption of the 2025-26 Biennial Budget.

**PROPOSED MOTION**

A recommended motion is:

“I move to adopt the 2025-26 Biennial Budget, as presented.”

# 2025-26 BIENNIAL BUDGET

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LAKE WHATCOM WATER & SEWER DISTRICT



LAKE WHATCOM WATER & SEWER DISTRICT  
1220 LAKEWAY DRIVE  
BELLINGHAM, WASHINGTON 98229

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# 2025-26 BIENNIAL BUDGET

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LAKE WHATCOM WATER & SEWER DISTRICT  
1220 LAKEWAY DRIVE  
BELLINGHAM, WASHINGTON 98229

APPROVED November 26, 2024

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Todd Citron, President, Board of Commissioners

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Justin Clary, General Manager

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# 1 GENERAL MANAGER'S MESSAGE

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This 2025-26 Biennial Budget defines the fiscal plan for the Lake Whatcom Water and Sewer District for the 2025 and 2026 calendar years (please refer to Appendix A for the comprehensive 2025-26 Budget). This budget represents the culmination of a collaborative effort between the District Board of Commissioners and staff, and supports the District's mission *to provide the best possible water and sewer services in a safe and cost-efficient manner, and in a way that contributes to protecting Lake Whatcom's water quality*. This budget was developed in alignment with the District's financial policies, which define the principles that guide District budgeting and long-term fiscal management, reinforcing the key values of fiscal prudence, pay-as-you-go financing to the extent practicable, and effective asset stewardship through proactive management.

The District's adherence to its conservative financial policies has allowed it to enter 2025 with stable revenue projections while continuing to preserve its fully funded operations and contingency reserves. In addition, the District's dedication since 2022 to building capital reserves in each utility will come to fruition under this budget period when the District's share of significant investments by the City of Bellingham in the Post Point Wastewater Treatment Plant are due—with the capital reserves the District is positioned to finance its portion of the Post Point WWTP improvements without incurring debt.

As a special purpose district authorized under [Title 57 Revised Code of Washington](#), the District's primary functions are the operation of water and sewer utilities, which generate the forecastable revenues presented in this budget that primarily consist of rates associated with water sales and sewer services. To provide rate certainty to its customers, the District adopts a multi-year rate structure every five years that smooths necessary increases over that period. With 2025 and 2026 constituting the final two years of the current rate structure, the District will conduct a comprehensive rate analysis mid-biennium. In 2024, the District invested in the Waterworth utility fiscal management system, which released our reliance on external consultants and allows for real-time tracking of District finances and modeling of future operational and capital improvement scenarios to effectively manage our fiscal resources. The Waterworth system will prove invaluable during the coming biennium, both by eliminating consultant fees and by allowing greater flexibility in evaluating financial scenarios, as the District defines the necessary utility rates for the next multi-year (2027-2031) period.

This biennial budget includes approximately \$24.1 million in expenditures, which is comprised of allocations of approximately \$12 million and \$12.1 million for the water utility and sewer utility, respectively, while maintaining a required restricted bond reserve of approximately \$650,000. The water utility budget includes \$5.9 million dedicated to operations, a capital reinvestment budget of approximately \$5.5 million, and a debt service budget of approximately \$481,000. Also supporting conservative fiscal management of the water utility are a contingency reserve of \$460,000, an operating reserve of \$735,000, and a capital reserve of \$576,000. The sewer utility budget includes \$6.9 million dedicated to operations, a capital reinvestment budget of approximately \$3.9 million, and a debt service budget of approximately \$1.2 million, as well as a contingency reserve of \$901,000, an operating

reserve of \$563,000, and \$596,000 in a capital reserve for the District's share of the City of Bellingham's improvements to the Post Point WWTP (anticipated in 2026).

This 2025-26 Budget reflects a 15.4% increase over the 2023-24 Budget. Some of the increase may be attributed to capital reinvestment program carryover of projects that were budgeted for but not completed in the prior biennium (e.g., Division 7 Reservoir project and Lakewood and Rocky Ridge Sewer Lift Stations Improvements), as well as significant water capital projects planned for this biennium (e.g., Sudden Valley Water Treatment Plant Chlorine Contact Basin replacement and seismic upgrades to the Geneva Reservoir and SVWTP Pump House). Though these projects are extremely costly, much of the financing will be from external sources (FEMA and USEPA grants, and a Washington State Public Works Board low interest loan), thus relieving the District's reliance on utility revenues to wholly fund these necessary projects. In addition, the District's portion of the aforementioned Bellingham Post Point WWTP improvements constitutes one of the sewer utility's larger capital expenditures (\$1.1 million). Also contributing to the biennium-to-biennium increase are operational increases (many of which have been conservatively budgeted at inflationary rates above historical trends and/or in line with recent projections), as well as District personnel-related expenses (annual cost-of-living adjustments to salaries and health insurance increases).

This budget has been developed in a manner that ensures continuity of the District's exceptional levels of service while leveraging both internal and external funding sources to significantly invest in our infrastructure. Relative to prior budgets, this biennial budget reflects a shift in focus from sewer utility to water utility capital projects while continuing funding necessary to support the District's commitment to proactive maintenance of our sewer infrastructure to mitigate the potential for sewage overflows in the environmentally sensitive Lake Whatcom Watershed. Also of note, this budget reflects strategic investments in District infrastructure that align with our FEMA-approved Natural Hazards Mitigation Plan, enhancing our ability to survive a disruptive event and maintain continuity of services in its aftermath through strategically integrating resiliency and redundancy within our systems. Lastly, this budget also reflects a continued investment in our greatest asset—our employees—to ensure we preserve the significant institutional knowledge of our staff (comprising a combined 225 years of District experience) while also providing access to the necessary training to allow for integration of new and more efficient technologies into our processes.

Forecasting resources, preparing a budget, monitoring its implementation, and assuring accountability and transparency, all while completing day-to-day work functions, takes an exceptional group of professionals. I want to thank District staff, all of whom had a hand in the development of this 2025-26 Budget. I also want to thank the Board of Commissioners, whose leadership and policy direction has placed the District in a position that enables many of the progressive investments found in this budget. Lastly, I thank the District's customers that make up the Lake Whatcom community, without whom we would not have a purpose.

Sincerely,



Justin L. Clary  
General Manager

## 2 SUMMARY OF FUNDS

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The Lake Whatcom Water and Sewer District (District) is a special purpose local government authorized under [Title 57 Revised Code of Washington](#) (Water-Sewer Districts). Originally formed in 1968 as Whatcom County Water District No. 10, the District's primary function is to provide water and sewer service to customers in an 18-square mile area encompassing much of the Lake Whatcom watershed, including Geneva, Sudden Valley and the North Shore of Lake Whatcom. The District is governed by a five-member Board of Commissioners (Board) who set the policies and rates of the District, and who adopt a biennial budget. The biennial budget defines the operational and capital improvement programs for each year of the budget, as well as maintenance of operating and contingency reserves to respond to unanticipated events, should they occur. The following summarizes each of the District's funds.

### 2.1 Water Utility Fund (Fund 401)

This fund serves as the primary operating fund of the District's water utility. The majority of revenue is derived from rates charged to water customers. Other revenue sources are grants and loans, interest income, late payment fees, recording fees, general facility charges, and miscellaneous charges and fees. All fees and charges are set by the Board. Funds collected are used to pay for operations, maintenance, and capital improvement program-related expenditures (system reinvestment) of the water utility in accordance with the Board-approved biennial budget.

Managed within the water utility fund are an operating reserve, contingency reserve, and debt service funds:

- Operating Reserve - The operating reserve serves as a liquidity cushion providing protection from the risk of short-term variation in the timing of revenue collection relative to payment of expenses and is maintained consistent with District financial policies at the cost to operate the utility for 90 days.
- Contingency Reserve - The contingency reserve ensures that unanticipated projects related to water system expenditures will be funded, subsequent to Board approval, and is established through the District's financial policies at one percent of the water utility infrastructure replacement cost.
- Debt Service - This fund provides redemption of long-term loans that financed past water utility projects. Principal and interest on those loans are paid entirely from water utility revenues. Debt service payments for principal and interest are paid annually.

### 2.2 Sewer Utility Fund (Fund 402)

This fund serves as the primary operating fund of the District's sewer utility. The majority of revenue is derived from rates charged to sewer customers. Other revenue sources are interest income, recording fees, general facility charges, payments associated with an existing utility local improvement

district (ULID), and miscellaneous charges and fees. All fees and charges are set by the Board. Funds collected are used to pay for operations, maintenance, and capital improvement program-related expenditures (system reinvestment) of the sewer utility in accordance with the Board-approved biennial budget.

Managed within the sewer utility fund are an operating reserve, contingency reserve, and debt service funds:

- Operating Reserve - The operating reserve serves as a liquidity cushion providing protection from the risk of short-term variation in the timing of revenue collection relative to payment of expenses and is maintained consistent with District financial policies at the cost to operate the utility for 60 days.
- Contingency Reserve - The contingency reserve ensures that unanticipated projects related to sewer system expenses will be funded, subsequent to Board approval, and is established through the District's financial policies at one percent of the sewer utility infrastructure replacement cost.
- Debt Service - The debt service allocation provides redemption of outstanding debt incurred associated with a bond that was issued to finance past sewer utility projects. Bond interest is paid semi-annually, and the principal is paid annually from sewer utility revenues.

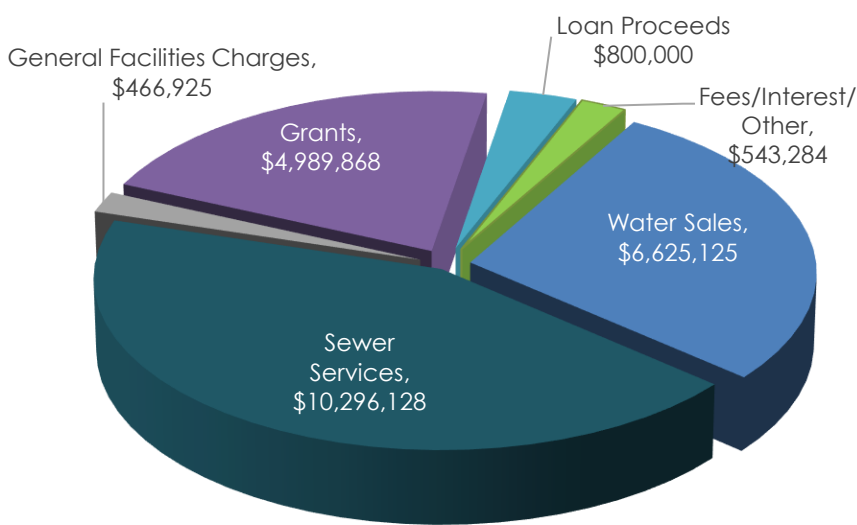
### 2.3 Bond Reserve Fund (Fund 460)

The Bond Reserve Fund was established by the covenants of the 2016 bond sale and is restricted by definition. A reserve limitation is required to be held in this fund until the outstanding 2016 bond payment obligations are paid in full, which is currently scheduled for 2035.

# 3 2025-26 REVENUE PROJECTIONS

District functions are funded primarily through revenues received through water sales and sewer service fees, with a relatively small remainder of revenues coming from other fees and charges, which include the general facility charges, and other miscellaneous revenues. One item of note is that the District anticipates an increase in grant revenue relative to recent budgets (primarily from FEMA Hazard Mitigation Grants). The grant revenues total approximately \$5 million dollars supporting water utility capital improvement projects (the Division 7 Reservoir project, the Water Asset Seismic Upgrades and Improvements project, and the Sudden Valley Water Treatment Plant Chlorine Contact Basin project [see Appendix B, System Reinvestment Plan, for more detail]). Further, the District anticipates loan proceeds in the amount of \$800,000 as an additional funding source for the Division 7 Reservoir project.

As outlined in its 2021 rate study, the District adopted incremental annual increases to water and sewer rates through 2026 to ensure sufficient funding for operations, outstanding debt service, proposed future debt service, and system reinvestment through capital improvement projects and scheduled equipment replacement. Per the Board-approved multi-year rate schedule, 2025-26 budget revenues are based on water and sewer rate increases of 4.5% and 3.75% percent, respectively. This results in rate revenue projections of approximately \$6.6 million in the water utility fund and \$10.3 million in the sewer utility fund.



**2025-26 Projected Revenues**

The other relatively significant revenue stream is fees the District receives for the connection of new development to its water and sewer systems. These *general facility charges* have been developed based upon the new customer’s proportionate share of the cost of constructing the system to which they are connecting, as well as the proportionate share for future system expansion to accommodate that connection’s capacity impact. In 2022, the District performed an in-depth analysis of its general facility charges, with new charges adopted by the Board effective January 1, 2023, through December 31, 2026. The District takes a conservative approach when budgeting for revenues associated with the general facility charges and only budgets for ten new connections in each fiscal year. While recent

trends have been between 20-25 new connections each year, the District continues to monitor the effects of inflation on new construction and maintains within this budget revenues based upon the conservative ten annual connections.

Most of the other revenues, totaling approximately \$543,000, reflect projected interest earned from the various investments the District has as well as late fees. The remaining revenues are comprised of other miscellaneous fees.

Therefore, based upon adopted rate increases and conservative projections of other revenues, the 2025-26 Biennial Budget reflects total revenue of approximately \$23.7 million (\$12,973,018 water utility and \$10,748,312 sewer utility).



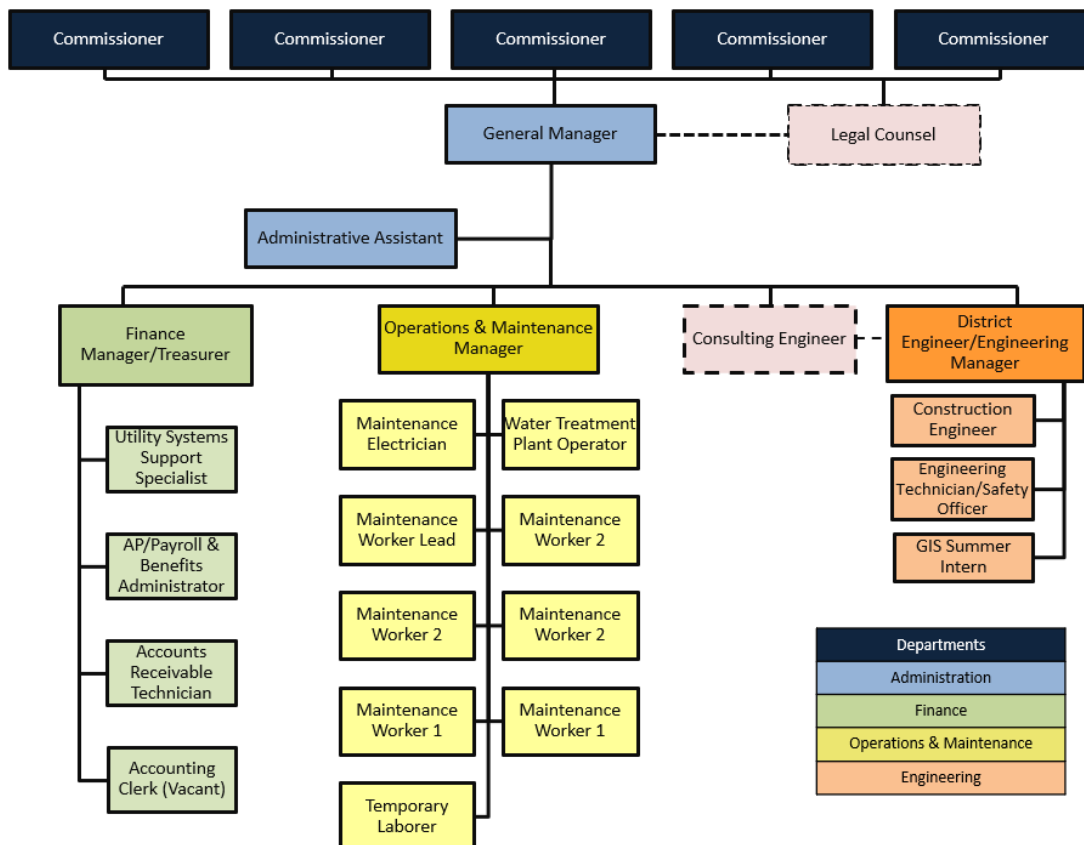
# 4 2025-26 EXPENDITURES

## 4.1 Water Utility Fund (Fund 401)

The Water Utility Fund is the primary fund through which the District conducts water utility-related business. It should be noted that many administrative expenses are shared with the Sewer Utility Fund equally. The following sections provide summaries of the primary components of the fund expenses.

### 4.1.1 Operating Expenses

**Personnel.** Being a service-oriented organization, staff salary and associated benefits make up a substantial portion of the Water Utility Fund budget. Salary and benefit-related expenses are shared equally with the Sewer Utility Fund, with exception to the Water Treatment Plant Operator position, which is wholly funded by the Water Utility Fund. For the 2025-26 Budget, the District has budgeted for 18 full-time equivalent (FTE) positions and two seasonal positions. One FTE within the Finance Department will remain vacant (Accounting Clerk) as a result of staffing succession and workload. Personnel-related cost increases from the 2023-24 Budget are primarily associated with the recommendations of the recent compensation study and cost-of-living adjustments to salaries and increases to healthcare and related benefits (approximately five percent per year). The 2025-26 Organization Chart is:



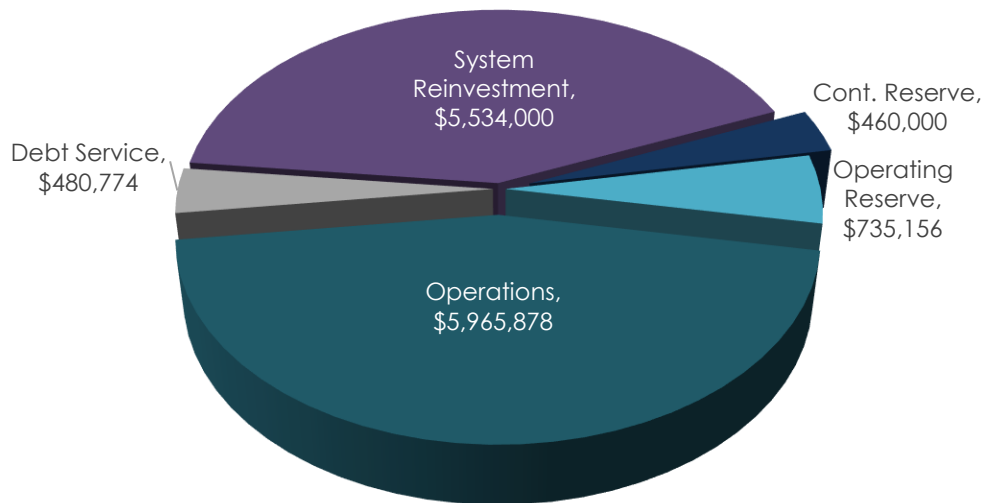
**Professional Services.** The District relies on several professional- and vendor-related services to efficiently and effectively conduct the business of the District. Such providers include contracting with the District’s legal counsel and on-call consulting engineer, support services associated with asset management, infrastructure control, administrative systems, and general services (e.g., custodial, landscape maintenance, security, etc.). Many of these services are shared equally between the water and sewer utilities. The combined professional services for 2025-26 are projected at \$616,200. The District will maintain a separate budgetary line item for Software and IT (information technology) subscriptions to comply with the Washington State Auditor’s Office requirement for reporting costs associated with software-based subscriptions. The combined costs for Software/IT in the 2025-26 budget are approximately \$346,000.

**City of Bellingham Fees.** The District does not have a drinking water source that is connected to the Eagleridge residential neighborhood located on the Lake Whatcom north shore. Therefore, the District purchases water from the City of Bellingham to serve Eagleridge. The total projected cost for water fees from the City of Bellingham for 2025-26 is budgeted at \$125,840, which reflects an increase due to anticipated City of Bellingham rate increases.

**Water Quality Partnerships.** With Lake Whatcom as the primary source of drinking water within the District, protection of its water quality is crucial. In 2025 and 2026, the District will continue its partnership with Whatcom County and the City of Bellingham through the Lake Whatcom Management Program for water quality monitoring and invasive species inspection programs (\$175,600).

**Utilities.** Electricity to treat and distribute water to District customers, and to pump sewage to the City of Bellingham makes up a significant portion of the District’s operating budget. Combined water and sewer utility electricity costs, together with other utilities, are budgeted at \$643,500. This is a significant increase from the 2023-2024 Budget due to the impacts of inflation over the past few years.

### 2025-26 Water Utility Allocations



## 4.1.2 Operating Reserve

In accordance with District financial policies, an operating reserve is maintained equivalent to the cost of operating the water utility for 90 days (\$735,519).

## 4.1.3 Contingency Reserve

A contingency reserve is maintained in accordance with the District’s financial policies at one percent of the water utility infrastructure replacement cost (\$460,000). As this is a contingency fund, no expenditures are budgeted for 2025-26.

## 4.1.4 System Reinvestment

The *2025-2026 Capital System Reinvestment Plan*, included as Appendix B, provides a comprehensive description of the projects that will be completed using system reinvestment funds. The following are projects specific to the water utility:

Category	Project	Cost
Capital Outlay Projects—General		
Water/Sewer	Tool Truck Replacement (2025)	\$52,000
Water/Sewer	Phone Line Conversion (2025)	\$26,000
	Subtotal	\$78,000
Capital Outlay Projects—Water Utility		
Water	Security Upgrades (2026)	\$184,000
Water	Miscellaneous Water Outlay (2025 & 2026)	\$21,000
	Subtotal	\$205,000
Capital Improvement Projects—Water Utility		
Water	Division 7 Reservoir – Construction (2025)	\$1,690,000
Water	Replace 2" PVC with 2" HDPE – 1237 Lakeview (2025)	\$65,000
Water	Scenic Intertie – Replace Piping (2025)	\$78,000
Water	Chlorine Contact Basin Design & Permitting (2025)	\$242,000
Water	Chlorine Contact Basin Construction (2026)	\$1,669,000
Water	Geneva Reservoir & Sudden Valley Pump House Seismic Upgrades Design & Permitting (2025)	\$218,000
Water	Geneva Reservoir & Sudden Valley Pump House Seismic Upgrades Construction (2026)	\$1,152,000
Water	Safety Improvements (2025)	\$37,000
Water	Sudden Valley Water Treatment Plant – Replace Flash Mixer (2025)	\$16,000
Water	Well Decommissioning (2025)	\$52,000
Water	Eagleridge Building Improvements (2025)	\$32,000
	Subtotal	\$5,251,000
	TOTAL	\$5,534,000

Please refer to Appendix B for specific project narratives and details.

## 4.1.5 Debt Service

The District is obligated to annually set aside sufficient funds for debt service repayment associated with prior District capital improvements, which are summarized in the *Revenue Bonds and Loan Funds Summary* (Appendix C). Water utility-related 2025-26 expenditures to make principal and interest payments on District low interest loans will be associated with:

- Geneva AC Pipe Mains Replacement Project (\$277,657)
- Division 22 Water Reservoir Construction Project (\$155,503)
- Public Works Board Loan for Division 7 Reservoir (\$47,614)

Please refer to Appendix C for the 2025-26 Revenue Bond and Loans Summary.

## 4.2 Sewer Utility Fund (Fund 402)

The Sewer Utility Fund is the primary fund through which the District conducts sewer utility-related business. As discussed in the Water Utility Fund, many administrative expenses are shared with the Water and Sewer Utility Funds. The following sections provide summaries of the primary components of the fund expenses.

### 4.2.1 Operating Expenses

**Personnel.** As sewer utility-related expenses associated with personnel are largely consistent with those of the water utility, please refer to the personnel discussion in Section 4.1.1.

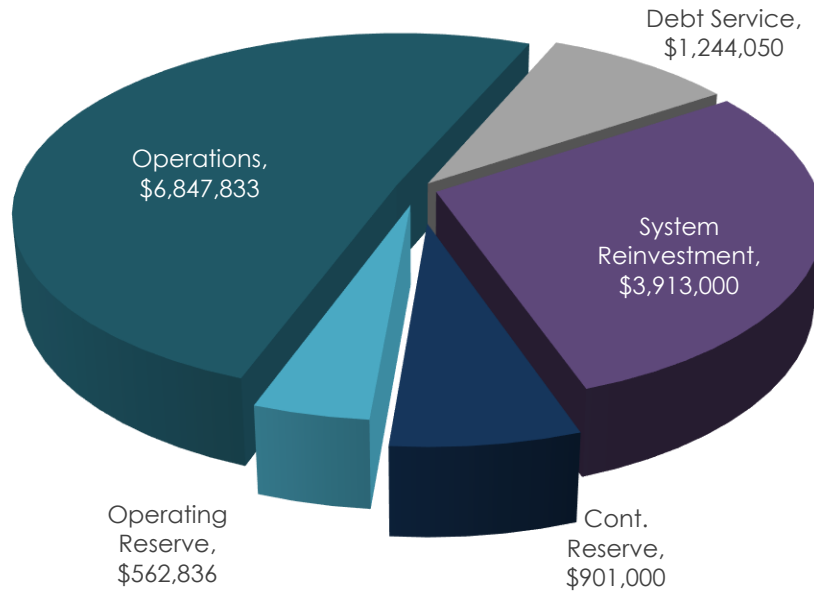
**Professional Services.** As sewer utility-related expenses associated with professional services are largely consistent with those of the water utility, please refer to the professional services discussion in Section 4.1.1.

**City of Bellingham Fees.** To protect the quality of Lake Whatcom, all sewage collected by the District is conveyed to the City of Bellingham's sanitary sewer system and treated at the City's Post Point wastewater treatment plant. As a result, the District pays the City for treatment of all sewage collected by the District. The total projected cost for sewer fees from the City of Bellingham for 2025-26 is budgeted at \$1,791,350, which is slightly below prior years' costs and is based on recent trends.

**Utilities.** Please refer to the utilities discussion in Section 4.1.1.

The following chart reflects the breakdown of costs associated with operating and maintaining the District's Sewer Utility Fund.

### 2025-26 Sewer Utility Allocations



#### 4.2.2 Operating Reserve

In accordance with District financial policies, an operating reserve is maintained equivalent to the cost of operating the sewer utility for 60 days (\$562,836).

#### 4.2.3 Contingency Reserve

A contingency reserve is maintained in accordance with the District's financial policies at one percent of the sewer utility infrastructure replacement cost (\$901,000). As this is a contingency fund, no expenditures are budgeted for 2025-26. However, under the recommendation of the 2021 Rate Study, this fund will increase from \$815,000 in 2025 to \$901,000 in 2026.

#### 4.2.4 System Reinvestment

The *2025-26 Capital System Reinvestment Plan*, included as Appendix B, provides a comprehensive description of the projects that will be completed using system reinvestment funds. The following are projects specific to the sewer utility:

Category	Project	Cost
Capital Outlay Projects—General		
Water/Sewer	Tool Truck Replacement (2025)	\$52,000
Water/Sewer	Phone Line Conversion (2025)	\$26,000
	Subtotal	\$78,000
Capital Improvement Projects – Sewer Utility		
Sewer	Agate Bay Sewer Lift Station – Predesign (2025)	\$146,000
Sewer	Agate Bay Sewer Lift Station – Design and Bidding (2026)	\$188,000
Sewer	Rocky Ridge Lift Station – Construction (2025)	\$656,000
Sewer	Lakewood Lift Station – Construction (2025)	\$591,000
Sewer	LWBI CIPP Renewal Projects (2025 & 2026)	\$795,000
Sewer	Sewer Rehab & Replacement Projects (2025 & 2026)	\$74,000
Sewer	Flatcar Lift Station Reverse Flow (2025)	\$155,000
Sewer	Flow Meter- Sudden Valley Lift Station (2026)	\$54,000
Sewer	City of Bellingham Wastewater Treatment Plant Improvements (2025 & 2026)	\$1,176,000
	Subtotal	\$3,835,000
	TOTAL	\$3,913,000

Please refer to Appendix B for specific project narratives and details.

## 4.2.5 Debt Service

The District is obligated to annually set aside sufficient funds for debt service repayment associated with prior District capital improvements, which are summarized in the *Revenue Bonds and Loan Funds Summary* (Appendix C). Sewer utility-related expenditures to make principal and interest payments on District bond obligations are solely associated with the 2016 Bond (which consisted of financing the renovation of two sewer lift stations and the District’s portion of 2014 upgrades to the City of Bellingham’s Post Point wastewater treatment plant). The 2025-26 sewer utility debt service will be approximately \$1,244,000. Please refer to Appendix C for the 2025-26 Revenue Bond and Loans Summary.

## 4.3 Bond Reserve Fund (Fund 460)

No expenditures are anticipated in 2025-26 from this fund. A fund balance of approximately \$646,125 will be carried over from 2024. This is a decrease in years past as the District’s Maximum Annual Debt service declines, this fund will also decrease.

# APPENDIX A

2025-26 BUDGET



LAKE WHATCOM WATER AND SEWER FUND SUMMARIES 2025-2026

	401 WATER	402 SEWER	TOTAL	460 BOND RESERVE (RESTRICTED)
2025 Projected Beginning Fund Balance	\$992,617	\$4,486,010	\$5,478,627	\$646,125
2025 - 2026 Revenues	\$12,973,018	\$10,748,312	\$23,721,330	
2025 - 2026 Expenditures	\$ (11,980,652)	\$ (12,090,883)	\$ (24,071,535)	
Net Surplus/(Deficit)	\$ 992,366	\$ (1,342,571)	\$ (350,205)	\$646,125
2026 Projected Ending Fund Balance	\$1,984,983	\$3,143,439	\$5,128,422	\$646,125
2025 - 2026 Allocated to Operating Reserve	\$735,519	\$562,836	\$1,298,355	
2025 - 2026 Rate Study Capital Surplus*	\$576,000	\$596,225	\$1,172,225	
2025 - 2026 Projected Year End Fund Balance	\$ 673,464	\$1,984,379	\$2,657,843	
	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**  
**Water Utility Fund (401)**

Fund	Dept.	Account	Title	2023	2024	2024	2025	2026	2025-2026
				Actual	Budget	Projected 10.31.2024	Proposed	Proposed	Combined Proposed
<b>Intergovernmental Revenue</b>									
401	330	331 66 00 01	Environmental Protection Agency	\$ -	\$ 220,000	\$ -	\$ 220,000	\$ -	\$ 220,000
401	330	333 97 00 02	Federal Indirect Grant Homeland Security	\$ -	\$ 2,310,877	\$ 266,775	\$ 1,567,983	\$ 2,287,825	\$ 3,855,808
401	330	334 01 80 01	State Grant From Military Department	\$ -	\$ 93,700	\$ 44,462	\$ 647,926	\$ 266,134	\$ 914,060
<b>Charges For Services</b>									
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
<b>Fines &amp; Penalties</b>									
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	\$ 56,653	\$ 65,000	\$ 65,000	\$ 130,000
<b>Miscellaneous Revenues</b>									
401	360	361 11 00 00	Investment Interest	\$ 77,205	\$ 64,091	\$ 112,958	\$ 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	\$ 658	\$ 1,000	\$ 1,000	\$ 2,000
401	360	369 40 00 00	Project Reimbursement	\$ -	\$ -	\$ 900	\$ -	\$ -	\$ -
401	360	369 80 00 00	Over/Under	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Other Financing Sources</b>									
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	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total Water Fund Revenues</b>				<b>\$ 3,458,153</b>	<b>\$ 6,003,613</b>	<b>\$ 3,829,919</b>	<b>\$ 6,777,564</b>	<b>\$ 6,195,454</b>	<b>\$ 12,973,018</b>

<b>Water Fund Expenditures</b>									
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	\$ 6,405	\$ 12,500	\$ 12,500	\$ 25,000
401	534	534 10 31 01	Water - Meetings/Team building	\$ 2,399	\$ 2,000	\$ 2,293	\$ 3,200	\$ 3,200	\$ 6,400
401	534	534 10 40 00	Water - Merchant Services Fees	\$ 16,760	\$ 14,200	\$ 19,322	\$ 19,700	\$ 20,300	\$ 40,000
401	534	534 10 40 01	Water - Bank Fees	\$ 378	\$ 1,400	\$ 460	\$ 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	\$ 141,254	\$ 116,315	\$ 110,915	\$ 227,230
401	534	534 10 41 02	Water - Engineering Svc	\$ 4,987	\$ 14,000	\$ 5,298	\$ 9,000	\$ 9,000	\$ 18,000
401	534	534 10 41 03	Water - Legal Svc	\$ 18,070	\$ 31,000	\$ 19,950	\$ 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	\$ 90,310	\$ 73,010	\$ 163,320
401	534	534 10 46 00	Water - Gen Admin Insurance	\$ 98,619	\$ 114,000	\$ 109,800	\$ 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	\$ 18,700	\$ 21,100	\$ 21,750	\$ 42,850
401	534	534 10 49 02	Water - Taxes	\$ 161,097	\$ 165,095	\$ 169,404	\$ 177,800	\$ 185,800	\$ 363,600
401	534	534 40 43 00	Water - Admin Training & Travel	\$ 9,025	\$ 13,000	\$ 10,400	\$ 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	\$ 74,371	\$ 145,000	\$ 150,800	\$ 295,800
401	534	534 50 49 00	Water - Insurance Claims	\$ 3,418	\$ 5,000	\$ 6,000	\$ 5,000	\$ 5,000	\$ 10,000
401	534	534 60 41 00	Water - Operations Contracted (Edge Analytical)	\$ 9,485	\$ 12,000	\$ 11,137	\$ 12,500	\$ 12,900	\$ 25,400
401	534	534 60 47 00	Water - City of Bellingham	\$ 51,526	\$ 62,920	\$ 54,641	\$ 62,920	\$ 62,920	\$ 125,840
401	534	534 80 10 00	Water - Operations Payroll	\$ 638,689	\$ 692,736	\$ 667,605	\$ 734,736	\$ 756,778	\$ 1,491,513
401	534	534 80 20 00	Water - Operations Personnel Benefits	\$ 262,021	\$ 288,803	\$ 278,459	\$ 340,742	\$ 350,964	\$ 691,706
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	\$ 584	\$ 1,400	\$ 1,400	\$ 2,800
401	534	534 80 35 02	Water - Emergency Preparedness	\$ 588	\$ 3,000	\$ 650	\$ 3,000	\$ 3,000	\$ 6,000
401	534	534 80 43 00	Water - Operation Training/Travel/Certifications	\$ 12,693	\$ 13,000	\$ 12,300	\$ 13,000	\$ 13,000	\$ 26,000
401	534	534 80 47 00	Water - Ops Utilities	\$ 145,246	\$ 153,835	\$ 146,416	\$ 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
<b>Total Water Fund Expenditures</b>				<b>\$ 2,472,835</b>	<b>\$ 2,871,556</b>	<b>\$ 2,694,023</b>	<b>\$ 2,954,830</b>	<b>\$ 3,011,048</b>	<b>\$ 5,965,878</b>

<b>Debt Service</b>									
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
<b>Total Water Fund Debt Service</b>				<b>\$ 223,533</b>	<b>\$ 220,752</b>	<b>\$ 220,752</b>	<b>\$ 217,971</b>	<b>\$ 262,803</b>	<b>\$ 480,774</b>

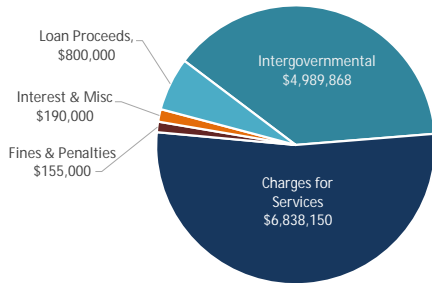
**Lake Whatcom Water and Sewer District  
2025 - 2026 Biennial Budget  
Water Utility Fund (401)**

Fund	Dept.	Account	Title	2023 Actual	2024 Budget	2024 Projected 10.31.2024	2025 Proposed	2026 Proposed	2025-2026 Combined Proposed
<i>System Reinvestments</i>									
				<b>Capital Expenditures</b>					
401	594	594 34 60 01	Capital Outlay - Budget Only		\$ 1,978,138	\$ 1,463,765	\$ 2,518,000	\$ 3,016,000	\$ 5,534,000
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					
				\$ -					
<b>Total Water Fund Capital Expenditures</b>				<b>\$ 537,795</b>	<b>\$ 1,978,138</b>	<b>\$ 1,463,765</b>	<b>\$ 2,518,000</b>	<b>\$ 3,016,000</b>	<b>\$ 5,534,000</b>
				<b>Other Financing Sources</b>					
401	597	597 10 00 26	Transfers Out To Fund 426	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total Water Fund Other Financing Sources</b>				<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Total Water Fund Expenditures</b>				<b>\$ 3,234,163</b>	<b>\$ 5,070,446</b>	<b>\$ 4,378,540</b>	<b>\$ 5,690,801</b>	<b>\$ 6,289,851</b>	<b>\$ 11,980,652</b>
<b>Fund Gain/Loss</b>				<b>\$ 223,990</b>	<b>\$ 933,167</b>	<b>\$ (548,621)</b>	<b>\$ 1,086,763</b>	<b>\$ (94,396)</b>	<b>\$ 992,366</b>

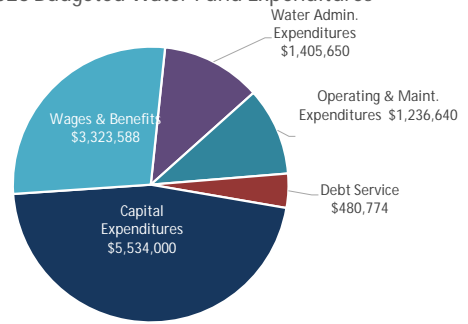
Fund Balance Summary		
2024 Beginning Fund Balance		\$ 1,541,238
2024 Projected Gain/Loss		\$ (548,621)
2024 Projected Ending Fund Balance		\$ 992,617
2025 Projected Gain/Loss		\$ 1,086,763
2025 Projected Ending Fund Balance		\$ 2,079,380
2026 Projected Gain/Loss		\$ (94,396)
2026 Projected Ending Fund Balance		\$ 1,984,983

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**  
**Sewer Utility Fund (402)**

Fund	Dept.	Account	Title	2023 Actual	2024 Budget	2024 Projected 10.31.2024	2025 Proposed	2026 Proposed	2025-2026 Combined Proposed
<b>Intergovernmental Revenue</b>									
401	330	331 97 10 02	Federal Grants (FEMA)	\$ 34,987	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Charges For Services</b>									
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	\$ 5,443	\$ 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
<b>Miscellaneous Revenues</b>									
402	360	361 11 00 02	Investment Interest	\$ 77,205	\$ 64,091	\$ 112,959	\$ 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	\$ 5,687	\$ 4,142	\$ 4,142	\$ 8,284
402	360	369 91 01 02	Miscellaneous	\$ 3,132	\$ 1,000	\$ 608	\$ 1,000	\$ 1,000	\$ 2,000
<b>Other Financing Sources</b>									
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	\$ -	\$ -	\$ 126,209	\$ -	\$ -	\$ -
<b>Total Sewer Fund Revenues</b>				<b>\$ 5,169,404</b>	<b>\$ 4,961,533</b>	<b>\$ 5,421,219</b>	<b>\$ 5,301,844</b>	<b>\$ 5,446,468</b>	<b>\$ 10,748,312</b>
<b>Sewer Fund Expenditures</b>									
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	\$ 6,260	\$ 12,500	\$ 12,500	\$ 25,000
402	535	535 10 31 01	Sewer - Meetings/Team Building	\$ 2,388	\$ 2,000	\$ 2,293	\$ 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	\$ 460	\$ 750	\$ 750	\$ 1,500
402	535	535 10 41 01	Sewer - Gen Admin Prof Svc	\$ 111,810	\$ 124,175	\$ 125,919	\$ 116,315	\$ 110,915	\$ 227,230
402	535	535 10 41 02	Sewer - Engineering Svc	\$ 3,831	\$ 14,000	\$ 1,287	\$ 9,000	\$ 9,000	\$ 18,000
402	535	535 10 41 03	Sewer - Legal Svc	\$ 25,486	\$ 31,000	\$ 19,787	\$ 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	\$ 32,925	\$ 34,000	\$ 35,400	\$ 69,400
402	535	535 10 43 00	Sewer - Software/IT Subscriptions	\$ 57,468	\$ 63,405	\$ 67,162	\$ 99,960	\$ 82,660	\$ 182,620
402	535	535 10 46 00	Sewer - Gen Admin Insurance	\$ 98,619	\$ 114,000	\$ 109,800	\$ 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	\$ 123,666	\$ 129,650	\$ 134,500	\$ 264,150
402	535	535 40 43 00	Sewer - Gen Admin Training & Travel	\$ 9,029	\$ 13,000	\$ 8,504	\$ 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	\$ 30,264	\$ 45,000	\$ 46,800	\$ 91,800
402	535	535 50 31 01	Sewer - Small Assets	\$ 19,105	\$ 42,000	\$ 36,908	\$ 42,000	\$ 43,700	\$ 85,700
402	535	535 50 48 00	Sewer - Repair & Maint	\$ 122,370	\$ 140,000	\$ 61,719	\$ 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	\$ 826,309	\$ 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	\$ 284,947	\$ 293,495	\$ 578,441
402	535	535 80 32 00	Sewer - Operations Fuel	\$ 30,048	\$ 26,000	\$ 15,283	\$ 31,900	\$ 33,200	\$ 65,100
402	535	535 80 35 00	Sewer - Safety Supplies	\$ 7,055	\$ 10,000	\$ 3,784	\$ 10,000	\$ 10,000	\$ 20,000
402	535	535 80 35 01	Sewer - Safety Boots	\$ 1,298	\$ 1,400	\$ 584	\$ 1,400	\$ 1,400	\$ 2,800
402	535	535 80 35 02	Sewer - Emergency Preparedness	\$ 3,753	\$ 5,000	\$ 646	\$ 5,000	\$ 5,000	\$ 10,000
402	535	535 80 43 00	Sewer - Operations Training/Travel/Certification	\$ 9,888	\$ 13,000	\$ 11,387	\$ 13,000	\$ 13,000	\$ 26,000
402	535	535 80 47 00	Sewer - Ops Utilities	\$ 124,037	\$ 156,383	\$ 132,538	\$ 160,000	\$ 164,800	\$ 324,800
402	535	535 80 49 00	Sewer - Operations Laundry	\$ 1,871	\$ 2,500	\$ 1,702	\$ 2,500	\$ 2,500	\$ 5,000
<b>Total Sewer Fund Expenditures</b>				<b>\$ 2,867,361</b>	<b>\$ 3,317,988</b>	<b>\$ 2,985,748</b>	<b>\$ 3,369,513</b>	<b>\$ 3,478,320</b>	<b>\$ 6,847,833</b>
<b>Debt Service</b>									
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
<b>Total Sewer Fund Debt Service</b>				<b>\$ 649,025</b>	<b>\$ 644,925</b>	<b>\$ 644,925</b>	<b>\$ 616,125</b>	<b>\$ 627,925</b>	<b>\$ 1,244,050</b>
<b>Capital Expenditures</b>									
402	594	594 35 60 02	Capital Outlay - Budget Only	\$ -	\$ 2,729,500	\$ 1,317,020	\$ 1,857,000	\$ 2,056,000	\$ 3,913,000
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	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total Sewer Fund Capital Expenditures</b>				<b>\$ 1,107,346</b>	<b>\$ 2,729,500</b>	<b>\$ 1,317,020</b>	<b>\$ 1,857,000</b>	<b>\$ 2,056,000</b>	<b>\$ 3,913,000</b>
<b>Other Financing Sources</b>									
402	597	597 10 00 25	Transfer Out To Sewer Contingency	\$ -	\$ -	\$ -	\$ -	\$ 86,000	\$ 86,000
<b>Total Other Financing Sources</b>				<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 86,000</b>	<b>\$ 86,000</b>

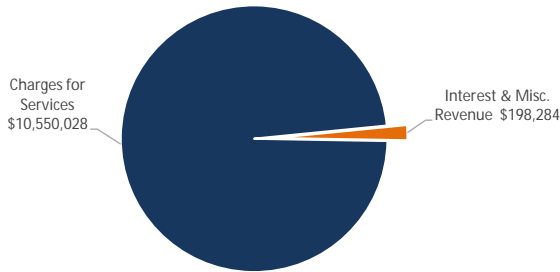
**Lake Whatcom Water and Sewer District  
2025-2026 Biennial Budget  
Sewer Utility Fund (402)**

Fund	Dept.	Account	Title	2023 Actual	2024 Budget	2024 Projected 10.31.2024	2025 Proposed	2026 Proposed	2025-2026 Combined Proposed
<b>Total Sewer Fund Expenditures</b>				\$ 4,623,732	\$ 6,692,413	\$ 4,947,693	\$ 5,842,638	\$ 6,248,245	\$ 12,090,883
<b>Fund Gain/Loss</b>				\$ 545,672	\$ (1,730,880)	\$ 473,526	\$ (540,794)	\$ (801,777)	\$ (1,342,571)

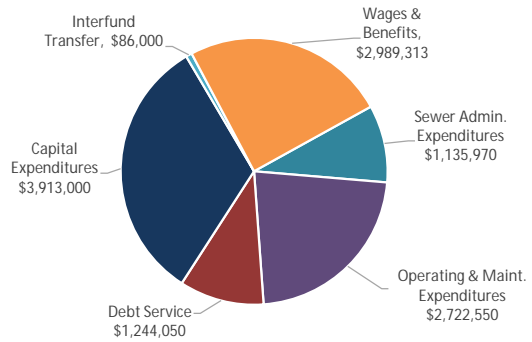
Fund Balance Summary		
2024 Beginning Fund Balance		\$ 4,012,484
2024 Projected Gain/Loss		\$ 473,526
2024 Projected Ending Fund Balance		\$ 4,486,010
2025 Projected Gain/Loss		\$ (540,794)
2025 Projected Ending Fund Balance		\$ 3,945,216
2026 Projected Gain/Loss		\$ (801,777)
2026 Projected Ending Fund Balance		\$ 3,143,439

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  
 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
<b>Total Fund Revenue</b>				<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 86,000</b>	<b>\$ 86,000</b>
Other Financing Sources									
425	597	597 10 20 00	Transfers Out To Fund 420	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total Fund Expenditures</b>				<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Fund Gain/Loss</b>				<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 86,000</b>	<b>\$ 86,000</b>

**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  
 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	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total Fund Revenue</b>				<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Total Fund Expenditures</b>				<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

**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  
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
<b>Total Fund Revenue</b>						\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total Fund Expenditures</b>						\$ -	\$ -	\$ 126,209	\$ -	\$ -	\$ -

**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

# APPENDIX B

## 2025-26 SYSTEM REINVESTMENT PLAN



## Water System Reinvestment Plan 2025 through 2030

	Total (2025 - 2030)	2025	2026	2027	2028	2029	2030
<b>Capital Outlay - General (Water Share)</b>							
IT Infrastructure	\$ 20,000.00				\$ 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	\$ 21,000.00			\$ 21,000.00			
Convert Phone Lines to Cellular Communication	\$ 26,000.00	\$ 26,000.00					
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)	\$ 330,000.00	\$ 78,000.00	\$ -	\$ 21,000.00	\$ 72,000.00	\$ 99,000.00	\$ 60,000.00
<b>Capital Outlay - Water Only</b>							
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			
Water Use Efficiency Plan Update	\$ 18,000.00			\$ 18,000.00			
Subtotal - Capital Outlay (Water Only)	\$ 580,000.00	\$ 10,000.00	\$ 195,000.00	\$ 176,000.00	\$ 127,000.00	\$ 60,000.00	\$ 12,000.00
<b>Capital Projects - Water Only</b>							
Div 7 Reservoir Phase 2 Construction (carryover)	\$ 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 (carryover)	\$ 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 (carry over)	\$ 218,000.00	\$ 218,000.00					
Geneva Reservoir and SVWTP Pump House Seismic Upgrades - Construction	\$ 1,152,000.00		\$ 1,152,000.00				
Physical Security Improvements (Locks, Ladders and Fencing) - Phase 1	\$ 37,000.00	\$ 37,000.00					
Physical Security Improvements (Locks, Ladders and Fencing) - Phase 2	\$ 46,000.00				\$ 46,000.00		
Physical Security Improvements (Locks, Ladders and Fencing) - Phase 3	\$ 48,000.00						\$ 48,000.00
Replace static mixer - SVWTP	\$ 16,000.00	\$ 16,000.00					
Treatment Center Wells Decommissioning	\$ 52,000.00	\$ 52,000.00					
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	\$ 9,546,000.00	\$ 2,430,000.00	\$ 2,821,000.00	\$ 1,991,000.00	\$ 1,186,000.00	\$ 86,000.00	\$ 1,032,000.00
<b>GRAND TOTAL</b>	<b>\$ 10,456,000.00</b>	<b>\$ 2,518,000.00</b>	<b>\$ 3,016,000.00</b>	<b>\$ 2,188,000.00</b>	<b>\$ 1,385,000.00</b>	<b>\$ 245,000.00</b>	<b>\$ 1,104,000.00</b>

## Sewer System Reinvestment Plan 2025 through 2030

	Total (2025 - 2030)	2025	2026	2027	2028	2029	2030
<b>Capital Outlay - General (Sewer Share)</b>							
IT Infrastructure	\$ 20,000.00				\$ 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	\$ 21,000.00			\$ 21,000.00			
Convert Phone Lines to Cellular Communication	\$ 26,000.00	\$ 26,000.00					
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)	\$ 330,000.00	\$ 78,000.00	\$ -	\$ 21,000.00	\$ 72,000.00	\$ 99,000.00	\$ 60,000.00
<b>Capital Outlay - Sewer Only</b>							
Update Sewer Comprehensive Plan	\$ 124,000.00					\$ 124,000.00	
Subtotal - Capital Outlay - Sewer Only	\$ 124,000.00	\$ -	\$ -	\$ -	\$ -	\$ 124,000.00	\$ -
<b>Capital Projects - Sewer Only</b>							
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				
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				
COB WWTP Improvements - Post Point Incinerator Emission	\$ 1,920,000.00			\$ 1,920,000.00			
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	\$ 7,813,000.00	\$ 1,779,000.00	\$ 2,056,000.00	\$ 2,958,000.00	\$ 807,000.00	\$ 65,000.00	\$ 148,000.00
<b>GRAND TOTAL</b>	<b>\$ 8,267,000.00</b>	<b>\$ 1,857,000.00</b>	<b>\$ 2,056,000.00</b>	<b>\$ 2,979,000.00</b>	<b>\$ 879,000.00</b>	<b>\$ 288,000.00</b>	<b>\$ 208,000.00</b>

## CAPITAL PROJECT NARRATIVE

<b>Project Name:</b>	Convert Phone to Cellular Communications
<b>CIP #:</b>	25-01

### **PURPOSE and DESCRIPTION OF THE PROJECT**

Presently, communication for 17 of the District's 26 sewer lift stations, one of the District's five water booster stations and three of the District's seven water storage reservoirs is provided by telephone service. This method of communication with District assets is outdated, no longer supported and has become unreliable. In addition, the District incurs monthly costs to maintain telephone service to these assets.

The proposed project, which includes both water and sewer facilities, is the first phase of a multi-year project to upgrade the communication infrastructure to replace all telephone communication infrastructure with modern communication infrastructure capable of providing the necessary monitoring and controls for the District's modern water and sewer infrastructure. Cellular communication infrastructure provides a cost-effective option to provide modern communications cost effectively since no conduits or cables are required for this conversion.

Based on funding available, the 2025-26 budget includes \$26,000 in each utility fund in 2025 to convert as many facilities as can be accommodated within that budget. District staff has identified the Division 22-1 and 22-2 reservoirs, the Cable Street, Ranch House, Airport, Marina and Louise Lift Stations as the highest priorities for communications upgrade.

For further information about this project contact Greg Nicoll.

#### Revision History

- 10/17/2024 – Project Narrative Creation – Greg Nicoll.

## CAPITAL PROJECT NARRATIVE

<b>Project Name:</b>	Replace Tool Truck
<b>CIP #:</b>	V0001

### **PURPOSE and DESCRIPTION OF THE PROJECT**

The District replaces tool trucks that are used daily by District operations staff as they reach the end of their useful life, which is typically 15 to 20 years. Tool Truck VEH31, a 2005 Chevrolet Silverado 3500, is nearing 20 years old and is the next tool truck in line for replacement. This truck will be replaced in-kind with a new one-ton truck (Chevrolet Silverado 3500 or equal), equipped with bed boxes and all other ancillary equipment typically included on District tool trucks.

For further information about this project call Greg Nicoll.

#### Revision History

- Updated 12/5/2016 by BH. Updated description and budget estimate based on current state bid prices.
- Updated 10/24/2017 by RM. Updated description and vehicle mileages.
- Updated 11/30/2021 by RM. Updated prices from state contract and vehicle mileages
- Updated 10/31/2022 by RM Updated prices from state contract and vehicle mileages
- Updated 8/26/24 by GN.

## CAPITAL PROJECT NARRATIVE

<b>Project Name:</b>	Misc. Water Capital Outlay
<b>CIP #:</b>	W0001

### **PURPOSE and DESCRIPTION OF THE PROJECT**

Annual budget line item to fund emergent issues and minor improvements associated with water system infrastructure. This may include minor improvements such as new valves, small pipe replacements, leak repairs, and other minor improvements to the water system not anticipated at the time of budgeting.

Past projects funded by this annual budget include emergency replacement of a check valve on the raw water intake at the Sudden Valley WTP, installation of PRV vault drains, and emergency replacement of a 6-inch broken water main.

For further information about this project call Greg Nicoll.

#### Revision History

- 11/20/24 – Project Narrative Creation – GN

## CAPITAL PROJECT NARRATIVE

<b>Project Name:</b>	Intrusion Alarms at Reservoirs, Cameras at SVWTP and AHWTP
<b>CIP #:</b>	25-11

### **PURPOSE and DESCRIPTION OF THE PROJECT**

In 2022, the District contracted with BHC Consultants to complete a security assessment to identify vulnerabilities and provide recommendations to improve security of the District's facilities. The assessment identified the Sudden Valley Water Treatment Plant (SVWTP) and Agate Heights Water Treatment Plant (AHWTP) as high priority facilities that should be prioritized for security improvements. Recommended improvements include new high resolution wi-fi security cameras and intrusion alarms to detect unauthorized entry into the facilities and ancillary structures such as the SVWTP Pump House and chlorine contact basin. The improvements will be integrated into a centralized District-wide security system that will be expanded in the coming years as part of a phased facility security improvements program.

For further information about this project contact Greg Nicoll.

#### Revision History

- 10/23/2024 – Project Narrative Creation – Greg Nicoll.

## CAPITAL PROJECT NARRATIVE

<b>Project Name:</b>	Division 7 Reservoir Replacement
<b>CIP #:</b>	0145

### **PURPOSE and DESCRIPTION OF THE PROJECT**

A structural analysis of the Lake Whatcom Water and Sewer District Division 7 water reservoir found significant deficiencies in its ability to meet existing earthquake code requirements (BHC report, December 2016). The recent Water System Plan also analyzed the capacity of the Division 7 reservoir and found it to be significantly oversized at a volume of one million gallons. The Water System Plan recommended an alternatives analysis for this reservoir to compare the cost of making seismic upgrades and replacing the interior and exterior coatings that are beyond their useful life against the alternative of replacing the Division 7 reservoir with a more appropriate amount of storage volume (~half a million gallons). Wilson Engineering, LLC prepared a technical memorandum dated February 8, 2018, that documents the analysis of alternatives. The selected alternative replaces the existing 1-million gallon Division 7 reservoir with two smaller 235,000-gallon reservoirs. Wilson Engineering subsequently completed design and prepared bid documents for construction of the project.

The contract for construction of the new reservoirs was awarded to Tiger Construction in January 2024 and active on-site construction started in June 2024, concurrent with the start of the Lake Whatcom Watershed ground disturbance window. Work continued until the close of the work window on September 30, 2024, when the project was paused. To date, the contractor has completed site grading to reach the new reservoir subgrade elevations, construction of a small retaining wall and installation of most of the below grade utilities. Construction of the new reservoirs is scheduled to begin in December 2024 with commissioning of the new reservoirs in May 2025. Following commissioning of the new reservoirs, the contractor will demolish the existing reservoir and restore the site. The project is scheduled to be substantially complete in September 2025.

This project is largely funded by grant and loan funds, including:

- FEMA Hazard Mitigation Grant
- EPA Community Grant
- Public Works Board loan

The balance of the project cost is funded by District funds.

For further information about this project contact Greg Nicoll.

#### Revision History

- Created 11/30/2020 by BH.
- 11/2/2022 BH. Updated narrative.
- 11/20/2024 GN. Updated narrative.

## CAPITAL PROJECT NARRATIVE

<b>Project Name:</b>	1237 Lakeview St - Replace 2" PVC with 2" HDPE
<b>CIP #:</b>	25-03

### **PURPOSE and DESCRIPTION OF THE PROJECT**

A District-owned 2-inch diameter PVC water line runs adjacent to the property line of 1237 Lakeview Street and serves four properties. Since the installation of this water line, for which the District does not have documentation of an easement, a large tree has been planted and an out building constructed directly over the water line, preventing clear access to this water line in the event of a break.

The proposed project will abandon the existing water line and install a new 2-inch diameter HDPE water line within the right-of-way of North Terrace Avenue, which is located immediately north of 1237 Lakeview Street. Replacement of this line will eliminate a pipe that is at risk of failure with limited access for repair.

For further information about this project contact Greg Nicoll.

#### Revision History

- Created 10/17/24 by GN.



## CAPITAL PROJECT NARRATIVE

<b>Project Name:</b>	Scenic Avenue Intertie Repair
<b>CIP #:</b>	25-04

### **PURPOSE and DESCRIPTION OF THE PROJECT**

The District maintains an intertie with the City of Bellingham's water distribution system within Lakeway Drive near the intersection with Scenic Avenue and the border between the District and City of Bellingham service areas. This intertie allows the District to serve portions of the District's Geneva service area with water purchased from the City in the event of an emergency or during maintenance activities that require taking the Geneva reservoir out of service.

In 2021, District staff discovered that there was a leak in the system between the City's flow meter vault and the District's PRV building located at the southeast corner of Lakeway Drive and Scenic Avenue. District staff determined that the fittings and gate valve immediately upstream of the PRV were leaking and in need of replacement. In 2022, the District completed a project to replace these valves and fittings. Following completion of these repairs, the District discovered that the system continued to leak and determined that the piping upstream of these valves and fittings was also leaking. Due this ongoing leakage, this intertie cannot be used in the event of emergency or during times when the Geneva reservoir is out of service for maintenance.

To restore this intertie to operation, it is necessary to replace approximately 30 linear feet of existing 6-inch diameter wrapped steel pipe with new 8-inch diameter ductile iron pipe to match the existing piping upstream and downstream of this repair. This section of pipe is located within the eastbound lane of Lakeway Drive and is approximately 9 feet below grade. Due to the depth and location of this pipe, Lakeway Drive will need to be reduced to a single lane and traffic control provided throughout construction along with substantial shoring to complete the project.

The six-year capital improvement plan includes complete recoating of the Geneva reservoir in 2027. This recoating project will require taking the reservoir out of service and the intertie will be needed to provide water service to serve the service area currently served by the Geneva reservoir. Therefore, completion of this project will be critical for completing the recoating project to maximize the remaining useful life of the Geneva reservoir.

For further information about this project contact Greg Nicoll.

#### Revision History

- 10/17/2024 – Created by Greg Nicoll.

## CAPITAL PROJECT NARRATIVE

<b>Project Name:</b>	Replace Sudden Valley WTP Chlorine Contact Basin (CCB)
<b>CIP #:</b>	25-05

### **PURPOSE and DESCRIPTION OF THE PROJECT**

The purpose of this project is to replace the Sudden Valley Water Treatment Plant Chlorine Contact Basin (CCB) to address the deficiencies identified in the 2016 Seismic Evaluation produced by BHC Consultants, Inc., the 2016 tracer study completed by Gray & Osborne, Inc. and the 2020 coatings assessment completed by Evergreen Coatings Engineers.

In the past 10 years, multiple evaluations have been completed that have identified deficiencies with the existing CCB that need to be addressed to ensure that the water treatment system continues to operate reliably and efficiently now and into the future. The identified deficiencies include:

- A seismic vulnerability assessment was completed in 2016 and determined that the Chlorine Contact Basin did not meet current seismic design standards and would be unlikely to survive a significant earthquake. First, the report stated that the concrete ring wall foundation did not provide sufficient uplift resistance and, secondly, the existing rigid piping connections present a risk of damage that would result in emptying of the reservoir.
- The CCB was originally designed to provide sufficient chlorine contact time for the design water treatment capacity of 2 million gallons per day (MGD). This sizing was based on an estimated baffling factor of 0.7. In 2016, Gray & Osborne, Inc. completed a tracer study on behalf of the Washington State Department of Health to determine the actual baffling factor. Based on the results of this evaluation, the baffling factor was revised from 0.7 to 0.3. As a result, the capacity of the CCB is less than the rated capacity of the plant of 2.0 MGD.
- In 2020, Evergreen Coatings Engineers completed an assessment of the interior and exterior coating system that revealed that the coating system is nearing the ends of its useful service life.

In light of these deficiencies, the District submitted a FEMA Hazard Mitigation Grant application to replace the existing CCB with a new CCB designed to meet seismic design standards and to provide sufficient chlorine contact time to treat the plant design capacity of 2.0 MGD. The grant application was developed in conjunction with Washington State Emergency Management Division (WA-EMD) of the Washington State Military Department and the Federal Emergency Management Agency (FEMA) as a hazard mitigation project in 2022. In 2024, the District received approval for the application with cost sharing as follows: FEMA 75% (\$1,472,250), WA-EMD 12.5% (\$245,375), and Lake Whatcom Water and Sewer District 12.5% (\$245,375).

For further information about this project contact Greg Nicoll.

## CAPITAL PROJECT NARRATIVE

### Revision History

- Created 10/27/2021 by KPS (G&O).
- 10/21/2024 – Scope, schedule and budget updated (GN)

## CAPITAL PROJECT NARRATIVE

<b>Project Name:</b>	Geneva Reservoir and Sudden Valley WTP Pump House Seismic Improvements
<b>CIP #:</b>	25-06

### **PURPOSE and DESCRIPTION OF THE PROJECT**

The purpose of this project is to complete seismic upgrades recommended by the 2016 Seismic Deficiency Report produced by BHC Consultants, Inc. and the 2022 SV WTP Improvements Master Plan to ensure the facilities can survive a design level earthquake.

The District provides potable water to its South Shore water system, which includes the Sudden Valley and Geneva communities, wholly by water treated at its Sudden Valley Water Treatment Plant (SVWTP). Finished water from the SVWTP is conveyed to the South Shore water distribution system by four pumps that are housed within the SVWTP Booster Station. In 2022, as part of the Sudden Valley Water Treatment Plan Improvements Master Plan, Gray & Osborne Engineers completed a seismic evaluation of the SVWTP Booster Station and identified non-structural improvements that are required to ensure that the building can survive a significant earthquake.

Storage and system pressure is maintained in the South Shore distribution system by five reservoirs, which includes the Geneva Reservoir, a 500,000-gallon welded steel reservoir. The Geneva Reservoir serves most of the Geneva community, which includes approximately 1,136 connections. In 2016, BHC Consultants performed a seismic vulnerability assessment of the District's steel reservoirs, including the Geneva Reservoir. The assessment identified two structural deficiencies with the Geneva Reservoir (inadequate uplift resistance of the foundation and insufficient anchorage) that would prohibit the Geneva Reservoir from surviving a significant earthquake.

As a result of these findings, the District identified the need to complete upgrades to ensure that both structures meet current seismic standards. This project will construct a new concrete ring wall around the reservoir and improve the anchorage system for the reservoir. The project will also construct seismic improvements at the SV WTP Pump House building to ensure it will remain in service following a significant earthquake.

In 2022, the District submitted a FEMA Hazard Mitigation Grant application to complete seismic retrofits to the Geneva Reservoir and the SVWTP Booster Station. The grant application was developed in conjunction with Washington State Emergency Management Division (WA-EMD) of the Washington State Military Department and the Federal Emergency Management Agency (FEMA) as a hazard mitigation project which was approved in 2024. The grant will fund 95% of the design and construction costs for this project.

For further information about this project, contact Greg Nicoll.

### **Revision History**

- Created 10/21/2024 by GN

## CAPITAL PROJECT NARRATIVE

<b>Project Name:</b>	Physical Security Improvements – Phase 1
<b>CIP #:</b>	25-07

### **PURPOSE and DESCRIPTION OF THE PROJECT**

The District owns and operates buildings and infrastructure throughout the service area that are susceptible to security breaches that could damage facilities and compromise the ability of the District to maintain service to the District customers. In 2022, the District contracted with BHC Consultants to complete a facility security assessment to evaluate existing security systems and provide recommendations for improvements to further secure the District facilities. Based on this evaluation, District staff have developed a preliminary plan for implementing the proposed improvements. Staff have separated the improvements into “system improvements”, such as access controls, security cameras, intrusion alarms, and “physical improvements”, such as fencing, reservoir ladder security and locks.

This phased project will focus on physical improvements including installing cages around existing reservoir access ladders, constructing fencing and installing new, more secure locks on access hatches and ladders at locations identified by the Facility Security Assessment. The first phase of work will include facilities identified by both BHC and District staff as being the most critical assets, which will be primarily drinking water reservoirs. Future phases will construct physical improvements at other drinking water reservoirs and water treatment facilities with identified vulnerabilities.

For further information about this project contact Greg Nicoll.

#### Revision History

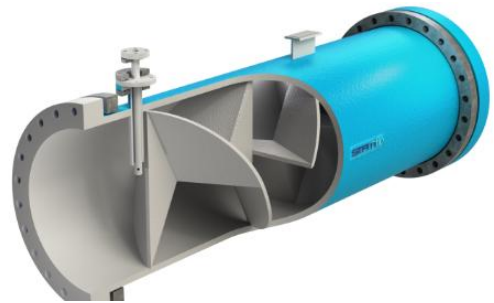
- 10/17/2024 – Created by Greg Nicoll.

## CAPITAL PROJECT NARRATIVE

<b>Project Name:</b>	Replace Static Mixer at Sudden Valley WTP
<b>CIP #:</b>	25-08

### PURPOSE and DESCRIPTION OF THE PROJECT

Prior to entering the water treatment filters at the Sudden Valley Water Treatment Plant (SVWTP), the raw water pump from Lake Whatcom is mixed with aluminum sulfate, also known as alum, which is a flocculant that causes small particles to clump together into larger particles that are more effectively filtered out in the filter bays. Alum is added to the raw water pipe via a small dosing pump and, to ensure that the alum is completely mixed with the raw water, there is an in-line static mixer immediately downstream of the alum dosing point. The static mixer, which is a pipe with internal baffles that create turbulence in the water flow, causes the water to mix with the alum. The existing static mixer is fiberglass and has been in service since the water treatment plant was renovated in 1994. This mixer, which is critical to the water treatment process, is at risk of failure due to the fragile construction materials and being beyond the end of its useful life. The proposed project will remove the existing static mixer and install a new static mixer. All work is currently planned to be completed by District staff and no interruption to water service is anticipated.



For further information about this project contact Greg Nicoll.

#### Revision History

- 10/22/2024 – Project Narrative Creation – Greg Nicoll.

## CAPITAL PROJECT NARRATIVE

<b>Project Name:</b>	Decommission Treatment Center Wells
<b>CIP #:</b>	25-09

### **PURPOSE and DESCRIPTION OF THE PROJECT**

In 2009, the Lake Whatcom Residential Treatment Center transferred its entire water system, including two groundwater wells and associated water rights, to the District. The District subsequently transferred the acquired water rights to the District-owned Geisbrecht well serving the Agate Heights water system and permanently removed the two wells from service. In compliance with Washington State regulations (WAC 173-160-381), the proposed project will fully decommission these two wells, eliminating the potential liability associated with possible contamination of the underlying aquifer. Work will remove and dispose of the two existing pumps and associated appurtenances, perforate the casing pipes, completely fill the wells with neat cement grout and document proper decommissioning of these wells.

For further information about this project contact Greg Nicoll.

#### Revision History

- 10/22/2024 – Project Narrative Creation – Greg Nicoll.

## CAPITAL PROJECT NARRATIVE

<b>Project Name:</b>	Repaint and Reroof Eagleridge Booster Station Building
<b>CIP #:</b>	25-10

### **PURPOSE and DESCRIPTION OF THE PROJECT**

The Eagleridge Booster Station building was constructed in 1989 as part of the Eagleridge residential development. The building is primarily concrete masonry unit (CMU) construction with a wood framed pitched roof, wood trim and cedar shingle roof. Based on recent inspection of the building, the roof and paint on the wood siding and trim are very deteriorated and are no longer protecting the structure. The proposed project will replace the existing shingle roofing with standing seam metal roofing and the structure will be repainted.

For further information about this project contact Greg Nicoll.

#### Revision History

- 10/23/2024 – Project Narrative Creation – Greg Nicoll.



## CAPITAL PROJECT NARRATIVE

<b>Project Name:</b>	Agate Bay Pump Station Retrofit
<b>CIP #:</b>	0032

### PURPOSE and DESCRIPTION OF THE PROJECT

Project includes retrofitting an existing Smith & Loveless underground, dry-pit duplex pump station with new pumps, controls, telemetry, pressure transducers for monitoring the wet well level, backup high and low floats and a pole mounted work light manually switched at control panel. The retrofit is part of a District wide pump station plan to replace all 30+ year old equipment.

The existing pump station was installed in the 1977 and a new stationary generator was added to the site in 2011. The site is located adjacent to Lake Whatcom.

The station has two existing 15 HP pumps; each have a design point of 350 GPM at 72-foot TDH. The wet well diameter is 6-feet, and the power service is currently 3-phase / 230V. Check valves are inaccessible for maintenance and cleaning. If a check valve ever jams it would be a major project to access the check valves for service.

The exact scope will be determined during preliminary design, but the proposed project will likely replace the below grade top mounted package lift station with new controls, submersible pumps and valves. The existing wet well will be reused and extended to grade. The estimate assumes that power supply and most site piping will be retained and reused.

For further information about this project contact Greg Nicoll.

#### Revision History

- Created 8/1/2006.
- Revised 8/2/2006 by MMM: Revised project scope, added budget.
- Revised 8/3/2006 by BH: Added to purpose.
- Revised 8/6/2007 by BH: Adjusted budget estimate to reflect recent Plum/Strawberry Canyon PS project costs.
- Revised 8/6/2009 by BH: Adjusted budget to reflect recent Tomb PS project.
- Revised 1/4/2010 by BH: Removed stationary generator – broke out as separate 2010 project.
- Revised 10/4/2011 by BH. Adjusted budget numbers slightly.
- Revised 10/24/17 by KH. Updated narrative and updated budget numbers based on recent pump station projects.
- Revise 8/22/24 by GAN: Revised cost estimate based on recent District LS upgrades as well as costs for similar sized lift stations outside of the District.

## CAPITAL PROJECT NARRATIVE

<b>Project Name:</b>	Rocky Ridge Sewer Pump Station Replacement
<b>CIP #:</b>	0055

### **PURPOSE and DESCRIPTION OF THE PROJECT**

Project includes retrofitting existing Smith & Loveless wet well mounted pump station with new single speed pumps, controls, telemetry, pressure transducers for monitoring the wet well level, backup high and low floats and a pole mounted work light manually switched at control panel. Land access is limited to foot traffic and the project will need to address a construction easement or access to the site via Lake Whatcom. The retrofit is part of a District wide pump station plan to replace all 30+ year old equipment.

The existing pump station was installed in the 1970's and is located adjacent to Lake Whatcom. Two existing 10 HP pumps each have a design point of 100 GPM at 70-foot TDH. The wet well diameter is four feet, and the power service is currently 3-phase / 230V. Check valves are inaccessible for maintenance and cleaning. If a check valve ever jams it would be a major project to access the check valves for service.

This project was originally budgeted for 2021, design was completed in 2023, and construction of the project was started in June 2024. Although the project was scheduled to be completed by the end of 2024, equipment procurement delays will delay completion of this project until the first quarter of 2025.

For further information about this project contact Greg Nicoll.

#### Revision History

- Created 8/1/2006.
- Revised 8/2/2006 by MMM: Revised project scope, added budget.
- Revised 8/3/2006 by BH: Added to purpose.
- Revised 8/28/2006 by MMM: Revised PS description.
- Revised 12/6/2007 by BH: Adjusted budget to reflect recent Plum/Strawberry Canyon project costs.
- Revised 8/6/2009 by BH: Adjusted budget to reflect recent Tomb PS project.
- Revised 10/4/2011 by BH: Updated budget numbers to be a bit more conservative.
- Revised 12/5/2016 by BH: Updated budget numbers base on recent pump station projects.
- Revised 10/24/17 by KH. Updated narrative and updated budget numbers based on recent pump station projects.
- Revised 11/30/2020 by BH. Updated budget numbers based on Edgewater and Dellesta Sewer Pump Station Improvements.
- Updated 11/30/2021 by BH. Updated phase status and budget estimates.
- Updated 10/16/2024 by GN. Updated to carry over budget to the 2025/26 budget.

## CAPITAL PROJECT NARRATIVE

<b>Project Name:</b>	Lakewood Sewer Pump Station Retrofit
<b>CIP #:</b>	0056

### PURPOSE and DESCRIPTION OF THE PROJECT

Project includes retrofitting existing Smith & Loveless wet well mounted pump station with new single speed pumps, controls, telemetry, pressure transducers for monitoring the wet well level, backup high and low floats and a pole mounted work light manually switched at control panel. Maintenance access is sometimes an issue with the adjacent homeowner and the project will need to provide a new permanent access road and easement either through WWU or the adjacent homeowner's property. The retrofit is part of a District wide pump station plan to replace all 30+ year old equipment.

The existing pump station was installed in the 1974 and is located adjacent to Lake Whatcom. The service area for this pump station is very small (about 5 residences and the WWU Lakewood facility). Wastewater from this station is re-pumped by Airport Pump Station. The station has two existing 15 HP pumps; each have a design point of 100 GPM at 85-feet TDH. The wet well diameter is x-feet and the power service is currently 3-phase / 230V. Check valves are inaccessible for maintenance and cleaning. If a check valve ever jams it would be a major project to access the check valves for service. The O&M Manual for this pump station is missing.

For further information about this project contact Greg Nicoll.

#### Revision History

- Created 8/2/2006.
- Revised 8/2/2006 by MMM: Revised project scope, added budget.
- Revised 8/3/2006 by BH: Added to purpose.
- Revised 12/6/2007 by BH: Adjusted budget up slightly.
- Revised 8/6/2009 by BH: Adjusted budget to reflect recent Tomb PS project.
- Revised 10/4/2011 by BH: Updated budget numbers to be a bit more conservative.
- Revised 12/5/2016 by BH: Updated budget numbers base on recent pump station projects.
- Revised 10/24/17 by KH. Updated narrative and updated budget numbers based on recent pump station projects.
- Revised 11/30/2020 by BH. Updated budget numbers based on Edgewater and Dellesta Sewer Pump Station Improvements.
- Updated 11/30/2021 by BH. Updated phase status and budget estimates.
- Updated 10/16/2024 by GN. Updated to carry over budget to the 2025/26 budget.

## CAPITAL PROJECT NARRATIVE

<b>Project Name:</b>	Lake Whatcom Blvd Interceptor (LWBI) CIPP Renewal Phases 4 and 5
<b>CIP #:</b>	0222

### **PURPOSE and DESCRIPTION OF THE PROJECT**

The LWBI has been in operation for nearly 50 years. Recent television (2021) inspection that identified pipe wall corrosion and significant struvite buildup and a small sewer overflow at manhole GT-29 in February 2020 prompted an updated hydraulic analysis of the LWBI. This hydraulic analysis modelled the overflow event and, with model calibration, estimated the current pipe conditions and system capacity. The hydraulic modelling confirmed that existing pipe wall conditions are reducing the system capacity. Iterative modeling using projected pipe conditions following CIPP renewal shows that, upon relining approximately 6,300 linear feet of pipe, the LWBI interceptor will have sufficient system capacity without dependence on the existing Sudden Valley Detention Basin that is used periodically to mitigate peak flows.

Over the past three years, the District has been completing a phased project to re-line a gravity portion of the Lake Whatcom Boulevard Interceptor located between the Strawberry Point and Cable Street Lift Stations that has contributed to capacity limitations and sewer overflows. Re-lining of the pipes with cured-in-place-pipe removes buildup inside the pipe and provides reduced friction, increasing the capacity of the interceptor. To date, three phases of work have been completed that re-lined approximately 3,100 linear feet of the highest priority 10- and 14-inch pipe. Phases 4 (2025) and 5 (2026) will perform cure-in-place-pipe (CIPP) pipe rehabilitation on the remaining 14-inch diameter gravity pipe that has not already been addressed by the previous phases of this project.

Phase 4 is planned for completion in 2025 and will begin at manhole GT- 21 (near the intersection of Lake Whatcom Boulevard and Grand Boulevard), continuing downstream to manhole GT-19 (near 2757 Lake Whatcom Blvd.). Phase 5 is planned for completion in 2026, will begin at Manhole GT-19 and will continue downstream to the Cable Street Lift Station.

For further information about this project contact Greg Nicoll.

#### Revision History

- Created 8/21/24 by GN based on narrative originally prepared for all phases of the project on 11/30/21 by KH & BH.

## CAPITAL PROJECT NARRATIVE

<b>Project Name:</b>	Sewer System Rehabilitation and Replacement Projects
<b>CIP #:</b>	S0001

### **PURPOSE and DESCRIPTION OF THE PROJECT**

This project combines several separate District projects into one annual project. The goals of this project include finding and repairing inflow and infiltration (I&I) sources, rehabilitating degraded pipelines, and increasing capacity where needed to provide for planned growth and future flow rates.

The annual project scope and focus will vary based on the type of high priority items identified during the previous year. Types of work include sewer main slip lining (spot repairs and full lengths), pressure grouting service tees, pressure grouting manhole leaks/voids, rebuild/seal manholes, smoke testing, and other efforts to reduce I&I, rehabilitate pipelines, and increase capacity where needed.

For further information about this project call Greg Nicoll.

#### Revision History

- 10/26/2011. Combined separate I&I related projects into one annual project budget. Bill Hunter. Footnote: October 2011 Pro-Vac Estimate (Hank) for Smoke Testing: \$0.65/LF and can test approximately 10,000 LF per day.
- 11/18/2013. Minor budget updates. Bill Hunter.
- 12/6/2016. Updated budget for year 2017. BH.
- 11/6/2018. Updated budget for year 2019. BH.
- 11/4/2019. Updated budget for year 2020. BH.
- 12/1/2020. Updated budget and cost estimates for year 2021, edited project description. BH & KH.
- 11/30/2021. Updated budget and cost estimates for year 2022, edited project description. BH.
- 8/22/24: Updated budget for 2025-26 budget. GN.

## CAPITAL PROJECT NARRATIVE

<b>Project Name:</b>	Flat Car Lift Station Reverse Flow to Sudden Valley Lift Station
<b>CIP #:</b>	0222

### **PURPOSE and DESCRIPTION OF THE PROJECT**

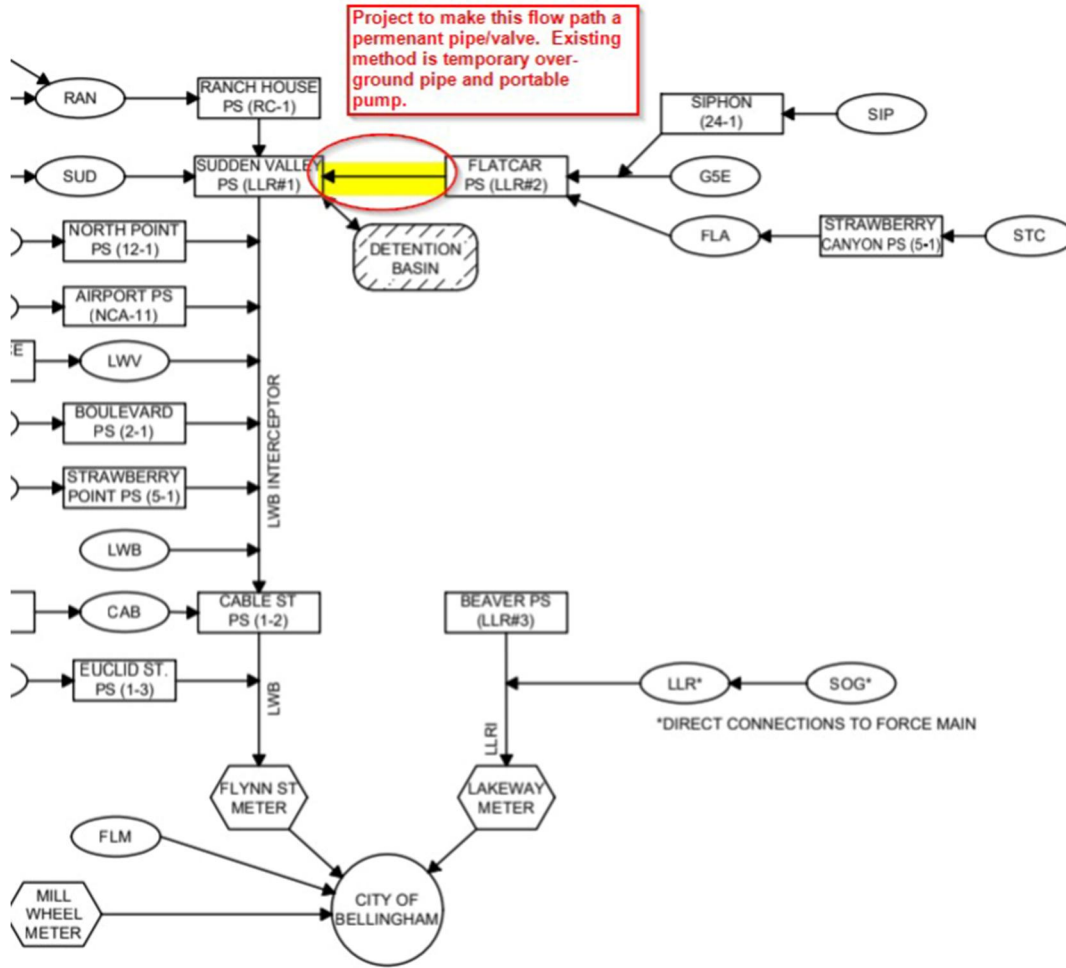
This project adds a permanent or semi-permanent means to change the direction of flow output from the Flat Car Sewer Lift Station. The purpose is to be able to quickly select which direction the Flat Car Sewer Lift Station discharge is directed; either to Beaver (normal operations), or reverse flow back to Sudden Valley Sewer Lift Station (SVLS) (special operations or emergencies).

The standard District operating mode sends the flow from the SVLS (via Flat Car Lift Station) to the Lake Louise Road Interceptor (LLRI) – the former “High Energy” scenario – because of the lack of sufficient capacity in the Lake Whatcom Boulevard Interceptor (LWBI). The schematic for this standard operating mode is shown in Exhibit E-1 in the 2020 Sewer Comprehensive Plan.

The District maintains the capability to send flows from the Sudden Valley Lift Station and the Flat Car Lift Station to the LWBI. Implementing this capability requires operations staff to install temporary piping across a structurally compromised bridge to the existing piping that extends to the SVLS. This operating mode is used only during dry weather and mainly to facilitate maintenance of the LLRI and its associated facilities (Flat Car and Beaver Lift Stations) or in emergencies. This reverse mode was used during the reconstruction of the Whatcom Falls sewer manhole and the HDPE fitting failure at the Beaver Lift Station. The schematic for this reverse operating mode is shown in Exhibit E-2 2020 Sewer Comprehensive Plan.

Exhibit E-2 Schematic from 2020 Sewer Comprehensive Plan Reverse Flow Scenario Diagram

## CAPITAL PROJECT NARRATIVE



In 2022, the District contracted with Wilson Engineering to evaluate alternatives for constructing this improvement and preparing design documents. The preferred alternative is construction of a new pipe bridge and routing the new piping from the Flat Car Lift Station and across the pipe bridge to the piping that extends to the SVLS.

This project will be constructed in two phases. Phase 1 will construct the new pipe bridge across Beaver Creek. District staff intends to prepare bid documents and advertise the public works project for bid in early 2025 with construction planned to begin once the watershed work window opens in June 2025. Phase 2 will install the piping between the Flat Car Lift Station and the west end of the pipe bridge and from the east end of the pipe bridge to the connection to the existing sewer piping that extends to the Sudden Valley Lift Station. It is anticipated that District crews will construct Phase 2 of this project prior to the close of the 2025 watershed work window on September 30, 2025.

This project was originally included in the 2021 Capital Improvement Plan for design in 2021 and construction in 2022 with a total project budget of \$150,000. At the time of the original cost estimate used to establish this budget, it was assumed that the piping would be routed across an existing bridge. It has since been determined that the bridge is not structurally sound and a new bridge will be required, increasing the estimated project cost beyond the current budget. The 2025-26 budget will increase the project budget to close this funding gap.

## CAPITAL PROJECT NARRATIVE

For further information about this project contact Greg Nicoll.

### Revision History

- Created 11/30/2020. BH.
- Updated 11/30/2021. BH.
- Updated 8/26/24 by GN.



## CAPITAL PROJECT NARRATIVE

<b>Project Name:</b>	Sudden Valley Lift Station Flow Meter
<b>CIP #:</b>	25-02

### **PURPOSE and DESCRIPTION OF THE PROJECT**

The Sudden Valley Lift Station was originally constructed in 1971 as part of the original construction of the sewer collection system that serves the Sudden Valley development. The original lift station included two dry pit pumps that pump sewage through the Lake Whatcom Boulevard Interceptor. In 2001, the lift station was expanded to add a second wet well equipped with two submersible pumps that pump sewage through the Lake Louise Road Interceptor. Currently, all four pumps remain in service and District Operations staff have the option to operate either the original dry pit pumps or the wet pit pumps installed in 2001, depending on conditions within the system.

The discharge piping from the wet pit side of the station does not include a flow meter. As a result, the District is not able to collect flow information from this station. Flow data is very useful to evaluate how well the pumps are operating, if there are clogs in the system, amount of infiltration and inflow entering the system, and to better understand how the entire system is operating.

The proposed project will install a new magnetic flow meter on the discharge piping from the wet pit side of the lift station. The flow meter will be wired to send collected data to the lift station controls and ultimately to the District-wide SCADA system. It may be necessary to modify the discharge piping to accommodate the new flow meter. Costs associated with piping modifications are accounted for in the costs included in the 2025-26 budget.

For further information about this project contact Greg Nicoll.

#### Revision History

- 10/17/2024 – Project Narrative Creation – Greg Nicoll.

## CAPITAL PROJECT NARRATIVE

<b>Project Name:</b>	City of Bellingham Post Point WWTP Capital Improvements
<b>CIP #:</b>	25-13

### **PURPOSE and DESCRIPTION OF THE PROJECT**

Per the Interlocal Agreement (ILA) between the District and the City of Bellingham (City) dated March 27, 2014, the City agrees to accept, convey, treat and dispose of the District's sewage for a fee. Section 6.2 of the ILA stipulates that "[t]he District shall reimburse the City for the District's proportionate share of the costs of Major Improvements...to the Post Point Treatment Facility in an amount equal to 4.8% of Eligible Project Costs." Section 6.2.2 of the ILA define "Major Improvements" as "...individual projects that meet both of the following criteria: (a) the project is for the purpose of maintaining, repairing, replacing, improving or expanding the Post Point Treatment Plant or any component thereof; and (b) the actual cost of the project is greater than or equal to Five Million Dollars (\$5,000,000).

The draft City of Bellingham 2025 budget includes two projects that qualify for District reimbursement per the ILA:

- Post Point Generators and Controls - \$10,000,000
- Post Point Sludge Tank Replacement - \$14,500,000

Based on discussions with City staff, it is anticipated that both projects will be completed in 2026.

For further information about this project contact Greg Nicoll.

#### Revision History

- Created 10/23/2024 by GN.

# APPENDIX C

## 2025-26 REVENUE BOND AND LOANS SUMMARY



APPENDIX C

Revenue Bonds and Loan Summary

The District has obtained publicly funded loans to construct projects. The project title, outstanding balance, funding source, agency, and interest rates are noted as follows:

Project Title	Balance Remaining 12/31/2025	Funding Source	Agency/Service	End Date	Rate
Geneva AC Mains	\$ 1,199,375	Rates	Drinking Water State Revolving Fund	2035	1.50%
Division 22 Reservoir	\$ 785,696	Rates	Drinking Water State Revolving Fund	2037	1.50%
2016 Revenue Bonds	\$ 3,285,000	Rates	US Bank	2035	2.25%
Divison 7 Reservoir	\$ 800,000	Rates	Public Works Board	2045	1.72%
<i>Total Outstanding Debt 12/31/2025</i>	\$ 6,070,071				

Project Title	Balance Remaining 12/31/2026	Funding Source	Agency/Service	End Date	Rate
Geneva AC Mains	\$ 1,079,438	Rates	Drinking Water State Revolving Fund	2035	1.50%
Division 22 Reservoir	\$ 720,222	Rates	Drinking Water State Revolving Fund	2037	1.50%
2016 Revenue Bonds	\$ 2,765,000	Rates	US Bank	2035	2.25%
Divison 7 Reservoir	\$ 766,147	Rates	Public Works Board	2045	1.72%
<i>Total Outstanding Debt 12/31/2026</i>	\$ 5,330,807				



**AGENDA  
BILL  
Item 8.A**

**General Manager's  
Report**

DATE SUBMITTED:	November 21, 2024	MEETING DATE:	November 26, 2024
TO: BOARD OF COMMISSIONERS	FROM: Justin Clary, General Manager		
GENERAL MANAGER APPROVAL	<i>Justin Clary</i>		
ATTACHED DOCUMENTS	1. General Manager's Report		
TYPE OF ACTION REQUESTED	RESOLUTION <input type="checkbox"/>	FORMAL ACTION/ MOTION <input type="checkbox"/>	INFORMATIONAL /OTHER <input checked="" type="checkbox"/>

**BACKGROUND / EXPLANATION OF IMPACT**

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

**FISCAL IMPACT**

None.

**RECOMMENDED BOARD ACTION**

None required.

**PROPOSED MOTION**

None.



**LAKE WHATCOM WATER AND SEWER DISTRICT**  
**General Manager’s Report**  
**Upcoming Dates & Announcements**  
 Special Meeting – Tuesday, November 26, 2024 – 8:00 a.m.

**Important Upcoming Dates**

Lake Whatcom Water & Sewer District			
Regular Board Meeting	Wed Dec 11, 2024	6:30 p.m.	Board Room/Hybrid
Employee Staff Meeting	Thu Dec 12, 2024	8:00 a.m.	Board Room/Hybrid Commissioner Holland to attend
Investment Comm. Meeting	Wed Jan 29, 2025	10:00 a.m.	Board Room/Hybrid
Safety Committee Meeting	Thur Dec 19, 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 Dec 10, 2024	6:00 p.m.	Bob’s Burgers 8822 Quil Ceda Pkwy, Tulalip, WA
Whatcom Water Districts Caucus Meeting	Wed Dec 18, 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 on November 21; discussion included the status of fall protection installation at 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 upcoming trainings (CPR/First Aid, forklift certification, trenching/shoring and lifting/rigging).

Investment Committee:

- The committee meeting has been held since the last board meeting.

**Upcoming Board Meeting Topics**

- SVWTP chlorine contact basin design presentation
- 2025 cost-of-living-adjustment for non-represented staff
- Whatcom County on-site sewage system regulation/investigation update
- Whatcom Conservation District water conservation program interlocal agreement
- Lake Whatcom Management Program 5-year work plan adoption

## 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. Collective bargaining agreement negotiation sessions have been held on October 30 and November 19 with a future session scheduled for December 3.*

#### 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 early 2025.*

#### 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 is complete.*

#### 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 the WASWD government relations committee meeting on November 14.*
- *J Clary attended a City of Bellingham comprehensive plan open house on November 14.*
- *J Clary met with Representative Alex Ramel to discuss the District 2025 legislative session agenda on November 18.*
- *J Clary, G Nicoll, J Dahlstrom, and K Hemenway met with Puget Sound Energy government relations staff on November 18 to enhance interagency cooperation.*

## **Lake Whatcom Water Quality**

### Lake Whatcom Management Program


- Participate in meetings of Lake Whatcom Management Program partners.  
*J Clary attended the data team meeting on November 14 and the interjurisdictional coordinating team meeting on November 21.*





**AGENDA  
BILL  
Item 8.B**

**Engineering Department  
Report**

DATE SUBMITTED:	November 21, 2024	MEETING DATE:	November 26, 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 <input type="checkbox"/>	FORMAL ACTION/ MOTION <input type="checkbox"/>	INFORMATIONAL /OTHER <input checked="" type="checkbox"/>

**BACKGROUND / EXPLANATION OF IMPACT**

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

**FISCAL IMPACT**

None.

**RECOMMENDED BOARD ACTION**

None required.

**PROPOSED MOTION**

None.



# Lake Whatcom Water & Sewer District Engineering Department Report

Prepared for the November 26, 2024 Board Meeting  
Data Compiled 11/21/24 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
<b>Available ERUs</b>	<b>**</b>	<b>17</b>	<b>32</b>	<b>0</b>

\*\* 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: 11/20/2024

Prepared by: G. Nicoll



**LEGEND:**

WATER	SEWER	SHARED
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**MAJOR PROJECTS IN CONSTRUCTION:**



**C2111 - DIVISION 7 RESERVOIR REPLACEMENT**

<b>Project Summary:</b>	Replace existing steel reservoir with two concrete reservoirs and provide seismic improvements.
<b>Project Status:</b>	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	[Blue bar spanning from 6/14/2017 to approximately 4/18/2024]						

Budget Summary	
Budget:	\$ 3,301,000.00
Spent to Date:	\$ 1,360,190.06
Balance:	\$ 1,940,809.94
Budget Year:	2021



**C2112 - ROCKY RIDGE AND LAKEWOOD PUMP STATIONS REHABILITATION**

<b>Project Summary:</b>	Replace existing pumps, enclosures, controls and power service.
<b>Project Status:</b>	All ground disturbing work was completed prior to the close of the watershed work window and the contractor has demobilized. Delivery of the lift stations has been delayed. Staff has worked hard to minimize delays and delivery is now scheduled for January. Contract time has been paused. Completion now anticipated in mid February. District is not financially impacted by this delay.

**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	[Green bar spanning from 10/31/2021 to approximately 9/15/2024]								

Budget Summary	
Budget:	\$ 2,116,353.00
Spent to Date:	\$ 1,075,811.64
Balance:	\$ 1,040,541.36
Budget Year:	2021



**C2303 - SUDDEN VALLEY WTP ALUM SYSTEM REPLACEMENT**

<b>Project Summary:</b>	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.
<b>Project Status:</b>	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.

**PROJECT SCHEDULE**

	7/3/2023	9/16/2023	11/30/2023	2/13/2024	4/28/2024	7/12/2024	9/25/2024	12/9/2024
TOTAL PROJECT								
PROGRESS								

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**

<b>Project Summary:</b>	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.
<b>Project Status:</b>	The Hydraulic Project Approval has been issued by WDFW and the County Flood approval has been issued. The County building permit remains outstanding. The District plans to solicit bids for the bridge construction component of the project in January with construction scheduled to start with the opening of the watershed work window 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							

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

<b>Project Summary:</b>	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).
<b>Project Status:</b>	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**

Budget Summary	
Budget:	\$ 1,963,000.00 <span style="font-size: small;">87.5% grant funded</span>
Spent to Date:	\$ 37,109.88
Balance:	\$ 1,925,890.12
Budget Year:	2024-2026

### C2402 - SVWTP PUMPHOUSE AND GENEVA RESERVOIR SEISMIC UPGRADES

<b>Project Summary:</b>	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).
<b>Project Status:</b>	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. The design team is proceeding with design of the original scope to seismically upgrade the two structures.

**PROJECT SCHEDULE**

Budget Summary	
Budget:	\$ 1,399,640.00 <span style="font-size: small;">95% grant funded</span>
Spent to Date:	\$ 10,945.53
Balance:	\$ 1,388,694.47
Budget Year:	2024-2026

**Geneva Reservoir**

OTHER ACTIVE PROJECTS:

**M2120C - Nov 2021 Flood Event Response:** Cleanup and repairs associated with the November 2021 flood event.  
*Status:* Remaining work includes installation of cured-in-place pipe in the four exposed sewers crossing Beaver Creek that are still active. A public works contract to complete the cured-in-place-pipe reinforcement has been executed with Iron Horse Construction. Staff is reviewing submittals and 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:	\$ -	Spent to Date: \$ 271,928.83
		Balance: \$ (271,928.83)


PROJECTS COMPLETED IN PAST 12 MONTHS

Project #	Project Name	Budget	Spent	Balance
C 2304	Eagleridge Diesel Fuel Tank Replacement	\$ 25,000.00	\$ 12,222.48	\$ 12,777.52
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 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)
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:	November 8, 2024	MEETING DATE:	November 26, 2024
TO: BOARD OF COMMISSIONERS	FROM: Jennifer Signs, Finance Manager		
GENERAL MANAGER APPROVAL			
ATTACHED DOCUMENTS	1. October 2024 Financial Report		
	2. October 2024 Cash & Investment Report		
	3. October 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

## 2024 BUDGET POSITION

Lake Whatcom W-S District

Time: 13:41:03 Date: 11/08/2024

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### 401 Water Fund

Revenues	Amt Budgeted	October	YTD	Remaining		
<b>330 State Generated Revenues</b>						
331 66 00 01	Federal Direct Grant - EPA	220,000.00	0.00	0.00	220,000.00	100.0%
333 97 00 02	Federal Indirect Grant Homeland Security	2,310,877.00	0.00	266,774.76	2,044,102.24	88.5%
334 01 80 01	State Grant From Military Department	93,700.00	0.00	44,462.46	49,237.54	52.5%
<b>330 State Generated Revenues</b>		<b>2,624,577.00</b>	<b>0.00</b>	<b>311,237.22</b>	<b>2,313,339.78</b>	<b>88.1%</b>

### 340 Charges For Services

343 40 10 00	Water Sales Metered	3,161,387.00	351,046.48	2,750,903.13	410,483.87	13.0%
343 40 30 01	DEA Cost Reimbursement	5,000.00	0.00	4,951.16	48.84	1.0%
343 41 10 01	General Facilities Charges - Water	104,058.00	0.00	244,482.50	(140,424.50)	0.0%
<b>340 Charges For Services</b>		<b>3,270,445.00</b>	<b>351,046.48</b>	<b>3,000,336.79</b>	<b>270,108.21</b>	<b>8.3%</b>

### 350 Fines & Forfeitures

359 81 10 00	Combined Fees	8,500.00	449.97	6,614.53	1,885.47	22.2%
359 90 00 00	Late Fees	60,000.00	7,892.10	47,210.54	12,789.46	21.3%
<b>350 Fines &amp; Forfeitures</b>		<b>68,500.00</b>	<b>8,342.07</b>	<b>53,825.07</b>	<b>14,674.93</b>	<b>21.4%</b>

### 360 Misc Revenues

361 11 00 00	Investment Interest	64,091.00	8,085.30	94,132.04	(30,041.04)	0.0%
369 40 00 00	Project Reimbursement	0.00	0.00	898.73	(898.73)	0.0%
369 91 01 00	Miscellaneous	1,000.00	0.00	548.37	451.63	45.2%
<b>360 Misc Revenues</b>		<b>65,091.00</b>	<b>8,085.30</b>	<b>95,579.14</b>	<b>(30,488.14)</b>	<b>0.0%</b>

### 390 Other Revenues

391 80 00 01	Intergovernmental Loans	200,000.00	0.00	0.00	200,000.00	100.0%
<b>390 Other Revenues</b>		<b>200,000.00</b>	<b>0.00</b>	<b>0.00</b>	<b>200,000.00</b>	<b>100.0%</b>

<b>Fund Revenues:</b>	<b>6,228,613.00</b>	<b>367,473.85</b>	<b>3,460,978.22</b>	<b>2,767,634.78</b>	<b>44.4%</b>
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Expenditures	Amt Budgeted	October	YTD	Remaining
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### 534 Water Utilities

534 10 10 00	Water - Gen Admin Payroll	371,432.00	42,308.43	312,943.71	58,488.29	15.7%
534 10 20 00	Water - Gen Admin Personnel Benefits	184,645.00	18,344.60	126,448.66	58,196.34	31.5%
534 10 31 00	Water - Gen Admin Supplies	12,500.00	230.89	5,337.77	7,162.23	57.3%
534 10 31 01	Water - Meetings/Team building	2,000.00	80.96	1,910.81	89.19	4.5%
534 10 40 00	Water - Merchant Services Fees	14,200.00	1,172.50	16,101.87	(1,901.87)	0.0%
534 10 40 01	Water - Bank Fees	1,400.00	17.00	383.22	1,016.78	72.6%
534 10 41 00	Water - Quality Assurance Programs	132,310.00	0.00	75,353.23	56,956.77	43.0%
534 10 41 01	Water - Gen Admin Prof Srvc	124,175.00	8,754.63	117,711.45	6,463.55	5.2%
534 10 41 02	Water- Engineering Srvc	14,000.00	0.00	4,414.50	9,585.50	68.5%
534 10 41 03	Water - Legal Srvc	31,000.00	439.50	16,626.45	14,373.55	46.4%
534 10 42 00	Water - Admin Communication	33,000.00	4,112.71	27,594.88	5,405.12	16.4%
534 10 43 00	Water - Software/IT Subscriptions	63,405.00	6,285.82	65,374.76	(1,969.76)	0.0%



## 2024 BUDGET POSITION

Lake Whatcom W-S District

Time: 13:41:03 Date: 11/08/2024

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### 401 Water Fund

Expenditures	Amt Budgeted	October	YTD	Remaining		
<b>534 Water Utilities</b>						
534 10 46 00	Water - Gen Admin Insurance	114,000.00	88,225.50	91,497.75	22,502.25	19.7%
534 10 49 00	Water - Gen Admin Misc	200.00	0.00	0.00	200.00	100.0%
534 10 49 01	Water- Memberships/Dues/Permits	20,500.00	855.11	15,583.46	4,916.54	24.0%
534 10 49 02	Water - Taxes	165,095.00	13,561.56	141,169.95	23,925.05	14.5%
534 40 43 00	Water - Admin Training &Travel	13,000.00	2,075.81	8,662.57	4,337.43	33.4%
534 40 43 01	Water- Tuition Reimbursement	500.00	0.00	0.00	500.00	100.0%
534 50 31 00	Water - Maintenance Supplies	120,500.00	11,478.39	82,460.98	38,039.02	31.6%
534 50 31 01	Water- Small Assets	62,250.00	866.54	58,160.01	4,089.99	6.6%
534 50 48 00	Water - Repair & Maint	105,750.00	25,562.40	61,975.53	43,774.47	41.4%
534 50 49 00	Water - Insurance Claims	5,000.00	0.00	5,000.00	0.00	0.0%
534 60 41 00	Water - Operations Contracted (Edge Analytical)	12,000.00	570.53	9,280.86	2,719.14	22.7%
534 60 47 00	Water - City of Bellingham	62,920.00	4,973.33	45,534.28	17,385.72	27.6%
534 80 10 00	Water - Operations Payroll	692,736.00	73,777.78	556,337.82	136,398.18	19.7%
534 80 20 00	Water - Operations Personnel Benefits	288,803.00	33,296.25	232,049.05	56,753.95	19.7%
534 80 32 00	Water - Operations Fuel	26,000.00	1,043.13	12,326.66	13,673.34	52.6%
534 80 35 00	Water - Safety Supplies	10,000.00	240.06	4,090.35	5,909.65	59.1%
534 80 35 01	Water - Safety Boots	1,400.00	177.69	486.84	913.16	65.2%
534 80 35 02	Water - Emergency Preparedness	3,000.00	489.31	538.70	2,461.30	82.0%
534 80 43 00	Water - Operation Training/Travel/Certifications	13,000.00	1,315.96	10,247.93	2,752.07	21.2%
534 80 47 00	Water - Ops Utilities	153,835.00	11,325.83	122,013.64	31,821.36	20.7%
534 80 49 00	Water - Operations Laundry	2,000.00	142.15	1,335.63	664.37	33.2%
<b>534 Water Utilities</b>		<b>2,856,556.00</b>	<b>351,724.37</b>	<b>2,228,953.32</b>	<b>627,602.68</b>	<b>22.0%</b>
<b>580 Non Expenditures</b>						
589 99 99 99	Payroll Benefit Liabilities	0.00	1,109.05	1,612.97	(1,612.97)	0.0%
<b>580 Non Expenditures</b>		<b>0.00</b>	<b>1,109.05</b>	<b>1,612.97</b>	<b>(1,612.97)</b>	<b>0.0%</b>
<b>591 Debt Service</b>						
591 34 77 01	Geneva AC Mains Principal	119,938.00	0.00	119,937.50	0.50	0.0%
591 34 77 02	Div 22 Reservoir Principal	65,475.00	0.00	65,474.71	0.29	0.0%
592 34 83 01	Geneva AC Mains Interest	21,589.00	0.00	21,588.75	0.25	0.0%
592 34 83 02	Div 22 Reservoir Interest	13,750.00	0.00	13,749.69	0.31	0.0%
<b>591 Debt Service</b>		<b>220,752.00</b>	<b>0.00</b>	<b>220,750.65</b>	<b>1.35</b>	<b>0.0%</b>
<b>594 Capital Expenditures</b>						
594 34 60 01	Capital Outlay - Budget Only	1,978,138.00	0.00	0.00	1,978,138.00	100.0%
594 34 62 01	Capital Projects - Water Structures	0.00	208,458.43	1,240,097.87	(1,240,097.87)	0.0%
594 34 63 01	Capital Projects - Water System	0.00	8,143.20	51,200.90	(51,200.90)	0.0%
594 34 65 01	Capital Outlay - Small Water Projects	0.00	0.00	23,126.93	(23,126.93)	0.0%
<b>594 Capital Expenditures</b>		<b>1,978,138.00</b>	<b>216,601.63</b>	<b>1,314,425.70</b>	<b>663,712.30</b>	<b>33.6%</b>
<b>Fund Expenditures:</b>		<b>5,055,446.00</b>	<b>569,435.05</b>	<b>3,765,742.64</b>	<b>1,289,703.36</b>	<b>25.5%</b>

# 2024 BUDGET POSITION

Lake Whatcom W-S District

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401 Water Fund

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<b>Fund Excess/(Deficit):</b>	<b>1,173,167.00</b>	<b>(201,961.20)</b>	<b>(304,764.42)</b>
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## 2024 BUDGET POSITION

Lake Whatcom W-S District

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### 402 Sewer Fund

Revenues	Amt Budgeted	October	YTD	Remaining	
<b>340 Charges For Services</b>					
343 50 11 00 Sewer Service Residential	4,763,437.00	509,893.10	4,506,667.42	256,769.58	5.4%
343 50 19 00 Sewer Service Other	5,540.00	496.59	4,536.01	1,003.99	18.1%
343 50 30 02 DEA Cost Reimbursement	0.00	0.00	6,185.47	(6,185.47)	0.0%
343 51 10 02 General Facilities Charges - Sewer	122,324.00	0.00	308,699.14	(186,375.14)	0.0%
<b>340 Charges For Services</b>	<b>4,891,301.00</b>	<b>510,389.69</b>	<b>4,826,088.04</b>	<b>65,212.96</b>	<b>1.3%</b>

### 360 Misc Revenues

361 11 00 02 Investment Interest	64,091.00	8,085.32	94,132.11	(30,041.11)	0.0%
361 40 00 02 ULID 18 Interest/Penalties	0.00	0.00	1,674.30	(1,674.30)	0.0%
368 10 00 02 ULID 18 Principal Payments	0.00	0.00	1,396.40	(1,396.40)	0.0%
369 10 00 02 Sale Of Surplus	1,000.00	0.00	0.00	1,000.00	100.0%
369 40 00 02 Project Reimbursement	4,141.00	0.00	4,738.84	(597.84)	0.0%
369 91 01 02 Miscellaneous	1,000.00	0.00	548.38	451.62	45.2%
<b>360 Misc Revenues</b>	<b>70,232.00</b>	<b>8,085.32</b>	<b>102,490.03</b>	<b>(32,258.03)</b>	<b>0.0%</b>

### 397 Interfund Transfers

397 10 00 02 Transfers In	0.00	126,209.39	126,209.39	(126,209.39)	0.0%
<b>397 Interfund Transfers</b>	<b>0.00</b>	<b>126,209.39</b>	<b>126,209.39</b>	<b>(126,209.39)</b>	<b>0.0%</b>

<b>Fund Revenues:</b>	<b>4,961,533.00</b>	<b>644,684.40</b>	<b>5,054,787.46</b>	<b>(93,254.46)</b>	<b>0.0%</b>
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Expenditures	Amt Budgeted	October	YTD	Remaining	
<b>535 Sewer</b>					
535 10 10 00 Sewer - Admin Payroll	371,434.00	42,308.34	312,943.04	58,490.96	15.7%
535 10 20 00 Sewer - Gen Admin Personnel Benefits	163,622.00	18,343.97	124,834.47	38,787.53	23.7%
535 10 31 00 Sewer - Gen Admin Supplies	11,500.00	230.87	5,216.77	6,283.23	54.6%
535 10 31 01 Sewer - Meetings/Team Building	2,000.00	80.96	1,910.91	89.09	4.5%
535 10 40 00 Sewer -Merchant Services Fees	14,200.00	1,172.52	16,101.97	(1,901.97)	0.0%
535 10 40 01 Sewer - Bank Fees	1,400.00	17.00	383.24	1,016.76	72.6%
535 10 41 01 Sewer - Gen Admin Prof Srvc	124,175.00	6,696.39	104,932.15	19,242.85	15.5%
535 10 41 02 Sewer - Engineering Srvc	14,000.00	0.00	1,072.75	12,927.25	92.3%
535 10 41 03 Sewer - Legal Srvc	31,000.00	427.50	16,489.44	14,510.56	46.8%
535 10 42 00 Sewer - Admin Communication	33,000.00	4,112.62	27,437.52	5,562.48	16.9%
535 10 43 00 Sewer - Software/IT Subscriptions	63,405.00	6,317.64	72,634.77	(9,229.77)	0.0%
535 10 46 00 Sewer - Gen Admin Insurance	114,000.00	88,225.50	91,497.76	22,502.24	19.7%
535 10 49 00 Sewer - Gen Admin Misc	200.00	0.00	0.00	200.00	100.0%
535 10 49 01 Sewer - Memberships/Dues/Permits	15,300.00	855.11	9,795.44	5,504.56	36.0%
535 10 49 02 Sewer - Taxes	115,000.00	9,334.28	103,055.13	11,944.87	10.4%
535 40 43 00 Sewer - Gen Admin TrainIng &Travel	13,000.00	2,075.88	7,086.49	5,913.51	45.5%
535 40 43 01 Sewer - Tuition Reimbursement	500.00	0.00	0.00	500.00	100.0%
535 50 31 00 Sewer - Maintenance Supplies	45,000.00	2,550.34	25,220.40	19,779.60	44.0%
535 50 31 01 Sewer - Small Assets	42,000.00	866.53	30,757.32	11,242.68	26.8%
535 50 48 00 Sewer - Repair & Maint	140,000.00	7,535.46	51,432.15	88,567.85	63.3%
535 50 49 00 Sewer - Insurance Claims	2,500.00	0.00	0.00	2,500.00	100.0%
535 60 47 00 Sewer - City of Bellingham	942,500.00	65,170.02	688,591.30	253,908.70	26.9%
535 80 10 00 Sewer - Operations Payroll	588,048.00	59,689.61	468,886.57	119,161.43	20.3%

## 2024 BUDGET POSITION

Lake Whatcom W-S District

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### 402 Sewer Fund

Expenditures	Amt Budgeted	October	YTD	Remaining	
<b>535 Sewer</b>					
535 80 20 00 Sewer - Operations Personnel Benefits	255,921.00	26,891.16	195,090.59	60,830.41	23.8%
535 80 32 00 Sewer - Operations Fuel	26,000.00	370.53	12,736.19	13,263.81	51.0%
535 80 35 00 Sewer - Safety Supplies	10,000.00	240.05	3,154.06	6,845.94	68.5%
535 80 35 01 Sewer - Safety Boots	1,400.00	177.70	486.84	913.16	65.2%
535 80 35 02 Sewer - Emergency Preparedness	5,000.00	489.32	538.70	4,461.30	89.2%
535 80 43 00 Sewer - Operations Training/Travel/Certification	13,000.00	1,315.99	9,489.51	3,510.49	27.0%
535 80 47 00 Sewer - Ops Utilities	156,383.00	8,246.95	110,448.79	45,934.21	29.4%
535 80 49 00 Sewer - Operations Laundry	2,500.00	142.05	1,418.91	1,081.09	43.2%
<b>535 Sewer</b>	<b>3,317,988.00</b>	<b>353,884.29</b>	<b>2,493,643.18</b>	<b>824,344.82</b>	<b>24.8%</b>
<b>591 Debt Service</b>					
591 35 77 02 Bond 2016 Principal	480,000.00	480,000.00	480,000.00	0.00	0.0%
591 35 83 02 Bond 2016 Interest	164,925.00	82,462.50	164,925.00	0.00	0.0%
<b>591 Debt Service</b>	<b>644,925.00</b>	<b>562,462.50</b>	<b>644,925.00</b>	<b>0.00</b>	<b>0.0%</b>
<b>594 Capital Expenditures</b>					
594 35 60 02 Capital Outlay - Budget Only	2,729,500.00	0.00	0.00	2,729,500.00	100.0%
594 35 62 02 Capital Projects - Sewer Structures	0.00	336,592.92	1,030,226.89	(1,030,226.89)	0.0%
594 35 63 02 Capital Projects- Sewer System	0.00	8,143.20	130,248.30	(130,248.30)	0.0%
594 35 64 02 Capital Outlay - Sewer Equipment	0.00	0.00	172,025.89	(172,025.89)	0.0%
<b>594 Capital Expenditures</b>	<b>2,729,500.00</b>	<b>344,736.12</b>	<b>1,332,501.08</b>	<b>1,396,998.92</b>	<b>51.2%</b>
<b>Fund Expenditures:</b>	<b>6,692,413.00</b>	<b>1,261,082.91</b>	<b>4,471,069.26</b>	<b>2,221,343.74</b>	<b>33.2%</b>
<b>Fund Excess/(Deficit):</b>	<b>(1,730,880.00)</b>	<b>(616,398.51)</b>	<b>583,718.20</b>		

## 2024 BUDGET POSITION

Lake Whatcom W-S District

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460 Bond Reserve Fund

Expenditures	Amt Budgeted	October	YTD	Remaining	
597 Interfund Transfers					
597 10 00 60 Transfers Out	0.00	126,209.39	126,209.39	(126,209.39)	0.0%
597 Interfund Transfers	0.00	126,209.39	126,209.39	(126,209.39)	0.0%
<b>Fund Expenditures:</b>	<b>0.00</b>	<b>126,209.39</b>	<b>126,209.39</b>	<b>(126,209.39)</b>	<b>0.0%</b>
<b>Fund Excess/(Deficit):</b>	<b>0.00</b>	<b>(126,209.39)</b>	<b>(126,209.39)</b>		



LAKE WHATCOM WATER AND SEWER

INVESTMENTS/CASH AS OF 10/31/2024

Petty Cash	\$	1,600	
Cash	\$	721,225	
Public Funds Account	\$	30,802	2.940%
<hr/>			
WA Federal	\$	753,627	
Local Gov't Investment Pool	\$	3,490,665	4.930%

		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 \$ 7,753,801

USE OF FUNDS:

Bond Reserve - Restricted	\$	772,334
Contingency - Assigned	\$	1,275,000
Operating Reserves	\$	1,185,000
Operating Assigned	\$	4,521,467
		<u>\$ 7,753,801</u>

Fund Balance Summary

Water Utility Fund (401)	\$	1,236,474
Sewer Utility Fund (402)	\$	4,596,202
Sewer Contingency Fund (425)	\$	815,000
Water Contingency Fund (426)	\$	460,000
Bond Reserve Fund (460)	\$	646,125
		<u>\$ 7,753,801</u>



LAKE WHATCOM WATER AND SEWER DISTRICT  
October 2024 Utility Account Adjustments

**Sudden Valley Adjustments**

Late Fee Credits	\$ 571.45
High Use/Leak Credits	\$ 296.04

**North Shore/Geneva**

Late Fee Credits	\$ 52.12
High Use/Leak Credits	\$ -

<b>Total Account Adjustments</b>	<b>\$ 919.61</b>
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**AGENDA  
BILL  
Item 8.D**

**Operations Department  
Report**

DATE SUBMITTED:	November 21, 2024	MEETING DATE:	November 26, 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 November 26, 2024 Board Meeting  
Data Compiled 11/21/24 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	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	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											

<b>Safety Program Summary</b>	
Completed by Rich Munson	
<b>Summary of Annual Safety Training</b>	
<i>2023/24 Testing Period - Oct 23, 2023 to March 22, 2024</i>	
	<b>% Complete</b>
Engineering - Managers	100%
Engineering - Staff	100%
Field Crew - Managers	100%
Field Crew - Staff	100%
Office - Managers	100%
Office - Staff	100%
<b>Overall</b>	<b>100%</b>

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

<b>Dates of Completed Safety Committee Meetings</b>		
01.25.2024	05.30.2024	09.26.2024
02.22.2024	06.27.2024	10.24.2024
03.28.2024	07.25.2024	11.21.2024
04.25.2024	08.22.2024	

<b>Summary of Work-Related Injuries &amp; Illnesses</b>						
	Current Month	2024	2023	2022	2021	2020
<b>Total Number of Work Related Injuries</b>						
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						
<b>Total Number of Days of Job Transfer or Restriction</b> (light duty or other medical restriction)	0	0	0	0	0	0
<b>Total Number of Days Away from Work</b> (at home, in hospital, not at work)	0	0	0	0	0	0
<b>Near Misses</b>	0	0	0	0	0	2

<b>Safety Coordinator Update</b>	

**Status of District Water and Sewer Systems**  
**Prepared by Jason Dahlstrom - Operations and Maintenance Manager**  
**11/26/2024 Board Meeting**

<b>Safety Activities</b>	
<ol style="list-style-type: none"> <li>1. No time-loss injuries or near misses.</li> <li>2. Daily safety reminders directly relevant to the day's tasks. Weekly safety trainings based on District specific safety programs.</li> <li>3. Jobsite tailgate meetings by project lead.</li> </ol>	
<b>Water Utility Activities</b>	
<p><i>Water Treatment Plants</i></p> <ol style="list-style-type: none"> <li>1. Sudden Valley <ol style="list-style-type: none"> <li>a. Plant is operating well, averaging 0.5 million gallons per day (MGD) at 700 GPM.</li> <li>b. Water use is consistent with typical seasonal usage.</li> <li>c. Lake is currently in the process of stratification, causing short runs. Typical for time of year</li> </ol> </li> <li>2. Agate Heights <ol style="list-style-type: none"> <li>a. Plant is operating well.</li> <li>b. Water use is consistent with typical seasonal usage.</li> </ol> </li> </ol> <p><i>Distribution System</i></p> <ol style="list-style-type: none"> <li>1. 1 water service line leaks repaired this month, associated with the wind storm 11/19</li> <li>2. 1 new water services installed this month</li> </ol>	
<b>Sewer Utility Activities</b>	
<p><i>Lift Stations</i></p> <ol style="list-style-type: none"> <li>1. Repair work ongoing from power outage 10/27/24 at Par and Ranch House lift stations</li> </ol> <p><i>Collection System</i></p> <ol style="list-style-type: none"> <li>1. Nothing new to report</li> </ol>	
<b>Fleet</b>	
<p><i>Vehicles</i></p> <ol style="list-style-type: none"> <li>1. New service truck ETA 11/2024 - C2306</li> </ol> <p><i>Equipment</i></p> <ol style="list-style-type: none"> <li>1. All equipment is functional.</li> </ol>	
<b>Facilities</b>	
<ol style="list-style-type: none"> <li>1. Division 22 reservoir took slight damage during 11/19 storm. Division 30 booster station fence took damage during storm.</li> </ol>	
<b>Training</b>	
<ol style="list-style-type: none"> <li>1. Maintenance Worker 1 start date is tentatively scheduled for 1/1/25</li> </ol>	
<b>Development</b>	
<ol style="list-style-type: none"> <li>1. There are 6 permits currently in stages of development</li> </ol>	