

LAKE WHATCOM WATER AND SEWER DISTRICT



ADMINISTRATIVE CODE

AMENDED SEPTEMBER 2023

Board of Commissioners:

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INTRODUCTION

The Lake Whatcom Water and Sewer District first adopted an Administrative Code for sewer service issues in 1974, by Resolution No. 146 and for water service in 1978, by Resolution No. 242-A. Over the ensuing years, the District changed a number of policies in the previous code by resolution, but did not update the code. With the adoption of a new Administrative Code in 2011, the District sought to provide members of the public as well as District staff and elected officials with a compilation of District policy in one place organized by subject rather than in chronological order.

For reasons of both having a user-friendly size and prior practice, not all policies will be found in the Administrative Code. For example, the District's Personnel Policy Handbook, Commissioner Handbook, Comprehensive Water Plan, and Comprehensive Sewer Plan are separate stand-alone documents. However, these documents are cross-referenced in the Administrative Code as these additional documents may pertain to the matter being researched.

Not all resolutions are contained in the Administrative Code, since many resolutions are not of broad administrative application. For example, the annual budget of the district, resolutions approving developer extension agreements, awarding public works contracts, or approving change orders. However, all District resolutions are maintained at the District's offices for public inspection and copying.

LAKE WHATCOM WATER AND SEWER DISTRICT ADMINISTRATIVE CODE

REVISION LOG*

RESOLUTION NO.	RESOLUTION TITLE	EFFECTIVE DATE	AFFECTED TITLE
789	Amending Administrative Code Section 8.1.5 Regarding Purchase Orders	3/28/2012	8.1.5
799	Amending Administrative Code	12/23/2013	See Resolution
808	Amending Administrative Code Regarding SEPA	11/12/2014	6
812	Updating the Fixed Asset Policy	3/25/2015	2
813	Updating the Purchase Policy	4/8/2015	2
814	Updating the Credit Card Policy	3/25/2015	2
816	Updating the District's Water Leak Adjustment Credit Policy	4/29/2015	2
819	Establishing a Policy for Segregation of Equivalent Residential Units and Water/Sewer Permits	10/14/2015	3
821	Updating the Water Leak Adjustment Credit Policy	1/13/2016	2
824	Updating the District's Credit Card Usage Policy	3/30/2016	2
825	Establishing a Rate Setting Policy	3/30/2016	2
826	Establishing a Capital Improvement Plan Policy	3/30/2016	2
828	Requiring Connection to Sewer System	8/18/2016	5
833	Amending Resolution 813 and District Administrative Code Sections 2.16 and 2.17 Updating the Purchasing Policy and Policy Governing Award of Public Works Contracts	2/23/2017	2

RESOLUTION NO.	RESOLUTION TITLE	EFFECTIVE DATE	AFFECTED TITLE
834	Amending the District Administrative Code and Amending District Resolutions 146, 242A, 785, 833	7/12/2017	2,3,4,5
838	Amending the District Administrative Code and Resolution Nos. 685, 778, 799 Regarding Connection Charges	10/11/2017	2,3
842	Establishing Option for Low Income Customers to Defer Payment of Forced Sewer Connection Costs; Changing Interest Rate on Installments	1/31/2018	
846	Time for Connection to the Public Sewer	6/13/2018	5
850	Updating the District's Credit Card Usage Policy and Rescinding Resolution 824	10/31/2018	2
851	Amending Resolution No. 833 and District Administrative Code Section 2.17.3 Updating the Policy Governing Award of Public Works Contracts	10/31/2018	2
854	Establishing Regular Meeting Dates & Times	1/30/2019	3
857	Repealing Resolution Nos. 833 and 834 and Administrative Code Sections 2.16 and 2.17 Updating the Purchasing Policies Governing the Procurement of Supplies, Materials and Equipment, and Award of Public Works Contracts, and Establishing Policy for Procurement of Professional, Personal, and Purchased Services	3/13/2019	2
858	Updating the Cross-Connection Control Program	4/24/2019	8
861	Updating Administrative Code Title 2, Fiscal Management Policies	9/25/19	2
862	Revising Administrative Code Section 5.8, Bonded Side Sewer Contractors, of Title 5, Sewer	10/30/19	5

RESOLUTION NO.	RESOLUTION TITLE	EFFECTIVE DATE	AFFECTED TITLE
870	Incorporating Clarifying Language within Certain Sections of Administrative Code Title 2, Fiscal Management Policies	4/14/21	2
871	Amending Policies related to Utility Reserves and Debt Management within Certain Sections of Administrative Code Title 2, Fiscal Management Policies	4/14/21	2
873	Incorporating the District's Investment and Fixed Asset Policies into Administrative Code Title 2, Fiscal Management Policies	4/28/21	2
874	Amending Policies related to Voluntary Temporary Suspension of Billing within Certain Sections of Administrative Code Title 2, Fiscal Management Policies	4/28/21	2
875	Amending Policies related to Acquiring Low-Cost Parcels for Easement Purposes within Administrative Code Title 2, Fiscal Management Policies	5/12/21	2
884	Establishing a Biennial Budget Adoption Process	7/13/22	2
888	Rescinding Policies related to Voluntary Temporary Suspension of Billing within Certain Sections of Administrative Code Title 2, Fiscal Management Policies	6/1/23	2
889	Revising the Capital Improvement Plan Policy defined in Administrative Code Title 2, Fiscal Management Policies, Section 3	3/8/23	2
891	Revising the Leak Adjustment Policy defined in Administrative Code Title 2, Fiscal Management Policies, Section 10	6/14/23	2
894	Amending Policies related to Water and Sewer Service Billing Within Administrative Code Title 2, Fiscal Management Policies	8/9/2023	2

RESOLUTION NO.	RESOLUTION TITLE	EFFECTIVE DATE	AFFECTED TITLE
895	Amending Policies related to Cash Management, the Cash Handling Policy, and the Office Petty Cash Fund policy Within Administrative Code Title 2, Fiscal Management Policies	8/30/2023	2
896	Incorporating Clarifying Language within Certain Sections of Administrative Code Title 2, Fiscal Management Policies	8/30/2023	2
897	Incorporating Clarifying Language within Certain Sections of Administrative Code Title 3, General	9/13/2023	3
898	Incorporating Clarifying Language within Certain Sections of Administrative Code Title 4, Water, and Title 5, Sewer	9/13/2023	4, 5
901	Updating Administrative Code Section 2.17.2, Use of District Credit Cards for Travel Expenses and Purchases	5/14/25	2

* Revision Log for Title 7 - Master Fees and Charges Schedule is located within that Title.

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TITLE 1 CODE ADOPTION

1.1 Adoption of Compilation

The “Lake Whatcom Water and Sewer District Administrative Code (“LWWSDAC” or “Code”) is adopted on the effective date of the resolution codified in this Title. This code may be amended by resolution of the District’s Board of Commissioners (“Board”). [Resolution No. 786, Section 1, 2011]

1.2 Maintenance by General Manager

The District’s General Manager shall, with the assistance of the District’s legal counsel, maintain the official compilation of the Lake Whatcom Water & Sewer District Administrative Code in at least one copy, and shall make the same available to the public upon request. [Resolution No. 786]

1.3 Title--Citation—Reference

The “Lake Whatcom Water and Sewer District Administrative Code” may also be referred to herein as the “LWWSDAC” or “Code”. It shall be sufficient to refer to it as the Lake Whatcom Water and Sewer District Administrative Code in any suit for violation of any provision of it, or in any other legal proceeding. It shall be sufficient to designate any resolution adding to, amending, correcting or repealing all or any part or portion hereof as an addition to, amendment of, correction or repeal of a portion of the Lake Whatcom Water and Sewer District Administrative Code. Further reference may be had to the title, chapters, sections and subsections of the Lake Whatcom Water & Sewer District Administrative Code and such references shall apply to that numbered title, chapter, section or subsection as it appears in the Code. [Resolution No. 786, Section 3, 2011]

1.4 Resolutions Passed Prior To Adoption of Code

The last resolution included in the initial compilation of the code is Resolution No. 785, passed December 14, 2011. [Resolution No. 786, Section 4, 2011]

1.5 Reference Applies to Amendments

Whenever any reference is made to this Code or to any resolution of the District, the reference shall apply to all amendments of this code or of such resolution. Amendments to this Code shall not require re-adoption of the Code. [Resolution No. 786, Section 5, 2011]

1.6 Title, Chapter and Section Headings

Title, chapter and section headings contained in the code shall not be deemed to govern, limit, modify or in any manner affect the scope, meaning or intent of the provisions of any title, chapter or section of the code. [Resolution No. 786, Section 6, 2011]

1.7 Reference to Specific Resolutions

The provisions of this Code shall not in any manner affect matters of record, which matters refer to or are otherwise connected with resolutions still in effect which are specifically designated by number and which have been included within this Code. Reference to such resolutions shall be

construed to apply to the corresponding provisions contained within this Code. [Resolution No. 786, Section 7, 2011]

1.8 Resolutions Passed Prior to Adoption of the Code

All resolutions passed prior to the adoption of this Code shall remain in full force and effect unless modified or rescinded by a later resolution. [Resolution No. 786, Section 8, 2011]

1.9 Resolutions Not Codified

As this Code is intended to be the general administrative code of the District, not all resolutions and written policy pronouncements adopted by the Board of Commissioners are codified herein. All resolutions and written policy pronouncements not codified herein are available for public inspection and copying at the main business office of the District during regular business hours. [Resolution No. 786, Section 9, 2011]

1.10 Severability

If any provision or provisions of this code shall be held to be invalid, such decision shall not affect the validity of the remaining portions of this code. [Resolution No. 786, Section 10, 2011]

TITLE 2 FISCAL MANAGEMENT POLICIES

2.1 General Manager's Responsibilities and Limitations

The General Manager shall be the administrator of the District. Appeals of the General Manager's instructions, interpretation of District policy, or decisions may be made to the Board of Commissioners in writing for consideration before a regular or special meeting of the Board. Letters of appeal must be submitted no less than ten days prior to any scheduled Board meeting. Where this Code requires approval by, permission or decision of, or interpretation from the General Manager, the manager may be guided by the laws of Washington State, resolutions of the Board of Commissioners, generally recognized public administrative and engineering standards and practices and by consideration of the operational demands and requirements of both the sewer works and the water treatment/distribution system as well as the peculiarities of construction, topography, soil condition, or other relevant factors.
[Resolution Nos. 146, 242A, 785]

2.2 Operating & Capital Budget and Expenditure Policies

The Revised Code of Washington Title 57 authorizes water and sewer districts to establish operating and capital improvement policies. From time to time it is necessary for the District's General Manager to procure goods and services on short notice without advance approval or authorization from the District's Board of Commissioners. The General Manager may do so only if it is deemed to be in the best interest of the District and its ratepayers, subject to the following limitations:

1. The General Manager shall develop an operating and capital improvement budget biennially for both the water and sewer systems. The biennial budget shall provide for the forecasting of revenues and expenditures for the following two fiscal years. The biennial fiscal period shall start on January 1 of an odd-numbered year and end on December 31 of the following even-numbered year. The budget shall be presented to the Board of Commissioners for review and approval prior to the end of December in advance of the next biennium.
2. The General Manager shall be responsible for administration of the District's approved operating and capital budgets.
3. The Finance Manager/Treasurer shall establish appropriate controls to monitor expenditures and the implementation of the adopted budgets.
4. The General Manager and Finance Manager/Treasurer shall develop a monthly budget report and shall present such report to the Board of Commissioners at their second regular monthly meeting. A more detailed quarterly financial report will be presented in place of the monthly report in January, April, July and October of each year.
5. The General Manager is authorized to execute contracts on behalf of the District whenever the amount of the contract is \$50,000.00 or less, provided that the funds for the contract are included in the then-current budget.

6. The General Manager is authorized to approve change orders to District contracts when the amount of the proposed change order is \$50,000.00 or less, provided that funds for the contract are included in the then-current budget.
7. Following execution of a contract or change order as referenced in Sections 2.2(5) and 2.2(6) above by the General Manager, said contract or change order shall be included within the Consent Agenda for approval by the Board at the next regular meeting of the Board. The Board shall, so long as consistent with this Resolution, take action at such meeting to review and ratify the contract or change order. [Resolution Nos. 767, 861, 884]

2.3 Capital Improvement Plan Policy

The District has established as a primary fiscal responsibility the preservation, maintenance and future improvement of the District's capital facilities, equipment, and assets. Proper planning and implementation of sound capital policies and programs assist the District in avoiding fiscal emergencies and unplanned capital costs in the future.

1. A comprehensive multi-year Capital Improvement Plan for the District's water and sewer facilities is updated biennially. All projects included in the Capital Improvement Plan shall be consistent with the District's Water and Sewer Comprehensive Plans.
2. The Board will review on a biennial basis and establish criteria against which capital proposals should be measured. Included among the factors which will be considered for priority ranking are the following:
 - Projects which will have a positive impact on the operating budget through reduced costs or increased revenues.
 - Projects which are scheduled in the Capital Improvement Plan.
 - Projects which can be realistically accomplished during the year that they are scheduled.
 - Projects that implement previous Board-approved reports and strategies.
 - Renewal and replacement schedule projects.
3. Proposed capital projects should include cost estimates that are complete, reliable and attainable. Project cost estimates for the Capital Improvement Plan shall be based upon a thorough analysis of the project and are expected to be as reliable as the level of detail known about the project.
4. Financial analysis of funding sources will be conducted for all proposed capital improvement projects, in addition to listing the total project costs.
5. The biennial capital budget shall include only those projects which can reasonably be accomplished in the timeframe indicated.
6. The District will project its equipment needs and will update these projections biennially. From this projection, a maintenance and replacement schedule will be developed and followed. The intent of the maintenance program shall be to maintain all assets at an adequate level in order to protect the District's capital investment and to minimize future

maintenance and replacement costs; customer's expected level of service and the protection of Lake Whatcom should also be considered.

7. Although the District will generally finance projects on a "pay-as-you-go" basis, the Board may conclude that the most equitable way of funding a project that benefits the entire community will be debt financing in order to provide capital improvements or services in a timely manner.
8. New private community development including residential and commercial projects shall pay for its fair share of the capital improvements that are necessary to serve the development in the form of general facilities charges (GFCs).
9. Project proposals should indicate the project's impact on the operating budget including, but not limited to, long-term maintenance costs necessary to support the improvement.
10. Capital projects that are not completed during the fiscal biennium shall be re-budgeted to be carried over to the next fiscal biennium. All re-budgeted capital projects should be so noted in the adopted Capital Budget.
11. Capital projects will not be budgeted unless there are reasonable expectations that revenues will be available to pay for them and subsequently fund their operations and services associated therewith.
12. Projects that involve intergovernmental cooperation in planning and funding should be established by an agreement that sets forth the basic responsibilities of the parties involved.
13. A comprehensive inventory of all capital assets shall be conducted and maintained to include estimates of actual value, replacement cost and remaining useful life.
14. Capital projects shall be financed to the greatest extent possible through user fees when direct benefit to users results from the construction of the project.
15. In conjunction with establishing or planning its capital program, the District maintains a six-year capital financing plan that supports execution of that program and is capable of sustaining long-term District capital requirements. The capital program incorporates system expansion, upgrades and improvements, and system repair and replacement. The intention is to establish an integrated capital funding strategy.
16. Comprehensive Plans for the District are completed or updated every six years as required by Chapter 57.16 RCW and applicable state regulations, using a 20-year planning horizon. For budgeting purposes, the District maintains a capital projects schedule, the Capital Improvement Plan of at least six years in duration and consistent with the comprehensive long-range plans for the system. The schedule will include the project description, estimated year of construction and total estimated cost. During the periodic rate study review various funding sources are identified as well as estimated capital fund balances, in an effort to identify a potential funding shortfall.

17. The District works to pursue a reasonable capital improvement program through careful balance of pay-as-you-go capital projects and debt financing.
18. District GFC revenue is revenue received from new customers connecting to the water and sewer systems and on expanded development(s). The District reviews and adjusts, if appropriate, the GFC as needed.
19. The District utilizes revenue bonds and applicable state and federal loans and grants to assist in capital funding whenever necessary. Each capital project that may be funded by a loan is evaluated within the context of the District's capital improvement program and the capital budget. Alternative financing sources are always considered. The District will not issue or accept long-term debt to finance current operations. [Resolution Nos. 826, 861, 884]

2.4 Accounting, Auditing, Internal Controls & Financial Reporting

This policy is meant to establish an adequate system of internal controls over the treasury function. The objective of this policy is to provide an environment of limited internal risk for the District's assets and to ensure accuracy of accounting records and timely reporting and recording of financial information. Software and online account control for the bank will utilize a dual control environment. No one employee will be able to complete a disbursement of money out of the District's accounts, except for transfer to and from the State Local Government Investment Pool (LGIP) by the Finance Manager/Treasurer.

Function	Responsible Party
Authorize investment transactions	General Manager or Investment Committee
Execute investment transactions	Finance Manager/Treasurer
Transfer to and from the LGIP	Finance Manager/Treasurer
Recording of investment transactions	Finance Manager/Treasurer
Reconcile investment statements to internal records	Finance Manager/Treasurer
Reconcile treasury records to accounting system	Finance Manager/Treasurer
Review financial institutions from investments, safekeeping and banking	Finance Manager/Treasurer
Approve changes to Investment Policy	Board of Commissioners
Annual review of Investment Policy	Investment Committee
Reconcile checks, payments, ACH, and out-going wires to internal records	Finance Manager/Treasurer or General Manager
Biennial review of Rates and Charges	Board of Commissioners
Quarterly review of investment portfolio	Investment Committee
Quarterly review of Current Rate Structure	Investment Committee
Quarterly review of Comprehensive Plan	Engineering Department
Quarterly review of Capital Improvement Plan	Engineering Department

2.4.1 Accounting Records and Reporting

The District will maintain its accounting records in accordance with state and federal regulations. Budgeting, accounting and reporting will conform to Budgeting, Accounting and Reporting System (BARS) for governments as prescribed by the Washington State Auditor.

2.4.2 Auditing

The State Auditor will, at a minimum biennially, perform the District's financial and compliance audit. Results of each audit will be provided to the Board in a timely manner. An annual financial report shall be prepared in accordance with generally accepted accounting principles and shall be distributed to any interested party.

2.4.3 Simplified Fund Structure

To the extent possible, the District will minimize the number of funds.

2.4.4 Revenue Management

The Finance Manager/Treasurer will develop, maintain and consistently seek to improve the financial management systems which ensure the accurate and timely accounting, investment, and security of all revenue sources and types. All revenue received by the District will be deposited with the Finance Department prior to the end of each business day. Only employees who have been trained and certified by the Finance Manager/Treasurer shall accept payments to the District's financial management system. Staff members who receive funds shall:

1. Deposit funds within twenty-four hours of receipt or on the next banking day after receipt unless otherwise authorized by the Finance Manager.
2. Comply with the policies and rules established by the Finance Manager for handling and processing funds, and for the documentation of related records.
3. Notify the Finance Manager of any loss or theft of District money immediately upon discovery.

2.5 Authority to Approve Certain Vouchers

Generally, the District's payment vouchers shall be approved by the Board of Commissioners; however, the District's management is authorized to approve vouchers, for the principal purpose of avoiding late payment penalties, with regard to the following obligations of the District: (a) utility bills; (b) credit card bills, including those for Visa and fuel companies; and (c) other obligations to which a late payment penalty may attach if not paid within less than thirty days of presentment to the District. A list of all such vouchers shall be submitted to the Board of Commissioners for their approval. Checks are signed and mailed after the Consent Agenda is approved by the Board at their regular meeting. All provisions of RCW 42.24.180 shall be followed, and individual fidelity bonds shall be provided for the District management at the District's expense by a surety acceptable to the Board in the sum of \$50,000.00 each. [Resolution No. 785]

2.6 Auditing Officer

The General Manager of the District shall be the auditing officer of the District, and the District Engineer/Engineering Manager of the District shall be the auditing officer of the District in the absence of the General Manager. [Resolution No. 785]

2.7 Master Fees and Charges Schedule

The District's current rates and charges are set by the Board in accordance with RCW 57.08.005 and are codified in Title 7 of this Administrative Code.

[Resolution Nos. 806, 861]

2.8 Fees / Charges Adjustment Authority

The District has established fees and charges which it applies on a uniform basis and the payment of its rates, fees and charges are required by law to reflect the cost of service. The District permits the waiving of late charges and allows the District to not shut off service, place a lien against property, and pursue collection under certain circumstances, where a customer adheres to a payment plan approved by the Finance Manager. Payment plans may be developed at the discretion of the Finance Manager/Treasurer, but should typically be structured in a manner that evenly divides the outstanding balance into monthly payments over the term of the plan. The payment plan term shall not exceed 12 months. Failure to meet the terms of the payment plan shall result in shut-off of service and accrual of applicable fees and charges.

The cost-efficient and fair administration of such fees and charges and timely response to District customers is facilitated by delegating to the General Manager authority to adjust certain fees and charges or to dismiss same under very limited circumstances listed below:

1. Applications to dismiss or adjust fees or charges shall be referred to the District's Finance Manager for investigation.
2. The Finance Manager shall make a written recommendation regarding an application for adjustment to the General Manager after completing their investigation.
3. The General Manager is authorized to make adjustments and write-offs of fees or charges where investigation reveals that a fee or charge was erroneously imposed by the District.
4. The General Manager is authorized to reduce a single fee or charge, or a combination of fees or charges based upon the recommendation of the Finance Manager, the policies underlying adoption of a fee or charge for the conduct in question, and any mitigating circumstances presented by the applicant.
5. Additionally, in accordance with the existing Water Bill Adjustment Policy, defined in Section 2.10.6, either the General Manager or the Finance Manager may waive late charges on the leak amount if the customer adheres to a prearranged payment schedule.
6. The General Manager's decision on such applications shall be the final decision of the District, unless appealed in writing to the Board of Commissioners within 30 days following receipt of the decision on the application.
7. A written report of all said adjustments and write-offs will be presented to the Board of Commissioners once a month for informational purposes.

8. This title does not permit the General Manager to write off ULID assessments or forgive debts due to the District in contravention of State law. [Resolution Nos. 766, 870]

2.9 Charges for Labor, Materials, Equipment, and Overhead

Rates to be charged by the District for work performed are defined in the District's current Master Fees and Charges Schedule. [Resolution No. 806]

2.10 Water and Sewer Service Billing

2.10.1 Unified Water/Sewer Rate Policy

The Board has adopted a unified rate structure for all of its water and sewer service areas. All water and sewer rates and charges shall be in accordance with the District's current Master Fees and Charges Schedule. [Resolution Nos. 669, 782]

2.10.2 Rate Setting Policy

The District's rates and charges are based upon the cost of service and are designed to provide for the prudent financial management of the District. When setting the rates, the Board of Commissioners not only have to be sure that there will be enough money to pay for the day to day operations of the District but also to cover future infrastructure upgrades, repairs and replacements. Since rate setting is such a complex issue, the District has periodic rate studies done by a rate consultant. When setting rates, the District shall use a methodology that is generally accepted within the utility industry.

1. Financial Stability: The financial stability of the District also provides rate stability. Rate stability reinforces that costs are being managed and controlled. To the extent the District is able to control and predict its annual operating costs including wholesale rate increases, the District should attempt to keep customer rates and/or rate increases as stable as possible.
2. Revenue Requirements Analysis: Revenue requirements will be established on a "cash basis" approach. The "cash basis" approach includes operation and maintenance expenses, debt service and capital improvements funded from rates. The revenue requirements, as defined herein, are the basic components. Revenue requirements should also include any other cost items requiring funding or needed to operate the District on a financially stable basis. At a minimum, revenues and costs will be projected for a six-year projected period. Costs associated with mandated program requirements will be identified and included within the "cash basis" approach.
3. Cost of Service Analysis: A cost of service study will be utilized to assist in establishing appropriate rates for individual customer classes. The cost allocation methodology will utilize techniques that are "generally accepted" by the industry. The cost of service will consider the specific circumstances and unique characteristics of the District.
4. Rate Design Analysis: Rate designs will be reflective of District needs and also reflect the specific goals and objectives of the District. Meeting District goals at a reasonable cost to

the customer should also be an important consideration in utility rate design. Rates will recognize and attempt to incorporate a fixed charge for the up-front fixed costs associated with serving customers and a usage or volumetric charge that attempts to recover the variable costs of operating the District. Rates will be set at a level that recovers necessary costs, but flexible enough to accomplish the District's objectives. Rates should be designed to be equitable, and detailed to a sufficient level to reflect the service provided.

5. Rate Stability: The District reviews rates on an annual basis to assure that they provide sufficient revenues. The rates are reviewed in the context of these policies to assure that they are adequately funding the District. Small annual rate adjustments are preferable when compared to large single adjustments for multi-year periods. Annual rate reviews will consider a six-year projected period to attempt to stabilize and minimize rate increases over time.
6. Rate Impacts: District rates are the primary communication the District has with its customers. Whenever possible, the District's rates should be easy to understand, stable from year-to-year and should minimize the overall impacts to customers. Rates will be structured to promote understanding by the District's customers. In establishing rates, the District will balance the needs of the District and the policies established therein, with the varying impacts those rates may have on District customers. [Resolution Nos. 825, 861, 870]

2.10.3 Water and Sewer Service Billing

The District's policy in setting rates is that they shall be fair, equitable, understandable, and provide for the prudent financial management of the District. The District shall use the following procedures for billing:

1. District regular billing for water and sewer (if applicable) service and surcharges will commence or recommence as of the date the curb stop valve is unlocked and/or reopened.
2. The District will issue bills on or about the first business day of the month. Bills are due on the 25th of the month in which they are issued. A five-calendar day grace period for overdue payment is granted before a late charge as listed on the current Master Fees and Charges Schedule of the total past-due utility services balance is assessed. Late charges are refundable if the late payment is a result of District staff error or circumstances beyond the customer's control, subject to the General Manager's approval. Payments must be received at the District office by the close of business following the end of the grace period to avoid a late charge, regardless of the date postmarked.
3. For those accounts where water service charges are not paid within 60 days after the billing date, the District will issue a shut-off notice citing the date on which service suspension will occur if the outstanding payment is not received. If the bill is not paid within the allotted time stated on the notice, service may be suspended and the meter padlocked. Service will remain suspended until the past due bill is paid in full, including charges associated with processing the notice and shutting off the water, unless a payment plan is approved in advance of service suspension in accordance with Section 2.8.

4. Regular bi-monthly billing may be suspended while service is interrupted and the District padlocks the curb stop valve whether the interruption is voluntary or not. Regular billing will continue whether service is voluntarily or involuntarily interrupted, until the curb stop valve is closed and locked. When the curb stop valve is closed and locked for any reason, the District will suspend all prospective water and sewer (if applicable) billing and surcharges.
5. All unpaid water and sewer service charges when delinquent for 90 days or more shall be a lien against the property being served. In the event the customer fails to bring the account current within six months, the account may be referred to the District's legal counsel to begin formal foreclosure proceedings against the property.
6. See the current Master Fees and Charges Schedule for all fees and charges associated with billing. [Resolution Nos. 820, 861, 870, 894]

2.10.4 Billing Notices

Billings will normally be mailed to the legal owner of the property served, and their designated property manager. Failure to receive such bills shall not relieve the owner from the obligation to pay same, nor shall it relieve the property owner from the payment of late fees. [Resolution No. 782]

2.10.5 Suspension of Billing for Unoccupied Premises

The suspension of water and/or sewer services without charging a fee is authorized under certain circumstances, such as a house that has been destroyed by fire. The water and/or sewer billing will be suspended provided that:

1. The structure in question is removed, condemned, destroyed, or no longer requires water and/or sewer service in the opinion of the General Manager, and
2. The property owner requests in writing the suspension of service and service charges to the structure, and
3. The water meter is locked or removed when the service is suspended, and
4. For sewer-only connections, the sewer lateral is capped at the right of way by a District-bonded sewer contractor and inspected by the District, and
5. The account is paid current to the first of the month following the District's receipt of the property owner's written request before the billing will be suspended. [Resolution Nos. 444, 782, 870, 888]

2.10.6 Water Bill Adjustments

The District will adjust high customer water bills subject to the conditions defined herein. The adjustment request must be made in writing by the property owner and include a signed attestation (1) acknowledging that the adjustment is subject to this Water Bill Adjustment policy, (2) stating the reason for the high bill (if known), and (3) confirming that any repairs needed to resolve the issue have been completed (if applicable given the type of loss). To calculate the adjustment:

1. Water consumption figures from the same billing period in the previous year are used to calculate the adjustment. If less than one year's usage history exists, the current base rate allowance will be used as the quantity basis. The District will credit qualifying bill adjustment dollar amounts to the current or next customer bill. The adjustment credit shall be 50 percent of the amount determined to be the excess water usage charge.
2. The District has adopted a tiered rate structure for water. Water usage exceeding 2,500 cubic feet in a two-month billing period is billed at a higher "water conservation" rate. For the purpose of calculating adjustment credits, water usage over 2,500 cubic feet will be billed at the lower tier rate.
3. Water bill adjustments are limited to one adjustment per metered service every seven years. Customers who have experienced leaks should inspect their entire system and ensure that all issues have been remedied. Eligibility for bill adjustment shall reset when a property is acquired by a new owner. When a high use event occurs, the overage may be reflected on more than one consecutive billing cycle. In those instances, the District will utilize both contiguous cycles for the purpose of calculating adjustment credits.
4. The District will set up an incremental payment schedule on the remaining balance of the bill amount at the customer's request. Payment schedules must be arranged in a way that ensures payment of the current two-month minimum billing plus an installment on the extraordinary portion of the bill. The extraordinary portion of the bill must be paid in full within 12 months of incurring the charges. Late charges on the amount subject to adjustment will be waived if the customer adheres to the prearranged payment schedule.
[Resolution Nos. 821, 861, 870, 891]

2.10.7 Low Income Senior/Disabled Water and Sewer Rates

As authorized by RCW 57.08.014, the District offers uniformly reduced rates across the service area to qualified low-income seniors and disabled customers for water and sewer utilities provided by the District. Notification of such reduced rates will be provided to all persons serviced by the District annually, and upon initiating service. Eligible customers must:

1. Have an individual account serving one (1) equivalent residential unit (an account serving multiple equivalent residential units such as duplexes, multi-family, or condominium is not eligible);
2. Be the property owner and reside in the residence where the discount rate(s) are applied;
3. Provide Property Tax Exemption documentation from the Whatcom County Assessor's Office;
4. Agree that the application is public record and subject to public disclosure, waive any claim of confidentiality in any information provided and to release the District, and its employees, agents, offices, and Commissioners from any liability or claims which might arise from the disclosure of such information to any other party or entity; and

5. Agree that the discounted rate will commence on the next billing date after the application is approved and only continue for the time period when such rates are listed and set forth in the current Master Fees and Charges Schedule.
[Resolution Nos. 807, 834, 861, 870]

2.10.8 Utility Billing Reconciliation Back Billing

Upon discovery of unauthorized water or sewer connection(s) to the District system, the District shall send written notice of the unauthorized connection(s) to the property owner of the property benefiting from such connection(s) along with any applicable invoices described in subsection 1 and 2 below.

1. Monthly Service Fees. Along with the aforementioned written notice, the District shall send to the property owner an invoice for service received from the unauthorized water or sewer connection(s) for the time period such connection(s) was in place, up to a maximum of six (6) months back from the date the notice is sent. Said property owner shall be required to promptly reimburse the District for such water or sewer service received for the term in the invoice, and shall commence paying for such service going forward, at regular District rates in place at the time service is provided.
2. Connection Charges. Along with the aforementioned written notice, the District shall send to the property owner a second invoice for connection charges for the unauthorized water or sewer connection(s). The connection charges for the unauthorized connection(s) shall be in the amount of the connection charge in place at the time of the notice, or the time payment is received, whichever is greater. Notwithstanding the foregoing, the District will not collect connection charges for unauthorized water or sewer connection(s) that have been in place for more than six (6) years from the date of the written notice to the property owner, unless the District had no reason to know of the existence of the unauthorized connection(s), in which case the connection charges must be paid regardless of how long the unauthorized connection(s) was in place.
3. At the discretion of the General Manager, a payment plan may be established for the required reimbursement for the monthly service fees and connection charges for unauthorized connections discovered by the District, in accordance with this section.
[Resolution No. 834]

2.11 Payment Methods

2.11.1 Credit and Debit Cards

The District will accept checks, credit and debit cards, and electronic checks (ACH) for payment of utility billing, water and/or sewer permits, and all other fees and charges imposed by the District. The District will accept VISA, Discover, and MASTERCARD. Online payment is available via the District's website using a credit card, debit card or checking account. [Reference Resolution Nos. 693, 778, 861]

2.12 Office Petty Cash Fund

2.12.1 Petty Cash – Checking Account

The District maintains a Petty Cash Fund in the form of a checking account for the purpose of handling minor miscellaneous expenditures associated with the District's business. All purchases require a corresponding receipt. Whenever practicable payments are to be made to a third party, however, reimbursements to staff members or commissioners for qualifying out of pocket expenses are also allowed. The Petty Cash account may also be used for meals served during meetings or for employees working overtime during an emergency. Checks require two signatures from staff members who are registered signatories on the account. The Petty Cash Fund carries a balance of \$1,600.00. The Finance Manager/Treasurer acts as the custodian for the Petty Cash Fund. [Resolution Nos. 487, 666, 895]

2.13 Investment of Excess District Monies

The purpose of this policy is to establish guidelines for the efficient and prudent management and investment of District funds. It is the policy of the District to invest public funds in a manner that provides the highest return with maximum security while meeting daily cash flow demands. All investments shall conform to all Washington State statutes governing the investment of public funds. This policy applies to all funds of the District.

2.13.1 Definitions

1. "Bankers Acceptance" is a draft or bill in exchange accepted by a bank or trust company.
2. "Broker" brings buyers and sellers together for a commission (fee paid by the initiator of the transaction or by both sides).
3. "Collateral" is securities, evidence of deposit or other property which a borrower pledges to secure repayment of a loan.
4. "Certificate of deposit" is a time deposit with a specific maturity evidenced by a certificate.
5. "Dealer," as opposed to a broker, acts as a principal in all transactions, buying and selling for their own account.
6. "Delivery versus Payment" is a delivery of securities with an exchange of money for the securities.
7. "Diversification" is the dividing of investment funds among a variety of securities offering independent returns.
8. "Federal Reserve System" is the central bank of the United States created by Congress.
9. "General obligation bonds" are bonds that a government pledges its full faith and credit to the repayment of.
10. "Investments" are securities or real estate purchased and held for the production of income in the form of interest, dividends, rentals or base payments.
11. "Liquidity" refers to the degree to which an asset may be converted into cash without substantial loss of value.

12. “Market value” is the price at which a security is trading and could presumably be purchased or sold.
13. “Maturity” is the date upon which the principal or stated value of an investment becomes due and payable.
14. “Money market” is the market in which short-term debt instruments are issued.
15. “Portfolio” is a collection of securities held by an investor.
16. “Primary dealer” is a group of government securities dealers that submit daily reports of market activity and monthly financial statements to the Federal Reserve Bank.
17. “Rate of return” is the yield obtainable on a secured based on its purchase price or its current market value.
18. “Repurchase agreement” is an agreement between a holder of securities and an investor to repurchase the securities at a fixed price on a fixed date.
19. “Safekeeping” is a service to customers rendered by banks for a fee whereby securities and valuables of all types and descriptions are held in the bank’s vaults for protection.
20. “Secondary market” is a market made for the purchase and sale of outstanding issues following initial distribution.
21. “Securities” are evidence of deposit or other property that a borrower pledges to secure repayment of a loan.
22. “Treasury bills” are non-interest bearing discount securities issued by the U.S. Treasury to finance national debt.
23. “Yield” is the rate of annual income return on an investment, expressed as a percentage.

2.13.2 Pooling of Funds

Except for cash in certain restricted and special funds, the District will consolidate and reserve balances from all funds to maximize investment earning and to increase efficiencies with regard to investment pricing, safekeeping, and administration. Investment income will be allocated to the various funds based on their respective participation and in accordance with generally accepted accounting principles.

2.13.3 General Objectives

The primary objectives, in priority order, of investment activities shall be safety, liquidity, and yield:

2.13.3.1 Safety

Safety of principal is the foremost objective of the investment program. Investments shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. The objective will be to mitigate credit risk and interest rate risk.

1. Credit Risk. The District will minimize credit risk, which is the risk of loss due to the failure of the security issuer or backer, by:
 - Limiting investments to the types of securities listed in Section 2.13.5.

- Pre-qualifying the financial institutions, broker/dealers, intermediaries, and advisers with which the District will do business in accordance with Section 2.13.4.
 - Diversifying the investment portfolio so that the impact of potential losses from any one type of security or from any individual issuer will be minimized.
2. Interest Rate Risk. The District will minimize interest rate risk, which is the risk that the market value of securities in the portfolio will fall due to changes in market interest rates, by:
- Structuring the investment portfolio so that securities mature to meet needed cash requirements for ongoing operations and capital projects, thereby avoiding the need to sell securities on the open market prior to maturity.
 - Investing operating funds primarily in shorter-term securities, money market mutual funds, or similar investment pools and limiting the average maturity of the portfolio in accordance with this policy.

2.13.3.2 Liquidity

The investment portfolio shall remain sufficiently liquid to meet all operating requirements that may be reasonably anticipated. This is accomplished by structuring the portfolio so that securities mature concurrent with cash needs to meet anticipated demands. Furthermore, since all possible cash demands cannot be anticipated, the portfolio shall consist largely of securities with active secondary or resale markets. Alternatively, a portion of the portfolio may be placed in money market mutual funds or local government investment pools, which offer same day or 24-hour liquidity for short-term funds.

2.13.3.3 Yield

The investment portfolio shall be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account the investment risk constraints and liquidity needs. Return of investment is of secondary importance compared to the safety and liquidity objectives described above. The core of investments are limited to relatively low risk securities in anticipation of earning a fair return relative to the risks being assumed.

2.13.4 Standards of Care

2.13.4.1 Prudence

The standard of prudence to be used by investment officials shall be in accordance with Revised Code of Washington (RCW) 11.100.020 and shall be applied to the context of managing an overall portfolio. Investment officers acting in accordance with written procedures and this investment policy and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and the liquidity and the sale of securities are carried out in accordance with the terms of this policy.

The statute in part states that, "a trustee shall invest and manage trust assets as a prudent investor would, by considering the purposes, terms, distribution requirements, and other

circumstances of the trust. In satisfying this standard, the trustee shall exercise reasonable care, skill, and caution.”

2.13.4.2 Ethics and Conflicts of Interest

Officers and employees involved in the investment process shall refrain from personal business activity that could conflict with the proper execution and management of the investment program, or that could impair their ability to make impartial decisions. Employees and investment officials shall disclose to the General Manager any material interests in financial institutions with which they conduct business. They shall further disclose any personal financial/investment positions that could be related to the performance of the investment portfolio. Employees and officers shall refrain from undertaking personal investment transactions with the same individual with whom business is conducted on behalf of the District.

2.13.4.3 Delegation of Authority

Authority to manage the District’s investment program is derived from RCW 57.20.135 and District Resolution No. 712. Management responsibility for the investment program is hereby delegated to the Finance Manager/Treasurer who shall establish written procedures for the operation of the investment program consistent with this investment policy.

1. Investment Procedures. The procedures should include reference to safekeeping, delivery versus payment, investment accounting, repurchase agreements, custody agreements, and investment related banking services contracts. Such procedures shall include explicit delegation of authority to persons responsible for investment transactions. No person may engage in an investment transaction except as provided under the terms of this policy and the procedures established by the Finance Manager/Treasurer. The Finance Manager/Treasurer shall be responsible for all transactions undertaken and shall establish a system of controls to regulate the activities of subordinate officials.

2.13.5 Authorized Financial Dealers and Institutions

The Finance Manager/Treasurer will maintain a list of financial institutions authorized to provide investment services. In addition, a list will also be maintained of approved Security Brokers/Dealers selected by credit worthiness and who maintain an office in the State of Washington. These may include primary dealers or regional dealers that qualify under the U.S. Securities and Exchange Commission (SEC) Rule 15 C3-1 Uniform Net Capital Rule. No public deposit may be made except in a qualified depository in the State of Washington as provide in Chapter 39.58 RCW. All brokers/dealers and financial institutions who desire to do business with the District must supply the Finance Manager/Treasurer with annual audited financial statements, proof of National Association of Securities Dealers membership, and certification of having read the District’s current audited financial statement. These items are required to be on file for each financial institution and broker/dealer with whom the District invests.

2.13.6 Authorized and Suitable Investments

The District is empowered to invest in any of the securities as defined by RCW 39.59.020. In general, these include:

1. Investment deposits, including certificates of deposit, with qualified depositories as defined in Chapter 39.58 RCW.
2. Certificate notes of bonds of the United States, or other obligations of the United States, or its agencies, or any corporation owned by the government of the United States, such as the Government National Mortgage Association.
3. General obligation bonds of a Washington State local government, whose bonds have at the time of investment one of the three highest credit ratings of a nationally recognized rating agency.
4. Obligations of government sponsored corporations, which are eligible as collateral for advances to member banks, as determined by the Board of Governors of the Federal Reserve System. These include, but are not limited to, federal home loans, bank notes and bonds, federal farm credit bank consolidation notes and bonds, Federal National Mortgage Association notes, and guaranteed certificates of participation.
5. Bankers acceptances purchased on the secondary market.
6. Repurchase agreements for securities listed above, provided that the transaction is structured so that the District obtains control over the underlying securities, and a master repurchase agreement has been signed with the bank or dealer.
7. Local Government Investment Pool.

2.13.7 Collateralization

Collateralization is required on repurchase agreements. In order to anticipate market changes and provide a level of security for all funds, the collateralization level will be one-hundred and two percent (102%) of market value of principal and accrued interest. Only securities authorized to be purchased by the District will be accepted as collateral.

Collateral will always be held by an independent third party with whom the District has a current custodial agreement. A clearly marked evidence of ownership (safekeeping receipt) must be supplied to the entity and retained.

2.13.8 Safekeeping and Custody

All security transactions, including collateral for repurchase agreements entered into by the District, shall be conducted on a delivery versus payment basis. Securities purchased by the District will be delivered against payment and held in a custodial safekeeping account. Securities will be held by a third party custodian designated by the Finance Manager/Treasurer and safekeeping receipts will evidence all transactions.

2.13.9 Diversification

The District will diversify its investment by security type and institution. With the exception of the U.S. Treasury Securities and the Local Government Investment Pool, no more than fifty percent (50%) of the District's total investment portfolio will be invested in a single security type or with a

single financial institution, with the exception of the Local Government Investment Pool, which may from time to time contain over fifty percent (50%) due to maturity of investments or increased fund balances.

2.13.10 Maximum Maturities

To the extent possible, the District will attempt to match its investments with anticipated cash flow requirements. Unless matched with a specific cash flow, the District will not directly invest in securities maturing in more than five years from the date of purchase. However, the District may collateralize repurchase agreements using longer dated investments. Reserve or construction in progress funds may be invested in securities exceeding five years at maturity if such investments are made to coincide as nearly as practicable with the expected use of the funds.

2.13.11 Internal Controls

The Finance Manager/Treasurer shall establish an annual process of independent review by an external auditor. This review will ensure the policies and procedures are being complied with by providing internal control. Such review may also result in recommendation to change operating procedures to improve internal control.

2.13.11.1 Investment Committee

A committee shall be formed made up of two members of the Board of Commissioners, the Finance Manager/Treasurer, and the General Manager. This committee will work with the Finance Manager/Treasurer to oversee investments set forth in this policy. The committee shall at a minimum annually review the full policy and recommend any modification to the full Board.

2.13.12 Performance Standards

The District's investment portfolio will be designed to obtain a market average rate of return in budgetary and economic cycles, taking into account the District's investment risk constraints, investment objectives, and cash flow needs.

2.13.12.1 Market Yield

The District's investment strategy is passive. Given this strategy, the basis used by the Finance Manager/Treasurer to determine whether the market yields are being achieved shall be in the six-month U.S. Treasury bill and the average of Federal Reserve fund rates.

2.13.13 Reporting

The Finance Manager/Treasurer is charged with the responsibility of including a report on investment activity and returns in the District's quarterly reports. The reports will provide a clear picture of the status of the current investment portfolio, showing its performance in relation to established benchmarks and its compliance with the investment policy. [Resolution Nos. 712, 714, 873]

2.14 Investment Committee

The District's Investment Policy is reviewed annually by the Investment Committee, comprised of the Finance Manager/Treasurer, General Manager and two Commissioners appointed by the Board. Any modifications made to the Investment policy must be approved and adopted by the full Board of Commissioners. [Resolution No. 714]

2.15 Fixed Assets

The purpose of this policy is to ensure that all District-owned real and personal property is adequately protected and that its use is properly managed, particularly with respect to custody, insurance, maintenance, and planning.

The District operates on a cash basis and does not have capital assets and depreciation on the balance sheet. The District maintains an asset management system and is required to track assets per the Washington State Auditor's Office BARS Cash (Basis) Manual.

2.15.1 Definitions

1. "Fixed Asset" is any District-owned real and personal property that the District intends to use or keep for more than one year and exceeds the cost threshold amount of \$5,000.
2. "Attractive (theft-sensitive) Asset" is any portable, durable item valued at \$1,000 - \$4,999 that does not meet the minimum capitalization threshold, but requires special attention because of its potential to be stolen. Examples of these items include but are not limited to computers, printers, copiers, digital cameras, and DVD players; regardless of the initial acquisition cost. These objects are tagged and tracked by the District, but are not capitalized.
3. "Infrastructure" consists of water treatment plants, water transmission and distributions systems, and sewage collection and conveyance systems.
4. "Capitalize" means to formally record a fixed asset for depreciation purposes.
5. "Depreciate" means to expense the original acquisition value of a capitalized fixed asset over a specified time period.
6. "District Official" consists of any of the Board of Commissioners or staff.

2.15.2 Custody

All District officials are equally responsible for the care and proper use of District-owned property.

2.15.3 Marking

The District shall mark District-owned motor vehicles as prescribed in Revised Code of Washington (RCW) 46.08.065. The District shall mark, tag, or engrave all other fixed assets at the General Manager's discretion, and shall establish corresponding procedures.

The District identifies and monitors Attractive Assets (theft-sensitive) that cost less than the minimum capital asset cost threshold. These items are tagged and tracked by the District.

2.15.4 Annual Physical Inventory Plan

The District Finance Manager/Treasurer will coordinate a physical inventory of the Water and/or Sewer Department with the Operations Manager, and will coordinate inventory of the Administrative Office with the General Manager. Each department will be reviewed for both Fixed and Attractive Assets.

The General Manager has custody responsibility for the Administration Building and the Operations Manager has custody responsibility for all other locations. The physical inventory sheets will be kept until the Washington State audit for both years is complete or according to the State of Washington records retention schedule, whichever is longer. The sheets will note the following information:

1. Assets have been physically located and verified.
2. Missing assets will be noted and explained.
3. Incorrect and/or incomplete information will be corrected.
4. Any new items located but not on the list will be added, with proper unique identifiers.
5. Condition of the asset will be noted (e.g., good/average/poor).
6. The inventory results will be presented by the Finance Manager during a Board meeting no later than the following year of the inventory.

2.15.5 Capitalization

The District shall capitalize the following categories of fixed assets:

1. Valued at more than \$5,000.00 at the time the District originally acquires the fixed asset.
2. Assets purchased with grant funds may have a different threshold amount as stipulated by the grant.

2.15.6 Original Acquisition Value Determination

The District shall determine the acquisition value of any given fixed asset in priority sequence as follows:

1. Vendor's invoiced cost to the District, including shipping and interest charges.
2. District Engineer's evaluation.

2.15.7 Useful Life Determination

The District Engineer shall determine the useful life of all infrastructure fixed assets, as well as all improvements to existing infrastructure fixed assets. The useful life of all other types of fixed assets shall be determined either by using standards United States Internal Revenue Service guidelines, or by the District-contract certified public accountant.

2.15.8 Acquisition

The Board shall approve the acquisition of fixed assets through the budget process.

2.15.9 Disposal

To dispose of a surplus asset, the Board must first declare a fixed or attractive asset surplus before it can be sold, or disposed of in any manner. If the asset is to be sold, it will then be sold in accordance with applicable state law. If the asset is no longer in working order the department manager, along with one other employee will properly dispose of the asset. A list of surplus assets will be forwarded to the Board for a motion to declare them surplus. The list of surplus assets will indicate the description of asset, value, and proposed disposal method.

The District Engineer/Engineering Manager shall remove the asset from the asset tracking system after Board approval.

2.15.10 Spare Parts, Raw Materials and Supplies

The District shall maintain stocks of spare parts, raw materials, and supplies at the minimum levels necessary to perform work safely, consistently, and reliably.

2.15.11 Adoption of Other Relevant Authority

The District hereby adopts the BARS Manual references noted above for additional guidance and procedures. [Resolution Nos. 742, 812, 855, 873]

2.16 Purchasing Policy

Lake Whatcom Water and Sewer District will acquire equipment, materials, and services in a manner that results in the most efficient delivery of services considering cost and value received.

To avoid conflicts of interest, procurement will be impartial. Procurement of goods and services will provide the District with the best quality for the best value. Purchases will be made within budget limits and to meet goals and objectives approved in the District's budget. Potential purchases that are not within budget limits will be pre-approved through a budget amendment process. For purchases of goods or services in the amount of \$50,000.00 or less, the District General Manager shall have authority to award contracts or authorize purchases, provided that the funds for the contract or purchase are included in the then current budget. The Board of Commissioners shall award all contracts or authorize purchases over \$50,000.00.

The District reserves the right to implement a more stringent process than that which a purchase of goods or service may qualify for under Sections 2.16.4 through 2.16.8 if, in the opinion of the District General Manager, it is to the District's benefit to follow a more stringent process. [Resolution Nos. 833, 857]

2.16.1 Definitions

1. "Contract" means a contract in writing for the purchase of a good, material, or equipment, or for the execution of a public work or service for a fixed or determinable amount duly awarded after advertisement and competitive bid, or a contract awarded under the purchasing processes set forth herein.
2. "Emergency" as defined by RCW 39.04.280, means any unforeseen circumstance beyond the control of the District that either presents a real, immediate danger to the property

performance of essential functions, or will likely result in material loss or damage to property, bodily injury, or loss of life if immediate action is not taken. This includes declared federal or state disasters, as well as local agency-declared disasters.

3. “Equitably distribute opportunities” means that the District may not favor certain contractors on the appropriate small works roster over other contractors on the same roster who perform similar services.
4. “Personal services” are services that are rendered by any person, other than as an employee of the District, contracting to perform activities that require technical expertise but are not professional services.
5. “Professional services” are services as defined in RCW 39.80.020(5) that are rendered by any person, other than as an employee of the District, contracting to perform activities within the scope of the general definition of professional practice in Chapters 18.08 (Architects), 18.43 (Engineers and Land Surveyors), or 18.96 (Landscape Architects) RCW.
6. “Public Work” as defined in RCW 39.04.010, means all work, construction, alteration, repair, or improvement other than ordinary maintenance, executed at the cost of the District or with public funds. All public works, including maintenance when performed by contract shall comply with Chapter 39.12 RCW.
7. “Purchased services” are services that are rendered by vendors for routine, necessary, and continuing functions of the District. These services are usually repetitive, routine, or mechanical in nature, support the District’s day-to-day operations, involve the completion of specific tasks or projects, and involve minimal decision-making.
8. “Unit-priced contract” means a competitively bid contract in which public works are anticipated on a recurring basis to meet the business or operations needs of the District, under which the contractor agrees to a fixed period indefinite quantity delivery of work, at the defined unit price for each category of work. [Resolution Nos. 857, 861]

2.16.2 Waiver of Competitive Bidding

The Board of Commissioners may waive competitive bidding requirements pursuant to RCW 39.04.280 if an exemption contained therein applies to the purchase or public work; provided that, any such waiver on the grounds that the contract is for a “sole source” purchase or service must also conform with the requirements of RCW 39.26.140. Immediately after a contract award is made, the contract and the factual basis for the exemption must be recorded and open to public inspection; except that, in the case of an emergency, the requirements of Section 2.16.3 shall be followed.

The Board of Commissioners may also waive competitive bidding requirements pursuant to RCW 39.32.090 which allows the District to purchase supplies, materials, electronic data processing and telecommunication equipment, software, services, and/or equipment through the United States government without calling for bids, notwithstanding any law or charter provision to the contrary. [Resolution Nos. 833, 857]

2.16.3 Emergency Public Works and Purchases

1. Declaration of Emergency. If an emergency exists, the Board of Commissioners, General Manager, District Engineer/Engineering Manager, Operations Manager, or Finance Manager,

will issue a written declaration that an emergency exists, waiving competitive bidding requirements, and award all necessary contracts to address the emergency. If a federal or state emergency has been declared, the Board of Commissioners should pass a resolution acknowledging the declaration.

2. Emergency Board of Commissioner Meetings. Per RCW 42.30.070, emergency meetings are exempt from the normal 24-hour special meeting notice requirements of the Open Public Meetings Act.
3. Public Record of Emergency Contracts. Per RCW 39.04.280, if an emergency contract is awarded without competitive bidding, the Board of Commissioners or its designee must enter a written finding of an emergency into the public record no later than two (2) weeks following the contract award.
4. Once the emergency situation has been stabilized, the District will proceed with additional work or repairs using its normal procedures. [Resolution Nos. 834, 857]

2.16.4 Purchases of Supplies, Materials or Equipment

2.16.4.1 Approval of Purchases

A manager acting within the budget is authorized to provide for purchases of supplies, materials, or equipment in accordance with this Section. The General Manager may implement reasonable administrative procedures for purchases of supplies, materials, or equipment consistent with these policies. [Resolution Nos. 833, 857]

2.16.4.2 Establishing a Vendor List

Per RCW 57.08.050 and RCW 39.04.190, the District shall establish a vendor list for purchases of supplies, materials, or equipment less than \$50,000.00, or in such different amount as authorized by future legislative amendment. New vendors may be added to the District's vendor list at any time.

Publication of List: Twice a year the District shall publish in a local newspaper notice of the existence of the District's roster of vendors, and shall solicit names of vendors for the roster. [Resolution Nos. 833, 857]

2.16.4.3 Purchase Orders

Purchase orders shall be used for all purchases greater than \$3,500.00 unless purchase is made by formal written contract. For purchases less than \$3,500.00, a signed receipt must be turned in to the finance department. A District manager may designate a monthly purchase order for vendors with repeated purchases, so long as such purchases from any one vendor, when aggregated on an annual basis, otherwise comply with Section 2.16.4. [Resolution Nos. 833, 857, 896]

2.16.4.4 Purchase of Low Cost Items (less than \$1,000.00)

For items under \$1,000.00, quotes need not be obtained if a manager believes there is sufficient prior experience with purchasing the item to ensure that the price obtained is competitive. In such cases, it is not practicable to research comparative prices because

the cost of the investigation is likely to exceed the value of potential savings, and because there are not sufficient staff resources to devote to the process for such minor purchases.

The General Manager still may require quotes for purchases under \$1,000.00 if, in the judgment of the General Manager, it is necessary to ensure a competitive price. [Resolution Nos. 833, 857]

2.16.4.5 Purchases less than \$40,000.00

The District is not required to use a formal contract when the total estimated cost of the purchase does not exceed \$40,000.00. Purchase orders shall be used as described in Section 2.16.4.3. [Resolution Nos. 833, 857]

2.16.4.6 Purchases less than \$50,000.00

Any purchase of materials, supplies, or equipment, with an estimated cost of less than \$50,000.00, or such different amount as may be authorized by future amendment of RCW 57.08.050, may be awarded as provided herein.

The District shall secure telephone or written quotes from vendors on the District's current established list of vendors for the appropriate category of materials. Quotes received by e-mail or facsimile transmission shall qualify as written quotes. This process is intended to assure a competitive price and to award contracts for purchases of materials, supplies, and equipment to the lowest responsible bidder. Whenever possible, the District shall obtain quotes from at least three vendors on the District's current established vendor list. Procedures for establishing and maintaining a vendor list are described in Section 2.16.4.2.

Immediately after the award is made, the bid quotations obtained shall be recorded, open to public inspection, and shall be made available by telephone inquiry. [Resolution Nos. 833, 857]

2.16.4.7 Purchases greater than \$50,000.00

Any purchase of materials, supplies, or equipment with an estimated cost of \$50,000.00 or more, or such different amount as authorized by future amendment of RCW 57.08.050, must be competitively bid per RCW 57.08.050. [Resolution Nos. 833, 857]

2.16.4.8 Alternative Purchasing Process

As an alternative process for purchasing materials, supplies and equipment, the District may let any contract for purchase of materials, supplies, or equipment with the suppliers designated on current state agency, county, city, or town purchasing rosters for the materials, supplies, or equipment, when the roster has been established in accordance with competitive bidding law for purchases applicable to the state agency, county city, or town. The price and terms for purchase shall be as described on the applicable roster. [Resolution Nos. 833, 857]

2.16.5 Public Works Contracts

2.16.5.1 Contracts less than \$50,000.00

The District need not comply with formal bidding procedures as set forth in RCW 57.08.050 when the estimated cost does not exceed \$50,000.00. [Resolution Nos. 833, 857]

2.16.5.2 Contracts less than \$350,000.00

The District may use the small works roster as described in RCW 39.04.155(1) and section 2.16.5.4 for public work with an estimated cost of \$350,000.00 or less. [Resolution Nos. 833, 857, 861]

2.16.5.3 Contracts greater than \$350,000.00

All public work estimated to cost in excess of the small works roster maximum of \$350,000.00, or such different maximum amount as may be authorized by future legislative amendment, shall be subject to formal competitive bidding procedures required by applicable state law. [Resolution Nos. 833, 857, 861]

2.16.5.4 Contracts Utilizing Small Works Roster

All contracts for public work which are not exempt from public bidding under RCW 57.08.050, as hereafter amended, the estimated cost for which is three hundred fifty thousand dollars (\$350,000.00) or less pursuant to RCW 39.04.155, or in such different estimated cost threshold as provided in future amendment thereof, may be awarded as provided herein. Said estimated costs shall include the costs of labor, material, equipment and sales and/or use taxes as applicable.

- a) **Cost.** The District need not comply with formal sealed bidding procedures and may award public works contracts in conformance herewith for the construction, building, renovation, remodeling, alteration, repair, or improvement of real property.
- b) **MRSC and Roster Options.** The General Manager is authorized to contract with Municipal Research and Services Center of Washington (MRSC) for roster service. While under contract with MRSC, MRSC will adopt for District use those state-wide electronic databases for small public works roster developed and maintained by MRSC. The District may utilize said state-wide electronic databases for selection of contractors in conformance with this Chapter.
- c) **Publication for Contractors on Small Works Roster(s).** At least once a year, on behalf of the District, MRSC shall publish in the Bellingham Herald a notice of the existence of the small works roster or rosters and solicit statements of qualifications from firms providing contractor services. Such advertisements will include information on how to find the address and telephone number of a representative of the District who can provide further details as to the District's projected needs for public works contractors from the small works roster. Firms or persons providing public work contracting services shall be added to appropriate MRSC roster or rosters at any time that they submit a written request and necessary records. The District may require master contracts to be signed that become effective when a specific award is made using a small works roster.
- d) **Written or Electronic Quotation Process for Small Works Roster.** The District shall obtain written or electronic quotations for public works projects to assure that a competitive price is established and to award contracts to the lowest responsible bidder, as defined in RCW 39.04.010 and RCW 39.04.350. A contract awarded from

a small works roster need not be advertised. Invitations for quotations shall include an estimate of the scope and nature of the work to be performed as well as materials and equipment to be furnished. However, detailed plans and specifications need not be included in the invitation. Quotations may be invited from all appropriate contractors on the appropriate small works roster. As an alternative, quotations may be invited from at least five (5) contractors on the appropriate small works roster who have indicated the capability of performing the kind of work being contracted; provided that, if the estimated cost of work is from two hundred fifty thousand dollars (\$250,000.00) to three hundred fifty thousand dollars (\$350,000.00) or within such other amounts as are provided by future amendment to state statute (RCW 39.04.155), the District shall notify the remaining contractors on the small works roster that quotations on the work are being sought. Said notice may be provided by any means authorized by state statute (RCW 39.04.155), or as said statute is later amended. The District will attempt to equitably distribute the opportunity among the contractors on the appropriate roster by not favoring certain contractors over other contractors who perform similar services. Immediately after an award is made, the bid quotations obtained shall be noted in writing, open to public inspection, and available by telephone inquiry.

- e) **Determining Lowest Responsible Bidder.** The District shall award the contract for the public works project to the lowest responsible bidder who meets applicable responsibility criteria set forth in RCW 39.04, however, the District reserves the right to reject all proposals and re-solicit the call for proposals, to waive informalities or irregularities in a proposal or in the proposal process, or to accept the proposal that is in the best interest of the District. This section shall also apply to use of the limited public works roster under Section 7 herein.
- f) **Award and Compliance.** All bids and quotations shall be collected and presented at the same time to the District for consideration and determination of the lowest responsible bidder and award of the job. In general, all contractors must comply with the following:
 - a. Prevailing wages must be paid and documented in compliance with RCW 39.12.
 - b. A Performance Bond shall be executed in compliance with RCW 39.08 prior to beginning work.
 - c. The contractor must hold a current Washington State Contractor's License.
 - d. The contractor must provide a certificate of insurance naming District as additional insured.
 - e. General Liability \$1,000,000 per occurrence/\$2,000,000 aggregate, automobile liability.
 - f. \$1,000,000 Worker's Compensation and Employer's Liability insurance in the amount required by law and paid to date.
 - g. Contractor must have a satisfactory record of performance
 - h. Contractor must meet any mandatory bidder responsibility criteria established by RCW 39.05.155 or elsewhere in state law, and any supplementary bidder responsibility criteria established by the District.

g) **Alternative Limited Small Works Roster Process for Small Public Works Projects**

- a. In lieu of awarding contracts under Sections a through f herein, the District may award a contract for public work estimated to cost less than fifty thousand dollars (\$50,000.00), or such other amount as is authorized by future amendment of state statute (RCW 39.04.155), using the limited public works process provided under this section. Public works projects awarded under this section are exempt from providing a certificate of insurance naming the District as additional insured, and are further exempt from the requirement that contracts be awarded after advertisement as provided under RCW 39.04.010.
- b. For limited public works projects, the District shall solicit electronic or written quotations from a minimum of three (3) contractors from the appropriate small works roster and shall award the contract to the lowest responsible bidder. After an award is made, the quotations shall be open to public inspection and available by telephonic or electronic request. The District must equitably distribute opportunities for limited public works projects among contractors willing to perform in the geographic area of work. The District shall maintain a list of the contractors contacted and the contracts awarded during the previous twenty-four (24) months under the limited public works process, including the name of the contractor, the contractor's registration number, the amount of the contract, a brief description of the type of work performed, and the date the contract was awarded. For limited public works projects, the District may in its discretion waive the payment and performance bond requirements of Chapter 39.08 RCW and may waive the retainage requirements of RCW 60.28.011(1)(a), thereby assuming the liability for the contractor's nonpayment of laborers, mechanics, subcontractors, material persons, suppliers, and taxes, increases, and penalties imposed under Titles 50, 51, and 82 RCW that may be due from the contractor for the limited public works project, however the District shall have the right of recovery against the contractor for any payments made on the contractor's behalf. [Resolution Nos. 833, 857, 861]

2.16.5.5 Contracts Utilizing Unit Pricing

- a) The District may procure public works with a unit-priced contract for the purpose of completing anticipated types of work based on hourly rates or unit pricing for one or more categories of work or trades.
- b) Unit-priced contracts shall be executed for an initial contract term not to exceed one year, with the District having the option of extending or renewing the unit-priced contract for one additional year.
- c) Invitations for unit price bids must include, for purposes of bid evaluation, estimated quantities of the anticipated types of work or trades, and specify how the District will issue or release work assignments, work orders, or task authorizations pursuant to a unit-priced contract for projects, tasks, or other work based on the hourly rates or unit prices bid by the contractor. Contracts shall be awarded to the lowest responsible bidder as per RCW 39.04.010. Whenever possible, the District will invite at least one proposal from a certified minority or woman contractor who

otherwise qualifies.

- d) Unit price contractors shall pay prevailing wages for all work that would otherwise be subject to the requirements of Chapter 39.12 RCW. Prevailing wages for all work performed pursuant to each work order must be the prevailing wage rates in effect at the beginning date for each contract year. Unit-priced contract must have prevailing wage rates updated annually. Intent and affidavits for prevailing wages paid must be submitted annually for all work completed within the previous twelve-month period of the unit priced contract. [Resolution No. 861]

2.16.6 Professional Services Contracts

2.16.6.1 Establishing a Professional Services Roster

Per RCW 39.80.040, the District shall encourage architectural and engineering firms engaged in the lawful practice of their profession to submit annually a statement of qualifications and performance data. The District shall meet the requirements of RCW 39.80.040 through contract with the Municipal Research Services Center, which will provide District access to the MRSC Rosters program (www.mrscrosters.org) professional services roster. [Resolution No. 857]

2.16.6.2 Services less than \$50,000.00

For professional services in which the comprehensive cost of services is estimated to be below \$50,000.00, the District shall provide a scope of work to one (1) or more consultants or persons listed on the current MRSC professional services roster in the category(ies) under which the anticipated services most nearly relate and request a statement of qualifications (SOQ) by a specific date. Following the pre-defined deadline for SOQ submittal, the District shall evaluate each of the SOQs received by the deadline and create a short-list of preferred consultants to conduct interviews or directly select a consultant in which to initiate contract negotiations. If the District chooses to perform interviews of short-listed consultants, the District shall select a consultant following interviews with which to initiate contract negotiations. [Resolution No. 857]

2.16.6.3 Services between \$50,000.00 and \$200,000.00

For professional services in which the comprehensive cost of services is estimated to be between \$50,000.00 and \$200,000.00, the District shall provide a scope of work to a minimum of three (3) consultants or persons listed on the current MRSC professional services roster in the category(ies) under which the anticipated services most nearly relate and request a statement of qualifications (SOQ) by a specific date. Following the pre-defined deadline for SOQ submittal, the District shall evaluate each of the SOQs received and create a short-list of a minimum of three (3) preferred consultants to interview; if less than three (3) SOQs are received, the short-list shall be comprised of all consultants that submitted an SOQ. Following completion of all interviews, the District shall select a consultant with which to initiate contract negotiations. [Resolution No. 857]

2.16.6.4 Services greater than \$200,000.00

For professional services in which the comprehensive cost of services is estimated to be greater than \$200,000.00, the District shall secure the services through a structured public

advertisement process; the MRSC professional services roster shall not be used. The District shall place an advertisement in the Bellingham Herald, at a minimum, that describes the required services, directs potential responders to where a comprehensive request for qualifications may be obtained, and identifies the response deadline. Following the pre-defined deadline for statement of qualification (SOQ) submittal, the District shall evaluate each of the SOQs received and create a short-list of a minimum of three (3) preferred consultants to interview. Following completion of all interviews, the District shall select a consultant with which to initiate contract negotiations. [Resolution No. 857]

2.16.7 Personal Services Contracts

2.16.7.1 Establishing a Personal Services Roster

The District shall establish a personal services roster through contract with the Municipal Research Services Center, which will provide District access to the MRSC Rosters program (www.mrscrosters.org) personal services roster. [Resolution No. 857]

2.16.7.2 Services less than \$5,000.00

For personal services in which the comprehensive cost of services is estimated to be below \$5,000.00, the District shall provide a scope of work to one (1) or more consultants or persons listed on the current MRSC personal services roster in the category(ies) under which the anticipated services most nearly relate and request a statement of qualifications, schedule, and prices by a specific date. Following the pre-defined deadline for proposal submittal, the District shall evaluate each of the proposals received by the deadline and negotiate a contract with the lowest responsible, responsive bidder. [Resolution No. 857]

2.16.7.3 Services between \$5,000.00 and \$50,000.00

For personal services in which the comprehensive cost of services is estimated to be between \$5,000.00 and \$50,000.00, the District shall provide a scope of work to a minimum of three (3) consultants or persons listed on the current MRSC personal services roster in the category(ies) under which the anticipated services most nearly relate and request a statement of qualifications, schedule, and prices by a specific date. Following the pre-defined deadline for proposal submittal, the District shall evaluate each of the proposals received and negotiate a contract with the person or firm found to be the most qualified based upon experience, ability to meet the District's schedule, and cost. [Resolution No. 857]

2.16.7.4 Services greater than \$50,000.00

For personal services in which the comprehensive cost of services is estimated to be greater than \$50,000.00, the District shall secure the services through a structured public advertisement process. The District shall place an advertisement in the Bellingham Herald that describes the required services, directs potential responders to where a comprehensive request for proposals (RFP) may be obtained, and identifies the response deadline. Proposals shall consist of, as a minimum, a statement of qualifications, schedule, and prices. Following the pre-defined deadline for proposal submittal, the District shall conduct a public bid opening and negotiate a contract with the person or firm found to be the most qualified based upon experience, ability to meet the District's schedule, and cost. [Resolution No. 857]

2.16.8 Purchased Services Contracts

2.16.8.1 Services less than \$5,000.00

For purchased services in which the comprehensive annual cost of services is estimated to be below \$5,000.00, the District shall provide via oral or written communication a scope of work to one (1) or more vendors or persons capable of providing the anticipated services and request a statement of qualifications, schedule, and prices by a specific date.

Following the pre-defined deadline for proposal submittal, the District shall evaluate each of the proposals received by the deadline and negotiate a contract with the bidder found in the District's opinion to have the experience and knowledge to provide the highest-quality product at the lowest price. [Resolution No. 857]

2.16.8.2 Services between \$5,000.00 and \$50,000.00

For purchased services in which the comprehensive annual cost of services is estimated to be between \$5,000.00 and \$50,000.00, the District shall provide a written scope of work to a minimum of three (3) vendors or persons capable of providing the anticipated services and request a statement of qualifications, schedule, and prices by a specific date.

Following the pre-defined deadline for proposal submittal, the District shall evaluate each of the proposals received and negotiate a contract with the person or firm found to be the most qualified based upon experience, ability to meet the District's schedule, and cost. [Resolution No. 857]

2.16.8.3 Services greater than \$50,000.00

For purchased services in which the comprehensive annual cost of services is estimated to be greater than \$50,000.00, the District shall secure the services through a structured public advertisement process. The District shall place an advertisement in the Bellingham Herald that describes the required services, directs potential responders to where a comprehensive request for proposals (RFP) may be obtained, and identifies the response deadline. Proposals shall consist of, as a minimum, a statement of qualifications, schedule, and prices. Following the pre-defined deadline for proposal submittal, the District conduct a public bid opening and negotiate a contract with the person or firm found to be the most qualified based upon experience, ability to meet the District's schedule, and cost. [Resolution No. 857]

2.17 Other Purchase Procedures

2.17.1 Acquiring Low-Cost Parcels for Easement Purposes Without an Appraisal

1. The District's General Manager is authorized to waive the requirement for a written appraisal for acquisitions which they determine are uncomplicated and which have an estimated property value of \$10,000 or less, as identified by its Engineer using standardized land valuation processes.
2. The District shall obtain a written appraisal if the property owner requests one or if a condemnation action is commenced.

3. Before initiating negotiations for real property acquisition, the District shall establish an amount which it believes to be just compensation therefore, and shall make a prompt offer to acquire the property for the full amount so established. The District shall provide the property owner with a written statement of, and summary of the basis for, the amount established as just compensation. Where appropriate, the written statement of just compensation shall itemize the fair market value of the real property to be acquired, any damages or diminution in value to the remaining property, and the value of any benefits to the remaining real property.
4. The District will negotiate directly or through its agents for acquisition of the real property or property rights at just compensation. If the price to be paid is different from that established before negotiations commenced, a memorandum stating the price to be paid and the basis for it, shall be prepared. The memorandum shall be distributed to and remain in the files of the General Manager, Engineer, and Attorney, and placed in the District's project file. [Resolution Nos. 665, 875]

2.17.2 Use of District Credit Cards for Travel Expenses and Purchases

2.17.2.1 Policy

1. The District recognizes that the use of credit cards is a customary and economical business practice to improve cash management, reduce costs, and increase efficiency.
2. It is the policy of the District to manage and control the use of credit cards for official District purchases and acquisitions as outlined in RCW 42.24.115 and RCW 43.09.2855.
3. This policy applies to the use of all credit cards by District employees and officials conducting official District business.
4. "Credit Card" as used herein shall mean all purchase cards, including credit, debit, fuel, and prepaid cards.

2.17.2.2 Guidelines

1. The credit limit for each card shall be \$5,000.00
2. The credit card may be used for the purchase of items or travel expenses approved in the current District fiscal year budget, and for no other purpose.
3. All credit card purchases shall comply with purchasing policies defined in Title 2 Section 16, Purchasing Policy.
4. A receipt must be obtained for each credit card transaction and must include an itemization of purchases, the date of the transaction, and the last four (4) digits of the credit card number used to make the purchase. All receipts must be submitted to the employee's manager within 21 days of the transaction, in accordance with RCW 42.24.115.

5. For credit card expenses related to travel, all purchases shall align with the District's Travel Expense Policy.
6. There shall be six credit cards disbursed as follows:
 - a. General Manager
 - b. Finance Manager/Treasurer
 - c. District Engineer/Engineering Manager
 - d. Operations & Maintenance Manager
 - e. Two (2) credit cards for staff and commissioners will be dispersed by the Finance Manager/Treasurer for authorized short-term use only. These two cards shall be promptly returned within two (2) business days and remain in the possession of the Finance Manager/Treasurer when not in use.
7. Fuel Cards
 - a. Fuel cards may be assigned to a specific vehicle, official, or member and will be used exclusively for that vehicle, official, or member to conduct official District business.
 - b. District fuel cards are to be used for the purchase of fuel and vehicle-related items, such as motor oil, windshield washer fluid and car washes, for District-owned vehicles and equipment only.
 - c. Receipts for such fuel and vehicle-related purchases are to be submitted for monthly reconciliation. Mileage and vehicle number shall be noted on receipts prior to submittal.
8. Credit card custodians and other assigned individuals will sign a "Credit Card User Agreement" with the District before they are eligible to receive and/or use a credit card.

2.17.2.3 Prohibited and Improper Purchases

1. The following purchases are strictly prohibited when using a District credit card: cash advances; alcoholic beverages; money orders and traveler's checks; donations to causes or organizations; and any personal or otherwise improper purchases that are not directly related to official District business.

The District is not responsible for payment of any charges resulting from the improper use of a District credit card by an official or employee. Pursuant to RCW 42.24.115, if, for any reason, disallowed charges are not repaid by the official or employee before the credit card billing is due and payable, the District shall have prior lien against and a right to withhold any and all funds payable or to become payable to the official or employee up to an amount of the disallowed charges and interest at the same rate as charged by the company that issued the credit card. Any official or employee who has been issued a credit card shall not use the card if any disallowed charges are outstanding and shall surrender the card upon demand of the Finance Manager/Treasurer

2. Misuse of a District credit card may result in disciplinary action, up to and including termination of employment, or legal action, civil and/or criminal.

3. Failure to provide detailed documentation as required by this policy may result in the revocation of cardholder privileges and/or the user being responsible for undocumented charges made on the credit card in their possession.

2.17.2.4 Policy Administration

1. The Finance Manager/Treasurer shall administer and oversee compliance with this policy.
2. The Finance Manager/Treasurer shall certify charges are proper and supported by itemized receipts for voucher processing in accordance with Title 2 Section 5, Authority to Approve Certain Vouchers.
3. The Finance Manager/Treasurer shall conduct a periodic inventory of the District credit cards at least annually to evaluate whether credit card limits are appropriate and in need of adjustment, considering actual charges. If a card has minimal or no actual activity, the Finance Manager/Treasurer should consider whether the card should be cancelled.
4. Credit cards shall be returned to the Finance Manager/Treasurer immediately upon ending employment with the District. Credit cards in an employee or officer's name shall be promptly cancelled by the Finance Manager/Treasurer. The Finance Manager/Treasurer will monitor card activity to ensure no improper purchases were made preceding or following a cardholding employee's departure from the District. [Resolution Nos. 850, 861, 901]

2.18 Reserve Policy

Reserve balances are funds that are set aside for a specific project, task, covenant requirement, and/or emergencies. These balances are maintained in order to meet short-term cash flow requirements, while at the same time minimizing the risks associated with meeting financial obligations and continued operational needs under adverse conditions.

2.18.1 Operating Reserve

The purpose of an Operating Reserve is to maintain financial viability of the utilities despite short-term variability in revenues and expenses, primarily caused by billing cycles, payroll cycles, accounts receivable/payable, and weather variability. The Operating Reserve targets should be as of January 1 of each calendar year, with the Operating Reserve balance expected to vary during the course of the calendar year. The following Operating Reserve targets are established:

- Water Utility – 90 days of annual operational expenses.
- Sewer Utility – 60 days of annual operational expenses.

The water utility reserve is set higher since revenue is more susceptible to year-to-year variations in water demand due to weather variations and water conservation objectives. [Resolution No. 861]

2.18.2 Contingency Reserve

The purpose of a Contingency Reserve is to provide a funding source for paying for unanticipated costs that may be incurred by each utility. The Contingency Reserve targets for the Water and Sewer utilities shall be maintained at fund balances equivalent to one percent of the infrastructure replacement cost for the associated utility.

2.18.3 System Reinvestment Funding

System Reinvestment Funding is a method of systematically putting aside funds for reinvestment into the infrastructure. A small portion of each annual incremental rate increase is attributable to this method of financing the District's system upkeep through bi-monthly rates.

2.18.4 Bond Reserve Fund and Bond Redemption Funds

The District will maintain Bond Reserve Funds and Bond Redemption Funds as required by bond covenants or loan agreements, and shall maintain fund balances consistent with those corresponding debt covenants/agreements. [Resolution Nos. 861, 871]

2.19 Debt Management Policy

The District recognizes that prudent use of its credit can both facilitate construction of essential capital improvements and serve as a method for sharing costs of those improvements between current and future beneficiaries. Furthermore, a debt management policy can assist the Board of Commissioners and staff to integrate the issuance of debt with other long-term planning, financial, and management objectives.

2.19.1 Limitation on Debt Issuance

Long-term borrowing shall be confined to capital improvements with an extended life when it is not practical to finance the construction of such capital improvements from current revenues. Approval of the Board of Commissioners is required prior to the issuance of debt.

An analytical review shall be conducted prior to the issuance of new debt. The analysis shall consider the results of such debt on the operating budget, the effect on the District's credit rating, the ability to provide future services, and the potential impact on user rates and fees. The District will carefully consider the future fiscal costs of any debt issuance to determine that any such issuance will not adversely impact the District's credit rating.

A useful measurement in assessing the debt burden of a utility is the capital structure: the outstanding debt as a percentage of total capital assets (original cost net of depreciation). A capital structure of 60% debt/40% equity is considered a conservative target.

The District shall set rates sufficient to provide debt service coverage in excess of the legal minimums. Rates shall be set so that the debt service coverage ratio (the ratio of operating income available to debt servicing payments) on the utility's senior lien debt, not including connection charge revenue, is at least 1.75.

2.19.2 Credit and Ratings

Capital will be raised at the lowest possible cost through maintenance of a high credit rating and demonstration of fiscal conservatism in the credit markets. A tool such as the Municipal Utility Scorecard Factors shall be used for the rating methodology to explain the credit quality of utility revenue bonds. These factors are to be reviewed and appropriate action taken if the District's bond rating drops to a Standard and Poor's Global Rating of 'A' or lower, or equivalent.

2.19.3 Term

Debt shall not be issued for a longer maturity schedule than a conservative estimate of the useful life of the asset to be financed. The District will seek to structure debt with level principal and interest costs over the life of the debt.

2.19.4 Bond Issuance

The District will use the services of reputable and experienced bond counsel in the preparation of all bond issuances. No bonds will be issued without a written opinion by bond counsel affirming that the District is authorized to issue the debt, stating the District has met all state constitutional and statutory requirements necessary for issuance, and determining the debt's federal income tax exempt status.

1. An Underwriter will be used for all bond debt issued in a negotiated or private placement sale method. The Underwriter is responsible for purchasing negotiated or private placement debt and reselling the debt to investors.
2. A Fiscal Agent will be used to provide accurate and timely securities processing and timely payment to bondholders.

2.19.5 Parity Debt Service Coverage Target

An internal financial requirement is established that requires a utility wide minimum parity debt service coverage ratio of 2 times the debt service payment. This ratio is calculated the same as the bond covenant ratio.

2.19.6 Other

Principal and interest will be paid in accordance with the terms of the applicable bond resolution. The District will maintain compliance with all covenants set forth in the bond resolutions. The District will use refunding bonds when appropriate to restructure its current outstanding debt. Refunding will be considered if and when there is an economic benefit of the refunding to the District of a refunding savings percent of 4.0% or greater. An adequate rate structure will be maintained to cover the full costs of operations to include maintenance, depreciation, capital, and debt service.

2.19.7 Reimbursement from Bonds to be Issued in the Future

The District issues tax-exempt obligations from time to time including bonds and leases for financing its activities. Regulations permit the District to appoint one or more officials for the purpose of identifying and qualifying capital projects for reimbursement purposes. The General Manager has been appointed by the Board to designate certain expenditures for reimbursement

from bonds to be issued in the future. Upon a determination by the General Manager that the costs of a particular capital project are expected to be reimbursed from the proceeds of a tax-exempt obligation of the District, they are authorized to execute a certificate of official intent. Each certificate shall become a part of the official records of the District available for public inspection. [Resolution Nos. 737, 871]

2.20 Identity Theft Prevention Program

Under the Fair and Accurate Credit Transactions Act of 2003 (Red Flags) rule, every creditor is required to establish an identity theft prevention program tailored to its size, complexity and the nature of its operation. Accordingly, the District has established an Identity Theft Prevention Program.

[Resolution No. 746]

2.21 Anti-Fraud Policy

It is the District's goal to prevent, detect and eliminate all forms of fraud. The District has established these and other financial procedures and policies to promote consistent organizational behavior by providing guidelines for District personnel.

2.21.1 Scope of Fraud Policy

This policy applies to any irregularity or suspected irregularity involving employees, commissioners, consultants, vendors, contractors, or any other outside agency, engaging in a business relationship with the District.

2.21.2 Responsibility and Investigation

The General Manager is responsible for the detection and prevention of fraud, misappropriations, and other irregularities. Fraud is defined as the intentional, false representation or concealment of a material fact for the purpose of inducing another to act upon it to his or her injury. Each member of the management team will be familiar with the types of improprieties that might occur within his or her area of responsibility, and be alert for any indication of irregularity.

Any irregularity that is detected or suspected must be reported immediately to the General Manager, who coordinates all investigations with the legal counsel in conjunction with the President of the Board. In the event that fraud is suspected by the General Manager or President of the Board, the Finance Manager/Treasurer shall act as substitute. All suspected fraud is to be reported in a timely manner to the Board of Commissioners.

If the investigation substantiates that fraudulent activities have occurred, the General Manager will inform the Board of Commissioners and the Finance Manager/Treasurer will inform the State Auditor's Office.

Decisions to prosecute or refer the investigation results to the appropriate law enforcement agency for independent investigation will be made by the Board of Commissioners.

2.21.3 Actions Constituting Fraud

Fraud terms such as misappropriation or other fiscal irregularities refer to, but are not limited to the following:

1. A dishonest or fraudulent act.
2. Misappropriation of funds, supplies or other assets.
3. Impropriety in handling or reporting of money or financial transactions.
4. Profiteering as a result of insider knowledge of District activities.
5. Disclosing confidential and proprietary information to outside parties.
6. Accepting or seeking anything of material value from contractors, vendors, or persons providing services or materials to the District.
7. Destruction, removal, or inappropriate use of records, furniture, fixtures, and equipment.

2.21.4 Conflicts of Interest

The District will not accept donations of materials or services in return for a commitment to continue or initiate a purchasing agreement. [Resolution No. 833]

TITLE 3 GENERAL

3.1 Definition of Terms

Unless a specific definition is set forth in this Code, all words and phrases shall be construed and understood according to the common and approved usage of the language; but technical words and phrases and such others as may have acquired a peculiar and appropriate meaning in the law shall be construed and understood according to such peculiar and appropriate meaning. Any text contained within this document that uses gender-specific language shall be assumed to encompass and apply to all genders.

The following words or phrases shall have the following meanings unless the context specifically indicates otherwise:

3.1.1 Accessory Dwelling Unit (ADU)

A second dwelling unit located on the same lot as, and subordinate to, a single-family dwelling unit as administered by Whatcom County under Title 20 of the Whatcom County Code. An ADU may consist of either of the following:

1. “Attached accessory dwelling unit” means an ADU located within or attached to a single-family residence. To be considered attached the roof and wall of the ADU must be an extension of the roof and wall of the existing single-family residence.
2. “Detached accessory dwelling unit” means an ADU that consists partly or entirely of a building that is accessory to a single-family dwelling unit.

Each ADU shall be considered a separate Equivalent Residential Unit for purposes of billings of all kinds. [Resolution No. 897]

3.1.2 Accessory Use

A land use customarily incidental and subordinate to and located on the same lot as the main use. [Resolution No. 897]

3.1.3 Administrative Authority

The Commissioners of Lake Whatcom Water and Sewer District, through the General Manager of the District, or other authorized representative. [Resolution Nos. 146, 242A, 785]

3.1.4 Applicant

A property owner that intends to connect to the District’s water distribution system or discharge sanitary sewage to the District’s sewage collection and conveyance system. [Resolution Nos. 779, 785]

3.1.5 Board

The elected or appointed Commissioners of Lake Whatcom Water and Sewer District, acting collectively as the legislative and policy-setting arm of the District. [Resolution Nos. 779, 785]

3.1.6 Bonded Gravity Side Sewer Contractor

A contractor who holds a bond that specifically benefits the District and is licensed to construct, install, repair, reconstruct, excavate, or connect any gravity side sewer to the public sewer of the District. The Bonded Gravity Side Sewer Contractor must comply with all provisions of this Administrative Code.

[Resolution Nos. 779, 785]

3.1.7 Bonded Pressure Side Sewer Contractor

A contractor who holds a bond that specifically benefits the District and is licensed to construct, install, repair, reconstruct, excavate, or connect any pressure side sewer to the public sewer of the District. The Bonded Pressure Side Sewer Contractor must comply with all provisions of this Administrative Code. [Resolution Nos. 779, 785]

3.1.8 Building Drain

The lowest horizontal piping of a drainage system which receives the drainage from waste and other drainage pipes inside the walls of the building and conveys it to the side sewer. [Resolution Nos. 146, 785]

3.1.9 Building Occupant

A person that resides on a property that is connected to the District's water distribution system and/or discharges sanitary sewage to the District's sewage collection and conveyance system but is NOT the property owner. [Resolution No. 785]

3.1.10 City

The City of Bellingham or any of its duly authorized personnel.

[Resolution Nos. 146, 242A, 785]

3.1.11 Commercial Customer

A non-residential customer who shall be billed a multiple of the single-family rate expressed in Equivalent Residential Units. Commercial connections shall be deemed at least one Equivalent Residential Unit or multiple based on 18 fixture units rounded up to the next whole number (i.e., 19 fixture units would be rounded up to 2 residential units) as defined in the Uniform Plumbing Code. When volumetric measurements are used, a "residential unit" shall be based upon the equivalent of 600 cubic feet or 4,488 gallons per two-month billing cycle. Note that the UPC "fixture units" are not a one-to-one correlation with the number of fixtures. [Resolution Nos. 146, 174, 242A, 785, 897]

3.1.12 Connection Charge

The current total monetary charge for general facilities charges, ULID or latecomer fees, as well as an administrative charge (permit fee), that developers or other property owners pay to the District for system capacity. The Connection Charge shall be determined by resolution of the Board and collected as provided in Section 3.5.2. [Resolution Nos. 675, 785, 799, 838]

3.1.13 Consulting Engineer

A professionally qualified engineer or engineering firm contracted by the District to offer advice, consultancy or technical assistance to the District. [Resolution No. 785]

3.1.14 County

Whatcom County or any of its duly authorized personnel. [Resolution No. 785]

3.1.15 Cover

The depth of material lying between the top of the sewer or water main and the finished grade immediately above it. [Resolution Nos. 146, 242A, 785]

3.1.16 Cross Connection

Any physical arrangement whereby a public water supply is connected, directly or indirectly with any other water supply system, sewer, drain, conduit, pool, storage reservoir, plumbing fixture, or other device which contains or may contain contaminated water, sewage, or other wastes or liquids of unknown or unsafe quality, which may be capable of imparting contamination to a public water supply as a result of back flow. [Resolution Nos. 227, 242A, 785]

3.1.17 Customer

A person receiving service from the District's water distribution system and/or discharges sanitary sewage to the District's sewage collection and conveyance system. A "Customer" may be a "Property Owner" or may be a "Building Occupant". [Resolution No. 785]

3.1.18 Developer Extension Agreement (DEA)

A contract between the District and a developer or property owner to construct water and/or sewer facilities on property owned by the developer, and in roads, easements, or other rights of way described in an approved application (RCW 57.22). [Resolution Nos. 675, 785]

3.1.19 District

Lake Whatcom Water and Sewer District. [Resolution Nos. 146, 242A, 681, 785]

3.1.20 District-Approved Connection

A water or sewer connection to a District-owned water or sewer system that has been inspected by authorized District personnel and found to comply with current District design and construction standards. [Resolution No. 897]

3.1.21 District Management

Lake Whatcom Water and Sewer District's General Manager, Engineering Manager/District Engineer, Finance Manager/Treasurer, or Operations and Maintenance Manager. [Resolution Nos. 785, 897]

3.1.22 District Water System

Any water system which is owned or controlled by the District; this term generally refers to the water source, treatment, storage and transmission/distribution facilities. [Resolution Nos. 242A, 785]

3.1.23 Domestic Sewage

What is commonly known as residential, institutional and commercial sewage and shall exclude industrial wastes. [Resolution No. 785]

3.1.24 Downspout

Leader or pipe above ground which is installed to conduct water from the roof gutter. [Resolution Nos. 146, 785]

3.1.25 Drain

Any conductor of liquids. [Resolution Nos. 146, 785]

3.1.26 Dump Station

A commercial facility whose purpose is to receive sewage from trailers, boats or recreational vehicles, and shall be considered as a commercial connection. [Resolution Nos. 146, 785, 897]

3.1.27 Duplex

A two-unit dwelling (including 2 trailers or 2 mobile homes not a part of a mobile home or trailer park) containing not more than two kitchens, designed and/or used to house not more than two households living independently of each other and including all necessary facilities for each such household. Each dwelling unit shall be considered a separate Residential Unit for purposes of billings of all kinds. [Resolution Nos. 146, 242A, 785, 897]

3.1.28 Engineer

The District's engineer, or other engineers employed by the District. [Resolution Nos. 779, 785]

3.1.29 Equivalent Residential Unit (ERU) (or Residential Unit)

The basic unit used for purposes of billings of all kinds. One residential unit shall be based on 18 fixture units as defined in the Uniform Plumbing Code. When volumetric measurements are used, an Equivalent Residential Unit shall be based upon the equivalent of 600 cubic feet or 4,488 gallons per two month billing cycle. Note that the UPC "fixture units" are not a one-to-one correlation with the number of plumbing fixtures. [Resolution Nos. 146, 174, 242A, 785]

3.1.30 Garbage

Solid wastes from the preparation, cooking, and dispensing of food, and from the handling, storage and sale of produce. [Resolution Nos. 146, 785]

3.1.31 General Manager

The chief administrative officer appointed by the Board of Commissioners. The General Manager shall have the power to delegate their functions to authorized representatives.

[Resolution Nos. 242A, 785]

3.1.32 Health Department

Whatcom County Health and Community Services Department. [Resolution No. 785]

3.1.33 Health Officer

A Whatcom County Health Department Officer responsible for the public health or that officer's authorized representative. [Resolution Nos. 146, 242A, 785]

3.1.34 Industrial Wastes

The liquid wastes from industrial manufacturing processes, trade or business, as distinct from domestic sewage. [Resolution Nos. 146, 785]

3.1.35 Inspector

The District's authorized representative assigned to make detailed inspections of a contractor's compliance with the District's specifications and standards. [Resolution Nos. 779, 785]

3.1.36 Land-Use and Zoning

The District recognizes that Whatcom County is the land-use planning and permitting authority for the District's service area. The District cannot and will not authorize uses that are inconsistent with current zoning regulations and land-use restrictions. [Resolution No. 785]

3.1.37 Latecomer Agreement

An agreement between the District and a developer who has paid for an extension of water and/or sewer facilities on a public right of way or easement and that is capable of providing water service to property that has not been assessed or has not contributed to the cost of the distribution line.

The Latecomer Agreement shall provide for the reimbursement to the developer or the developer's assigns of a pro rata share of the costs of the facilities constructed (RCW 57.22). [Resolution Nos. 242A, 785]

3.1.38 Maintain or Maintenance

A preemptive action that preserves and sustains the design operating/flow parameters and physical integrity of a water or sewer system. [Resolution Nos. 779, 785]

3.1.39 Master Fees and Charges Schedule

The District's current rates and charges set by the Board in accordance with RCW 57.08.005.

[Resolution Nos. 640, 774, 785, 798]

3.1.40 Multiple Family Dwelling

A multiple family dwelling designed and/or used to house three or more households living independently of each other and having a separate outside access and including all necessary fixtures for each household unit. Multiple Unit Dwellings shall also include mobile home parks or courts containing three or more mobile homes or trailer stalls; apartments, condominiums, cabins and cottages. Each dwelling unit shall be deemed a separate Residential Unit for purposes of billings of all kinds. [Resolution Nos. 242A, 785]

3.1.41 Permit

A District Water and/or Sewer Permit, or the signed authorization issued by a representative of the District for:

1. Any construction or repair of a water service connection or side sewer.
2. Work affecting the public water or public sewer system.

[Resolution Nos. 146, 242A, 779, 785]

3.1.42 Permit Fee

The permit administration and processing fee. The permit fee is a component of the Connection Charge. [Resolution Nos. 675, 785, 799]

3.1.43 Permit Holder

The owner and/or contractor who have jointly been granted a permit by the District. [Resolution Nos. 779, 785]

3.1.44 Person or Owner

May be any individual, firm, company, association, society, corporation, or group. [Resolution Nos. 146, 242A, 785]

3.1.45 Plumbing Fixture

A receptacle or device that is connected to a water supply system or discharges to a drainage system or both. Such receptacles or devices require a supply of water; or discharge liquid waste or liquid-borne solid waste; or require a supply of water and discharge waste to a drainage system, or as otherwise revised in future revisions of the International Plumbing Code. [Resolution Nos. 834, 897]

3.1.46 Point of Delivery

That point where the District ownership and maintenance responsibility terminates; specifically, the fitting on the customer's side of the water meter. [Resolution Nos. 242A, 785]

3.1.47 Pre-Paid Connection Certificate

A certificate that the District issues when a Developer makes the required payment to reserve capacity in District-owned water and/or sewer facilities as part of a Developer Extension Agreement, or when any other person makes the same required payment to reserve capacity for future actual connection. This connection charge is effective for 365 days from the date of

issuance of the certificate per Section 3.5.2, and thereafter shall be subject to such additional or higher fees adopted subsequent to the date of issuance of the certificate. [Resolution Nos. 675, 785, 838]

3.1.48 Pressure Reducing Valve (PRV)

A customer or District owned and maintained valve to protect customer plumbing and District water mains and fittings from possible high pressures and/or pressure spikes in the District's waterlines.

[Resolution Nos. 785, 897]

3.1.49 Private Sewer

The sewage disposal system constructed, installed, or maintained where connection with a public sewer may not be required herein. [Resolution Nos. 146, 785]

3.1.50 Private Water Service

The customer owned, operated, and maintained water service line(s) that connects to the District's water meter and extends to the customer's building(s), structure(s) or facility(s). Private water systems will exist on the customer's property, and/or in an easement(s) benefiting the customer.

[Resolution Nos. 242A, 785]

3.1.51 Property Owner

A person who owns property that is connected to the District's water distribution system and/or discharges sanitary sewage to the District's sewage collection and conveyance system.

[Resolution No. 785]

3.1.52 Public Sewer System

Any sanitary sewers, including but not limited to trunks, laterals, service laterals and force mains and constructed within the public right-of-way or perpetual easement benefiting the District.

[Resolution Nos. 146, 785]

3.1.53 Public Water Service

That portion of a water service connection between the District's water main and the point of delivery. A public water service exists only in a public right-of-way, and/or in an easement(s) benefiting the District. [Resolution No. 785]

3.1.54 Recreation Park

A plot of land in which two or more sites are occupied or intended for occupancy by recreation vehicles for short-term or seasonal travel, recreational or camping uses. No permanent residence, no matter how small, how simple, or how rustic, is permitted on a site designated for recreational uses. Three sites shall be equivalent to one Residential Unit as described and utilized in this code.

[Resolution Nos. 242A, 785]

3.1.55 Recreation Vehicle

A vehicular type unit as defined by the Department of Labor and Industries, designed for temporary living quarters for recreational, camping or travel use which either has its own motor power or is mounted on or drawn by another vehicle. [Resolution Nos. 242A, 785]

3.1.56 Repair

A reactive action that restores a water or sewer systems design operating/flow parameters if interrupted or impaired, or physical integrity if damaged. [Resolution Nos. 779, 785]

3.1.57 Sewage or Sanitary Sewage

A combination of water-carried wastes from residences, business buildings, institutions and industrial establishments, which wastes contain polluted matter subject to treatment at the sewage treatment plant and to which storm, surface and groundwater are not intentionally admitted.

[Resolution Nos. 146, 785]

3.1.58 Service Lateral

The District-owned lateral sewer that connects to a Sewer Main or to a District sewer manhole, and extends to the boundary of a public right-of-way, or the boundary of an easement benefiting the District. It connects a customer's side sewer to the Sewer Main. [Resolution Nos. 779, 785]

3.1.59 Sewage Treatment Plant or Works

Any arrangement of devices and structures used for treating sewage and may include collecting, pumping, treating, and disposing of sewage. [Resolution Nos. 146, 785]

3.1.60 Sewer

A pipe or conduit for carrying sewage. [Resolution Nos. 146, 779, 785]

3.1.61 Sewer Main

Main sewer conduits that receive and convey sanitary sewage from Lateral Sewers. Sewer mains exist only in a public right of way, and/or in an easement(s) benefiting the District. [Resolution Nos. 779, 785]

3.1.62 Shall - May

"Shall" is mandatory, "may" is permissive. [Resolution Nos. 146, 242A, 785]

3.1.63 Side Sewer

The property owner owned, operated, and maintained sewer that connects to the service lateral sewer and extends to the property owner's building(s), structure(s) or facility(s) that generate sanitary sewage. Side sewers will exist on the property owner's property, and/or in an easement(s) benefiting the property owner. [Resolution Nos. 779, 785]

3.1.64 Specifications or District Standards

The most current version of the District's Design and Construction Standards. [Resolution No. 785]

3.1.65 Substantial Development

Any land development or building program, including by any public agency, involving residences or structures for human occupancy within Lake Whatcom Water and Sewer District boundaries where the person or agency has control over the use of public or private water and/or sewer systems. [Resolution Nos. 146, 242A, 785]

3.1.66 Uniform Plumbing Code

The version of International Association of Plumbing and Mechanical Officials Code most recently adopted by the State of Washington and/or Whatcom County. [Resolution Nos. 146, 242A, 785]

3.1.67 Utility Local Improvement District (ULID)

The procedure used to extend water and/or sewer service to a group of properties whereby all property owners share in the cost (RCW 57.16). [Resolution No. 785]

3.1.68 Water Main

A District-owned or controlled pipe or conduit for supplying potable water. It does not include water service lines. Water mains exist only in a public right-of-way and/or in an easement(s) benefiting the District. [Resolution Nos. 242A, 785]

3.1.69 Water Service Connection

That portion of the public water line running from a water main or from a stub line of a water main in a street, right of way, or easement to the water meter of the customer to be served. A water service connection consists of a saddle, direct tap or tee and corporation stop, water service line, curb stop, meter setter, meter, meter box and appurtenances, or any combination thereof as may be required to furnish the requested service. The water service connection from the water main to the property line shall be owned, and installed by the District. [Resolution Nos. 242A, 785]

3.1.70 Water Treatment Plant or Works

Any arrangement of devices and structures used for water treatment and may include the collecting, pumping and treating of water. [Resolution Nos. 242A, 785]

3.2 District Powers and Authority

3.2.1 Entry on Property

The General Manager and other duly authorized employees or representatives bearing proper credentials and identification shall be permitted to enter upon all properties at a reasonable hour for the purpose of inspection, observation, measurement, sampling, and testing in accordance with the provisions of this resolution. [Resolution Nos. 146, 242A]

3.2.2 District Inspector Responsibilities and Limitations

The District's authorized inspector shall make detailed inspections of a contractor's compliance with the plans and the District's specifications and standards. The inspector shall report any non-compliance to the engineer. The inspector is not permitted to authorize any deviations from the approved plans or the District's standards. Any such deviation must be approved by the District Engineer.

[Resolution No. 785]

3.3 Violations of Code

3.3.1 Liability to District

Any person who violates any provision of this Code shall be liable to the District for any expense, loss, damage, cost of inspection or cost of correction incurred by the District by reason of such violation, including any expenses and attorney fees incurred by the District in collecting from such person of such loss, damage, expense, cost of inspection or cost of correction, plus an administrative fee equal to 10% of the total expenses. For more information, see the Master Fees and Charges Schedule

[Resolution Nos. 783, 799]

3.3.2 Violations Not Requiring Written Notice

Unless the District determines that immediate action is required, the District will provide written notification of the violation of this Code to the offending party. The notice shall state the nature of the violation, and provide a reasonable time limit for the satisfactory correction thereof. The notice shall be personally served or mailed. The offender shall, within the period of time stated in such notice, permanently cease all such violations and make all necessary corrections.

If the offending party fails to correct a violation within the time limit provided in the Notice of Violation, the District may proceed to correct the violation at the violator's expense. [Resolution No. 783]

3.3.3 Violations Requiring Written Notice

Violation of a number of provisions of the Administrative Code do not require prior written notification and opportunity to correct. Corrective action may be taken and a penalty assessed by the District either prior to notice or following notice to the offending party. While not exhaustive, examples include:

1. Failure to comply with emergency order
2. Failure to eliminate cross connection
3. Failure to repair leak

[Resolution No. 783]

3.3.4 Repeat Violation Penalty

A person who repeats a violation shall be subject to a penalty as set forth in the Master Fees and Charges Schedule. Failure to correct a violation within the time limit provided in the Notice of Violation, shall be subject to a penalty as set forth in the Master Fees and Charges Schedule, from

the date of the time limit provided in the Notice of Violation. Each day that a violation of this Code continues may be deemed a separate violation. [Resolution Nos. 783, 799]

3.3.5 Water Loss As A Result of Damage

Charges shall be levied for the loss of water resulting from damage to the District's water system facilities caused by persons other than District employees. In addition to paying for repairs, the party responsible for the damage shall be charged the District's estimated cost. [Resolution No. 783]

3.4 Requirements for Water and Sewer Service

3.4.1 Capacity and Connection Availability

There is overall system capacity when the system as a whole has the capability to serve additional service connections. There may be localized areas in the system that are insufficient in size or are in too poor condition to allow local connections, but the system can still be considered to have overall system capacity. Water and/or sewer connections are available on a first come, first served basis, where capacity exists. [Resolution No. 757]

3.4.2 Single Parcel with Single Family Residence.

A request for service or request for denial of service by an Owner of a single parcel for a single family residence shall be reviewed by determining: (1) the parcel's distance to the District's water and sewer system, and (2) the sufficiency of the size and condition of the mains serving the parcel as determined by the District.

1. SEWER SERVICE

If the parcel is located **inside** UGA or LAMIRD:

- A. **District Sewer Adjacent to Property and Main is Sufficient.** Connection to District sewer is required. The connection shall be made in accordance with current District Standards.
- B. **Sufficient Sewer Main within 200-feet of Property.** Connection to the District sewer is required. Owner extends and/or replaces main past and/or through property and connects to the sufficient main by Developer Extension Agreement and in accordance with current District Standards.
- C. **Sufficient Sewer Main more than 200-feet from Property.** District has the option of extending and/or replacing mains to within 200 feet of the property and then requiring the Owner to complete the extension and/or replacement past or through their property. The Owner extension and/or replacement of the main will be by Developer Extension Agreement and in accordance with current District Standards. If the District elects not to bring a sufficiently sized main in adequate condition within 200 feet of the property, the Owner may develop an onsite sewage disposal system in accordance with Whatcom

County and State regulations after executing a “Covenant Binding Property Regarding Future Water and/or Sewer Service.”

If the parcel is located **outside** UGA or LAMIRD:

- A. **Sufficient Sewer Main within 150-feet of Property.** Connection to the District system is required, and shall be in accordance with current District Standards.
- B. **Sufficient Sewer Main more than 150-feet from Property.** The Owner may develop an onsite sewage disposal system in accordance with Whatcom County and State regulations after executing a “Covenant Binding Property Regarding Future Water and/or Sewer Service.” The Owner also has the option of extending the main to and past the parcel provided Whatcom County determines the extension is consistent with the County’s Comprehensive Plan and the District’s Sewer Comprehensive Plan is amended to include the extension.
- C. **Health Department Required Connection.** The Owner may connect even if more than 150 feet from a sufficient sewer main and outside a UGA or LAMIRD if connection is required by Whatcom County Health Department. The connection shall be made in accordance with current District Standards. [Resolution No. 757]

2. WATER SERVICE INSIDE OR OUTSIDE UGA OR LAMIRD:

- A. **District Water System Adjacent to Property and Main is Sufficient.** Connection to District water system is required. The connection shall be made in accordance with current District Standards.
- B. **Sufficient Water System within 200-feet of Property.** Connection to the District water system is required. Owner extends and/or replaces main past and/or through property and connects to the sufficient main by Developer Extension Agreement and in accordance with current District Standards.

If District determines that a public water main extension is not warranted, the District will install a water service from the main to meter. Meters will be set adjacent to the main near the edge of the public right-of-way or easement corridor in which the public water main is located. The property Owner installs the private water service line from the meter to the building. Properties not fronting the public water main such as those located beyond the end of the main or behind lots fronting the main will require a longer private water service line installed by the Owner from their property to the meter.

- C. **Sufficient Water System more than 200-feet from Property.** District has the option of extending and/or replacing mains to within 200 feet of the property and then requiring the Owner to complete the extension and/or replacement past or through their property. The Owner extension and/or replacement of the main will be by Developer Extension Agreement and in accordance with current District Standards. If the District elects not to bring a sufficiently sized main in adequate condition within 200 feet of the property, the Owner may develop an alternate and temporary water supply in

accordance with Whatcom County and State regulations after executing a “Covenant Binding Property Regarding Future Water and/or Sewer Service.” [Resolution No. 757]

3.4.3 Other Development

All other developments (such as but not limited to subdivisions, plats, short plats, commercial, institutional, industrial, etc.) shall connect to the District’s water and sewer system as follows:

1. SEWER SERVICE

Site is located **inside** UGA or LAMIRD:

- A. Connection to District sewer system is required. The developer shall extend the sewer system past and/or through property by Developer Extension Agreement and in accordance with current District Standards. Improvements shall be sized, designed, and constructed per District Standards to serve full build-out of the area.

Site is located **outside** UGA or LAMIRD:

- A. **Sufficient Sewer Main within 150-feet of Site.** Parcels within 150-feet of sufficient sewer main shall connect to the District sewer system in accordance with current District Standards.
- B. **Sufficient Sewer Main more than 150-feet from Property.** The Owner may develop an onsite sewage disposal system in accordance with Whatcom County and State regulations after executing a “Covenant Binding Property Regarding Future Water and/or Sewer Service.” The Owner also has the option of extending the main to and past the parcel provided Whatcom County determines the extension is consistent with its Comprehensive Plan and the extension is amended to the District’s Sewer Comprehensive Plan. The sewer extension and connections shall be in accordance with current District Standards.
- C. **Health Department Required Connection.** The Owner may connect even if more than 150 feet from a sufficient sewer main and outside a UGA or LAMIRD if connection is required by Whatcom County Health Department. The connection shall be made in accordance with current District Standards. [Resolution No. 757]

2. WATER SERVICE INSIDE OR OUTSIDE UGA OR LAMIRD:

- A. Connection to the District water system is required. Owner extends and/or replaces main past and/or through property and connects to the sufficient main by Developer Extension Agreement per current District Standards. [Resolution No. 757]

3.4.4 Petition to Waive or Adjust Connection Requirements

The Owner may petition the Board of Commissioners to waive or adjust the connection requirements if the parcel is located such that service is unlikely to be extended to the parcel within the next 20 years as determined by the District. The Board of Commissioners will evaluate the petition considering:

1. Expansion of the system to serve the new development is considered part of the cost of the new development.
2. Costs for some developments will be more than others due to location and physical challenges.
3. Waiving connection requirements will make it increasingly more difficult and costly to serve the same development in the future.
4. Some required improvements may not be immediately placed into service but will greatly reduce the costs and complexity to serve the development in the future (example, building a waterline across the parcel frontage that remains dry until service is extended to the site).
5. A distance of approximately ½ mile is considered close enough to require connection. Longer distances to connect to the system may be appropriate for larger developments.
6. It is considered a minimum requirement to construct the system across or through the development whether they are immediately used for service or are placed into service in the future.

If the connection requirement is waived or the required system improvements cannot immediately be placed into service, the Owner may develop an alternate and temporary water supply and/or onsite sewage disposal systems in accordance with Whatcom County and State regulations after executing a “Covenant Binding Property Regarding Future Water and/or Sewer Service. [Resolution No. 757]

3.4.5 Covenant Binding Property Regarding Future Water and/or Sewer Service

The covenant runs with the land and is signed and notarized by the property owner and District General Manager. The owner records the document at the County Auditor’s office and delivers the original to the District. The covenant allows the owner to develop a temporary water supply and/or onsite disposal system, restricts the owner from protesting the formation of a utility local improvement district to extend water and/or sewer to the parcel, and requires the owner to connect to the District system when service becomes available at such time as the District so determines. [Resolution No. 757]

3.5 Permits and Connection Charges

3.5.1 Permit Fees

At the time the Water and/or Sewer Permit is applied for, the applicant shall pay to the District, or its designated representative, the Permit Fee in accordance with the District’s current Master Fees and Charges Schedule. The Permit Fee is a component of the connection charge. Water and/or Sewer Permits are not transferable, nor are the fees or charges paid for them refundable, except as allowed under Section 3.5.8. [Resolution Nos. 757, 799, 897]

3.5.2 Connection Charges

- A. Property owners seeking to connect serviceable properties to the District’s water and/or sewer system will be charged a connection fee at the time of issuance of a connection permit so that they will bear an equitable share of the cost of the existing system and the cost of the facilities planned for construction within the next ten years. Connection charges shall be in accordance with the District’s current Master Fees and Charges Schedule.

- B. Property owners issued connection permits shall have 365 days from the date of issuance of said connection permit to make a District-approved connection to the District water and/or sewer system without being subject to any increase or additional fees in the connection charge. After 365 days have elapsed, the connection permit shall be subject to any increase or additional fees in the connection charge adopted subsequent to the date of issuance of the permit.
- C. Property owners holding pre-paid connection certificates have 365 days from the date of said certificate to make a District-approved connection to the District water and/or sewer system at the prepaid amount. After 365 days have elapsed, the pre-paid connection charge shall be subject to any increase or additional fees in the connection charge adopted subsequent to the date of issuance of the certificate.
- D. In the event the District performs a compulsory connection, the property owner shall pay the connection charge owing at the time of actual connection to the system, subject to interest and fees as designated in the Master Fees and Charges Schedule.

[Resolution Nos. 685, 779, 799, 838, 897]

3.5.3 Service Laterals

All costs and expenses incidental to the installation and connection of a side sewer shall be borne by the property owner. The property owner shall indemnify the District for any loss or damage to the District's facilities that may result directly or indirectly from the installation of a side sewer.

Properties with service laterals that have been installed by the District may be assessed a service lateral charge. For those not assessed, the lateral shall be installed by a Bonded Side Sewer Contractor, as required, and all costs shall be borne by the property owner, including restoration of the public right of way. In the event that any property owner desires an additional lateral to be installed from the District's main to the property line, in addition to the single lateral installed by the District for the parcel, such additional laterals must be installed by a Bonded Side Sewer Contractor solely at the property owner's expense. [Resolution No. 785]

3.5.4 Water Meter Size

The Master Fees and Charges Schedule includes the current charges for a standard residential service installation. Charges for service installations larger than 5/8"x3/4" meters shall be on an actual cost basis. The meter fee charges shall be the actual cost of purchasing and installing the meter.

[Resolution No. 834]

3.5.5 Extra Service Charges Pertaining to Service Installation

Whenever it is necessary for District staff to make return visits for additional inspections at the site of a water meter or sewer service installation because of customer action or at the customer's request, a charge will be made to the property owner. See the current Master Fees and Charges Schedule for the charges for time and materials. [Resolution Nos. 242A, 785]

3.5.6 Multiple Dwelling Connection Charge

There is established by District Resolution a connection charge and a permit fee for each unit of the multiple dwelling complex, regardless of location of such multiple family dwelling inside the District or any Utility Local Improvement District thereof. [Resolution No. 133]

3.5.7 Multiple Connections

An existing single parcel with a water service connection and/or sewer lateral may request an additional water service connection and/or sewer lateral to that parcel.

Multiple water services to an existing single parcel are allowed. Each water service connection shall be subject to the full amount of the current General Facilities, Service Installation, Permit Processing, and Inspection Fees. Each meter shall be billed the monthly base charge and charged for overage above current volume included in the base charge.

Multiple sewer services to an existing single parcel are allowed. Each sewer lateral shall be subject to the full amount of the current General Facilities, Service Installation, Permit Processing, and Inspection Fees. Each sewer service connection shall be billed for at least one (1) ERU, but may be billed more depending on usage. [Resolution Nos. 711, 897]

3.5.8 Transfers and Refunds

Permits and Pre-Paid Connection Certificates are not transferable, nor are the fees or charges paid for them refundable- except under the following circumstance:

1. Where permit fees and/or connection charges have been paid for a property, and that property subsequently undergoes a lot consolidation process rendering the lot undevelopable, said fees and charges shall be refundable in full, with the exception of any administrative fees paid, provided that applicable documentation from the Whatcom County Assessor's Office indicating that the lot has been consolidated with an adjacent lot is provided within one year of payment of the fees and/or charges.

[Resolution Nos. 675, 897]

3.5.9 Segregation of Equivalent Residential Units and Water/Sewer Permits

Equivalent Residential Units (ERU) for the purposes of billing and issuing water/sewer permits may be segregated from an original parcel to lots that were subdivided from the original parcel provided that:

1. The newly subdivided lots are completely situated within the original parcel boundary.
2. The owner of the original parcel completes an "Assignment of Equivalent Residential Units and Water/Sewer Permits to Subdivided Lots Form". Once the completed form is received and processed by the District, the ERU and permits cannot be rolled back into the original parcel or transferred to any other lot. The District will assign or create new billing accounts for the newly subdivided lots. In no circumstance shall the number of ERUs or water/sewer permits increase through this assignment process.
3. Newly subdivided lots are subject to applicable water and sewer connection permit fees as set forth by current District policies. Newly subdivided lots that are not assigned an ERU or water and/or sewer permit will be subject to applicable connection fees and permits prior to receiving or continuing to receive water and/or sewer service.

4. See the current Master Fees and Charges Schedule for the applicable processing fees.
[Resolution No. 819]

3.5.10 Requests for Service

A property owner, or their authorized agent, requesting water and/or sewer service, shall apply for service as follows:

1. Schedule an appointment with District staff at the District office.
2. Provide proof of lot ownership.
3. Pay all current applicable connection charges and permit fees, with credit given for any charges paid for a Pre-Paid Connection Certificate.
4. Sign the permit and agree to these terms as a condition of permit issuance, but failure to do so shall not relieve the property owner of its responsibilities under this code.
5. Comply with all District regulations in effect at the time the District activates the permit.

[Resolution No. 675]

3.5.11 Permit Holder Responsibilities

1. Completion of Work. The property owner agrees that, as a condition of receiving permission to connect, they will diligently complete construction and obtain necessary approvals for occupancy of the completed improvements for which service is requested. The property owner agrees that the property owner is solely responsible for the completion and occupancy of the improvements on the property, and whether or not such utility service is actually used.
2. Billing. The property owner understands and agrees that utility billing will commence, and that property owner will be responsible for payment of utility billings, regardless of actual use, when the water meter is unlocked following connection approval by District personnel, or in the case of a sewer-only customer, when the tap, tee or other connection is inspected and approved by District personnel.

[Resolution No. 675, 897]

3.5.12 Installment Payment Option

All persons whose property is located within 150 feet of a public sewer main shall connect to the district sewer system and the District shall compel such connection under the provisions of the RCW 57.08.005(9) should the property owner refuse to connect, subject to Sewer Comprehensive Plan conditions and Resolution No. 757. [Resolution No. 757]

Any property which is compelled to connect to the District system under the provisions of this section shall be given the option of paying the costs of physical connection and the connection fee in one lump sum or in installments over a period of not more than 15 years with interest at the rate imposed by the District at the arithmetic mean of the Districts' current bond issue. Any property which elects to pay in installments and fails to make an installment payment when due shall, at the District's option, immediately pay the entire unpaid balance of such charges, and failing such payment the District shall proceed to foreclose its lien against such property in the same manner as provided in RCW 57.08.081(3) regarding foreclosure of liens for charges. [Resolution No. 495, 842]

3.5.13 Installment Payment Option

For property compelled to connect to the District sewer system, the collection of the costs of physical connection and the connection fee due from owners qualifying as low-income seniors and low-income disabled persons (per section 2.10.7 of this code) may be delayed by agreement with the District until the property is transferred, under authority of RCW 57.08.014, so long as such obligations are secured by a lien or other security interest of the District's choosing against said property. Interest on said delayed payments of costs and charges by low-income seniors and low-income disabled persons for the period of deferment will be imposed by the district at the arithmetic mean of the District's current bond issue effective on the date of the lien or security interest and shall be collected with payment of principal upon transfer of the property. [Resolution No. 842]

3.6 Charges for Labor, Materials, Equipment, and Overhead

3.6.1 Rates for Labor, Materials and Equipment

Rates to be charged by the District for work performed are contained in the District's current "Master Fees and Charges Schedule". [Resolution Nos. 640, 774, 799]

3.7 Dispute Resolution

3.7.1 Appearance Before Commission

Any Customer or other person who believes that they have been wrongfully treated by a decision of the District may have that decision reviewed by the District's Board of Commissioners. [Resolution No. 799]

3.7.2 Binding Decision

The decision of the Commissioners shall be a final decision of the District. [Resolution No. 799]

3.7.3 Appearance Request

A request for an appearance before the Commission must be made a minimum of ten (10) calendar days prior to the desired Commission meeting by the Customer or by someone with legal authority to act on the Customer's behalf. Each appearance request should include a description of both the decision to be reviewed and the relief requested. The District may require that the request be in writing. The Customer's request must be directed to the Board of Commissioners, or General Manager at the District's office located at 1220 Lakeway Drive, Bellingham, Washington 98229. [Resolution Nos. 799, 897]

3.7.4 Appearance Date

The General Manager will set the date for the appearance within ten (10) business days after the hearing request is received by the General Manager. Unless otherwise indicated, the hearing will be held at the District's Lakeway Drive office. [Resolution No. 799]

3.7.5 District's Action Stayed Pending Receipt of the Requested for Appearance

1. If a customer contacts the District within eight (8) business days after receiving notification, whether written or oral, of a decision of the District; and
2. Informs the District that they intend to request an appearance before the Commission to review that decision; the District will stay the action which would have been taken unless to do so would cause substantial disproportionate harm to the District or its customers. The stay will remain in effect for six (6) business days or until receipt of a formal request for an appearance, whichever is earlier.
3. Upon receipt of a formal request for an appearance the District will stay the action through the appearance absent substantial disproportionate harm.

[Resolution No. 799]

3.7.6 Performance Pending Hearing

All obligations which are not the subject of the dispute to be decided by the Commission shall be performed by the District and/or the Customer. This shall include, in the case of a dispute over amounts to be paid, the payment of all non-disputed amounts. [Resolution No. 799]

3.7.7 Failure to Appear

If a customer fails to appear before the Commission within thirty (30) minutes after the time set for the appearance, the Customer will be in default and the Commission shall decide the disputed matter in favor of the District. If the Customer fails to appear, the Customer's request for another appearance will not be granted unless the failure to appear was caused by an emergency or because of the occurrence of an unforeseeable circumstance or event, which shall be determined by the General Manager. In such case, the subsequent appearance must be held within ten (10) business days of the original hearing.

[Resolution No. 799]

3.7.8 Continuances

Any request for a continuance shall be made to the General Manager, which shall grant such continuance only in the case of an emergency or because of the occurrence of an unforeseeable circumstance or event. [Resolution No. 799]

3.7.9 Representation

A Customer may represent himself/herself or may be represented by an attorney. If the Customer is to be represented by an attorney, the Customer must inform the District of that fact at the time the request of an appearance is delivered to the District, or if the services of an attorney are procured later, then as soon as such representation is arranged. [Resolution No. 799]

3.7.10 Evidence

The Commission may consider evidence which will assist the Commission in reaching a decision. Information that is irrelevant and unduly repetitious may be excluded. Documentary evidence may

be received in the form of copies of excerpts. Each party shall have the right to ask questions of persons who make statements at the appearance. [Resolution No. 799]

3.7.11 Legal Authority

The Commission shall apply as the first source of law District Resolutions Code and Regulations. If District authority fails to adequately address the situation, the Commission shall resolve the issue(s) based upon the legal authority and reasoning available, including that found in the state and federal constitutions, statutes, and court decisions. [Resolution No. 799]

3.7.12 Review of District Action

If the dispute involves a question of whether the Customer is indebted to the District, the District must establish the Customer's obligation by a preponderance of the evidence. If the dispute involves a question of whether a District decision is inconsistent with the regulation of the District, the Customer must establish by clear cogent and convincing evidence that the decision is not supported by the facts and circumstances. [Resolution No. 799]

3.8 Administration

3.8.1 Board of Commissioner Meetings – Time and Place

The Board of Commissioners of the Lake Whatcom Water and Sewer District shall regularly meet at 6:30 p.m. on the second Wednesday of each month and at 8:00 a.m. on the last Wednesday of each month, at the District's offices located at 1220 Lakeway Drive, Bellingham, Washington. [Resolution No. 854]

TITLE 4 WATER

4.1 Use of Public Water Supply

4.1.1 Limitations on Water Use

No person supplied with water from the District shall be entitled to use it for any purpose other than those stated in the application for services nor to supply other persons or premises in any way.

[Resolution No. 785]

4.1.2 Cross Connection Control

The District does not allow cross connections which endanger water quality, and reserves the right to require any customer to install, as a condition of water service, a pressure reducing valve, back flow preventive device, pressure relief valve or similar devices at any location where the General Manager, or his designee, determines a need to protect the District's facilities. The District has the authority to immediately terminate service to any facilities which it determines to have a cross connection potential. [Resolution No. 784]

4.1.3 Unlawful Damage to Water System

No person shall maliciously, willfully, or negligently break, damage, destroy, uncover, deface or tamper with any structure, appurtenance, or piece of equipment which is part of the District's water system. [Resolution No. 242A]

4.1.4 Hydrant Equipment Rental

A fee will be charged for use of the District's fire hydrants and water usage by the public and other entities, except for fire districts. A hydrant meter is required for use of the District's fire hydrants. See the current Master Fees and Charges Schedule for rental and water usage fees. [Resolution No. 524]

4.1.5 Interruptions to Service

The District may temporarily shut off water for maintenance and repair purposes to various District water facilities. Staff will attempt to notify all affected customers prior to the interruption of water service. [Resolution Nos. 242A, 785]

4.2 Water Pressure Adequacy

4.2.1 Substandard Water Pressure for Homes in Sudden Valley

Certain lots in Sudden Valley were platted at elevations that are too close to the distribution reservoirs to have adequate gravity water pressure and require the installation of a booster pump to maintain adequate pressure.

The District allows a credit for the cost of an individual water pressure booster pump, against water bills for homes in Sudden Valley that cannot achieve gravity pressure of 30 pounds per square inch (psi) as determined by the District at the customer's side of the meter. The amount of the credit

shall be determined by the District based upon its determination of reasonable cost, prior to installation of the booster pump, but shall not exceed the amount listed in the current Master Fees and Charges Schedule. The pump credit shall be allowed retroactively to those property owners whose lots meet the criteria above.

Those accepting the water pump credit shall sign an appropriate release form that establishes that the property owner owns the pump, accepts full responsibility for its operation, maintenance, or replacement, and accepts the system water pressure “as is” from the District water system. [Resolution Nos. 721, 778, 898]

4.2.2 Pre-connection Water Pressure Adequacy Testing

The District desires to prevent new Geneva and North Shore water service connections from inadvertently being made in areas of substandard water pressure as defined by the Washington State Department of Health under WAC 246-290. The current minimum pressure standard is 30 psi at the meter during Peak Hourly Demand. Applications for water service will be administered under the current standards. [Resolution Nos. 644, 785]

4.2.3 Comparison to Pressure Zone Maps

Upon receipt of any application for new water service in the Geneva and North Shore services areas, the District will first compare the proposed service location against the District’s water pressure service area maps to determine theoretically-available pressures based on water system modeling.

[Resolution No. 644]

4.2.4 Determination of Potentially Low Pressure Applications

Any service application located between 0-25 vertical feet lower in elevation than the mapped 30 pounds per square inch (psi) pressure limit contour will be deemed to be in a zone of potentially low pressure. The applicant will be notified in writing of the finding, and will be asked whether they wish to terminate the water service application or continue the investigation.

[Resolution No. 644]

4.2.5 Applicant Requests to Continue Investigation

At the applicant’s further request and sole cost, the District will perform a field verification of distribution system pressures for any proposed service meter that would be up to 25 vertical feet lower in elevation than the mapped 30 psi pressure limit contour. [Resolution No. 644]

4.2.6 Selection of Proposed Meter Location

An applicant for water service may request that the pressure test and meter location be favorably located in any accessible public right of way adjacent to their property boundaries. [Resolution No. 644]

4.2.7 Field Investigation of Available Pressure

District staff will install a pressure gauge and chart recorder to measure and record pressures for a minimum of seven days. The location and process for the pressure test will be determined by

District staff to assure accuracy and minimize investigation costs to the applicant. If the test gauge is not installed at the exact proposed meter location, the District will require the District's consultant engineer to survey the elevations of the test gauge and the proposed meter location to relate the observed and anticipated pressures. [Resolution No. 644]

4.2.8 Minimum Pressure Requirement for Service

A continuous minimum pressure of 30 psi at the proposed meter location, as demonstrated by the District's gauge and associated elevation surveys, is required for any new service to be granted without additional public distribution system improvements being made. [Resolution No. 644]

4.2.9 Minimum Requirements to Change if Department of Health Regulations Change

This section intends to comply with the current and future Department of Health requirements. The current minimum pressure standard is 30 psi at the meter during Peak Hourly Demand. Applications will be administered in light of then-current standards. [Resolution No. 644]

4.2.10 Impacts of Peak Hourly Demand on Tests

The District recognizes that Peak Hourly Demand as defined by WAC 246-290 may not physically occur during the seven-day test period. The District nevertheless concludes that observance of a minimum of 30 psi at the proposed meter location for seven days substantially demonstrates distribution system pressures complying with current State Department of Health standards. [Resolution No. 644]

4.2.11 Denial Appeal Must Be Based on Hardship

The General Manager's denial of an application for water service under the terms of this Code may be appealed to the Board of Commissioners. The appeal must be in writing, and must document hardship that the applicant will suffer if public water is not obtained from the District. [Resolution No. 644]

4.3 Water Service Connection

4.3.1 Property Capable of Being Served by the District Water System

Property located within District boundaries shall be deemed capable of being served by a public water system of the District when; (1) such property meets the criteria defined in Title 3.4 and Title 4.2 of this Code, (2) when zoning is appropriate, (3) a valid legal lot of record exists, and (4) the District has adequate water rights and system capacity to serve the property. Properties with water systems installed by Developer Extension Agreements shall normally transfer ownership of the water facilities to the District prior to being considered capable of being served. Appropriate connection and other charges shall be required. [Resolution Nos. 242A, 785]

4.3.2 Subdivisions, Plats and Substantial Developments

Any land developer, public agency, or builder involved in substantial development within the District shall make application for and secure water service from the District or receive a release from the District from connecting to the District's system prior to applying for other applicable county building or development permits. [Resolution No. 242A]

4.3.3 Meter Installation

All water services shall be metered and the District shall deliver water to users only through meters owned by the District. At least one water meter shall be installed for each land parcel receiving water, whether it contains a single family residence, multiple family residence, commercial structure(s), or industrial structure(s). The District shall determine the size of the meter to be installed in each instance using the Uniform Plumbing Code and AWWA "Sizing Water Service Lines" (see Section 3.1.27), except that single family residential services also needing standby fire protection shall be sized based upon the required fire flow as determined by the county fire marshal or a qualified District approved fire system professional. The connection charge for a single-family residence with standby fire protection shall be based on the meter size required before adding fire flows. Charges for water service installations shall be in accordance with Section 3.5.4. Meters shall be of the type specified by the District's Construction Standards and Details and shall be installed by the District. A flow test shall be performed by the District at the time of meter installation to insure no restrictions to water flow are present.

[Resolution Nos. 242A, 785, 834]

4.3.4 Testing of Meters

Water meters may be tested for accuracy at the customer's request. Field staff will calibrate the customer's meter using the District's equipment. If the meter is found to be over 3% inaccurate, a new meter will be installed at District expense. [Resolution Nos. 242A, 785]

4.3.5 Meter Failure

In the event of a meter failing to register properly, the user shall be charged an estimate of the consumption from whatever may be considered the most reliable data or method available to the District utilizing the average rate of consumption for the previous twelve (12) months. [Resolution No. 799]

4.3.6 Pressure Reducing Valve (PRV)

To protect residential plumbing from possible high pressures and/or pressure spikes in the District's waterlines, the District requires the installation of a Pressure Reducing Valve (PRV) in all new residential construction. Staff will inspect new construction to verify that a PRV is in place before unlocking the curb stop valve. The General Manager may grant property owner initiated requests to waive the District's pressure reducing valve installation requirement policy provided that (1) the District Engineer first reviews and endorses the waiver request, and (2) the property owner agrees to execute a Hold Harmless Agreement, which the District will record against the property at the property owner's expense. [Resolution No. 784]

4.3.7 Responsibility for, and Maintenance of, Services

The District owns, and operates, maintains, repairs, and alters at its expense, the water service connection from the water main to the point of delivery as defined in Title 3.1 of this Code.

The customer owns, operates, maintains, repairs, and alters, at their expense, the water service connection from the point of delivery to the building/structure served.

The customer will assume all responsibility beyond the point of delivery for water supplied by the District. The District will be exempt from all liability for loss or damage caused by leakage or escape of water furnished by the District, after the water has passed the point of delivery.

All service pipes and fixtures on the premises of the customer must be kept in repair and protected from freezing at the expense of the customer. Where there are leaking or defective pipes or fixtures, the water may be turned off at the option of the District until the proper repairs are made. [Resolution Nos. 242A, 785]

4.3.8 Service Relocation

Whenever it is necessary to relocate any portion of a water service connection due to a change in the characteristics of the property which causes the relocation, such as grade change, a driveway change, etc., a charge will be made to the property owner for labor, materials, equipment and any resulting water loss. [Resolution Nos. 242A, 785]

4.4 Water Service Initiation, Interruption, Restoration and Tampering Policy

4.4.1 Original Water Service Installation

The District will close and lock the curb stop valve when the District, or others, installs the water service line from the water main to the property. [Resolution Nos. 768, 780]

4.4.2 Initial Water Service

Once a property owner has activated a Water and/or Sewer Permit for the property, the water service and a water pressure reducing valve exists on the property, Whatcom County has approved all plumbing within the structure to be served, and the property owner makes a request to turn the water on and begin the water and sewer billing, the District will open the curb stop valve. [Resolution Nos. 768, 780, 898]

4.4.3 Water Service Interruption

1. Property Owner/Building Occupant Performs. Property owners or building occupants may close the curb stop valves serving the property after consultation with District staff to learn the proper procedures. Property owners are responsible for any damage to the curb stop valve, water meter, meter setter, or other District-owned facilities resulting from their attempts to interrupt water service. Property owners or building occupants may not lock the curb stop valve.
2. District Performs at Property Owner/Occupant Request. The District will close and lock the curb stop valve serving the property if the account is paid in full after receiving a written request from the property owner/occupant and payment of the fee outlined in the District's current Master Fees and Charges schedule.
3. Property Owner/Non-Occupant Requests that District Performs. District staff will not close or lock the curb stop valve serving a property if the property owner requests same, but property owner is not the occupant.

4. For Account Delinquency. Once an account becomes delinquent, District staff may advise the occupant of the delinquency with a door hanger or a disconnect letter of the District's plan to discontinue water service unless the delinquent charges are paid, as well as any additional charges. District staff may also advise the property owner of the delinquency with a disconnect letter and a notice to interrupt service on the billing statement. These notices will advise the owner of the District's plan to discontinue water service unless the delinquent charges are paid, as well as any additional charges.

If the property owner or building occupant fails to pay the delinquent charges during the time period stated in the notice, the District may close and lock the curb stop valve serving the property, and charge the fee stated in its current Master Fees and Charges Schedule.

5. For Failure to Comply with District Orders to Curtail Water Consumption resulting from General Emergency Condition. If a building occupant fails to comply with general emergency orders to curtail water use, e.g., the District's water distribution system suffers a major failure and consequent loss of water, the District will close and lock the curb stop valve serving the property, and affix a door hanger notifying the building occupant that the District has done so for a stated reason. The District will charge the fee stated in its current Master Fees and Charges schedule.
6. For Failure to Eliminate Cross Connection. If a building occupant fails to eliminate a cross connection, District staff will close and lock the curb stop valve serving the property, and affix a door hanger notifying the building occupant that the District has done so for failure to eliminate cross connection. The District will charge the fee stated in its current Master Fees and Charges schedule.
7. For Failure to Repair Leak. If a possible leak is noted with overage exceeding 2500 cf a notification, consisting of a certified letter, will be sent to the known address of the property owner as soon as possible, usually within three business days. The District will also notify the building occupant of the possible leak by affixing a door hanger to the residence.

If a building occupant or property owner fails to repair a verified, but concealed, leak downstream of the water meter within ten working days of District notification of the leak, the District may close and lock the curb stop valve serving a property, and affix a door hanger notifying the building occupant that the District has closed and locked the curb stop valve serving the property for failure to repair a leak. The District will charge the fee stated in its current Master Fees and Charges Schedule.

8. For Agency Request or Order. If the State Department of Health, Whatcom County Health and Human Services, Whatcom County Sheriff, or a Fire District with jurisdiction, requests or orders interruption of water service to a particular property, the District will close and lock the curb stop valve serving a property, and affix a door hanger notifying the building occupant that the District has done so, citing the agency requesting or ordering same.
9. For Visible Leak. Upon discovering, or after receiving notification of, a leak, the District may close and lock the curb stop valve serving the property. The District may affix a door hanger notifying the building occupant; also notifying the property owner at the known mailing address that the District has done so because a leak is visible.

10. For Disaster, Catastrophe, or Calamity. Upon discovering, or after receiving notification of, severe building or property damage resulting from a natural or man-made disaster or calamity (e.g., fire, earthquake, flood) that destroys or otherwise renders the building uninhabitable, the District will close, but not lock, the curb stop valve serving the property, and affix a door hanger notifying the building occupant that the District has done so for said reason.

[Resolution Nos. 768, 780, 799, 898]

4.4.4 Water Service Restoration

1. Property Owner/Building Occupant Performed. Property owners or building occupants that closed the curb stop valve may reopen the valve at no additional charge. Property Owners are responsible for any damage to the curb stop valve, water meter, meter setter, or other District-owned facilities resulting from their attempts to restore water service.
2. Property Owner/Occupant Requested/District Performed. The District will unlock and/or reopen the curb stop valve serving a property after a request for same from the property owner/occupant, and payment of the fee stated in the District's current Master Fees and Charges Schedule.
3. Involuntarily Interrupted. Where the District has closed and/or locked the curb stop valve, District staff will unlock and reopen the curb stop valve, under the following corresponding circumstances, upon receipt of a request by the property owner and payment of the fees set forth in the District's current Master Fees and Charges Schedule:
 - For account delinquency, upon receipt of payment of all delinquent charges.
 - For failure to comply with District order to curtail water consumption resulting from general emergency condition, upon agreement by the building occupant to comply with the emergency order.
 - For failure to eliminate cross connection, after receiving evidence that the cross connection no longer exists, or approved backflow device is installed.
 - For failure to repair leak, after receiving evidence that the leak no longer exists.

In all of the above cases, if the occupant requests that the District physically restores the water service outside of business hours, advise the occupant of the after-hours surcharge for this service and then, if the occupant still desires that the District restores service outside normal business hours, unlock and reopen the curb stop valve after receipt of the evidence.

The District will also unlock and reopen the curb stop valve, under the following corresponding circumstances, upon receipt of a request by the property owner:

4. For agency request or order, after receipt of the agency's permission to restore water service.
5. For visible leak, or for disaster, after receipt of the property owner's request to restore water service, at no charge.

[Resolution Nos. 768, 780, 898]

4.4.5 Water Service Tampering, Diversion, or Unauthorized Connections

Any person knowingly and maliciously damaging or tampering with District meters and other equipment, reconnecting a previously disconnected meter for the purpose of restoring utility service or tampering with any District equipment with the intent of defrauding or illegally diverting utility service shall be subject to prosecution in accordance with Chapter 9A.56 RCW (Theft and Robbery). In addition, in the event of unauthorized connection the District may collect from the customer the charge for estimated unmetered water, the cost of facility repairs and replacement including the time and expense of District personnel, administrative costs, attorney's fees, and other costs authorized or awarded. All unauthorized water service connections will be disconnected immediately upon discovery.

[Resolution Nos. 242A, 768, 780, 785]

TITLE 5 SEWER

5.1 Use of Public Sewer

5.1.1 Treatment of Sewage is Required

It shall be unlawful to discharge into any water course, pond, ditch, lake, or other body of surface or ground water within the District any sewage, industrial wastes or other polluted waters, except where suitable treatment has been provided in accordance with the provisions of this Code.

[Resolution No. 146]

5.1.2 Unlawful Sewage Disposal Facilities

Except as hereinafter provided, it shall be unlawful to construct or maintain any privy, privy vault, septic tank, cesspool, or other facility intended, or used, for the disposal of sewage in the District where public sewers are considered to be available by the District except through the authorization of the Whatcom County Health Department. [Resolution Nos. 146, 785]

5.1.3 Sewer Connections Required

When the public sewer collector and transmission lines have sufficient capacity, all property within the District boundaries shall be deemed capable of being served by a public sewer when such property has a sewer collector line located within 200 feet of the property and it is inside a UGA or LAMIRD, or within 150 feet elsewhere, and on an abutting alley, street, easement, or right of way. Appropriate connection and other charges shall be required.

The owner of each lot or parcel located within the District's boundaries, upon which lot or parcel there is situated any building or structure with interior plumbing fixtures that discharge liquid waste or liquid-borne solid waste, and said lot or parcel is capable of being served by the District's public sewer in accordance with this section, shall install suitable toilet facilities therein and shall connect such facilities, together with all other facilities in use therein which results in the existence of sewage, to the public sewer system, at their own expense.

[Resolution Nos. 785, 834]

A lot or parcel that has been developed with on-site sewage disposal system (OSSDS) is required to abandon OSSDS systems and connect to the District sewer within 60 months after a District public sewer collector or transmission line adjoins the property in a public right-of-way or easement benefitting the District, and within eighteen months after the date of mailing or personal service of written notice to the lot or parcel owner that a public sewer collector or transmission line has sufficient capacity and is available for such lot or parcel. The District shall compel such connection under the provisions of RCW 57.08.005 should the property owner refuse to connect within eighteen months after the date of mailing or personal service of such written notice.

If a lot or parcel is capable of being served by the District's public sewer in accordance with this section and if a Health Officer finds that an existing onsite septic system has failed, that parcel must connect to the District sewer immediately. [Resolution Nos. 146, 683, 732, 785, 828, 846]

5.1.4 Failure to Connect to the Public Sewer

Owners of on-site sewage disposal systems (OSSDS) which fail to connect to the public sewer system as required by Title 5.1.3 within 60 months after sewer becomes or became available for hook up as determined by District and within 18 months after date of mailing or personal service of notice that sewer is available will be compelled to connect under the provisions of RCW 57.08.005. [Resolution No. 828, 846]

5.1.5 Subdivisions, Plats and Substantial Building Developments

Any land developer, public agency, or builder involved in substantial development within the District shall make application for, and secure sewer service from the District or receive a release from the District from connecting to the District's collector system prior to applying for other applicable county building or development permits. [Resolution No. 146]

5.1.6 Unlawful Discharge of Storm and Other Waters into Sewers

No person shall discharge or cause to be discharged any storm water, surface water, roof runoff, sub-surface drainage, cooling water, or industrial process waters to any sanitary sewer. [Resolution No. 146]

5.1.7 Unlawful Wastes

Except as hereinafter provided, no person shall discharge or cause to be discharged any of the following described waters or wastes to any public sewer.

1. Any liquid or vapor having a temperature higher than 150 degrees F.
2. Any water, or waste which may contain more than 100 parts per million, by weight, of fat, oil or grease.
3. Any gasoline, benzene, naphtha, fuel oil, lubricating or other flammable or explosive liquid, solid, or gas.
4. Any garbage that has not been properly shredded.
5. Any ashes, cinders, sand, mud, straw, shavings, metal, glass, rags, feathers, tar, plastics, wood, paunch manure, or any other solid or viscous substance capable of causing obstruction to the flow in sewers or other interference with the proper operation of the sewage works.
6. Any waters or wastes having a pH lower than 5.5 or higher than 9.0 or having any other corrosive property capable of causing damage or hazard to structures, equipment, or personnel of the District.
7. Any waters or wastes containing toxic or poisonous substance in sufficient quantity to injure or interfere with any sewage treatment process, constitute a hazard to humans or animals, or create any hazard in the receiving waters of the sewage treatment plant.
8. Any waters or wastes containing suspended solids of such character and quantity that unusual attention or expense is required to handle such materials at the sewage treatment plant.
9. Any noxious or malodorous gas or substance capable of creating a public nuisance.

[Resolution No. 146]

5.1.8 Interceptors

Grease, oil and sand interceptors shall be provided when, in the opinion of the General Manager, they are necessary for the proper handling of liquid wastes containing grease in excessive amounts, or any flammable wastes, sand and other harmful ingredients. Such interceptors shall be of a type and capacity approved by the manager and shall be so located as to be readily and easily accessible for cleaning and inspection. Grease and oil interceptors shall be constructed of impervious materials capable of withstanding abrupt and extreme changes in temperature. They shall be of substantial construction, watertight and equipped with easily removable covers, which when bolted in place shall be gas tight and water tight.

Where installed, all grease, oil, and sand interceptors shall be maintained by the owner, at his expense, for continuously efficient operation at all times. [Resolution No. 146]

5.1.9 Maintenance of Preliminary Treatment Facilities

Where preliminary treatment facilities are provided for any waters or wastes, they shall be maintained continuously in satisfactory and effective operation by the owner at his expense. [Resolution No. 146]

5.1.10 Commercial Wastes Control Manhole

When required by the General Manager, the owner of any property served by a side sewer carrying commercial wastes shall install a suitable control manhole in the side sewer to facilitate observation, sampling and measurement of water. Such manhole, when required, shall be accessible and safely located, and shall be constructed in accordance with plans approved by the General Manager. The manhole shall be installed by the owner at their expense and shall be maintained by the owner so as to be safe and accessible at all times. [Resolution Nos. 146, 785]

5.1.11 Test of Wastes and Location of Sampling

All measurements, tests and analyses of the characteristics of waters and wastes to which reference is made shall be determined in accordance with Standard Methods for the Examination of Water and Sewage, and shall be determined at the control manhole provided for, or upon suitable samples taken at such control manhole. In the event that no special manhole has been required, the control manhole shall be considered to be the nearest downstream manhole in the public sewer to the point at which the side sewer is connected. [Resolution No. 146]

5.1.12 Tank Trucks and Dump Stations

The District shall not accept, in any of its sewer facilities, sewage dumped from third party tank trucks. Persons in violation of this ban shall be charged a penalty for each occurrence in accordance with the most current Master Fees and Charges Schedule.

A commercial dump station for boat or recreational vehicle facilities, at any location within the District, shall be considered a separate and additional commercial unit and shall be equipped with suitable screening devices so as to prevent undesirable material, such as metal, from entering the sewer system. The owner of a commercial dump station found without suitable screening equipment shall be fined per the current Master Fees and Charges Schedule. [Resolution Nos. 146, 785, 799, 898]

5.1.13 Unlawful Damage to Sewage Works

No person shall maliciously, willfully, or negligently break, damage, destroy, uncover, deface or tamper with any structure, appurtenance, or piece of equipment which is part of the District sewage works. [Resolution No. 146]

5.2 Private Sewage Disposal

5.2.1 Private Sewage Disposal Allowed

Where a public sanitary sewer is not available for use as provided in Titles 5.1.3, the use of a private sewage disposal system which complies with applicable state and county regulations will be allowed. [Resolution Nos. 146, 785, 898]

5.3 Installation of New Sewer Mains/Other Sewer Utility Facilities

5.3.1 Utility Local Improvement District (ULID)

Utility Local Improvement Districts to extend sewer and/or water service to a group of properties may be initiated either by resolution of the board of commissioners or by petition signed by the owners, according to the records of the office of the county auditor, of at least fifty-one percent of the area of the land within the limits of the improvement district to be created. [RCW 57.16]
[Resolution No. 785]

5.3.2 Construction of New Water and/or Sewer Facilities by Owner

A developer, owner, or other applicant requesting water and/or sewer service and not being willing or able to initiate formation of a Utility Local Improvement District, may be required, as a condition to securing water and/or sewer service, to install water system and/or sewer collection facilities on their property and in roads, easements, or other rights of way. All such water and/or sewer facilities shall be constructed and installed at the sole expense of the property owner or developer under the supervision of the District. All such systems shall be designed and constructed pursuant to a Developer Extension Agreement with the District, the terms and conditions of which are contained in the District's standard Developer Extension Agreement contract. The cost of District supervision shall be paid for by the property owner or developer. After completion and acceptance by the District, such water and/or sewer facilities, other than water services connections and/or side sewers from the structure to the property line, shall be conveyed to the District free and clear of all liens or encumbrances, together with duly executed and acknowledged easements for all portions of such water and/or sewer facilities located upon private property, at no cost to the District. The property owner or developer will pay appropriate connection fees. The property owner or developer shall furnish the District with as-built drawings covering water and/or sewer facilities so constructed and installed. [Resolution No. 785]

5.3.3 Relationship Between a Developer and the District

The relationship between the developer and the District shall be governed by the Developer Extension Agreement. [RCW 57.22, Resolution No. 785]

5.3.4 Inspection of Water and/or Sewer Facilities Construction

All construction of new or replacement water and/or sewer mains and other facilities shall be based on plans and specifications prepared by the District's engineer, or on plans prepared by the developer and approved by the District. Such facilities shall be constructed in accordance with current American Water Works Association standards, WSDOT Standard Specifications, and the most current version of the District's Design Standards and Construction Standards and Details. New water and/or sewer mains and facilities shall be constructed under the supervision of the District or their representative, regardless of whether the work is performed by the District or any private party. The District shall inspect the installation of new water and/or sewer mains and facilities to ensure compliance with its specifications. [Resolution No. 785]

5.3.5 Latecomer Agreement

The Latecomer Agreement shall provide for the reimbursement to the developer (or the developer's assigns) of a portion of the costs of the facilities constructed, within fifteen-years of the date of acceptance of the facilities by the District, from connection charges received by the District from other property owners who may subsequently connect to or use the facilities and who did not contribute to the original cost of such facilities. [RCW 57.22.020, Resolution No. 785]

5.4 Service Lateral and/or Side Sewer Installation

5.4.1 Prerequisites

Before an applicant may install a service lateral and a side sewer, or before an applicant may connect a side sewer to an existing service lateral, the applicant must obtain a valid activated Sewer Permit and the District must approve the connection. [Resolution Nos. 645, 779]

5.4.2 Applicant Responsibility

The applicant shall be responsible for compliance with this Code. The District's duties and responsibilities pursuant to this Code shall be to the general public, and not to any specific individual or entity. The District's failure to properly inspect and/or enforce these provisions shall in no way relieve the applicant and/or Bonded Side Sewer Contractor from their responsibility to comply.

[Resolution Nos. 645, 779]

5.4.3 Standards and Compliance

The applicant's service lateral and/or side sewer installation shall comply with the most current version of the District's Water and Sewer Design Standards and Construction Standards and Details.

[Resolution Nos. 645, 779]

5.4.4 Connection Point / No Entitlement to Connect at Nearest Location

The District will review the proposed location of sewage connections to its collector sewers that are in close proximity to a stream, or which connect to sewers that cross a stream, and make a case-by-case determination of whether to allow connection to the collector sewer at an existing

service lateral or other proposed connection point, or require connection at an alternate location. A maximum of two (2) individual side sewers may connect to a single service lateral.

There is no entitlement to connect at an existing service lateral or at the closest gravity feed location on the system. In some cases, the connection point specified by the District may be uphill of the applicant's sewage generating facility, requiring installation of a pump by the applicant. Such pump installation shall belong to the property owner, and shall be installed and maintained at the property owners cost and expense. [Resolution Nos. 645, 779]

5.4.5 Wyes, Tees, Service Laterals

Wyes, tees, and service laterals shall be located in the following manner:

1. Connection will be made at the point designated by District Management or other authorized District staff persons.
 2. If a sewer tee or service lateral is not found at the location given, the contractor shall prospect two feet in all directions from the measurement given and if still not found, notify District Management.
 3. Wyes may be used only if the Uniform Plumbing Code permits and at a location approved by District Management or in accordance with requirements of the Plumbing Code.
 4. An inspection tee with a riser to not less than one foot from the surface of the ground shall be placed on every side sewer at or near the connection to a common sewer, the location to be approved by the District. The tee shall be capped with a suitable cover. If the inspection tee is located on private property, the District shall have the right to enter onto that private property and excavate to the inspection tee at any time where there is reasonable doubt on the legal use of the side sewer. The District shall restore the surface after such excavation.
 5. All side sewer and service lateral construction shall conform to all applicable plumbing codes and to the most current version of the District's Design Standards and Construction Standards and Details.
 6. District field staff will maintain as-built drawings of the side sewer after inspection of same.
- [Resolution Nos. 146, 785]

The owner of any building shall be responsible for obtaining from the District the location and elevation of the sewer tee or service lateral at the point of connection and, in the case of new construction, for planning the building and plumbing to provide adequate slope for the side sewer. The applicant for permit shall be responsible for determining the available grade between building drain and sewer tee or service lateral. [Resolution Nos. 645, 779]

5.4.6 Inspection

The applicant, by applying for a Permit and/or having a Bonded Side Sewer Contractor apply on applicant's behalf for said Permit, expressly grants personnel of the District the right of entry onto the applicant's property during reasonable hours of the day for the purpose of inspecting the installation of the service lateral and/or the side sewer.

The applicant for the sewer permit shall notify District when the side sewer or service lateral is ready for inspection. The applicant shall provide sufficient advance notice for each inspection as determined by the District. If a side sewer is completed without District inspection, the District

may require that said side sewer be excavated and exposed for inspection. All costs incurred in this process shall be borne by the applicant. [Resolution Nos. 645, 779]

5.4.7 Protection of Excavations and Restoration of Public Property

All excavations for side sewer or service lateral installations or inspections shall be adequately guarded with barricades and lights so as to protect the public from hazard. Streets, sidewalks, parkways, and other public property disturbed in the course of the work shall be restored in a manner satisfactory to the District, Whatcom County, and/or Sudden Valley Community Association when applicable.

[Resolution Nos. 785]

5.4.8 Side Sewer for Each Building

A single side sewer shall be provided for each building unless the topography of the land makes it impractical to build a lateral, then District Management may authorize suitable alternate construction. The connection of more than one building to a single side sewer must be approved by District Management prior to the construction of such side sewer. No more than one multiple dwelling or commercial building shall be connected to a side sewer, unless otherwise previously approved by District Management.

If the side sewer is to exist on two building sites, approved documents assuring that all properties involved shall have perpetual use of the side sewer, and having provisions for maintenance and access for repair purposes, shall be signed by the recorded owners. This document shall be acknowledged and recorded with the County Auditor. [Resolution Nos. 146, 785, 898]

5.4.9 Re-use of Old Side Sewers

Old side sewers, including septic tank lines, may be used only when they are found, on examination and testing by the District, to meet all requirements of this Code. The owner or his agent shall demonstrate to the District Engineer's satisfaction that no connection to such side sewer or septic tank line exists which conveys any material prohibited by this Code. [Resolution Nos. 146, 785]

5.4.10 Conveyance of Private Sewers to the District

A private sewer constructed in a public right of way or in an easement granted to the District may be conveyed to the District subject to acceptance by the District. If the District accepts that conveyance, the sewer thereafter shall be a public sewer under the jurisdiction of the District. Prior to accepting the conveyance, the District may require that the grantor of the private sewer satisfy certain construction and other reasonable standards, including, but not limited to, the payment of the connection charge, inspection fee, and any applicable ULID assessments or Latecomer Agreement charges. [Resolution Nos. 146, 785]

5.4.11 Notice to Comply, Entry and Correction by District

The District will send a notice to the owners of any side or service lateral that has been connected to the District's collection sewer system, but which does not strictly comply with the provisions and standards of this Code. If such side or service lateral is not brought into compliance within 30 days of such notice, the District or authorized representative may enter the property owner's property and make such corrections as are necessary to bring the side or service lateral into

compliance. The cost of such corrections shall be charged against the property owner, and shall be a lien upon the property pursuant to RCW 57.08.005. [Resolution Nos. 645, 779]

In the event of failure of the side sewer, the General Manager may establish a period of time for the repair to be made or, if the owner cannot be located or does not make such repairs within the established time period, the District may make the repairs under the procedure set forth Title 3.3 Violations of Code. [Resolution Nos. 146, 785]

5.4.12 Disconnection by District

In the event correction cannot be made to a non-complying side or service lateral, and such side or service lateral could cause damage to the District's collection sewer system, the District reserves the right to immediately disconnect such non-complying side or service lateral, without notice, as necessary to protect the District's system of sewers. Notice shall be given as soon as practicable. If the District disconnects a property owner's sewer service, following the procedures as set forth, the District shall notify the Whatcom County Health Department of such disconnection. [Resolution Nos. 645, 779]

5.4.13 Additional Requirements

The requirements set forth in this Code are minimum requirements intended to apply under usual and ordinary conditions. These requirements may be increased in unusual situations if the Board finds it advisable. [Resolution Nos. 645, 779]

5.5 Unauthorized Connection to Sewer Main or Manhole

5.5.1 Unauthorized Connections Prohibited

Unauthorized connections to the District sewer system are prohibited. Connection of cesspools, septic tanks, privy vaults or cisterns, gutter drains, down spouts, sump pumps, storm water collection systems, seeps, yard drains or any other such non-sewage facilities to the District's system, or to property owner -owned service lateral or side sewers that connect to the District sewer system, are also prohibited. [Resolution Nos. 645, 779]

5.5.2 Notice and Removal of Unauthorized Connections

The District will mail (certified, return-receipt-requested) a notice to the offending property owner requiring the owner to disconnect the unauthorized connection within 21 days from the date the property owner is sent the notice. [Resolution Nos. 645, 779]

5.5.3 Charges for Unauthorized Connection

The District shall charge the owner of any property having an unauthorized connection the fee set forth in the District's current Master Fees and Charges Schedule. Such charge is for the District's investigation, testing, and inspection of an unauthorized connection. In addition to the testing and inspection charge, the property owner will reimburse the District for its actual reasonable costs, plus the District's normal overhead rate, for construction and/or repair determined by the District to be necessary or proper to protect, correct or repair the District's facilities as a result of the unauthorized connection.

[Resolution Nos. 645, 779, 799]

5.5.4 Additional Monetary Penalty after 90 Days

Failure to remove an unauthorized connection within 90 days of notice as provided herein shall result in an additional monitoring and enforcement charge as outlined in the District's Master Fees and Charges Schedule. The District shall certify all charges in this Title as liens against the property pursuant to RCW 57.08.005. [Resolution Nos. 645, 779, 799]

5.5.5 Termination for Failure to Remedy after 90 Days

Failure to remove an unauthorized connection within 90 days from notice as provided herein may be grounds for termination of sewer service by the District upon its determination that such is reasonable and necessary to correct the unauthorized connection, and after reasonable opportunity for a hearing before the Board of Commissioners. Notice of termination of service shall be given to the Whatcom County Health Department. [Resolution Nos. 645, 779]

5.5.6 Contractor Suspension

In addition to the foregoing provisions, if investigation by the District determines that a contractor willfully has made an unauthorized connection or has directed that an unauthorized connection be made, such contractor's status as Bonded Side Sewer Contractor will be suspended. No permits of any type will be issued to such Bonded Side Sewer Contractor until all such unauthorized connections have been removed, and all required charges have been paid. Such suspension shall be effective after 15-days notice to be given in the same manner as described hereinabove for notice to property owners; provided, however, that the commencement of such suspension shall be stayed pending a hearing before the Board at its next regularly scheduled meeting, if requested by the Bonded Side Sewer Contractor in writing within the 15 day period. [Resolution Nos. 645, 779]

5.6 Ownership, Operation, Maintenance, Repair, and Alteration

5.6.1 District Responsibilities

The District owns and operates, maintains, repairs, and alters at its expense, all collector sewers. The District owns, and repairs (except blockage elimination) and alters at its expense, all service laterals. In accordance with this Code, the District will seek monetary reimbursement for repair costs from persons whose actions inflict damage to collector sewers or to service laterals. [Resolution Nos. 645, 779]

5.6.2 Property Owner Responsibilities

The property owner owns and installs, operates, maintains, repairs, and alters, at their expense, their respective side sewer. The property owner, at their expense, installs, operates, maintains, and eliminates blockages from, their respective service lateral. The property owner shall maintain their service lateral and side sewer to prevent inflow and infiltration. The property owner shall neither connect, nor allow others to connect, non-sanitary sewage facilities or generators, such as gutters, downspouts, sump pumps, foundation drains, storm water collection systems, seeps, or yard drains, to the service lateral or to the side sewer. [Resolution Nos. 645, 779]

5.6.3 Notice to Property Owner

If the District discovers inflow and infiltration entering a collector sewer from a service lateral or side sewer, or if the District discovers that the owner has connected a non-sanitary sewage facility or generator to its collector sewer, the District shall immediately notify the property owner to remedy the condition. [Resolution Nos. 645, 779]

5.6.4 Entry Upon Land, Correction, and Charges

If the property owner fails to remedy the offending condition within 30 days of the original notification date, the District may enter the property owner's property to remedy the condition. If the District remedies an offending condition, it may recover all, or a portion of, its remediation costs by (1) applying a surcharge on the property owner's next regular sewer bill, or (2) mailing the property owner an itemized invoice. [Resolution Nos. 645, 779]

5.6.5 Reduction or Waiver of Charges

The Board may reduce or waive a portion of the charges imposed herein upon compliance by property owners with the requirements of infiltration and inflow prevention programs that may be implemented from time to time by the Board to encourage the voluntary disclosure and removal of unauthorized connections, or upon a determination of good faith compliance with the intent of the District's program to reduce infiltration and inflow. Notwithstanding the foregoing, the District's side sewer inspection fee shall be administratively charged for every connection requiring correction pursuant to this Resolution. Such programs shall be available to all property owners on a uniform basis. [Resolution Nos. 645, 779]

5.6.6 Disconnection of Side Sewer

No structure may be disconnected from a side sewer, and no side sewer may be disconnected from a public sewer, for any reason without prior written notification to, and approval of, the District. No approval shall be given unless the disconnection is permitted under this Code and other applicable rules and regulations and satisfactory protection is given by the owner or his contractor to the public sewers and sewer works of the District, including, but not limited to, the satisfactory capping of the side sewer or public sewer. Sewer service charges for any structure disconnected, or to be disconnected, shall continue until such disconnection is approved by the District, and the side sewer or service lateral is capped to the satisfaction of the District. The Service Lateral pipe shall be capped as close as possible to the Sewer Main and the end of the abandoned Side Sewer pipe completely filled with concrete for a minimum of length of 12-inches. The District must inspect the capping before it is covered. [Resolution Nos. 146, 834, 898]

5.7 Sewer Allocation

5.7.1 Comprehensive Plan Goals and Policies

The District reaffirms the goals and policies set forth in the Comprehensive Sewer Plan. The District recognizes its responsibility of endeavoring to provide appropriate services at an appropriate time,

which are also consistent with the Whatcom County Comprehensive Plan and with the District's overall policies and goals. [Resolution Nos. 785]

5.7.2 Regional Sewage Detention Facilities

The District will provide sewer service to other new developments if it can be demonstrated that such new developments will not cause an exceedance in the maximum rate of flow at the point where the District's system feeds into the City of Bellingham's system.

To a) avoid the proliferation of sewage detention facilities, b) manage the District's peak flows in an orderly manner, and c) maintain the District's facilities in an efficient manner, the District may require new applicants to participate in the cost of a regional sewage detention facility or other sewage flow equalization device. Financial participation shall extend to the cost of acquiring land, design costs, construction costs, and the cost of acquiring permits.

Financial participation shall be based upon the ratio of the applicant's connections to the total connections benefiting from (though possibly not flowing to) such facility. Financial participation (as opposed to direct construction) may be required only if the proposed facility has already been included in the District's approved Capital Improvement Plan or amendment thereof. [Resolution No. 578]

5.7.3 Future Modifications

In the event the sewage treatment contract between the District and the City of Bellingham is amended, this Code may be modified. In addition, the District reserves the right to modify this policy regarding flow modifications facilities in the future. [Resolution No. 578]

5.8 Bonded Side Sewer Contractors

5.8.1 Certification

The District maintains a list of certified, District-bonded Contractors (see Section 5.8.3 below) who meet the requirements of the following sections of this Code.

For the purpose of assuring safe and quality construction of side sewers, safe and quality connection of side sewers to the public sewers of the District and affording satisfactory protection to the sewer users of the District, no person may construct, install, repair, reconstruct, excavate, or connect to the public sewer of the District any gravity side sewer, unless they are a District-bonded Gravity Side Sewer Contractor holding a current state contractor's license. No person may construct, install, repair, reconstruct, excavate, or connect to the public sewer of the District any pressure side sewer, unless they are a District-bonded Pressure Side Sewer Contractor holding a current state contractor's license. [Resolution Nos. 146, 785, 862]

5.8.2 Registration, Standards, Application

Gravity Side Sewer Contractors and Pressure Side Sewer Contractors (together, "Side Sewer Contractor") shall be certified by the District based on information contained in applications and obtained from other reliable sources relating to the experience, ability to perform the necessary work, maintenance of applicable state licenses and certifications, and reputation of the applicant

and his or her satisfaction of the requirements of this title. Contractors seeking certifications shall submit an application to the District. All applicants for certification shall supply such information as the District shall require relating to his or her experience, ability to perform side sewer work, and personal, financial, and previous work references. Contingent upon meeting all requirements stipulated in Section 5.8.3, a Side Sewer Contractor may be certified at the discretion of the General Manager based upon the findings of the review of the applicant's experience, ability, and references. An application fee, as set within the District's current Master Fees and Charges Schedule, shall be paid by the applicant at the time of application. Application fees are non-refundable, regardless of whether or not the applicant becomes certified by the District. The application shall be in the form of a District-provided contract whereby the applicant shall agree to abide by the Side Sewer Contractor requirements of this Code. [Resolution Nos. 146, 785, 862]

5.8.3 Bond and Insurance

Every applicant for a District certification must, prior to inclusion on the certified contractors list, deposit with the District:

1. A surety bond in favor of the District in the amount of thirty thousand dollars (\$30,000.00) with a surety or sureties thereon approved by the District and conditioned that they will perform the obligations of the application or contract (if the application is in contract form) and the resolutions and requirements of the District relating to side sewers and Side Sewer Contractors, and
2. Satisfactory proof that the applicant currently carries the following insurance coverage:
 - a. Public liability insurance in an amount not less than fifty thousand dollars (\$50,000.00) for injuries and accidental death to any one person, and an amount not less than one hundred thousand dollars (\$100,000.00) for any one accident.
 - b. Property damage and fire insurance in an amount not less than twenty-five thousand dollars (\$25,000.00).
 - c. Commercial General Liability Insurance in an amount not less than one million dollars (\$1,000,000.00) per occurrence and one million dollars (\$1,000,000.00) in the aggregate in any one year.

As long as a Side Sewer Contractor is included on the District-certified list, they shall maintain such bond and insurance, and such additional limits as may be required from time to time, and shall furnish proof thereof to the District whenever a permit is issued or whenever required by District Management. [Resolution Nos. 146, 785, 862]

5.8.4 Responsibilities

Every bonded Side Sewer Contractor or property owner shall:

1. Post a valid side sewer permit at the site of the work prior to commencing the work relating hereto.
2. Contract for work using only the standard form of side sewer contract approved by the District Management, executed in duplicate or more, which shall provide a clear description, including a sketch, of the work to be performed and the materials to be used and that workmanship and materials shall be guaranteed for a period of one year after installation and acceptance thereof.

3. Adhere at all times to the then current requirements of the District for side sewers and Side Sewer Contractors, including such reasonable requirements of the General Manager relating to construction, installation, reconstruction and repair.
4. Be liable for damages to the public sewers or sewage works of the District caused by his or her work.
5. Be responsible for proper and legal disposal of excess materials following construction.
[Resolution Nos. 146, 785, 862]

5.8.5 Revocation and/or Suspension of Certification

Discretionary Revocation or Suspension

The District's certification of a Side Sewer Contractor may be revoked by the Board of Commissioners, or temporarily suspended by the General Manager until the next meeting of the Board of Commissioners, for any one of the following causes:

1. Fraud or misrepresentation in applying for or maintaining the license;
2. Failure to observe the rules and regulations of the District relating to side sewers and Side Sewer Contractors;
3. Failure to pay for labor or materials used in the construction of side sewers; or
4. Fraud or misrepresentation to the property owner, building occupant, or agent or representative thereof for the purpose of obtaining a contract for the construction of a side sewer, or during the course of work done pursuant to such contract, and including the failure to adhere to the standard side sewer contract.

Mandatory Revocation or Suspension

The District's certification of a Side Sewer Contractor shall be immediately revoked for any one of the following causes:

1. Failure to correct work within thirty (30) days of receipt of written notice from the District or pay any default covered by the guaranty in the standard side sewer contract;
2. Failure to pay for work performed by the General Manager or District, or caused to be performed thereby, for which the contractor may be liable; or
3. Failure to maintain or, when requested, prove the maintenance of the surety bond and insurance required to be maintained by Title 5.8.3.

Prior to the meeting of the Board of Commissioners at which action or de-certification will be taken, the contractor shall be notified and shall be afforded an opportunity to be heard by the Board of Commissioners at that meeting. If the certification is revoked, or suspended, the contractor must forthwith cease any side sewer construction work being performed by him within the District.

In such cases where a Side Sewer Contractor's certification has been revoked due to failure to maintain the surety bond or insurance, an administrative fee equal to 75 percent of the application fee defined in Section 5.8.2 shall be paid to the District at the time of submittal of proof of compliance with the requirements of Section 5.8.3.

Once a Side Sewer Contractor's certification has been revoked, a contractor's re-certification shall not be approved until such time as the contractor (a) pays any administrative fees due; and (b) fully

reimburses the District for the cost to repair the contractor's work, or performs, with District authorization, repairs to the District's satisfaction. [Resolution Nos. 146, 785, 862]

5.8.6 Renewal of Certification

A Side Sewer Contractor will remain on the District's certified contractors list as long as the contractor continues to meet the requirements defined in Sections 5.8.2 and 5.8.3. A contractor that has been removed from the list shall be required to reapply. [Resolution Nos. 146, 785, 862]

5.8.7 Connection to District-Owned Pressure Sewer Main

In cases where a party wishes to connect to a District-owned pressure sewer main, the District shall perform the side sewer construction with the requesting party responsible for all costs of construction in accordance with the rates specified in the District's Master Fees and Charges Schedule. In such cases, the requesting party shall deposit with the District prior to construction the estimated value of the project, plus a ten percent contingency. [Resolution No. 862]

TITLE 6 STATE ENVIRONMENTAL PROTECTION ACT (SEPA)

Text for this Title was adopted in **Resolution No. 808**. Formatting and numbering has been modified to be consistent with the rest of this Code.

6.1 Authority

The District adopts this title under the State Environmental Policy Act (SEPA), RCW 43.21.C.120 as amended. The District adopts by reference the policies of SEPA as set forth in RCW 43.21.C.010 and RCW 43.21C.020 and as stated in WAC 197-11-030.

6.2 General Requirements

6.2.1 Adoption by Reference

The District adopts by reference Chapter 197-11 of the Washington Administrative Code as hereafter amended, including WAC 197-11-060(3)(c), 197-11-410 and 197-11-440(8), 197-11-040 Definitions, 197-11-050, Lead Agency, 197-11-055 Timing of the SEPA process, 197-11-060 Content of Environmental review, 197-11-070 Limitations on actions during SEPA process, 197-11-080 Incomplete or unavailable information, 197-11-090 Supporting documents, 197-11-100 Information required of applicants.

6.2.2 Additional Definitions

In addition to those definitions contained within WAC 197-11-700 through 197-11-799, when used in this title, the following terms shall have the following meanings, unless the context indicates otherwise;

1. "Department" means any division, subdivision or organizational unit of the District established by ordinance, rule, or order.
2. "SEPA rules" means chapter 197-11 WAC adopted by the department of ecology.
3. "Ordinance" means the ordinance, resolution, or other procedure used by the District to adopt regulatory requirements.
4. "Early notice" means the District's response to an applicant stating whether it considers issuance of a determination of significance likely for the applicant's proposal (mitigated determination of non-significance (DNS) procedures).

6.2.3 Responsible Official (WAC 173-806-040)

1. The Responsible Official shall be the General Manager when the District is the Lead Agency.
2. The Responsible Official shall carry out the District's duties, functions and procedural responsibilities as Lead Agency under the SEPA Rules and this title.
3. All decisions of the Responsible Official and the District relating to interpretation and application of the SEPA Rules and this title shall be accorded substantial deference.
4. For all proposals for which the District is the Lead Agency, the Responsible Official shall make the threshold determination, supervise scoping and preparation of any required environmental impact statement and perform any other functions assigned to the "lead agency" or "responsible official" under the SEPA Rules.

5. The District shall retain all documents required by the SEPA Rules (chapter 197-11 WAC) and this title and make them available in accordance with chapter 42.56.

6.2.4 Lead Agency Determination and Responsibilities

When the District receives an application or initiates a proposal that involves a nonexempt action, the General Manager shall determine the lead agency for that proposal under WAC 197-11-924; unless the lead agency has been previously determined or the District is aware that another agency is in the process of determining the lead agency.

1. When the District is the lead agency for a proposal, the General Manager shall supervise compliance with the threshold determination requirements and, if an Environmental Impact Statement (EIS) is necessary, shall supervise preparation of the EIS.
2. When the District is not the lead agency for a proposal, the District shall use and consider, as appropriate either the DNS or the final EIS of the lead agency.
3. If the District receives a lead agency determination made by another agency that appears inconsistent with the criteria of WAC 197-11-922 through 197-11-940, it may object to the determination. Any objection must be made to the agency originally making the determination, or the District must petition the Department of Ecology for a lead agency determination under WAC 197-11-946 within the fifteen-day time period. Any such petition on behalf of the District may be initiated by the Responsible Official.
4. The District is authorized to make agreements as to lead agency status or shared lead agency duties for a proposal under WAC 197-11-942 and 197-11-944: Provided, that the Responsible Official and shall approve the agreement.
5. When making a lead agency determination for a private project, the District shall require sufficient information from the applicant to identify which other agencies have jurisdiction over the proposal.

6.2.5 Timing (WAC 197-11-055)

The following time limits (expressed in calendar days) shall apply when the District processes licenses for all private projects and those governmental proposals submitted to the District by other agencies.

Threshold determinations: When the responsible official requires further information from the applicant or consultation from other agencies with jurisdiction:

1. The District should request such further information within 15 days of receiving a complete application and completed environmental checklist;
2. The District shall wait no longer than thirty days for a consulted agency to respond;
3. The Responsible Official should complete the threshold determination as close as possible to receiving the requested information from the applicant or the consulted agency.
4. When the District must initiate further studies, including field investigations, to obtain the information to make the threshold determination, the District should complete the studies within thirty days of receiving a complete application and a completed environmental checklist.
5. The District shall complete threshold determinations on actions where the applicant recommends in writing that an EIS be prepared, because of the probable significant

adverse environmental impact described in the application, within 15 days of receiving a complete application and completed environmental checklist.

6.2.6 Additional Timing Considerations (WAC 197-11-406)

1. For nonexempt proposals, the threshold determination or draft EIS for the proposal shall accompany the District's staff recommendation to any appropriate advisory body.
2. If the District's only action on a proposal is a decision on a permit or other license that requires detailed project plans and specifications, the applicant may request in writing that the District conduct environmental review prior to submission of the detailed plans and specifications.

6.2.7 Emergency Actions

Any action which in the opinion of the Responsible Official must be undertaken immediately, or within a time too short to allow full compliance with the provisions of this title, the SEPA Rules, to avoid an imminent threat to public health or safety, to prevent an imminent danger to property (public or private), or to prevent an imminent threat of serious environmental degradation, shall be exempt from the procedural requirements of this title, SEPA and the SEPA rules.

6.3 Categorical Exemptions and Threshold Determinations

6.3.1 Purpose of this Part

This part contains the rules for deciding whether a proposal has a "probable significant adverse environmental impact" requiring an environmental impact statement (EIS) to be prepared. This part also contains rules for evaluating the impacts of proposals not requiring an EIS. The District adopts the following sections by reference, and as hereafter amended: WAC 197-11-300 Purpose of this part, 197-11-305 Categorical exemptions, 197-11-310 Threshold determination required, 197-11-315 Environmental Checklist, 197-11-330 Threshold determination process, 197-11-335 Additional information, 197-11-340, Determination of non-significance (DNS), 197-11-350 Mitigated DNS, 197-11-360 Determination of significance (DS)/initiation of scoping, 197-11-390 Effect of threshold determination.

6.3.2 Use of Exemptions

1. When the District receives an application for a license or, in the case of governmental proposals, when it initiates a proposal, the District shall determine whether the license and/or the governmental proposal is exempt. The District's determination that a proposal is exempt shall be final and not subject to administrative review. If a proposal is exempt, none of the procedural requirements of this ordinance apply to the proposal. The District shall not require completion of an environmental checklist for an exempt proposal.
2. In determining whether or not a proposal is exempt, the District shall make certain the proposal is properly defined and shall identify the governmental licenses required (WAC 197-11-060). If a proposal includes exempt and nonexempt actions, the District shall determine the lead agency, even if the license application that triggers the District's consideration is exempt. If a proposal includes both exempt and nonexempt actions, the District may authorize exempt

actions prior to compliance with the procedural requirements of this title, except that the District shall not give authorization for:

- a. Any nonexempt actions;
- b. Any action that would have an adverse environmental impact; or
- c. Any action that would limit the choice of alternatives.
- d. The District may withhold approval of an exempt action that would lead to modification of the physical environment, when such modification would serve no purpose if nonexempt action(s) were not approved; and
- e. The District may withhold approval of exempt actions that would lead to substantial financial expenditures by a private applicant when the expenditures would serve no purpose if nonexempt actions were not approved.

6.3.3 Environmental Checklist

A completed environmental checklist, in the form provided in WAC 197-11-960, shall be filed at the same time as an application for a permit, license, certificate, or other approval not specifically exempted in this title; except, a checklist is not needed if the District and applicant agree an EIS is required, SEPA compliance has been completed, or SEPA compliance has been initiated by another agency. The Responsible Official shall review the environmental checklist to make the threshold determination.

For private proposals, the District will require the applicant to complete the environmental checklist, providing assistance as necessary. For District proposals, the Responsible Official shall complete the environmental checklist for that proposal.

6.3.4 Mitigated Determination of Non-Significance (DNS)

1. As provided in this section and in WAC 197-11-350, the Responsible Official may issue a DNS based on conditions attached to the proposal by the Responsible Official or on changes to, or clarification of, the proposal made by the applicant.
2. An applicant may request in writing early notice of whether a DS is likely under WAC 197-11-350. The request must:
 - Follow submission of a permit application and environmental checklist for a nonexempt proposal for which the department is lead agency; and
 - Precede the District's actual threshold determination for the proposal.
3. The Responsible Official should respond to the request for early notice within 10 working days. The response shall be written, state whether the District currently considers issuance of a DS likely, and, if so, indicate the general or specific area(s) of concern that are leading the District to consider a DS; and state that the applicant may change or clarify the proposal to mitigate the indicated impacts, revising the environmental checklist and/or permit application as necessary to reflect the changes or clarifications.
4. As much as possible, the District should assist the applicant with identification of impacts to the extent necessary to formulate mitigation measures.
5. When an applicant submits a changed or clarified proposal, along with a revised or amended environmental checklist, the District shall base its threshold determination on

the changed or clarified proposal and should make the determination as close as possible to receiving the changed or clarified proposal;

- a. If the District indicated specific mitigation measures in its response to the request for early notice, and the applicant changed or clarified the proposal to include those specific mitigation measures, the District shall issue and circulate a DNS under WAC 197-11-340(2).
- b. If the District indicated areas of concern, but did not indicate specific mitigation measures that would allow it to issue a DNS, the District shall make the threshold determination, issuing a DNS or DS as appropriate.
- c. The applicant's proposed mitigation measures must be in writing and must be specific. For example, proposals to "control noise" or "prevent stormwater runoff" are inadequate, whereas proposals to "muffle machinery to X decibel" or "construct 200-foot stormwater retention pond at Y location" are adequate.
- d. Mitigation measures which justify issuance of a mitigated DNS may be incorporated in the DNS by reference to agency staff reports, studies or other documents.
- e. A mitigated DNS is issued under WAC 197-11-340(2), requiring a fifteen-day comment period from the date of issuance of the mitigated DNS and public notice.
- f. Mitigation measures incorporated in the mitigated DNS shall be deemed conditions of approval of the permit decision and may be enforced in the same manner as any term or condition of the permit, or enforced in any manner specifically prescribed by the District.
- g. If the District's tentative decision on a permit or approval does not include mitigation measures that were incorporated in a mitigated DNS for the proposal, the District should evaluate the threshold determination to assure consistency with WAC 197-11-340(3) (a)(withdrawal of DNS).
- h. The District's written response under subsection (c) of this section shall not be construed as a determination of significance. In addition, preliminary discussion of clarifications or changes to a proposal, as opposed to a written request for early notice, shall not bind the District to consider the clarifications or changes in its threshold determination.

6.4 Environmental Impact Statements (EIS)

6.4.1 Purpose of the Part and Adoption by Reference

This part contains the rules for preparing environmental impact statements. The District adopts the following sections by reference, and as hereafter amended: 197-11-400 purpose of EIS, 197-11-402 General requirements, 197-11-405 EIS types, 197-11-406 EIS timing, 197-11-408 Scoping, 197-11-410 Expanded scoping, 197-11-420 EIS preparation, 197-11-425 Style and size, 197-11-430 Format, 197-11-435 Cover letter or memo, 197-11-440 EIS contents, 197-11-442 Contents of EIS on non-project proposals, 197-11-443 EIS contents when prior non-project EIS, 197-11-444 Elements of the environment, 197-11-448 Relationship of EIS to other considerations, 197-11-450 Cost-benefit analysis, 197-11-455 Issuance of DEIS, 197-11-460 Issuance of FEIS.

- a. An applicant may be required or authorized by the Responsible Official to participate in EIS preparation if the Responsible Official determines that this will aid in preparing a

meaningful environmental analysis. The extent of applicant involvement shall be as specified by the Responsible Official so long as:

1. The EIS shall be prepared under the direction of the Responsible Official and in conformance with the SEPA Rules and this title; and
 2. The applicant is not required to provide more information than allowed by these SEPA Rules and this title, provided that the Responsible Official may authorize a lesser degree of participation by the applicant than allowed by the SEPA Rules and this title.
- b. The Responsible Official shall prepare and circulate a Request for Proposals to consulting firms which have established expertise on those issues identified in the Determination of Significance. Upon receipt of such proposals, which shall include as a minimum a description of the firm's areas of expertise and experience as well as a detailed cost estimate for the preparation of an EIS, the Responsible Official shall establish a consultant selection panel, at least one member of which shall be a representative of the applicant's choosing. After reviewing submitted proposals, the consultant selection panel shall thereupon select one firm to be retained by the District for the purpose of preparing the EIS.

6.5 Commenting

6.5.1 Adoption by Reference

The District adopts the following sections by reference and as hereafter amended: 197-11-500 Purpose of this part, 197-11-502 Inviting comment, 197-11-504 Availability and cost of environmental documents, 197-11-508 SEPA register, 197-11-510 Public notice, 197-11-535 Public hearings and meetings, 197-11-545 Effect of no comment, 197-11-550 Specificity of comments, 197-11-560 FEIS response to comments, 197-11-570 Consulted agency costs to assist lead agency.

6.5.2 Public Notice

- a. Whenever the District issues a DNS under WAC 197-11-340(2) or a DS under WAC 197-11-360(3) the District shall give public notice as follows:
 1. If public notice is required for a nonexempt license pursuant to authority other than SEPA, the notice shall state whether a DS or DNS has been issued and when comments are due and include if applicable, the scoping procedure.
 2. If no public notice is required for the permit or approval, the District shall give notice of the DNS or DS by publishing notice in a newspaper of general circulation in the county where the proposal is located.
- b. Whenever the District issues a DEIS under WAC 197-11-455(5) or a SEIS under WAC 197-11-620, notice of the availability of those documents shall be given by publishing notice in a newspaper of general circulation in the county where the proposal is located.
- c. Whenever possible, the District shall integrate the public notice required under this section with existing notice procedures for the District's nonexempt permits or approvals required for the proposal.
- d. The District may require an applicant to complete the public notice requirements for the applicant's proposal at his or her own expense.

6.6 Using Existing Documents

6.6.1 Purpose of the Part and Adoption by Reference

This part contains rules for using and supplementing existing environmental documents prepared under SEPA or the National Environmental Policy Act (NEPA) for the District's own environmental compliance. The District adopts the following sections by reference and as hereafter amended: 197-11-600 When to use existing environmental documents, 197-11-610 Use of NEPA documents, 197-11-620 Supplemental environmental impact statement -- procedures, 197-11-625 Addenda -- procedures, 197-11-630 Adoption -- Procedures, 197-11-635 Incorporation by reference -- procedures, 197-11-640 Combining documents.

6.7 SEPA and Agency Decisions

6.7.1 Purpose of this Part and Adoption by Reference

The District adopts the following sections by reference and as hereafter amended: 197-11-650 Purpose of this part, 197-11-655 Implementation, 197-11-660 Substantive authority and mitigation, 197-11-680 Appeals. The District may attach conditions to a permit or approval for a proposal so long as:

1. such conditions are necessary to mitigate specific probable adverse environmental impacts identified in environmental documents prepared pursuant to this ordinance, and
2. such conditions are in writing, and
3. the mitigation measures included in such conditions are reasonable and capable of being accomplished, and
4. the District has considered whether other local, state, or federal mitigation measures applied to the proposal are sufficient to mitigate the identified impacts; and
5. Such conditions are based on one or more policies in subsection (c) of this section and cited in the license or other decision document.

The District may deny a permit or approval for a proposal on the basis of SEPA so long as:

1. A finding is made that approving the proposal would result in significant adverse environmental impacts that are identified in a FEIS or final SEIS prepared pursuant to this ordinance; and
2. A finding is made that there are no reasonable mitigation measures capable of being accomplished that are sufficient to mitigate the identified impact; and
3. The denial is based on one or more policies identified in subsection (c) of this section and identified in writing in the decision document.

The District designates and adopts by reference the following policies as the basis for the District's exercise of substantive authority pursuant to this section:

1. The District shall use all practicable means, consistent with other essential considerations of state policy, to improve and coordinate plans, functions, programs, and resources to the end that the state and its citizens may:

- a. Fulfill the responsibilities of each generation as trustee of the environment for succeeding generations;
 - b. Assure for all people of Washington safe, healthful, productive, and aesthetically and culturally pleasing surroundings;
 - c. Attain the widest range of beneficial uses of the environment without degradation, risk to health or safety, or other undesirable and unintended consequences;
 - d. Preserve important historic, cultural, and natural aspects of our national heritage;
 - e. Maintain, wherever possible, an environment which supports diversity and variety of individual choice;
 - f. Achieve a balance between population and resource use which will permit high standards of living and a wide sharing of life's amenities; and
 - g. Enhance the quality of renewable resources and approach the maximum attainable recycling of depletable resources.
2. The District recognizes that each person has a fundamental and inalienable right to a healthful environment and that each person has a responsibility to contribute to the preservation and enhancement of the environment.
 3. The District adopts by reference the policies in the following District plans:
 - a. Lake Whatcom Water and Sewer District Water System Comprehensive Plan;
 - b. Lake Whatcom Water and Sewer District Comprehensive Sewer Plan;
 - c. Lake Whatcom Water and Sewer District Water and Sewer Administrative Codes; Resolutions of the Board of Commissioners of Lake Whatcom Water and Sewer District.

6.7.2 Optional Notice of Action

The District, applicant for, or proponent of any action may publish a notice of action pursuant to RCW 43.21C.080 for any action.

6.7.3 Appeals

1. The District establishes the following administrative appeal procedure under RCW 43.21C.060, 43.21C.075 and WAC 197-11-680:
 - a. When any proposal or action not requiring a decision of the District's Board of Commissioners is denied on the basis of SEPA by a nonelected official, the decision shall be appealable to the District's Board of Commissioners. Such appeal may be perfected by the proponent or any aggrieved party by giving notice to the responsible official within ten days of the decision being appealed. Review by the District's Board of Commissioners shall be on a de novo basis.
 - b. Any agency or person may appeal the District's procedural compliance with WAC chapter 197-11 for issuance of the following:
 - i. A final DNS: Appeal of the DNS must be made to the Board of Commissioners within 15 days of the date the DNS is final. Appeal of the substantive determination on the action must be made to the Board of Commissioners within 30 days of the issuance of the permit or other license.
 - ii. A DS: The appeal must be made to the Board of Commissioners within 15 days of the date the DS is issued. Appeal of the substantive determination

on the action must be made to the Board of Commissioners within 30 days of the issuance of the permit or other license.

- iii. An EIS: Appeal of the EIS adequacy shall be filed within 15 days of date of issuance of the final EIS or the date whenever any required notice is made, whichever is later, provided that if there are any state statutory requirements for appeals to the District, the time limits for filing appeals specified therein shall control.
 - c. Any appeal which is timely filed shall be scheduled for a hearing before the Board of Commissioners no later than 30 days after filing of the appeal. The hearing shall be electronically recorded, be conducted on the record consistent with applicable law, provide for testimony under oath and otherwise be in accord with applicable law. Within 10 days of the conclusion of the hearing, the Board shall render its decision accompanied by appropriate findings of fact and conclusions of law. For any appeal under this subsection, the District shall provide a record at the expense of the appellant consisting of the following: (i) findings and conclusions; (ii) testimony under oath; and (iii) a taped or written transcript.
2. The procedural determination made by the Responsible Official shall carry substantial weight in any appeal proceeding.
 3. No person having a right to judicial appeal shall pursue judicial review without having first used this administrative appeal process prior to seeking judicial review, unless expressly provided otherwise by state statute.
 4. If the notice of action procedures of RCW 43.21.C.080 are used, then the time limits for judicial appeal specified in RCW 43.21C.080 and 197-11-680(4)(d) shall apply.
 5. The District shall give official notice under WAC 197-11-680(5) whenever it issues a permit or approval for which a statute or ordinance establishes a time limit for commencing judicial appeal.

6.8 Definitions

The District adopts the following uniform usage and definitions of terms under SEPA by reference and as hereafter amended, 197-11-700 Definitions, 197-11-702 Act, 197-11-704 Action, 197-11-706 Addendum, 197-11-708 Adoption, 197-11-710 Affected tribe, 197-11-712 Affecting, 197-11-714 Agency, 197-11-716 Applicant, 197-11-718 Built environment, 197-11-720 Categorical exemption, 197-11-721 Closed record appeal, 197-11-722 Consolidated appeal, 197-11-724 Consulted agency, 197-11-726 Cost-benefit analysis, 197-11-728 City/county, 197-11-730 Decision maker, 197-11-732 Department, 197-11-734 Determination of non-significance (DNS), 197-11-736 Determination of significance (DS), 197-11-738 EIS, 197-11-740 Environment, 197-11-742 Environmental Checklist, 197-11-744 Environmental document, 197-11-746 Environmental review, 197-11-750 Expanded scoping, 197-11-752 impacts, 197-11-754 Incorporation by reference, 197-11-756 Lands covered by water, 197-11-758 Lead agency, 197-11-760 License, 197-11-762 Local agency, 197-11-764 Major action, 197-11-766 Mitigated DNS, 197-11-168 Mitigation, 197-11-770 Natural environment, 197-11-772 NEPA, 197-11-774 Non-project, 197-11-776 Phased review, 197-11-778 Preparation, 197-11-780 Private project, 197-11-782 Probable, 197-11-784 Proposal, 197-11-786 reasonable alternative, 197-11-788 Responsible official, 197-11-790 SEPA, 197-11-792 Scope, 197-11-193 Scoping 197-11-794 Significant, 197-11-796 State agency, 197-11-797 Threshold determination, 197-11-799 Underlying governmental action.

6.9 Categorical Exemptions

6.9.1 Adoption by Reference

The District adopts by reference the following rules for categorical exemptions, as supplemented in this ordinance and as hereafter amended, including WAC 197-11-800 Categorical exemptions, WAC 197-11-880 Emergencies, and WAC 197-11-890 Petitioning to DOE to change exemptions.

6.10 Compliance

6.10.1 Purpose of this Part and Adoption by Reference

This part contains rules for agency compliance with SEPA, including rules for charging fees under the SEPA process, designating environmentally sensitive areas, listing agencies with environmental expertise, selecting the lead agency, and applying these rules to current agency activities. The District adopts the following sections by reference and as hereafter amended: 197-11-900 Purpose of this part, 197-11-902 Agency SEPA policies, 197-11-904 Agency SEPA procedures, 197-11-906 Content and consistency of agency procedures, 197-11-908, Critical areas, 197-11-910 Designation of responsible official, 197-11-912 Procedures of consulted agencies, 197-11-914 SEPA fees and costs, 197-11-916 Application to ongoing actions, 197-11-920 Agencies with environmental expertise, 197-11-922 Lead agency rules, 197-11-924 Determining the lead agency, 197-11-926 Lead agency for governmental proposals, 197-11-928 Lead agency for public and private proposals, 197-11-930 Lead agency for private projects with one agency with jurisdiction, 197-11-932 Lead agency for private projects requiring licenses from more than one agency, when one of the agencies is a county/city, 197-11-934 Lead agency for private projects requiring licenses from a local agency, not a county/city and one or more state agencies, 197-11-936 Lead agency for private projects requiring licenses from more than one state agency, 197-11-938 Lead agencies for specific proposals, 197-11-940 Transfer of lead agency status to a state agency, 197-11-942 Agreements on lead agency status, 197-11-944 Agreements on division of lead agency duties, 197-11-946 DOE resolution of lead agency disputes, 197-11-948 Assumption of lead agency status.

6.10.2 Fees

No application shall be complete nor shall any environmental document be final until all fees imposed hereby have been paid to the District. The following fees shall be required for District activities conducted as a result of this title and the SEPA Rules:

1. A fee of \$50.00 shall accompany any Environmental Checklist submitted to the District by an applicant of a proposal, for which the District is to act as the Lead Agency;
2. For all proposals for which the District is the Lead Agency, and the Responsible Official determines that an EIS is required, the applicant shall pay a fee equal to the administrative costs of supervision and preparation of the draft and final EIS's or any amendments thereof unless otherwise expressly limited by this title and the SEPA rules.
 - a. The amount of the fee shall be based upon the actual total costs for services and materials plus reimbursement for out-of-pocket expenses (including but not limited to consultant reports) borne by the District in complying with this title and the SEPA Rules. It shall not include costs for obtaining information from consulted agencies or efforts related to pre-draft consultation.

- b. The applicant shall make an initial payment of \$500.00 to the District or post bond in an amount equal to the projected costs as estimated by the Responsible Official, whichever is greater.
 - c. All fees shall be paid in full before the document being prepared is finalized.
 - d. If a proposal is modified so that an EIS is no longer required, the Responsible Official shall refund any fees collected under this subsection which remain after incurred costs are paid.
- 3. The District may collect a reasonable fee from an applicant to cover the cost of meeting the public notice requirements of this ordinance relating to the applicant's proposal.
- 4. The District may charge any person for copies of any document prepared under this ordinance, and for mailing the document, in the manner provided by chapter 42.17 RCW.

6.11 Forms

6.11.1 Adoption by Reference

The District adopts the following forms and sections by reference and as hereafter amended: 197-11-960 Environmental checklist, 197-11-965 Adoption notice, 197-11-970 Determination of non-significance (DNS), 197-11-980 Determination of significance and scoping notice (DS), 197-11-985 Notice of assumption of lead agency status, 197-11-990 Notice of action.

6.12 Supplementary Procedures

The Responsible Official is authorized to develop and promulgate such procedures as they deem appropriate for implementing this title and the SEPA Rules. The Responsible Official shall provide for responses on behalf of the District when it is a consulted agency pursuant to WAC 197-11-912 and as hereafter amended.

6.13 Severability

If any provision of this title or their application to any person or circumstance is held invalid, the remainder of this title or the application of the provision to the other persons or circumstances shall not be affected thereby.

TITLE 7 MASTER FEES AND CHARGES SCHEDULE

The Board sets rates and charges for the District in accordance with RCW 57.08.005. The District periodically adjusts its fees and/or charges to better reflect the actual cost of services rendered.

7.1 Master Fees and Charges Schedule Revision Log

Schedule #20	Resolution 774	Effective March 30, 2011
Schedule #21	Resolution 798	Effective January 1, 2014
Schedule #22	Resolution 806	Effective January 1, 2015
Schedule #23	Resolution 820	Effective November 9, 2015
Schedule #24	Resolution 835	Effective July 12, 2017
Schedule #25	Resolution 839	Effective November 8, 2017
Schedule #26	Resolution 844	Effective June 1, 2018
Schedule #27	Resolution 860	Effective October 1, 2019
Schedule #28	Resolution 879	Effective January 1, 2022
Schedule #29	Resolution 886	Effective January 1, 2023

TITLE 8 REFERENCE TO OTHER DISTRICT STANDARDS, POLICY AND PLANNING DOCUMENTS

8.1 Comprehensive Water Plan

The “Lake Whatcom Water and Sewer District Comprehensive Water Plan” is hereby included into this Code by reference. The plan can be viewed at the District office during normal business hours or online at the District website.

8.2 Comprehensive Sewer Plan

The “Lake Whatcom Water and Sewer District Comprehensive Sewer Plan” is hereby included into this Code by reference. The plan can be viewed at the District Office during normal business hours or online at the District website.

8.3 Water Use Efficiency Plan

The “Lake Whatcom Water and Sewer District Water Use Efficiency Plan” is hereby included into this Code by reference. The plan can be viewed at the District office during normal business hours or online at the District website.

8.4 District Design and Construction Standards

The “Lake Whatcom Water and Sewer District Design and Construction Standards” are hereby included into this Code by reference. The standards can be viewed at the District office during normal business hours and online at the District website.

8.5 District Personnel Policy Manual

The District’s “Personnel Policy Manual” is hereby included into this Code by reference. The manual can be viewed at the District office during normal business hours.

8.6 Safety Manual

The District’s Safety Manual is hereby included into this Code by reference. The manual can be viewed at the District office during normal business hours.

8.7 District Emergency Management Plan

The “Lake Whatcom Water and Sewer District Emergency Management Plan” is hereby included into this Code by reference. The plan can be viewed at the District office during normal business hours.

8.8 Cross Connection Control Program

The Lake Whatcom Water and Sewer District Cross-Connection Control Program is hereby included into this Code by reference. The Cross-Connection Control Program may be reviewed at the District office located at 1220 Lakeway Drive, Bellingham, Washington, during normal business hours and is available on the District website. [Resolution No. 858]