



Lake Whatcom Water & Sewer District

Board Meeting Access Information

Meeting Schedule

6:30 pm - 2nd Wed of each month

8:00 am - Last Wed of each month

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."

Public Comment Periods

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

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

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

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

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



Questions?

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



LAKE WHATCOM WATER AND SEWER DISTRICT

1220 Lakeway Drive
Bellingham, WA 98229

REGULAR MEETING OF THE BOARD OF COMMISSIONERS

AGENDA

June 11, 2025


6:30 p.m. – Regular Session

1. CALL TO ORDER
2. ROLL CALL
3. PUBLIC COMMENT OPPORTUNITY
At this time, members of the public may address the Board of Commissioners. Please state your name and address prior to making comments, and limit your comments to three minutes. For the sake of time, each public comment period will be limited to 45 minutes.
4. ADDITIONS, DELETIONS, OR CHANGES TO THE AGENDA
5. CONSENT AGENDA
6. SPECIFIC ITEMS OF BUSINESS
 - A. 2025-26 Budget Amendment No. 1 Approval
 - B. Water Utility Capital Improvement Program Funding Discussion
7. OTHER BUSINESS
8. STAFF REPORTS
 - A. General Manager
9. PUBLIC COMMENT OPPORTUNITY
10. ADJOURNMENT



**AGENDA
BILL
Item 5**

Consent Agenda

DATE SUBMITTED:	June 6, 2025	MEETING DATE:	June 11, 2025
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 06.11.2025****

BACKGROUND / EXPLANATION OF IMPACT

- Minutes for the 5.14.2025 Regular Board Meeting
- Payroll for Pay Period #12 (5.24.2025 through 6.06.2025) total to be added
- Benefits for Pay Period #12 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 2025-2026 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

May 28, 2025

Board President Todd Citron called the Regular Session to order at 8:08 a.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	Recording Secretary Rachael Hope

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

Consent Agenda

Action Taken

Knakal moved, Ford seconded, approval of:

- **Minutes for the 4.30.2025 Regular Board Meeting**
- **Minutes for the 5.14.2025 Regular Board Meeting**
- **Payroll for Pay Period #11 (5.10.2025 through 5.23.2025) totaling \$54,860.84**
- **Benefits for Pay Period #11 totaling \$35,872.60**
- **Accounts Payable Vouchers totaling \$447,855.46**

Motion passed.

Resolution No. 902 Cross-Connection Control Program Update

Nicoll explained that as a purveyor of drinking water to the public, the District is required to follow rules and regulations that meet Washington State drinking water standards and prevent contamination of the public water system. One such requirement is the adoption and implementation of a cross-connection control program that meets Washington State Department of Health (DOH) requirements defined in Washington Administrative Code (WAC) 246-290-490. The District's original cross-connection control policy was created via adoption of Resolution No. 227 in 1978. Since that time, the District has adopted revisions to the cross-connection control program to align District policy with current regulations and DOH guidance; the last revision was completed via adoption of Resolution No. 858 in 2019. District staff provided the Board with an updated program for consideration of approval. Discussion followed.

Action Taken

Knakal moved, Ford seconded, to adopt Resolution No. 902 as presented. Motion passed.

Lake Whatcom Management Program Joint Councils Meeting Discussion

Clary recalled that in 1998 the Lake Whatcom Water and Sewer District, City of Bellingham, and Whatcom County entered an interlocal agreement formally creating the Lake Whatcom Management Program (LWMP). The LWMP's primary goal is to improve lake water quality by jointly implementing programs affecting the Lake Whatcom watershed. Historically, the governing bodies of the three partners have met annually to review water quality monitoring results and trends, recent LWMP actions, and actions planned for the subsequent year. The 2025 Joint Councils and Commission (JCC) meeting was held on April 2. However, presentations consumed the available meeting time, leaving no time for open discussion amongst the three elected bodies. As a result, a second JCC meeting is scheduled for June 4, 2025, with the bulk of the agenda dedicated to open discussion. This topic was included in the meeting agenda to discuss any issues the Board wishes to raise and/or any positions the Board wishes to take during the upcoming JCC meeting. Discussion followed.

General Manager's Report

Clary updated the Board on several topics, including his participation in an upcoming workshop on Invasive mussel response planning in the area, an upcoming Bellingham City Council meeting to include discussion of utility rate increases, and the appointment of permanent Public Works Director and Deputy Public Works Director for the City of Bellingham.

Engineering Department Report

Nicoll highlighted several projects, including progress on the Division 7 Reservoirs, which are scheduled to be filled next week, ongoing finalization of paperwork to close out the Rocky Ridge & Lakewood Lift Stations Project at the June 11 Board Meeting, and design work on the Chlorine Contact Basin replacement. Discussion followed.

Finance Department Report

Signs' report focused on highlights of the April report for revenues and expenditures, touching on expected fluctuations due to capital improvement projects and water purchase.

Operations & Maintenance Department Report

Dahlstrom reported on field crew and operations activity, including recent annual hearing tests for operations staff, ongoing water main flushing in Sudden Valley, planned inspection of pressure reducing valves within the Division 7 Reservoirs service area in preparation for the new tanks to go online, and receipt of the District's new service truck. Discussion followed.

With no further business, Citron adjourned the regular session at 9:21 a.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**

**2025-26 Budget
Amendment No. 1**

DATE SUBMITTED:	June 2, 2025	MEETING DATE:	June 11, 2024
TO: BOARD OF COMMISSIONERS	FROM: Jenny Signs, Finance Manager/ Treasurer		
GENERAL MANAGER APPROVAL			
ATTACHED DOCUMENTS	1. Amendment No. 1, 2025-26 Budget Amendment Detail		
TYPE OF ACTION REQUESTED	RESOLUTION <input type="checkbox"/>	FORMAL ACTION/ MOTION <input checked="" type="checkbox"/>	INFORMATIONAL /OTHER <input type="checkbox"/>

BACKGROUND / EXPLANATION OF IMPACT

The Lake Whatcom Water and Sewer District Administrative Code requires the Board's adoption of an operating and capital improvement budget for both the water and sewer utilities, which forecasts revenues and sets expenditures for the budget period. However, as projected revenues and/or expenditures change, it is necessary and best practice to periodically perform budget amendments to ensure the District is operating within an approved budget. This helps create transparency and control over the budget and cash flow analysis.

The 2025-26 Biennial Budget was adopted at the regularly scheduled Board meeting on November 26, 2024 (available for review at <https://lwwsd.org/about-us/financial-information/>). The proposed budget amendment recognizes federal and state grant award revenues and associated project costs related to the Division 22-1 Reservoir Replacement Project (the FEMA hazard mitigation grant agreement was approved by the Board during its regularly scheduled meeting on March 12, 2025). It also includes adjustments to the District's operating expenses for Repairs and Maintenance in the water and sewer utility funds. These expenses were associated with work that was completed and budgeted for in the 2023-24 Biennial Budget but weren't invoiced and paid until 2025. Available fund balance will be used to cover these costs. Lastly, this amendment increases the debt service in the water utility fund to account for the first payment due on the Public Works Board loan associated with the Division 7 Reservoir Replacement Project. Because the District made loan draw in January, the first payment was due by June 1, 2025, rather than June 1, 2026.

FISCAL IMPACT

The budget amendment will result in a reduction of the water utility fund balance of approximately \$61,000 and a reduction of the sewer utility fund balance of approximately \$53,000.

APPLICABLE EFFECTIVE UTILITY MANAGEMENT ATTRIBUTE(S)

Financial Viability

RECOMMENDED BOARD ACTION

Staff recommends approving the attached amendment to the 2025-2026 Biennial Budget.

PROPOSED MOTION

A recommended motion is:

“I move to approve Amendment No. 1 to the 2025 -2026 Biennial Budget as presented.”

Water Fund

Revenue			Original Budget	Increase	Decrease	Amended Budget	Net Effect On Budget
BARS Code	Description	Notes					
333.97.00.02	Federal Indirect Grant Homeland Security	Phase I-Predesign and Design of Division 22-1 Replacement Project	\$ 1,567,983.00	\$ 202,200.00		\$ 1,770,183.00	\$ 202,200.00
334.01.80.01	State Grand from Military Department	Phase I-Predesign and Design of Division 22-1 Replacement Project	\$ 647,926.00	\$ 33,700.00		\$ 681,626.00	\$ 33,700.00
Water Fund Revenue - Net Effect of Amendments							\$ 235,900.00

Expenditures

534.50.48.00	Water Repairs & Maintenance	Generator maintenance work performed in 2024 by Pacific Power Group	\$ 145,000.00	\$ 18,400.00		\$ 163,400.00	\$ 18,400.00
Water Fund Expenditures - Net Effect of Amendments							\$ 18,400.00

Debt Service

591.34.77.03	PWB Loan - Principal	2025 Principal payment due in June	\$ -	\$ 8,269.00		\$ 8,269.00	\$ 8,269.00
592.34.83.03	PWB Loan - Interest	2025 Interest payment due in June	\$ -	\$ 600.00		\$ 600.00	\$ 600.00
Water Fund Debt Service - Net Effect of Amendments							\$ 8,869.00

Capital Outlay

594.34.62.01	Capital Outlay - Budget Only	Establish budget for Division 22-1 Replacement Project Phase I	\$ 2,518,000.00	\$ 269,600.00		\$ 2,787,600.00	\$ 269,600.00
Water Fund Capital Outlay - Net Effect of Amendments							\$ 269,600.00

Amendment Effect on Water Fund Balance

Projected Ending Fund Balance Prior to Amendments Less Reserves	\$ 673,464.00
Revenue Amendment Increase	\$ 235,900.00
Less Expenditures Increase	\$ (18,400.00)
Less Debt Service Increase	\$ (8,869.00)
Less Capital Outlay Increase	\$ (269,600.00)
Projected Ending Fund Balance Less Reserves	\$ 612,495.00


Sewer Fund

Revenue			Original Budget	Increase	Decrease	Amended Budget	Net Effect On Budget
BARS Code	Description	Notes					
Sewer Fund Revenue - Net Effect of Budget Amendments							\$ -
Expenditures							
535.50.48.00	Sewer Repairs & Maintenance	Generator maintenance work performed in 2024 by Pacific Power Group and Granich Engineered Products for Beaver Sewer Lift Station	\$ 145,000.00	\$ 52,950.00		\$ 197,950.00	\$ 52,950.00
Sewer Fund Expenditures - Net Effect of Budget Amendments							\$ 52,950.00
Debt Service							
Sewer Fund Debt Service - Net Effect of Amendments			\$ -				
Capital Outlay							
Sewer Fund Capital Outlay - Net Effect of Amendments							
Amendment Effect on Sewer Fund Balance							
Projected Ending Fund Balance Prior to Amendments Less Reserves			\$ 1,984,379.00				
Revenue Amendment Increase			\$ -				
Less Expenditures Increase			\$ (52,950.00)				
Less Debt Service Increase			\$ -				
Less Capital Outlay Increase			\$ -				
Projected Ending Fund Balance Less Reserves			\$ 1,931,429.00				



**AGENDA
BILL
Item 6.B**

**Water Utility Capital
Improvement Program
Funding Discussion**

DATE SUBMITTED:	June 2, 2025	MEETING DATE:	June 11, 2025
TO: BOARD OF COMMISSIONERS	FROM: Jenny Signs, Finance Manager/Treasurer		
GENERAL MANAGER APPROVAL			
ATTACHED DOCUMENTS	none		
TYPE OF ACTION REQUESTED	RESOLUTION <input type="checkbox"/>	FORMAL ACTION/ MOTION <input type="checkbox"/>	INFORMATIONAL /OTHER <input checked="" type="checkbox"/>

BACKGROUND / EXPLANATION OF IMPACT

The Lake Whatcom Water and Sewer District has traditionally adhered to a “pay as you go” philosophy for financing capital projects, prioritizing the use of existing revenues to fund infrastructure improvements rather than relying on debt. This proactive approach to rate setting and cash flow forecasting has allowed the District to maintain a low level of debt over the years. That said, the District has occasionally relied on debt financing of capital projects (the most recent being 2016’s financing of renovations of two sewer lift stations and the District’s portion of the City of Bellingham’s improvements to the Post Point Wastewater Treatment Plant). The District is again presented with challenges and opportunities that impact its ability to fund essential capital improvement projects, prompting the need to reassess the current funding requirements and approaches.

In recent years, evaluations have exposed deficiencies associated with critical water system assets that require timely action to prevent further deterioration or failure. In light of these findings, the District has successfully secured grant funding to address many of these deficiencies. However, these grants have come with certain challenges including accelerated project timelines, local match requirements for each grant, and funding shortfalls for select projects. These factors have placed increased pressure on the District’s ability to cash fund these projects.

To take advantage of the grant funding opportunities and ensure timely system improvements, District staff proposes a discussion of potential financing strategies, including the possibility of debt issuance. This approach would enable the District to complete and finance these essential capital projects while spreading the associated District costs over time. Staff will explain the scope and need for each project, provide an overview of the District’s current financial status, identify the extent and cause of

projected funding gaps, assess the feasibility and implications of taking on debt, and explore the opportunities for securing additional grant and/or low interest loan funding.

FISCAL IMPACT

The fiscal implications of issuing debt will have a significant impact on the District's cash position in 2027 of approximately \$1.5 million.

APPLICABLE EFFECTIVE UTILITY MANAGEMENT ATTRIBUTE(S)

Financial Viability

Infrastructure Strategy & Performance

Enterprise Resiliency

RECOMMENDED BOARD ACTION

No action is recommended at this time.


PROPOSED MOTION

None.



**AGENDA
BILL
Item 8.A**

**General Manager's
Report**

DATE SUBMITTED:	June 6, 2025	MEETING DATE:	June 11, 2025
TO: BOARD OF COMMISSIONERS	FROM: Justin Clary, General Manager		
GENERAL MANAGER APPROVAL			
ATTACHED DOCUMENTS	1. General Manager's Report		
TYPE OF ACTION REQUESTED	RESOLUTION <input type="checkbox"/>	FORMAL ACTION/ MOTION <input type="checkbox"/>	INFORMATIONAL /OTHER <input checked="" type="checkbox"/>

BACKGROUND / EXPLANATION OF IMPACT

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

FISCAL IMPACT

None.

RECOMMENDED BOARD ACTION

None required.

PROPOSED MOTION

None.



LAKE WHATCOM WATER AND SEWER DISTRICT

General Manager's Report

Upcoming Dates & Announcements

Regular Meeting – Wednesday, June 11, 2025 – 6:30 p.m.

Important Upcoming Dates

Lake Whatcom Water & Sewer District			
Regular Board Meeting	Wed Jun 25, 2025	8:00 a.m.	Board Room/Hybrid
Employee Staff Meeting	Thu Jun 12, 2025	8:00 a.m.	Board Room/Hybrid Commissioner Citron to attend
Investment Comm. Meeting	Wed Jul 30, 2025	10:00 a.m.	Board Room/Hybrid
Safety Committee Meeting	Thur Jun 26, 2025	8:00 a.m.	Board Room
Lake Whatcom Management Program			
Policy Group Meeting	Wed Sep 3, 2025	3:00 p.m.	City of Bellingham Pacific St Ops Center, 2221 Pacific Street
Joint Councils Meeting	March 2026	TBD	TBD
Other Meetings			
WASWD Section III Meeting	Wed Jul 8, 2025	6:00 p.m.	Bob's Burgers 8822 Quil Ceda Pkwy, Tulalip, WA
Whatcom Water Districts Caucus Meeting	Wed Jun 18, 2025	2:00 p.m.	Remote Attendance
Whatcom County Council of Governments Board Meeting	Wed Oct 8, 2025	3:00 p.m.	Council of Governments Offices 314 E Champion Street/Hybrid

Committee Meeting Reports

Safety Committee:

- A committee meeting has not been held since the last board meeting.

Investment Committee:

- A committee meeting has not been held since the last board meeting.

Upcoming Board Meeting Topics

- Geneva reservoir seismic improvements design professional services agreement amendment
- Geneva reservoir recoating design professional services agreement award
- Lakewood/Rocky Ridge sewer lift stations improvements public works contract closeout
- Geneva reservoir recoating project Public Works Board application approval
- SVWTP chlorine contact basin replacement project Public Works Board application approval
- Division 22-1 reservoir replacement project Public Works Board application approval
- District financial benchmarks development discussion

2025 Initiatives Status

Administration and Operations

Water Right Adjudication

- Represent the District in the water right adjudication process to ensure that its certificated and permitted rights are protected.

The Whatcom County Superior Court approved the adjudication summons and court claim form on December 3, 2024; the District received the adjudication documents from Ecology via certified mail on March 19, 2025 and has drafted initial responses for each water right for review with District legal counsel (anticipated in June).

Safety Program Update

- Continue systematic review and revision of District's safety programs by updating nine programs in 2025.

Staff finalized updates to three (3) programs (asbestos-cement pipe handling, trenching/shoring, and lock-out/tag-out) and is reviewing the confined space and lifting/rigging programs.

APWA Accreditation

- Initiate work towards multi-year effort to gain American Public Works Association accreditation.

The accreditation team have initiated review and completion of the 273 applicable accreditation practices.

Financial Management

- Improve financial sustainability and forecasting over 6- and 20-year planning horizons through the Waterworth financial modeling platform.

District management reviewed potential financial benchmarks with Commissioner Carter on June 3. Management will refine the approach for discussion by the Board during a regularly scheduled meeting in July.

Management Team Development

- Continue professional development of the management team.

The general manager has approved management team member attendance of several trainings and conferences in 2025 pertinent to each's role with the District. The general manager also periodically meets with each manager to assess progress of their annual performance map.

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.

District staff met with Whatcom County Emergency Management Division staff on May 6 to begin planning a District-specific emergency response exercise in November.

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 March 6 (Division 22-1 reservoir project FEMA hazard mitigation grant award) and May 22 (clean 2024 audit).

Intergovernmental Relations

- *J Clary is scheduled to attend a Whatcom Watersheds Information Network workshop on June 6.*
- *J Clary is scheduled to attend a Bellingham City Council meeting on June 9 when water and sewer utility rate increases are scheduled for adoption.*
- *J Clary is scheduled to attend a quarterly labor/management meeting with AFSCME leadership on June 11.*

Lake Whatcom Water Quality

Lake Whatcom Management Program

- *Participate in meetings of Lake Whatcom Management Program partners.*
J Clary attended an AIS mussels rapid response plan workshop on June 2 and the Joint Councils and Commission meeting on June 4.