



Lake Whatcom Water & Sewer District

Board Meeting Access Information

Meeting Schedule

6:30 pm - 2nd Wed of each month

8:00 am - Last Wed of each month

Meeting Access

Meetings are held in person at our Administrative offices at 1220 Lakeway Drive in Bellingham. If you prefer to attend remotely, access information is below.

Join the meeting from your computer, tablet smartphone:

<https://meet.goto.com/lwwsd/boardmeeting>

You can also dial in using your phone.

Call: [+1 \(224\) 501-3412](tel:+12245013412) **Access Code:** 596-307-141

*Press *6 to mute/unmute your microphone*

New to GoToMeeting? Get the app now and be ready when the meeting starts:

<https://meet.goto.com/install>

Attending a Meeting

Lake Whatcom Water & Sewer District's regular Board meetings take place on the second Wednesday of each month at 6:30 pm and the last Wednesday of each month at 8:00 am.

Meetings are open to the public per the Open Public Meetings Act.

All meetings are hybrid, available in person or online. If you wish to observe a meeting, but do not plan to actively participate, you may attend anonymously. Turn off your mic & camera, and change your display name to "Observation Only."

Public Comment Periods

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

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

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

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

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



Questions?

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



LAKE WHATCOM WATER AND SEWER DISTRICT

1220 Lakeway Drive
Bellingham, WA 98229

REGULAR MEETING OF THE BOARD OF COMMISSIONERS

AGENDA

July 30, 2025


8:00 a.m. – Regular Session

1. CALL TO ORDER
2. ROLL CALL
3. PUBLIC COMMENT OPPORTUNITY
At this time, members of the public may address the Board of Commissioners. Please state your name and address prior to making comments and limit your comments to three minutes. For the sake of time, each public comment period will be limited to 45 minutes.
4. ADDITIONS, DELETIONS, OR CHANGES TO THE AGENDA
5. CONSENT AGENDA
6. SPECIFIC ITEMS OF BUSINESS
 - A. Customer Appeal—Suspension of Sewer Service Requirements
 - B. Lakewood/Rocky Ridge Sewer Lift Stations Improvements Project Public Works Contract Closeout
 - C. Financial Benchmarks Discussion
7. OTHER BUSINESS
8. STAFF REPORTS
 - A. General Manager
 - B. Engineering Department
 - C. Finance Department
 - D. Operations Department
9. PUBLIC COMMENT OPPORTUNITY
10. ADJOURNMENT



**AGENDA
BILL
Item 5**

Consent Agenda

DATE SUBMITTED:	July 23, 2025	MEETING DATE:	July 30, 2025
TO: BOARD OF COMMISSIONERS	FROM: Rachael Hope		
GENERAL MANAGER APPROVAL			
ATTACHED DOCUMENTS	1. See below		
TYPE OF ACTION REQUESTED	RESOLUTION <input type="checkbox"/>	FORMAL ACTION/ MOTION <input checked="" type="checkbox"/>	INFORMATIONAL/OTHER <input type="checkbox"/>

****TO BE UPDATED 07.29.2025****

BACKGROUND / EXPLANATION OF IMPACT

- Minutes for the 7.09.2025 Regular Board Meeting
- Benefits for Pay Period #14 totaling \$63,063.90
- Payroll for Pay Period #15 (7.05.2025 through 7.18.2025) totaling \$60,841.16
- Benefits for Pay Period #15 totaling \$62,456.50
- Accounts Payable Vouchers total to be added

FISCAL IMPACT

Fiscal impact is as indicated in the payroll/benefits/accounts payable quantities defined above. All costs are within the Board-approved 2025-2026 Budget.

RECOMMENDED BOARD ACTION

Staff recommends the Board approve the Consent Agenda.

PROPOSED MOTION

A recommended motion is:

“I move to approve the Consent Agenda as presented.”



1220 Lakeway Dr • Bellingham, WA 98229

REGULAR SESSION OF THE BOARD OF COMMISSIONERS

Minutes

July 9, 2025

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

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

Attendees noted with a (v) attended the meeting virtually. Also in attendance were David Faulkner and Bryan Plog from the Glen Cove Water Association. One anonymous attendee attended virtually.

Consent Agenda

Action Taken

Knakal moved, Ford seconded, approval of:

- **Minutes for the 6.25.2025 Regular Board Meeting**
- **Payroll for Pay Period #14 (6.20.2025 through 7.04.2025) totaling \$56,269.66**
- **Accounts Payable Vouchers totaling \$212,971.89**

Motion passed.

Personnel Policies Manual Update Adoption

Clary explained that the District's personnel policies manual defines the District's philosophy, and employment practices, policies, and benefits provided to all District staff. As state and case law evolves and new issues arise, the manual has been revised periodically to keep abreast of current practices and laws. Though the current revision of the manual was approved by the Board during its April 9, 2025 meeting, two bills have been enacted by the Washington State Legislature requiring revision to the personnel policies manual. Both bills made changes to the Revised Code of Washington, House Bill 1875 creating a qualifying event for sick leave related to attending immigration proceedings, and Senate Bill 5101 adding hate crimes as qualifying events for sick leave associated with domestic violence. Staff presented proposed revisions to Section 7.2, Sick Leave, of the personnel policies manual.

Action Taken

Knakal moved, Ford seconded, to approve the personnel policies manual with revisions incorporated. Motion passed.

Sudden Valley WTP Chlorine Contact Basin Replacement Project Public Works Board Application Authorization

The District provides potable water to its South Shore water system via its Sudden Valley Water Treatment Plant (SVWTP). An essential component of the SVWTP system is the chlorine contact basin (CCB) that was constructed in 1994. Between 2016 and early 2025, results of seismic vulnerability assessment, capacity analysis, sizing assessment, and condition assessment showed that the preferred course of action is a full replacement of the aging CCB. In 2022, the District submitted a FEMA Hazard Mitigation Grant application to replace the existing CCB, which was awarded in 2024 with partial funds also provided by the District and the Washington State Emergency Management Division (WA-EMD) of the Washington State Military Department.

Nicoll explained that since execution of the grant agreement, the total project cost has increased significantly, creating a funding deficit of approximately \$1,200,000. During the June 11 Regular Board Meeting, the Board directed staff to pursue external funding sources for the unfunded portion of the project. One viable external funding source is a low-interest loan through Public Works Assistance Account administered by the State Public Works Board, which would allow the District to finance the project costs over a 20-year period at a low interest rate (2.12%).

The Public Works Board officially opened the FY2026 loan cycle during its meeting held on May 9, with applications due on August 8, and loans awarded in October. The loan application requires formal authorization from the applicant's governing body, and staff requested that the board authorize submittal of a loan request. Discussion followed.

Action Taken

Ford moved, Knakal seconded, to authorize staff to develop and submit an application to the Washington State Public Works Board for a loan to finance the unfunded portion of the construction of the SVWTP Chlorine Contact Basin Replacement Project. Motion passed.

Division 22-1 Reservoir Replacement Project Public Works Board Application Authorization

The District's Division 22-1 reservoir was designed and constructed in 1971 and has not been renovated or recoated since its original construction. Following a 2016 seismic vulnerability assessment, which showed that the reservoir does not meet current seismic design standards, and a subsequent 2022 coating assessment which identified failure of the original coating system, a project was planned to replace the Division 22-1 reservoir. In early 2025, the District was awarded a FEMA Hazard Mitigation Grant to fund replacement of the reservoir with a new reservoir, however, the District grant match is \$358,750, which was not accounted for in the 2025-26 budget because the grant was awarded after the budget had been approved. The impacts of this project on the District's finances were discussed with the Board of Commissioners during its regularly scheduled meeting held on June 11, 2025. During the meeting the Board directed staff to pursue external funding sources for the District grant match portion of the project.

As in the previous agenda item, staff requested that the board authorize submittal of a loan request to the Public Works Board for this project.

Action Taken

Knakal moved, Holland seconded, to authorize staff to develop and submit an application to the Washington State Public Works Board for a loan to finance the unfunded portion of the construction of the Division 22-1 Reservoir Replacement Project. Motion passed.

Geneva Reservoir Recoating Project Public Works Board Application Authorization

In 2016, structural analysis of the District's Geneva Water Reservoir found significant deficiencies in its ability to meet existing earthquake code requirements. In 2024, the District was awarded a FEMA Hazard Mitigation Grant to seismically retrofit the Geneva Reservoir (as well as construct seismic improvements to the Sudden Valley WTP pump house). Between the time the application was submitted and the award, a 2022 coating assessment of the reservoir determined that the interior and exterior coating systems were approaching the

end of their service lives and require replacement within the next five years to minimize degradation of the tank structure.

The grant-funded seismic improvements were built into the District’s 6-year capital improvement program for 2026, with recoating of the reservoir programmed for 2027. However, based upon information recently gained during the initial stages of seismic retrofit design, impacts from the seismic retrofit project will require recoating at the same time. The estimated cost of recoating the Geneva Reservoir is \$1,000,000, which was not built into the District’s 2025-26 Budget.

The impacts to the District’s finances were discussed with the Board of Commissioners during its regularly scheduled meeting held on June 11, 2025, during which the Board directed staff to pursue external funding sources for the recoating project. As in the previous agenda items, staff requested that the board authorize submittal of a loan request to the Public Works Board for this project.

Action Taken
Knakal moved, Holland seconded, to authorize staff to develop and submit an application to the Washington State Public Works Board for a loan to finance the unfunded portion of the construction of the Geneva Reservoir Recoating Project. Motion passed.

General Manager’s Report
Clary updated the Board on several topics, including a sewage release at the Camp Firwood sewer lift station, an update on prior discussion regarding water right transfer through the Washington State Department of Ecology cost reimbursement program, and a visit by U.S. Representative Rick Larsen to the Division 7 Reservoir Replacement Project.

Clary recognized District staff, who were on site within 30 minutes and worked until 4 am cleaning up, putting bypass in place, and making sure no further release occurred. Dahlstrom also recognized the staff of Camp Firwood for their management of the incident with a camp full of children present.

Other Business
Clary introduced representatives attending from the Glen Cove Water Association, who spoke to the Board about the possibility of consolidating their water system into the District. Discussion followed.

With no further business, Citron adjourned the regular session at 7:49 p.m.

_____ Board President, Todd Citron	Attest: _____ Recording Secretary, Rachael Hope
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Minutes approved by motion at ☐ Regular ☐ Special Board Meeting on _____

CHECK REGISTER

Lake Whatcom W-S District


Time: 11:19:27 Date: 07/10/2025

07/10/2025 To: 07/10/2025

BENEFITS 1

Trans	Date	Type	Acct #	Chk #	Claimant	Amount	Memo
2031	07/10/2025	Payroll	5	EFT	DEPARTMENT OF RETIREMENT SYSTEMS	7,617.50	Pay Cycle(s) 07/10/2025 To 07/10/2025 - DCP; Pay Cycle(s) 07/10/2025 To 07/10/2025 - ROTH DCP
2032	07/10/2025	Payroll	5	EFT	UNITED STATES TREASURY	20,696.64	941 Deposit for Pay Cycle(s) 07/10/2025 - 07/10/2025
2033	07/10/2025	Payroll	5	EFT	WA ST PUBLIC EMP RET PLAN 2	8,618.86	Pay Cycle(s) 07/10/2025 To 07/10/2025 - PERS 2
2034	07/10/2025	Payroll	5	EFT	WA ST PUBLIC EMP RET PLAN 3	3,840.63	Pay Cycle(s) 07/10/2025 To 07/10/2025 - PERS 3
2035	07/10/2025	Payroll	5	EFT	WA ST SUPPORT ENFORCEMENT REGISTRY	911.85	Pay Cycle(s) 07/10/2025 To 07/10/2025 - SUP ENF
2036	07/10/2025	Payroll	5	16581	AFLAC	300.31	Pay Cycle(s) 07/10/2025 To 07/10/2025 - AFLAC PRE-TAX; Pay Cycle(s) 07/10/2025 To 07/10/2025 - AFLAC POST-TAX
2037	07/10/2025	Payroll	5	16582	AFSCME LOCAL	382.80	Pay Cycle(s) 07/10/2025 To 07/10/2025 - UNION DUES; Pay Cycle(s) 07/10/2025 To 07/10/2025 - UNION FUND
2038	07/10/2025	Payroll	5	16583	HRA VEBA TRUST (PAYEE)	590.00	Pay Cycle(s) 07/10/2025 To 07/10/2025 - VEBA
2039	07/10/2025	Payroll	5	16584	WA ST HEALTH CARE AUTHORITY	20,105.31	Pay Cycle(s) 07/10/2025 To 07/10/2025 - PEBB MEDICAL; Pay Cycle(s) 07/10/2025 To 07/10/2025 - PEBB ADD LTD; Pay Cycle(s) 07/10/2025 To 07/10/2025 - PEBB SMK Surcharge
401 Water Fund						47,151.10	
402 Sewer Fund						15,912.80	
						63,063.90	Payroll: 63,063.90

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

Sign  Date 7/10/2025
General Manager, Justin Clary

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

Board President, Todd Citron

Attest : _____
Recording Secretary, Rachael Hope

Approved by motion at ☒ Regular ☐ Special Board Meeting on July 30, 2025
Date Approved

CHECK REGISTER

PAYROLL

Lake Whatcom W-S District

Time: 12:31:41 Date: 07/21/2025


07/24/2025 To: 07/24/2025

Page: 1

Trans	Date	Type	Acct #	Chk #	Claimant	Amount	Memo
2097	07/24/2025	Payroll	5	EFT		585.95	07/05/2025 - 07/18/2025 PR 15
2098	07/24/2025	Payroll	5	EFT		585.95	07/05/2025 - 07/18/2025 PR 15
2099	07/24/2025	Payroll	5	EFT		4,063.42	07/05/2025 - 07/18/2025 PR 15
2100	07/24/2025	Payroll	5	EFT		4,697.92	07/05/2025 - 07/18/2025 PR 15
2101	07/24/2025	Payroll	5	EFT		4,043.37	07/05/2025 - 07/18/2025 PR 15
2103	07/24/2025	Payroll	5	EFT		2,084.23	07/05/2025 - 07/18/2025 PR 15
2105	07/24/2025	Payroll	5	EFT		2,211.89	07/05/2025 - 07/18/2025 PR 15
2106	07/24/2025	Payroll	5	EFT		1,251.93	07/05/2025 - 07/18/2025 PR 15
2107	07/24/2025	Payroll	5	EFT		3,480.58	07/05/2025 - 07/18/2025 PR 15
2108	07/24/2025	Payroll	5	EFT		442.27	07/05/2025 - 07/18/2025 PR 15
2109	07/24/2025	Payroll	5	EFT		2,771.03	07/05/2025 - 07/18/2025 PR 15
2110	07/24/2025	Payroll	5	EFT		2,853.97	07/05/2025 - 07/18/2025 PR 15
2111	07/24/2025	Payroll	5	EFT		146.50	07/05/2025 - 07/18/2025 PR 15
2112	07/24/2025	Payroll	5	EFT		4,748.77	07/05/2025 - 07/18/2025 PR 15
2113	07/24/2025	Payroll	5	EFT		1,549.98	07/05/2025 - 07/18/2025 PR 15
2114	07/24/2025	Payroll	5	EFT		2,925.86	07/05/2025 - 07/18/2025 PR 15
2115	07/24/2025	Payroll	5	EFT		3,141.20	07/05/2025 - 07/18/2025 PR 15
2116	07/24/2025	Payroll	5	EFT		2,458.13	07/05/2025 - 07/18/2025 PR 15
2117	07/24/2025	Payroll	5	EFT		1,904.27	07/05/2025 - 07/18/2025 PR 15
2118	07/24/2025	Payroll	5	EFT		1,504.93	07/05/2025 - 07/18/2025 PR 15
2119	07/24/2025	Payroll	5	EFT		5,008.70	07/05/2025 - 07/18/2025 PR 15
2120	07/24/2025	Payroll	5	EFT		2,842.27	07/05/2025 - 07/18/2025 PR 15
2121	07/24/2025	Payroll	5	EFT		3,228.12	07/05/2025 - 07/18/2025 PR 15
2102	07/24/2025	Payroll	5	16585		439.47	6/4/2025, 6/11/2025 & 6/25/2025
2104	07/24/2025	Payroll	5	16586		1,870.45	07/05/2025 - 07/18/2025 PR 15
401 Water Fund						18,280.96	
402 Sewer Fund						42,560.20	

60,841.16 Payroll: 60,841.16

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

Sign  Date 7/22/2025
General Manager, Justin Clary

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

Board President, Todd Citron

Attest : _____
Recording Secretary, Rachael Hope

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

CHECK REGISTER

BENEFITS

Lake Whatcom W-S District

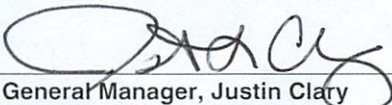
Time: 12:42:18 Date: 07/21/2025

07/24/2025 To: 07/24/2025

Page: 1

Trans	Date	Type	Acct #	Chk #	Claimant	Amount	Memo
2122	07/24/2025	Payroll	5	EFT	DEPARTMENT OF RETIREMENT SYSTEMS	7,617.50	Pay Cycle(s) 07/24/2025 To 07/24/2025 - DCP; Pay Cycle(s) 07/24/2025 To 07/24/2025 - ROTH DCP
2123	07/24/2025	Payroll	5	EFT	UNITED STATES TREASURY	22,054.00	941 Deposit for Pay Cycle(s) 07/24/2025 - 07/24/2025
2124	07/24/2025	Payroll	5	EFT	WA ST PUBLIC EMP RET PLAN 2	7,119.35	Pay Cycle(s) 07/24/2025 To 07/24/2025 - PERS 2
2125	07/24/2025	Payroll	5	EFT	WA ST PUBLIC EMP RET PLAN 3	3,375.56	Pay Cycle(s) 07/24/2025 To 07/24/2025 - PERS 3
2126	07/24/2025	Payroll	5	EFT	WA ST SUPPORT ENFORCEMENT REGISTRY	911.85	Pay Cycle(s) 07/24/2025 To 07/24/2025 - SUP ENF
2127	07/24/2025	Payroll	5	16587	AFLAC	300.31	Pay Cycle(s) 07/24/2025 To 07/24/2025 - AFLAC PRE-TAX; Pay Cycle(s) 07/24/2025 To 07/24/2025 - AFLAC POST-TAX
2128	07/24/2025	Payroll	5	16588	AFSCME LOCAL	382.80	Pay Cycle(s) 07/24/2025 To 07/24/2025 - UNION DUES; Pay Cycle(s) 07/24/2025 To 07/24/2025 - UNION FUND
2129	07/24/2025	Payroll	5	16589	HRA VEBA TRUST (PAYEE)	590.00	Pay Cycle(s) 07/24/2025 To 07/24/2025 - VEBA
2130	07/24/2025	Payroll	5	16590	WA ST HEALTH CARE AUTHORITY	20,105.13	Pay Cycle(s) 07/24/2025 To 07/24/2025 - PEBB MEDICAL; Pay Cycle(s) 07/24/2025 To 07/24/2025 - PEBB ADD LTD; Pay Cycle(s) 07/24/2025 To 07/24/2025 - PEBB SMK Surcharge
401 Water Fund						47,268.98	
402 Sewer Fund						15,187.52	
						62,456.50	Payroll: 62,456.50

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



Sign  Date 7/22/2025
General Manager, Justin Clary

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

Board President, Todd Citron

Attest : _____
Recording Secretary, Rachael Hope

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

		AGENDA BILL Item 6.A		Customer Appeal— Suspension of Sewer Service Requirements	
DATE SUBMITTED:		July 23, 2025		MEETING DATE: July 30, 2025	
TO: BOARD OF COMMISSIONERS			FROM: Justin Clary, General Manager		
GENERAL MANAGER APPROVAL					
ATTACHED DOCUMENTS			1. Pertinent Administrative Code Sections		
			2. Email Correspondence with Mr. Farris		
TYPE OF ACTION REQUESTED			RESOLUTION <input type="checkbox"/>	FORMAL ACTION/ MOTION <input checked="" type="checkbox"/>	INFORMATIONAL /OTHER <input type="checkbox"/>

BACKGROUND / EXPLANATION OF IMPACT

Property located at 2125 North Shore Road (Whatcom County Parcel No. 380325 035165 0000) formally included a single-family residential home connected to the District’s sewage conveyance system via a grinder (pressure) pump. The home on the property had been vacant since around 2001, prompting the neighboring property owner, Tim and Leslie Farris (2133 North Shore Road, Whatcom County Parcel No. 380325 046165 0000), to purchase the property and demolish the house in 2015.

In 2017, Mr. Farris approached the District about termination of sewer service to the 2125 North Shore Road property due to the then relatively recent demolition of the home. The Farris’ were informed that, per the District Administrative Code, the side sewer would require capping at the point at which it enters North Shore Road right-of-way to be eligible for service suspension. The Farris’s determined that the side sewer connects to side sewers serving neighboring connections under a joint-use driveway serving the neighboring connections. Based upon concerns with temporarily disrupting their neighbors’ access, the Farris’s did not pursue capping of the side sewer and continued paying the bimonthly sewer service bill for the property.

On November 28, 2023, Commissioner Ford forwarded to the General Manager an email from Mr. Farris that he had received on November 8. Within the email Mr. Farris requested that the District reconsider suspension of sewer service to the subject property subject to capping the side sewer at the prior location of the demolished home rather than at the road right-of-way.

On November 29, 2023, the General Manager provided a response, citing Section 5.6.6, Disconnection of Side Sewer, of the District Administrative Code that specifies capping requirements for suspension of sewer services. No further correspondence

occurred until July 9, 2025, when Mr. Farris requested that the District reconsider his request, or consider revising the Administrative Code to provide a reduced sewer service rate for properties connected to the District's sewage conveyance system that do not have structures.

Based upon the Administrative Code, it was determined that the next appropriate step is for the Board to officially hear Mr. Farris's appeal of the General Manager's interpretation of the Administrative Code (refer to Sections 2.1, General Manager's Responsibilities and Limitations, and 3.7, Dispute Resolution, of the Administrative Code).

There are three primary options for the Board related to the appeal:

1. Direct development of a resolution revising Administrative Code Sections 2.10.5, Suspension of Billing for Unoccupied Premises, and 5.6.6, Disconnection of Side Sewer, to allow for capping of side sewers at locations other than at the right-of-way or as close to the sewer main as possible.
2. Direct development of a resolution revising the current Master Fees and Charges Schedule to create a customer class for connections to District sewer service that do not serve a structure.
3. Uphold the General Manager's interpretation of the Administrative Code requiring continued payment of sewer service until the side sewer is capped in accordance with the Administrative Code.

Considerations:

1. Revising the required location for capping of side sewers/sewer laterals other than at the public right-of-way would create a potential pathway for groundwater infiltration to enter the District's sewage conveyance system and/or an unregulated space for sewage to fill and potentially leak as the side sewer pipe ages/deteriorates.
2. Creating a new customer class at a reduced sewer rate for sewer connections that no longer serve structures would dis-incentivize appropriate decommissioning of unused side sewer/sewer laterals.

FISCAL IMPACT

Upholding the current Administrative Code would have no fiscal impact. Allowing for disconnection of sewer service at a location other than at the right-of-way or creating a new sewer customer class would have negligible budgetary impact (one known connection out of 4,512 equivalent residential units currently served). If the side sewer is capped, enabling suspension of sewer services, the revenue loss (based on 2025 rates) would be \$1,193.40 per year (\$198.90 per two month billing cycle).

APPLICABLE EFFECTIVE UTILITY MANAGEMENT ATTRIBUTE(S)

Financial Viability

Customer Satisfaction

RECOMMENDED BOARD ACTION

Staff recommends that the Board uphold the General Manager's interpretation of the Administrative Code and decline Mr. Farris's appeal to revise the Administrative Code.

PROPOSED MOTION

Should the Board wish to uphold current policy, as defined in the Administrative Code and implemented by staff, a recommended motion is:

“I move to uphold the District Administrative Code as written and implemented by the General Manager, and decline Mr. Farris's appeal to revise the Administrative Code.”

Should the Board wish to revise District policy regarding disconnection of side sewers or to create a new sewer service customer class, staff recommends the Board provide verbal direction to work with District legal counsel in drafting a resolution for Board consideration that amends the District Administrative Code accordingly.

Pertinent sections of the Administrative Code:

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 or 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]

2.7 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]

2.10.5 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]*

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]

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]

Justin Clary

From: Tim Farris <timfarris@me.com>
Sent: Wednesday, July 23, 2025 8:35 PM
To: Justin Clary
Cc: Bruce Ford; Jason Dahlstrom
Subject: Re: Farris - Request For Help

CAUTION: This email originated from outside your organization. Exercise caution when opening attachments or clicking links, especially from unknown senders.

Hi Justin,

Thank you for your email and voicemail. I was out of town today and just got back.

Yes, I would like to formally request the Commissioners review the current policies as it applies to my situation.

We purchased 2125 North Shore Road in 2015. The home on the lot was in horrible condition and had been abandoned for some 14 years and we had no choice but to tear the house down in the Fall of 2015. Attached is a photo of where the house once stood. As the photo documents, there is no home on the lot. The sewer line is not connected to any structure of any kind and there is absolutely no usage of the sewer line.

Despite this, I am being charged full sewer fees when I don't use the sewer line - at all.

The existing policy requires me to cap the line up by the road but this location is under a driveway owned by other people. I have no legal authority to dig up their property. They use their property multiple times a day. I can't do it. And because I can't, I haven't. I end up paying for a sewer fee for a service I don't use. As indicated, I am asking the Commissioners to enact a modification to the policy.

I think the simplest way would be to enact the following policy:

1) Waive or reduce the sewer fee (\$25/month?) when there is no house upon the lot and no usage of the sewer line. To protect the district, the new policy could say that full sewer fees are due (retroactively) from the first month a home is built and/or the sewer line is used.

This provision protects the District by making the sewer fees retroactive to the month of first use.

Another alternative would be to enact a revision to its Code that provides for a reduced fee (\$25/ month?) when a) there is no building on the property, b) the sewer line is not used and c) the right away connection location is underneath property that is not in the legal control of the property owner. This language seems unnecessarily complicated and I would suggest the language that eliminates or reduces the sewer fee if there is no house and no usage of the sewer line is simple and clear.

I am not sure there is much more that I can offer the Commissioners by attending the meeting in person. If the Commissioners would like further information I am happy to provide it by email or by attending the meeting.

Just let me know.

Thanks to everyone for their consideration and any relief they can offer.

Tim



Tim Farris
2133 North Shore Road
Bellingham, Washington 98226
(360) 220-0800 (m)
TimFarris@me.com

On Jul 22, 2025, at 12:03 PM, Justin Clary <justin.clary@lwwsd.org> wrote:

I am asking the Commission to enact a revision to its Code that provides for a reduced fee (\$25/ month?) when a) there is no building on the property, b) the sewer line is not used and c) the right away connection location is underneath property that is not in the legal control of the property owner.

Justin Clary

From: Justin Clary
Sent: Tuesday, July 22, 2025 12:03 PM
To: Tim Farris
Cc: Bruce Ford; Jason Dahlstrom
Subject: RE: Farris - Request For Help

Mr. Farris,

In review of your situation, I have confirmed that the District's Administrative Code specific to your situation has not been revised since our last correspondence in November 2023. Based on this, the next appropriate step would be your appeal of the General Manager's interpretation of the Administrative Code to the District Board of Commissioners. This can also enable your proposal for the reduced sewer rate. If this approach is acceptable to you, we can add it to an upcoming Board meeting agenda. The Board meets at 6:30 p.m. on the second Wednesday of the month and at 8:00 a.m. on the last Wednesday of the month. You are welcome (but not required) to attend the meeting to state your case before the Board. If you let me know by close of business tomorrow (July 23), we can add you to the July 30 meeting agenda (8:00 a.m. start). As an alternate, the next meeting is 6:30 p.m. on Wednesday, August 13. If neither of those meetings fit your schedule, we can look further into the future. All Board meetings are held at 1220 Lakeway Drive; however, there is also an option for attending virtually via the GoTo online meeting platform.

Please let me know your preference.

Justin L. Clary, PE | General Manager



LAKE WHATCOM WATER & SEWER DISTRICT

1220 Lakeway Drive
Bellingham, WA 98229

8am – 5pm, Monday – Thursday
(360) 734-9224
www.lwwsd.org

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Email from this address is subject to public disclosure pursuant to RCW 42.56.

From: Tim Farris <timfarris@me.com>
Sent: Thursday, July 10, 2025 4:59 PM
To: Justin Clary <justin.clary@lwwsd.org>
Cc: Bruce Ford <bruce.ford@lwwsd.org>; Jason Dahlstrom <jason.dahlstrom@lwwsd.org>
Subject: Re: Farris - Request For Help

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Thank you.

Tim

Tim Farris
2133 North Shore Road
Bellingham, Washington 98226
(360) 220-0800 (m)
TimFarris@me.com

On Jul 10, 2025, at 4:41 PM, Justin Clary <justin.clary@lwwsd.org> wrote:

Thank you, Mr. Farris. The District will review your request and get back to you with any questions or comments.

Justin L. Clary, PE | General Manager

<image001.jpg>

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From: Tim Farris <timfarris@me.com>
Sent: Wednesday, July 9, 2025 2:17 PM
To: Justin Clary <justin.clary@lwwsd.org>
Cc: Bruce Ford <bruce.ford@lwwsd.org>; Jason Dahlstrom <jason.dahlstrom@lwwsd.org>
Subject: Re: Farris - Request For Help

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Hi Justin,

I have visited this topic in the past with you and Bill Hunter. I am emailing to ask if the Commission might consider a different resolution.

As you know, in September 2016 we purchased the lot next door (2125 North Shore Road). The house had been abandoned for some 14 years before our purchase and was a tear down. We tore it down. As a result the sewer line has not been used since at least September of 2016. (Actually, it probably hasn't been used in the previous 14 years either.) We offered to cap the sewer line near the old house pad. That was unacceptable to the District. They pointed to their Code that requires the line to be disconnected at the right of way.

As you may recall, we traced the line. We found out that where it caps at the right of way is under our neighbors' driveway. We have no legal authority to tear up their property. Tearing up their driveway is not something within my control. As a result, we have not been able to cap the line and we have continued to pay the monthly sewer fee (now some \$198 per month) for almost nine years. Currently that fee is now \$198 per month - for a service we do not use. That is almost \$2,400 a year - for years to come. The district charges us for a service that it does not provide and we do not use. In the next decade, this dysfunctional arrangement is likely to cost more than \$24,000. And, there is nothing I can legally do about it.

I understand the needs of governmental entities in serving our community. I have an extended history of community service, I have served on some 15 non-profit boards and - as President of the Board - led the formation of the Mt. Baker Foundation. I understand civic needs. At the request of the mayor and county executive, I led a campaign to defeat Initiative 695 (which would have reduced WTA revenues). At the request of the mayor, I chaired a campaign to pass the bond measure to build the Deemer Road fire station. And, at the request of the Superintendent of the School District, I chaired the School Levy committee that raised over \$25 million for our schools. I mention this history because, I understand and respect the function of government to serve our community. But sometimes, and this is one, government also needs to recognize when something is unfair.

I have a modified proposal which I ask that you forward to the Commission for a vote.

I understand the District's code requires the sewer line be disconnected at the right of way. However, as noted, this is a unique case. It is legally impossible for me to comply with this requirement because I legally cannot dig up the driveway that belongs to other people. As proof, I have not done so and continue to pay for a sewer fee that I have never used. I think this outcome would strike most people as unfair.

With these unique circumstances, I am emailing to ask you to forward this email on to your commissioners.

I am asking the Commission to enact a revision to its Code that provides for a reduced fee (\$25/ month?) when a) there is no building on the property, b) the sewer line is not used and c) the right away connection location is underneath property that is not in the legal control of the property owner.

Thank you for your consideration.

Tim

Tim Farris
2133 North Shore Road
Bellingham, Washington 98226
(360) 220-0800 (m)
TimFarris@me.com

On Nov 29, 2023, at 2:54 PM, Justin Clary <justin.clary@lwwsd.org> wrote:

Mr. Farris,
Commissioner Ford forwarded to me your inquiry regarding steps necessary to permanently suspend sewer service to 2125 North Shore Road. The policy you have cited from the District's website appears to be a summary of District policy, which is defined in the District's [Administrative Code](#). Sections of the Administrative Code that are pertinent to your inquiry include:

Section 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]*

Section 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]

In discussion with District staff that assisted with your inquiry in 2017, it sounds as though the side sewer that served your property (2125 North Shore Road) is connected via a 6-inch diameter wye with the side sewer that serves 2117 North Shore Road. The wye is believed to be located in the right-of-way of North Shore

Road and *may* be outside of the driveway alignment you referenced (you could have a plumber camera and locate the specific location of the wye from your side sewer line to confirm).

Regardless, based upon the District's Administrative Code, the line that served your property (2125 North Shore Road) would need to be capped where it leaves your property and enters North Shore Road right-of-way, at a minimum. For additional consideration, if you do plan to redevelop the property in the future, you may lose your vesting in the system and be required to pay connection fees in place at the time of development (currently sewer system connection fees are \$11,943 for a residential home).

Should you have additional questions, please do not hesitate to contact the District.

Thank you,

Justin L. Clary, PE | General Manager

<image001.jpg>

LAKE WHATCOM WATER & SEWER DISTRICT

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From: Bruce Ford <bruce.ford@lwwsd.org>

Sent: Tuesday, November 28, 2023 4:16 PM

To: Justin Clary <justin.clary@lwwsd.org>

Subject: Fw: Farris - Request For Help

From: Tim Farris <timfarris@me.com>

Sent: Wednesday, November 8, 2023 8:53 PM

To: Bruce Ford

Cc: Leslie Farris

Subject: Farris - Request For Help

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opening attachments or clicking links, especially from unknown senders.

Hi Bruce,

We understand you represent us as a Commissioner with the Lake Whatcom Water and Sewer District. With the election over, I was wondering if we could get some help?

Leslie and I, both retired, own a home in the Lake Whatcom Water and Sewer District (2133 North Shore Road) - in your District. The house next door (2125 North Shore Road) had been abandoned for 14 years and we purchased it in 2015. We tried to give the house away to a non-profit but that was not feasible. So, we had the house demolished, capped the sewer line at the house site and landscaped the yard. Our plan, in about ten years or so, is to build a new home on the now empty lot.

The sewer line to 2125 North Shore Road has not been used since about 2001. It has never leaked. For over the past two decades, the District has been charging for sewer service that has never been used.

In 2017, we petitioned the District to suspend charging the monthly sewer/water fee. The Commissioners told us that our monthly sewer fee would be suspended if we capped the sewer line where it connects to the main sewer line next to North Shore Road.

We made a good faith effort to comply with the District's request. We worked on capping the line at the road for months. We brought in inspection teams to try and locate the lines. We sent down cameras to locate the lines. We hired a contractor to evaluate the situation. We got cost estimates (about \$4,000) to cap the line at the road.

There was a problem, however, with capping the sewer line at the road.

We discovered that the sewer line, where it connects at the road, is under a driveway we share with two other neighbors. That's a big problem. These are busy families (one who has four busy children/two driving teenagers) and all of them are working. They need daily use of the shared driveway to get to work, school, shop

and more. To cap the sewer line at the road, we would have to excavate the shared driveway, block access to their homes, cause them significant inconvenience and then repave the driveway. They would not only be unable to access their homes, get to school etc. but there is no safe place to park their (collectively 7) vehicles along North Shore Road. We didn't feel like we could be a good neighbor and block access to their home simply to save us some money. (I also thought we likely could not legally block them access to their homes.) As a result, we did not cap the sewer line at the road and have continued to pay the Lake Whatcom Water and Sewer District's monthly sewer fee.

The cost for putting our neighbor's interest before our own has been very expensive. It is evidence of our good faith. Instead of paying \$4,000 to dig up the shared road, we have have - instead - paid the District about \$12,000 since 2015 for a service we don't need, don't want, haven't used and the District didn't and doesn't deliver. Without your help, we will end up paying far more.

The outcome has not been what any of us wanted.

1)The District never got the enhanced environmental protection it sought (the sewer line is not capped at the road) and;

2) We are paying over \$180 a month for sewer service we don't use.

What is the logic of

this?

Two other things to consider.

First, it was not until after the Board's directive to cap the sewer line at the road that I think I understood the reasoning for capping the line at the road instead of at the former house site. I wished I understood it back then because I think I could have provided the

Board with information relevant to its concern. Normally, when a house is demolished the property is abandoned and the sewer line are unmonitored and unattended. As a result, a leak would go undetected and endanger the lake. It's good reasoning. But it does not apply to this case. Unlike other houses that are demolished and abandoned, the sewer line for the house we demolished is now in our yard. It is in near constant (hourly?) line of sight. (I can see it as I write this email.) We are out in the yard, almost every day (often several times a day) and would quickly know of any leak either from odor or visual inspection (and report it). In sum, this line is absolutely no different than any of the other sewer lines that serve thousands of homes in the watershed - that are not capped at the road. It is just as monitored and just as safe as all the other sewer lines in the District. In this case, it is safer. Here, there is no sewage in the line as there is no home using the line.

Second, the other morning I was reading through the Board's website and noted a (new?) written policy that allows suspension of billing when a) the house is demolished and b) the meter is removed and c) without requiring the line be capped at the road. This policy, to my knowledge, was not in place when the District made its decision in 2017. I certainly was unaware of it.

The Policy states:

The Board of Commissioners has authorized the suspension of water and sewer services without charging a fee if a house has been demolished or become uninhabitable due to a fire, flood, or other such disaster. Under these circumstances, the water and sewer billing will be suspended and the meter either locked or removed. The property owner is required to request a suspension of service in writing and pay any balance owing on the account prior to the billing suspension. Payment of a permit fee may be required in order to resume water and sewer service to the property. For more information regarding this option, contact the District's Engineering Department.

In this policy, the District will suspend water and sewer services "if a house has been demolished" and "the meter either locked or removed". There is no requirement that that the sewer line also be capped at the road. I have both demolished the house and removed the meter (and capped the line at the former house site). Thus, I have met all the requirements of this policy. I recognize that the (new) policy refers to homes demolished by

“fire, flood or other such disaster” but this case makes even a more compelling argument for capping at the house site than when a home is demolished by fire (and the line left unattended). Here, unlike the home that is demolished, this sewer line is under near constant supervision. And, there is no home placing sewage in the line.

In sum, I wanted to update you on what has happened since the Board asked us to cap the sewer line at the road as a condition of suspending the monthly sewer fee: 1) we made a good faith effort to cap the line at the road but ran into an obstacle because the line is under a shared driveway; 2) we’ve learned the Board’s reasoning for capping the line at the road when a house is demolished and it simply is not a concern in this case and; 3) there is a new policy, not raised in 2017, that we hope could be applied to the facts of this case.

As someone who has a long history of community service - including service on numerous non-profit boards and as Co-Chair of the Lake Whatcom Watershed Initiative (to protect lake quality), I am as concerned about lake quality as anyone I know. This outcome, however, makes no sense. We have the same protection in place for the lake as every other home in the District - where the line is constantly monitored. Here, there isn’t even a home attached to the line. The unused sewer line has not been and will not be capped at the road because of the problems we have discovered. With nothing achieved, the District is charging us some \$2,000 a year for sewer service that we don’t want and it doesn’t deliver.

Thanks for anything you can do to help us.


Tim

Tim Farris
2133 North Shore Road
Bellingham, Washington 98226
(360) 220-0800 (m)
TimFarris@me.com



**AGENDA
BILL
Item 6.B**

**Rocky Ridge/Lakewood Sewer
Lift Stations Improvements
Project Public Works
Contract Close Out**

DATE SUBMITTED:	July 23, 2025	MEETING DATE:	July 30, 2025
TO: BOARD OF COMMISSIONERS	FROM: Greg Nicoll, District Engineer		
GENERAL MANAGER APPROVAL			
ATTACHED DOCUMENTS	none		
TYPE OF ACTION REQUESTED	RESOLUTION <input type="checkbox"/>	FORMAL ACTION/ MOTION <input checked="" type="checkbox"/>	INFORMATIONAL /OTHER <input type="checkbox"/>

BACKGROUND / EXPLANATION OF IMPACT

The Lakewood and Rocky Ridge sewer lift stations are located along the southerly shore of Lake Whatcom at approximate addresses of 2460 and 2526 Lake Whatcom Boulevard, respectively. Both stations had not been significantly upgraded since their original installation in the 1970s. The public works project consisted of the replacement of the pumps, motors, controls and power drops at both stations.

Following a public bid process, the District Board awarded the construction contract to Red Point Contracting during a regularly scheduled meeting on May 8, 2024. The contractor has now completed all work and contract requirements. Therefore, staff recommends accepting the project as complete and closing out the public works contract.

FISCAL IMPACT

The contractor completed the work for the original contract amount of \$1,314,211.52 plus an additional \$9,172.26 associated with change orders for a total of \$1,323,383.78 (including sales tax).

APPLICABLE EFFECTIVE UTILITY MANAGEMENT ATTRIBUTE(S)

Product Quality
Operational Optimization
Infrastructure Strategy and Performance

RECOMMENDED BOARD ACTION

Staff recommends accepting the project as complete and closing out the public works contract.

PROPOSED MOTION


Recommended motion is:

“I move to accept the Lakewood and Rocky Ridge Sewer Lift Stations Improvements Project public works contract performed by Red Point Contracting as complete and authorize staff to close out the public works contract.”



**AGENDA
BILL
Item 6.C**

**Financial Benchmarks
Discussion**

DATE SUBMITTED:	July 23, 2025	MEETING DATE:	July 30, 2025
TO: BOARD OF COMMISSIONERS	FROM: Justin Clary, General Manager		
GENERAL MANAGER APPROVAL			
ATTACHED DOCUMENTS	1. Draft Financial Benchmarks		
TYPE OF ACTION REQUESTED	RESOLUTION <input type="checkbox"/>	FORMAL ACTION/ MOTION <input type="checkbox"/>	INFORMATIONAL /OTHER <input checked="" type="checkbox"/>

BACKGROUND / EXPLANATION OF IMPACT

As a public agency, it is crucial that the Lake Whatcom Water and Sewer District maintain public trust through efficiently operating in a transparent manner. A method for monitoring and public reporting of utility operations is through *performance measurement*—the process of creating useful metrics to gauge current performance and to set reasonable targets for the future. Performance measurement (or “benchmarking”) is already being implemented by the District in tracking progress on and attainment of departmental goals defined in the current six-year strategic business plan, which is reported to the Board on a quarterly basis. In addition, the Board has also created benchmarks through policy adoption (examples being 60/90-day operating reserves for the sewer/water utilities and maintaining a debt-service coverage ratio of at least 1.75).

The District finds itself at a point where the Board and staff are aligned in implementation of the District’s mission while ensuring that the District is operating in a manner that enables preparation for the financing of significant capital improvement projects while doing all that it can to minimize impacts to our customers in the form of rate increases. The development of benchmarks can effectively set the stage for the long-term demonstration to customers that the District has proactively managed and maintained its systems to mitigate unnecessary operational expenses.

Recognizing that the District is unique, District staff and Commissioner Carter have initiated discussion on creation of benchmarks specific to the District, while also using existing resources (such as the American Water Works Association Utility Benchmarking and Washington State Auditor’s Office guidance documents) as may be applicable to the District. Attached is an initial set of benchmarks proposed for demonstrating the District’s proactive, long-term management of its systems.

FISCAL IMPACT

No fiscal impact is anticipated with discussion of potential benchmarks.

APPLICABLE EFFECTIVE UTILITY MANAGEMENT ATTRIBUTE(S)

Financial Viability

Customer Satisfaction

RECOMMENDED BOARD ACTION

No action is recommended.

PROPOSED MOTION

Not applicable.

2024 Financial Benchmarks Evaluation
Lake Whatcom Water and Sewer District

Debt Ratio

Quantifies a utility's level of indebtedness. It is a measure of the extent to which assets are financed through borrowing. The higher the debt ratio, the more dependent the utility is on debt financing.

Debt Ratio (%) = $\frac{\text{total liabilities}}{\text{total assets}}$

2024 Liabilities = \$ 6,731,272
2024 Assets = \$ 40,485,815

2024 Debt Ratio = 17%

Recommended benchmark is 25% or less (AWWA 75th percentile for water-wastewater utilities).

The District currently meets the recommended benchmark.

Source: AWWA

Debt-Service Coverage Ratio

The ratio of net operating income to total debt service.

Debt-Service Coverage Ratio (%) = $\frac{\text{total operating revenue} - \text{total O\&M costs}}{\text{total debt service}}$

2024 Operating Revenue = \$ 9,458,855
2024 O&M Costs = \$ 5,680,222
2024 Debt Service = \$ 865,676

2025 Debt Serv. Cov. Ratio = 4.36

Benchmark is DSCR of equal to or greater than 1.75 (District Administrative Code Section 2.19.1).

The District currently meets the benchmark.

Source: AWWA

Days Cash on Hand

Quantifies the number of days of available cash on hand as a measure of financial liquidity.

$$\text{Days Cash on Hand (days)} = \frac{\text{undesignated cash \& cash equivalents}}{(\text{operating expenses})/365 \text{ days}}$$

2024 Cash/Cash Equiv. = \$ 5,818,110

2024 Operating Expenses = \$ 5,680,222

2024 Days Cash on Hand = 374 days

Recommended benchmark is 180 days

The District currently meets the benchmark.

Source: AWWA

Operating Reserve

Serves as a liquidity cushion providing protection from the risk of short-term variation in the timing of revenue collection relative to payment of expenses.

$$\text{Operating Reserve (days)} = \frac{\text{reserve fund balance}}{\text{operational costs/day}}$$

Water Utility Reserve Bal. = \$ 664,000

Water Utility Cost/Day = \$ 7,255

Sewer Utility Reserve Bal. = \$ 521,000

Sewer Utility Cost/Day = \$ 8,307

Water Utility Op. Reserve = 92 days

Sewer Utility Op. Reserve = 63 days

Water Utility benchmark is 90 days (District Administrative Code Section 2.18.1).

Sewer Utility benchmark is 60 days (District Administrative Code Section 2.18.1).

The District currently meets the benchmarks for both utilities.

Source: AWWA

Bond Rating

A utility's bond rating is a grade that indicates its credit worthiness. The District is rated by S&P Global.

S&P Rating	Rating Category
AAA	Prime
AA+	High Grade
AA	
AA-	
A+	Upper Med. Grade
A	
B	
BBB +/-	Lower Med. Grade

The District's current bond rating is AA-.

Recommended benchmark is High Grade.

The District currently meets the recommended benchmark.

Source: AWWA

Change in Cash Position

The ability to "add" to savings is considered a positive sign that a government is building reserves or setting aside funds for future capital improvements.

Change in Cash Position = current cash balance - prior year ending cash balance

06.30.2025 Cash Balance = \$ 9,217,188

12.31.2024 Cash Balance = \$ 8,924,235

06.30.2025 Cash Position = \$ 292,953

Recommended benchmark is greater than or equal to \$0.

The District currently meets the recommended benchmark.

Source: Washington SAO

Enterprise (Utility) Fund Self-Sufficiency

Demonstrates that utility fund revenue is sufficient to cover operating costs and debt service each year.

Fund Self-Sufficiency = revenue - (operating cost + debt service)

Water Utility Revenue =	\$	4,834,151
Water Utility Operating Cost =	\$	2,648,044
Water Utility Debt Service =	\$	220,751
Sewer Utility Revenue =	\$	5,909,424
Sewer Utility Operating Cost =	\$	3,032,178
Sewer Utility Debt Service =	\$	644,925

Water Utility Self-Sufficiency =	\$	1,965,356
Sewer Utility Self-Sufficiency =	\$	2,232,321

Recommended benchmark is greater than or equal to \$0.

The District currently meets the recommended benchmark for both utilities.

Source: Washington SAO

Debt Load

Demonstrates financial flexibility by not overburdening agency in long-term debt.

$$\text{Debt Load (\%)} = \frac{\text{Debt Service}}{\text{Revenue}}$$

Water Utility Revenue =	\$	4,834,151
Water Utility Debt Service =	\$	220,751
Sewer Utility Revenue =	\$	5,909,424
Sewer Utility Debt Service =	\$	644,925

Water Utility Debt Load =	5%
Sewer Utility Debt Load =	11%

Recommended benchmark is less than or equal to 12 percent.

The District currently meets the recommended benchmark for both utilities.

Source: Washington SAO

O&M Cost of Utility Service per Account

$$\text{Total O\&M Cost (\$/account)} = \frac{\text{total O\&M cost}}{\text{total number of accounts}}$$

2024 Water O&M Cost = \$ 2,648,044

2024 Water Accounts = 3,811

2024 Sewer O&M Cost = \$ 3,032,178

2024 Sewer Accounts = 4,156

Total Water O&M Cost = \$ 695 per account

Total Sewer O&M Cost = \$ 730 per account

Recommended water utility benchmark is \$543 (median-combined utilities).

Recommended sewer utility benchmark is \$479 (median-combined utilities).

The District currently does not meet the recommended benchmark for both utilities.

Source: AWWA

O&M Cost of Utility Service by Volume Produced/Treated

$$\text{Total O\&M Cost (\$/MG)} = \frac{\text{total O\&M cost}}{\text{average daily production} \times 365 \text{ days}}$$

2024 Water O&M Cost = \$ 2,648,044

2024 Avg Water Daily Production = 569,218 SS = 547,438 gpd; AH = 8,312 gpd; ER = 13,468 gpd

2024 Sewer O&M Cost = \$ 3,032,178

2024 Avg Sewer Daily Production = 748,748

Total Water O&M Cost = \$ 12,745 per million gallons water

Total Sewer O&M Cost = \$ 11,095 per million gallons wastewater

Recommended water utility benchmark is \$3,130 (median-combined utilities).

Recommended sewer utility benchmark is \$3,156 (median-combined utilities).

The District currently does not meet the recommended benchmark for both utilities.

Source: AWWA

O&M Cost of Utility Service by Distribution/Collection System Size

$$\text{Total O\&M Cost (\$/100 miles of pipe)} = \frac{\text{total O\&M cost} \times 100}{\text{length of utility pipe}}$$

2024 Water O&M Cost = \$ 2,648,044

Length of Water System Pipe = 70

2024 Sewer O&M Cost = \$ 3,032,178

Length of Sewer System Pipe = 87

Total Water O&M Cost = \$ 3,782,920 per 100 miles of pipe

Total Sewer O&M Cost = \$ 3,485,262 per 100 miles of pipe

Recommended water utility benchmark is \$3,666,051 (combined utilities-median).

Recommended sewer utility benchmark is \$3,638,090 (combined utilities-median).

The District currently does not meet the recommended benchmark for the water utility.


The District currently meets the recommended benchmark the sewer utility.

Source: AWWA



**AGENDA
BILL
Item 8.A**

**General Manager's
Report**

DATE SUBMITTED:	July 23, 2025	MEETING DATE:	July 30, 2025
TO: BOARD OF COMMISSIONERS	FROM: Justin Clary, General Manager		
GENERAL MANAGER APPROVAL			
ATTACHED DOCUMENTS	1. General Manager's Report		
TYPE OF ACTION REQUESTED	RESOLUTION <input type="checkbox"/>	FORMAL ACTION/ MOTION <input type="checkbox"/>	INFORMATIONAL /OTHER <input checked="" type="checkbox"/>

BACKGROUND / EXPLANATION OF IMPACT

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

FISCAL IMPACT

None.

RECOMMENDED BOARD ACTION

None required.

PROPOSED MOTION

None.



LAKE WHATCOM WATER AND SEWER DISTRICT

General Manager's Report

Upcoming Dates & Announcements

Regular Meeting – Wednesday, July 30, 2025 – 8:00 a.m.

Important Upcoming Dates

Lake Whatcom Water & Sewer District			
Regular Board Meeting	Wed Aug 13, 2025	6:30 p.m.	Board Room/Hybrid
Employee Staff Meeting	Thu Aug 14, 2025	8:00 a.m.	Board Room/Hybrid Commissioner Knakal to attend
Investment Comm. Meeting	Wed Jul 30, 2025	10:00 a.m.	Board Room/Hybrid
Safety Committee Meeting	Thu Aug 28, 2025	8:00 a.m.	Board Room
Lake Whatcom Management Program			
Policy Group Meeting	Wed Sep 3, 2025	3:00 p.m.	City of Bellingham Pacific St Ops Center, 2221 Pacific Street
Joint Councils Meeting	March/April 2026	TBD	TBD
Other Meetings			
WASWD Section III Meeting	Wed Aug 12, 2025	6:00 p.m.	Bob's Burgers 8822 Quil Ceda Pkwy, Tulalip, WA
Whatcom Water Districts Caucus Meeting	Wed Aug 20, 2025	2:00 p.m.	Remote Attendance
Whatcom County Council of Governments Board Meeting	Wed Oct 8, 2025	3:00 p.m.	Council of Governments Offices 314 E Champion Street/Hybrid

Committee Meeting Reports

Safety Committee:

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

Investment Committee:

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

Upcoming Board Meeting Topics

- Lake Whatcom Management Program invasive mussel rapid response interlocal agreement
- Professional services agreement for Agate Bay Sewer Lift Improvement Project electrical and controls design services
- District code of ethics development
- Glen Cove Water Association consolidation consideration
- Annual general manager performance evaluation

2025 Initiatives Status

Administration and Operations

Water Right Adjudication

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

The District received the adjudication documents from Ecology via certified mail on March 19, 2025 and met with District legal counsel on July 16. District staff is now preparing claim forms specific to each water right for submittal to Whatcom County Superior Court.

Safety Program Update

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

Staff finalized updates to three (3) programs (asbestos-cement pipe handling, trenching/shoring, and lock-out/tag-out) and is reviewing the confined space, lifting/rigging, and fall protection programs. In addition, the District underwent a facility safety consultation with the Washington State Department of Labor & Industries on July 23 to identify any safety concerns.

APWA Accreditation

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

The accreditation team is reviewing/completing the 273 applicable accreditation practices.

Financial Management

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

District management reviewed potential financial benchmarks with Commissioner Carter on June 3. Management will refine the approach for discussion during the July 30 board meeting.

Management Team Development

- Continue professional development of the management team.

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

Emergency Response/System Security

Emergency Readiness

- Continue use of Whatcom County Department of Emergency Management services to hold tabletop and/or field emergency response exercises.

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

Community/Public Relations

General

- Website
The District's web content is reviewed and updated on a regular basis.
- Social Media
Posts are made to District Facebook, LinkedIn, and Nextdoor pages regularly; Nextdoor is also regularly monitored for District-related posts.
- Press Releases
Press releases were issued on March 6 (Division 22-1 reservoir project FEMA hazard mitigation grant award), May 22 (clean 2024 audit), June 30 (Division 7 reservoirs commissioning), and July 8 (Camp Firwood lift station release).

Intergovernmental Relations

- *J Clary and G Nicoll met with management of The Firs on July 15 regarding water and sewer service to The Firs' Geneva properties.*
- *J Clary chaired the Whatcom Water Alliance meeting on July 15.*
- *J Clary attended the Whatcom County Council meeting and associated public hearing on the Comprehensive Plan Update and the Coordinated Water System Plan held on July 22.*

Lake Whatcom Water Quality

Lake Whatcom Management Program

- Participate in meetings of Lake Whatcom Management Program partners.
J Clary attended the data group meeting on July 10 and the interjurisdictional coordinating team meeting on July 17.

2025-2030 Strategic Business Plan Implementation Status
Lake Whatcom Water and Sewer District

Executive Department Goals		2025 YTD	2026	2027	2028	2029	2030
1. Facilitate achievement of annually established Board initiatives							
Workload Indicators							
- Meetings with management team to attain Board initiatives	23						
- Reporting on the status of completion of Board initiatives	12						
- Annual number of Board initiatives	8						
- Annual number of Board meetings/work sessions held	12						
Performance Measures							
- Completion of initiatives within Board/staff agreed timelines	initiated						
2. Biennial EUM self-assessment and update to strategic plan							
Workload Indicators							
- Draft departmental strategic plans by June 30 of even-numbered years							
- Financial forecast updated biennially (even-numbered years)							
- Balanced budget presented to the Board biennially							
Performance Measures							
- Complete strategic plan and financial forecast by Sep 1 (even-numbered years)							
3. Maintain intergovernmental relations program							
Workload Indicators							
- Participation in LWMP data group, ICT, policy group, and joint councils meetings	yes						
- Participation in WWA, WUCC, COG, and Whatcom Water Districts meetings	yes						
- Participation in WASWD and WSRMP meetings	yes						
- Meet with City, County, SVCA, and SWFA staff	no						
- Attendance of WASWD and IACC conferences	no						
- Presentation at SVCA board meetings	no						
Performance Measures							
- Annual budgetary allocation supporting organization memberships	complete						
- Number of LWMP meetings attended	24						
- Number of WWA, WUCC, COG, and Whatcom Water Districts meetings attended	13						
- Number of meetings with City, County, SVCA, and SWFA staff	4						
- Number of conferences attended	2						

2025-2030 Strategic Business Plan Implementation Status
Lake Whatcom Water and Sewer District

Executive Department Goals		2025 YTD	2026	2027	2028	2029	2030
	- Number of presentations to SVCA board	0					
4.	Enhance public relations program						
	Workload Indicators						
	- Update of District website	no					
	- Issuance of press releases and Facebook posts on a regular basis	yes					
	- Active participation in community events	no					
	Performance Measures						
	- Completion of website update by December 31, 2025	no					
	- Completion of District rebranding by December 31, 2028						
	- Number of Facebook likes/followers	179/218					
	- Number of press releases issued	3					
	- Number of Facebook posts	21					
	- Number of community events participated in	0					
5.	Maintain safety program						
	Workload Indicators						
	- Staff review of District safety programs	initiated					
	- Staff completion of online safety trainings	initiated					
	- Staff attendance of required certification courses	initiated					
	Performance Measures						
	- Annual review of a minimum of 9 safety programs	3					
	- Monthly meeting of the safety committee	6					
	- Annual number of safety inspections by management	3					
	- Annual number of lost time injuries and near misses	0					
6.	Water rights adjudication participation						
	Workload Indicators						
	- Attendance of adjudication-related presentations/meetings	yes					
	Performance Measures						
	- Claims filed for each District water right	0					
	- Documentation supporting claims filed with court						

2025-2030 Strategic Business Plan Implementation Status
Lake Whatcom Water and Sewer District

Executive Department Goals		2025 YTD	2026	2027	2028	2029	2030
7.	American Public Works Association accreditation						
	Workload Indicators						
	- Accreditation team status meetings	yes					
	- Consistent completion of accreditation-required metrics (Practice sub-goals)	yes					
	Performance Measures						
	- Number of Accreditation Team meetings held annually	1					
	- Number of Practice sub-goals completed annually	38					
	- Formal registration in 2026						
	- APWA accreditation in 2029						

2025-2030 Strategic Business Plan Implementation Status
Lake Whatcom Water and Sewer District

Finance Department Goals		2025 YTD	2026	2027	2028	2029	2030
1. Improve performance standards and enhance professional growth							
Workload Indicators							
- Regular review of job descriptions and cross-train as duties allow	complete						
- Identify applicable trainings and encourage accounting principles understanding	ongoing						
- Issue weekly updates to staff	ongoing						
- Increase training centered on accounting standards and best practices	ongoing						
- Develop a comprehensive financial procedure manual	ongoing						
Performance Measures							
- Number of trainings and webinars attended	9						
- Implement employee cross-training and development tracking system	underway						
- Number of weekly updates from the Finance Manager	21						
- Number of staff meetings and engagement activities	16						
- Implement comprehensive financial procedures manual	ongoing						
2. Improve financial sustainability and forecasting							
Workload Indicators							
- Development and routine evaluation of long-term forecasting model	ongoing						
- Provide instructions/schedule for budget preparation							
- Routine evaluation of biennial budget	ongoing						
- Routine evaluation of financial policies	ongoing						
- Routine evaluation of investments	ongoing						
Performance Measures							
- Alignment of overhead/personnel costs with rate revenue	ongoing						
- Regular use and update to the forecasting model	ongoing						
- Number of management team meetings to review cost alignment with budget	ongoing						
- Financial policies are maintained to align with industry best practices/standards	yes						
- Investment revenue increases while maintaining safety and liquidity requirements	yes						
- Financials and financial policies comply with State Auditor's Office	yes						

2025-2030 Strategic Business Plan Implementation Status
Lake Whatcom Water and Sewer District

Finance Department Goals		2025 YTD	2026	2027	2028	2029	2030
3.	Maximize and utilize technology to improve workflow						
	Workload Indicators						
	- Meet with banking representatives to improve daily deposit process	no					
	- Utilize records retention software to maintain payroll and benefites lifetime records	ongoing					
	- Convert accounts payable process to paperless	no					
	- Research implementation of Springbrook Cloud	no					
	- Increase staff and management trainings on new technology and processes	ongoing					
	Performance Measures						
	- Implementation of remote deposit capture or electronic processing of checks	no					
	- Implementation of document management software for payroll and benefits records	underway					
	- Implementation of paperless accounts payable process	no					
	- Utilization of internal server drive for accounts payable records	no					
	- Number of meetings with Springbrook representatives re: Springbrook Cloud	0					
	- Number of trainings on recent technology and processes	2					

2025-2030 Strategic Business Plan Implementation Status
Lake Whatcom Water and Sewer District

Engineering Department Goals		2025 YTD	2026	2027	2028	2029	2030
1. Identify, design and construct capital improvement projects							
Workload Indicators							
- Number of capital projects completed during the current biennium		7					
- Hours of on-site inspection provided by District staff		375					
- Hours of design and construction admin provided by consulting engineers		400					
Performance Measures							
- Biennial update to the 6- and 20-year capital improvement plans		underway					
- Board adoption of bienniel capital reinvestment budget		complete					
- Completion of planned capital projects on schedule and within budget		underway					
2. Further develop the asset management system to ensure timely maintenance and plan for asset reinvestment							
Workload Indicators							
- Number of asset decay curves		1					
- Number of Overall Condition Index scores added or updated		523					
- Number of asset replacement plans developed for linear assets		1					
- Number of Asset Committee meetings held		2					
Performance Measures							
- Life extension of assets beyond the typical expected useful life		underway					
- Development of written strategic asset management plan		complete					
- Creation of an asset management committee		complete					
3. Strategically optimize the use and further development of the District's GIS to support operations							
Workload Indicators							
- Completion of GIS management and development plan		underway					
- Number of assets field located by GPS and updated in GIS		70					
Performance Measures							
- Completion of internal GIS utilization and improvement plan		planning					
- Hire temporary GIS/engineering intern to assist with field inspection/GPS		ongoing					
- Complete updated GIS database with sufficient accuracy for use by staff		ongoing					

2025-2030 Strategic Business Plan Implementation Status
Lake Whatcom Water and Sewer District

Engineering Department Goals		2025 YTD	2026	2027	2028	2029	2030
4.	Support the development of the document management program to ensure maintenance and access to Engineering documents						
	Workload Indicators						
	- Number of records inventoried	31					
	- Number of records filed	31					
	Performance Measures						
	- Complete inventory and prioritization of all needed engineering records	ongoing					
	- Revise administrative staff job descriptions	draft					
	- Inventory/filing of 25% of records (2025), 50% (2026), 75% (2027), 100% (2028)	1%					

2025-2030 Strategic Business Plan Implementation Status
Lake Whatcom Water and Sewer District

Operations Department Goals		2025 YTD	2026	2027	2028	2029	2030
1. Ensure continuity of potable water production that meets or exceeds regulatory requirements							
Workload Indicators							
- Number of routine water system reports submitted to agencies	36						
- Number of routine water treatment plant samples collected/analyzed	1,172						
- Number of water distribution system samples collected/analyzed	746						
- Number of hours performing equipment calibration and maintenance	437						
- Number of hours inventorying and preparing treatment chemicals	56						
Performance Measures							
- Meet all Department of Health water quality requirements without violation	yes						
- Labor hours used to perform preventative maintenance tasks at treatment plants	150.5						
- Percentage of samples analyzed by laboratory that are satisfactory	100						
- Number of annual water quality customer complaints received	0						
- Number of tasks related to preventative maintenance completed at plants	24						
- Number of tasks unrelated to preventative maintenance completed at plants	4						
2. Enhance system resiliency through proactive maintenance of electrical systems, instrumentation, controls, and communications							
Workload Indicators							
- Scheduled inspections of electrical cabinets, components and assoc. equipment	33						
- Repair of electrical cabinets, components and assoc. equipment by staff	7						
- SCADA hardware/software installation and maintenance using contract services	6						
- On-call services provided by external contractors	1						
Performance Measures							
- Number of inspections per year	33						
- Number of repairs per year	7						
- Total cost of SCADA services, including District labor and resources	\$7,092						
- Total cost of electrical, instrumentation, and controls services, including District labor and resources	\$13,666						
- Total communications network downtime (in hours) due to external failures	43						
- Total communications network downtime (in hours) due to internal failures	0						

2025-2030 Strategic Business Plan Implementation Status
Lake Whatcom Water and Sewer District

Operations Department Goals		2025 YTD	2026	2027	2028	2029	2030
3.	Ensure collection and conveyance of sewage out of the watershed through routine inspection and preventative maintenance						
	Workload Indicators						
	- Monthly inspections of sewer lift stations	157					
	- Total number of preventative maintenance tasks scheduled	469					
	- Total number of preventative maintenance tasks completed	449					
	- Total number of repairs associated with sewer assets	20					
	- Labor hours expended televising/inspecting sewer mains	70					
	Performance Measures						
	- Number of sewer system overflows per year	1					
	- Labor hours spent performing preventative maintenance tasks for sewer assets	676					
	- Total cost of repairs associated with sewer assets	\$31,000					
	- Miles of sewer main televised/inspected per year	0.46					
	- Annual volume of I&I conveyed to the City of Bellingham	TBD					
	- Annual cost of I&I treatment (by City of Bellingham)	TBD					
4.	Ensure the realization of the maximum operable life of District water infrastructure						
	Workload Indicators						
	- Total number of preventative maintenance tasks scheduled	672					
	- Total number of preventative maintenance tasks completed	535					
	- Total number of PRVs rated as <i>needs replacement</i>	2					
	Performance Measures						
	- Labor hours performing preventative maintenance tasks on water infrastructure	601					
	- Total cost of replacing PRVs needing replacement	\$2,252					
	- Number of customer complaints regarding water pressure per year	4					
	- Number of water leaks repaired	10					

2025-2030 Strategic Business Plan Implementation Status
Lake Whatcom Water and Sewer District

Operations Department Goals		2025 YTD	2026	2027	2028	2029	2030
5.	Maintain level-of-service expectations relative to development services						
	Workload Indicators						
	- Water/sewer connection inquiries processed	24					
	- Water/sewer connection permits issued	3					
	- New water service installations	2					
	Performance Measures						
	- Pre-construction meetings attended (annual)	2					
	- Water/sewer permits issued (annual)	3					
	- Inspector labor hours for new development inspections (annual)	3					
	- Maintenance staff labor hours for new development installations (annual)	65					



**AGENDA
BILL
Item 8.B**

**Engineering Department
Report**

DATE SUBMITTED:	July 23, 2025	MEETING DATE:	July 30, 2025
TO: BOARD OF COMMISSIONERS		FROM: Greg Nicoll, Engineering Manager/District Engineer	
GENERAL MANAGER APPROVAL			
ATTACHED DOCUMENTS		1. Engineering Department Report	
		2. Summary of Capital Improvement Projects	
TYPE OF ACTION REQUESTED	RESOLUTION <input type="checkbox"/>	FORMAL ACTION/ MOTION <input type="checkbox"/>	INFORMATIONAL /OTHER <input checked="" type="checkbox"/>

BACKGROUND / EXPLANATION OF IMPACT

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

FISCAL IMPACT

None.

RECOMMENDED BOARD ACTION

None required.

PROPOSED MOTION

None.



Lake Whatcom Water & Sewer District Engineering Department Report

Prepared for the July 30, 2025 Board Meeting
Data Compiled 7/23/25

Status of Water and System Capacities				
	South Shore ID# 95910	Eagleridge ID# 08118	Agate Heights ID# 52957	Johnson Well ID# 04782
DOH Approved ERUs	**	85	81	2
Connected ERUs	4021	70	28	2
Remaining Capacity (ERUs)	**	15	53	0
Permitted ERUs Under Construction	8	0	0	0
Pre-paid Connection Certificates & Expired Permits	12	0	3	0
Water Availabilities (trailing 12 months)	68	0	0	0
Subtotal - Commitments not yet connected	109	0	3	0
Available ERUs	**	15	50	0

** Per DOH, water system capacity is sufficient for buildout. Oct 2018

Agate Heights approved ERUs increased from 57 to 81 with DOH approval on August 10, 2021

Annual Reports		
Name Of Report	Deadline	Completed
Report Number of Sewer ERUs to City of Bellingham Prepared by: Greg Nicoll	January 15	January 8, 2025
Other Reports		
Name Of Report	Deadline	Last Completed
Water Right Permit No. G1-22681 Development Extension	Next Due February 15, 2033	Time Extension Granted July 15, 2024
Water Right Permit No. S1-25121 Development Extension	Due Every 10 Years Next Due March 30, 2033	Time Extension granted May 3, 2024

SUMMARY OF CAPITAL IMPROVEMENT PROJECTS

Updated: 7/22/2025

Prepared by: G. Nicoll



LEGEND:

WATER

SEWER

SHARED

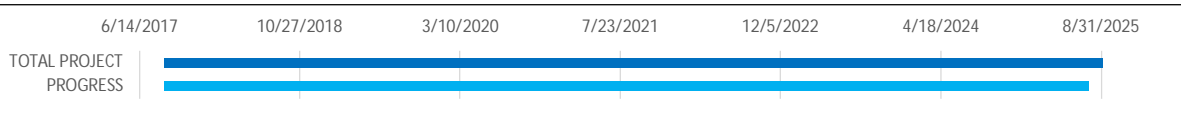
MAJOR PROJECTS IN CONSTRUCTION:

C2111 - DIVISION 7 RESERVOIR REPLACEMENT

Project Summary: Replace existing steel reservoir with two concrete reservoirs and provide seismic improvements.

Project Status: Both reservoirs are complete, all electrical and controls work is complete and the reservoirs have been disinfected and filled. However, seepage continues from the cold joints between the tank sections and the measured water loss is approximately three times the allowable rate per the contract. Staff and the contractor continue to monitor and are discussing possible remedial actions.

PROJECT SCHEDULE



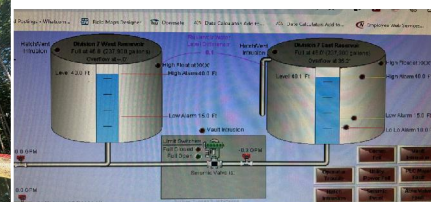
Budget Summary

Budget: \$ 3,301,000.00

Spent to Date: \$ 2,682,910.52

Balance: \$ 618,089.48

Budget Year: 2021

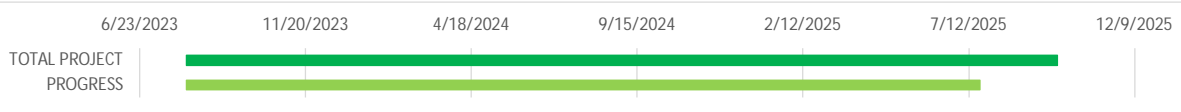


C2113 - FLAT CAR PUMP STATION REVERSE FLOW TO SUDDEN VALLEY PUMP STATION

Project Summary: Construct a utility bridge across Beaver Creek and install new piping from Flat Car, across the new bridge to an existing bypass connection that will allow Flat Car PS to pump to the detention basin in the event of an emergency.

Project Status: Operations staff has installed all upland piping between the lift station and the new pipe bridge. The pipe bridge is currently being fabricated and is scheduled to be delivered to the site in early August. Henefin will mobilize to the site to complete the remaining work as soon as the pipe bridge is delivered.

PROJECT SCHEDULE



Budget Summary

Budget: \$ 280,000.00

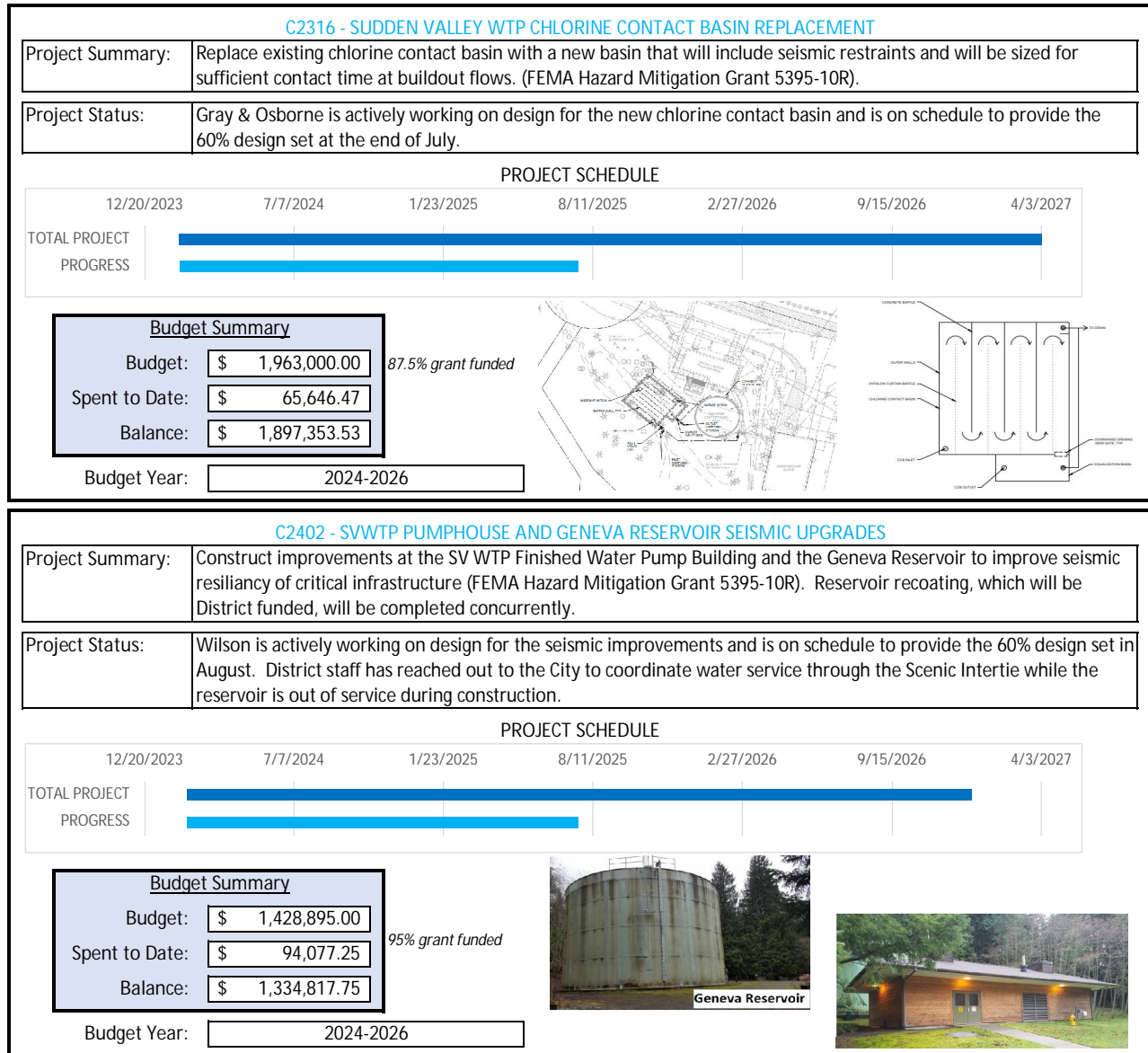
Spent to Date: \$ 130,040.21

Balance: \$ 149,959.79

Budget Year: 2021



MAJOR PROJECTS IN DESIGN:



C2518 - GENEVA RESERVOIR RECOATING									
Project Summary:	Recoat the existing Geneva reservoir including complete removal of the existing coating and recoating the reservoir with a primer and top coat. The reservoir hasn't been recoated since original construction in 1979.								
Project Status:	The District has contracted with Evergreen Coating Engineers to prepare design and bidding documents for the project and Evergreen is actively working on design. Recoating will be completed concurrently with the seismic improvement projects to maximize cost effectiveness and minimize impact to the system.								
PROJECT SCHEDULE									
<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th colspan="2" style="text-align: center;">Budget Summary</th> </tr> </thead> <tbody> <tr> <td>Budget:</td> <td>\$ -</td> </tr> <tr> <td>Spent to Date:</td> <td>\$ -</td> </tr> <tr> <td>Balance:</td> <td>\$ -</td> </tr> </tbody> </table> <div style="display: flex; align-items: center; margin-top: 5px;"> <div style="border: 1px solid black; padding: 2px; margin-right: 10px;"> Budget Year: 2027 (to be moved to 2026) </div> <div style="font-size: small;"> A budget amendment will be required to fund this project. </div> </div>		Budget Summary		Budget:	\$ -	Spent to Date:	\$ -	Balance:	\$ -
Budget Summary									
Budget:	\$ -								
Spent to Date:	\$ -								
Balance:	\$ -								
<div style="text-align: right; font-size: small;">Geneva Reservoir</div>									

C2517 - DIVISION 22-1 RESERVOIR REPLACEMENT									
Project Summary:	Construct a new reservoir to replace the existing Division 22-1 Reservoir to improve seismic resiliency of critical infrastructure (FEMA Hazard Mitigation Grant 5456-10).								
Project Status:	Gray & Osborne is actively working on design for the new reservoir, which will match the design of the Division 22-2 reservoir and is on schedule to provide the 60% design set in August. Construction of the reservoir is scheduled for 2027.								
PROJECT SCHEDULE									
<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th colspan="2" style="text-align: center;">Budget Summary</th> </tr> </thead> <tbody> <tr> <td>Budget:</td> <td>\$ 2,870,000.00</td> </tr> <tr> <td>Spent to Date:</td> <td>\$ 5,292.27</td> </tr> <tr> <td>Balance:</td> <td>\$ 2,864,707.73</td> </tr> </tbody> </table> <div style="display: flex; align-items: center; margin-top: 5px;"> <div style="border: 1px solid black; padding: 2px; margin-right: 10px;"> Budget Year: 2025-2027 </div> <div style="font-size: small;"> 87.5% grant funded </div> </div>		Budget Summary		Budget:	\$ 2,870,000.00	Spent to Date:	\$ 5,292.27	Balance:	\$ 2,864,707.73
Budget Summary									
Budget:	\$ 2,870,000.00								
Spent to Date:	\$ 5,292.27								
Balance:	\$ 2,864,707.73								
<div style="display: flex; justify-content: space-around; align-items: center;"> </div>									

C2510 - AGATE BAY SEWER LIFT STATION REHABILITATION									
Project Summary:	Agate Bay Lift Station is one of the last remaining original sewer lift stations that has not been rehabilitated and this project will renovate this station, which could include reconfiguration to a submersible station.								
Project Status:	District Engineering staff is completing all civil and mechanical design in-house and continue preparation of the predesign report. Staff advertised a request for qualifications for design of the electrical and control systems. Staff selected K Engineers and will bring a contract to the board for those services in August. Gray & Osborne will provide design review, permitting and survey services.								
PROJECT SCHEDULE									
<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th colspan="2" style="text-align: center;">Budget Summary</th> </tr> </thead> <tbody> <tr> <td>Budget:</td> <td style="text-align: right;">\$ 146,000.00</td> </tr> <tr> <td>Spent to Date:</td> <td style="text-align: right;">\$ 303.48</td> </tr> <tr> <td>Balance:</td> <td style="text-align: right;">\$ 145,696.52</td> </tr> </tbody> </table> <div style="display: flex; justify-content: space-between; align-items: center; margin-top: 5px;"> Pre-design only </div>		Budget Summary		Budget:	\$ 146,000.00	Spent to Date:	\$ 303.48	Balance:	\$ 145,696.52
Budget Summary									
Budget:	\$ 146,000.00								
Spent to Date:	\$ 303.48								
Balance:	\$ 145,696.52								
Budget Year:	2025-2027								

OTHER ACTIVE PROJECTS:

C2516: Sudden Valley WTP Pump House Skylight Replacement	
<p><i>Status:</i> CAMAO Construction has completed replacement of the skylight above the pump room that began leaking in Winter 2024. During replacement, CAMAO noted that the skylight above the restrooms was broken and the District executed a change order to replacement that skylight. Work is planned in the next couple weeks and staff will coordinate restroom closure with SVCA to facilitate the work.</p>	
Budget Year:	2025
Projected Completion:	August 2025
Budget Summary	
Budget:	O&M Operating
Spent to Date:	\$ 8,892.00
Balance:	N/A

C2506: Physical Security Improvements	
<p><i>Status:</i> Multi-year project to improve security at critical District facilities. The 2025 improvements focus on physical improvements including intrusion switches on reservoir hatches, reservoir ladder security improvements and lock replacement. Limit switch installation and lock replacement is complete. The District contracted with Dawson construction to install expanded metal cages around the lower portion of reservoir ladders. Completion of ladder cages has been delayed until the end of September due to an error in material selection.</p>	
Budget Year:	2025
Projected Completion:	September 2025
Budget Summary	
Budget:	\$ 37,000.00
Spent to Date:	\$ 34,703.53
Balance:	\$ 2,296.47


PROJECTS COMPLETED IN PAST 12 MONTHS

Project #	Project Name	Budget	Spent	Balance
C 2511	Lake Whatcom Boulevard Interceptor Cured In Place Pipe	\$ 195,000.00	192271.36	\$ 2,728.64
C 2505	Scenic Intertie Rehabilitation	\$ 78,000.00	\$ 64,030.29	\$ 13,969.71
C 2509	Eagleridge Booster Station Building Roof	\$ 21,000.00	\$ 15,669.84	\$ 5,330.16
C 2513	Administration Building HVAC Improvements	O&M	\$ 20,282.37	N/A
C 2112	Rocky Ridge and Lakewood Lift Stations Rehabilitation	\$ 2,116,353.00	\$ 1,791,512.87	\$ 324,840.13
C 2303	SVWTP Alum System Replacement	\$ 88,000.00	\$ 74,405.95	\$ 13,594.05
C 2304	Eagleridge Diesel Fuel Tank Replacement	\$ 25,000.00	\$ 12,222.48	\$ 12,777.52
M 2410	Midnight Court Sewer Repair	O&M	\$ 41,001.00	N/A
A 2210	Reservoir and WTP Site Security Assessment	\$ 50,000.00	\$ 50,000.00	\$ -
C 1802	Delesta, Edgewater and Euclid Lift Stations	\$ 1,816,583.06	\$ 1,762,153.54	\$ 54,429.52



**AGENDA
BILL
Item 8.C**

**Finance Department
Report**

DATE SUBMITTED:	July 9, 2025	MEETING DATE:	July 30, 2025
TO: BOARD OF COMMISSIONERS	FROM: Jennifer Signs, Finance Manager		
GENERAL MANAGER APPROVAL			
ATTACHED DOCUMENTS	1. Second Quarter 2025 Financial Report		
	2. June Utility Account Adjustments		
TYPE OF ACTION REQUESTED	RESOLUTION <input type="checkbox"/>	FORMAL ACTION/ MOTION <input type="checkbox"/>	INFORMATIONAL /OTHER <input checked="" type="checkbox"/>

BACKGROUND / EXPLANATION OF IMPACT

Updated information regarding District finances in advance of the Board meeting.

FISCAL IMPACT

None

APPLICABLE EFFECTIVE UTILITY MANAGEMENT ATTRIBUTE(S)

Financial Viability

RECOMMENDED BOARD ACTION

None required.

PROPOSED MOTION

None



Quarterly Financial Report Second Quarter 2025

Lake Whatcom Water and Sewer District
Bellingham, Washington

Summary

As the first half of 2025 concludes, Lake Whatcom Water and Sewer District (District) continues to maintain its commitment to conservative and fiscally responsible financial practices, supporting strong fund balances into the second half of the year. Noteworthy financial events in the second quarter include the District adopting its first budget amendment to the 2025-2026 biennial budget which resulted in a net increase in the Water Utility Fund of approximately \$61,000 and approximately \$53,000 in the Sewer Utility Fund. The District also completed both the 2024 annual financial audit and the federal single audit with the Washington State Auditor's Office, receiving unmodified opinions with no material weaknesses noted in either audit. Lastly, the District received approximately \$280,000 in federal awards and approximately \$330,000 in loan proceeds related to the Division 7 Reservoir Replacement project.

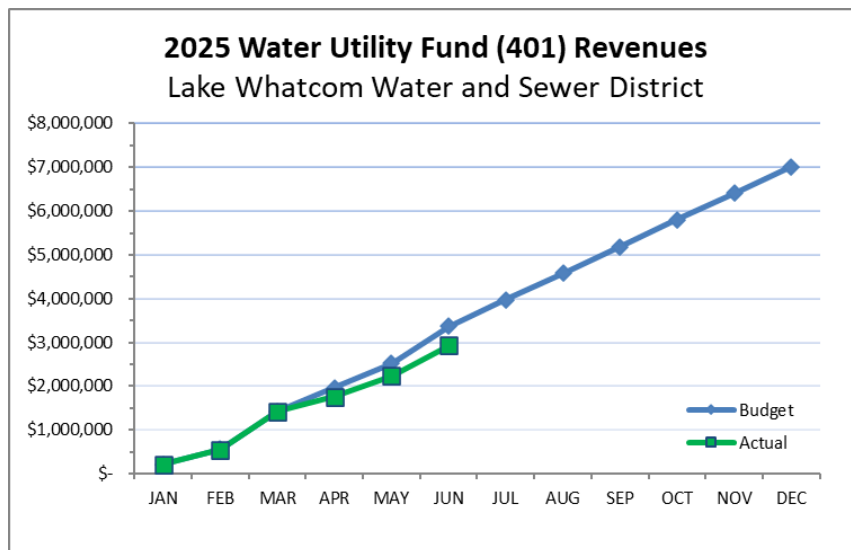
Currently, the District has four open Hazard Mitigation Grants with FEMA to fund projects that include the replacement of Division 7 Reservoir, replacement of Division 22-1 Reservoir, replacement of the chlorine contact basin at the Sudden Valley Water Treatment Plant (SVWTP), and seismic upgrades to the Geneva Reservoir and SVWTP pumphouse. In total, these grants account for approximately \$4.8 million dollars for pre-design, design, and construction in the current biennium.

The District's investment portfolio earned approximately \$99,000 in interest during the second quarter, nearly doubling first quarter earnings. This increase was primarily driven by the maturity of a U.S. Treasury Note held at a discount. With interest rates remaining elevated, the District anticipates continued strong returns into the third quarter, supported by nearly half of the portfolio being invested in the Local Government Investment Pool and the scheduled maturity of another U.S. Treasury Note held at a discount. However, depending on future actions by the Federal Open Market Committee (FOMC), interest earnings may soften toward the end of the year. While this could impact total interest income for the biennium, the District remains committed to managing its investments in a structured manner to maximize returns both in the short-term and long-term horizon.

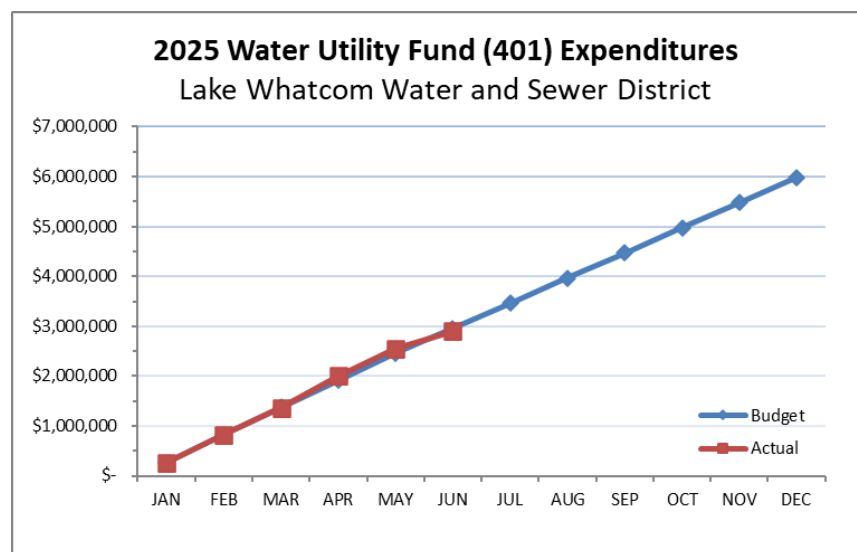
In conclusion, the District's prudent financial management, progress on major capital projects, successful completion of financial audits, and strong investment performance have positioned it well at the midpoint of 2025.

Water Utility Fund (Fund 401)

Revenues in the Water Utility Fund through the second quarter totaled \$2,935,572, which is slightly below the budgeted projection of \$3,370,000. This shortfall is primarily due to budgeted grant funding not yet received. While the Division 7 Reservoir project is nearing substantial completion and associated grant funds are nearly fully drawn, three additional FEMA Hazard Mitigation Grants remain in progress. To date, approximately \$800,000 of the \$2,971,809 budgeted in grant funding has been received. Service revenue also slightly lagged which is consistent with past



trends and expected to align with the budget as seasonal water use increases in the third quarter. With the opening of the land disturbance window in the Lake Whatcom Watershed (June 1 – September 30), the District also anticipates increased General Facilities Charges revenue (associated with new connections) to help meet projections. As mentioned in the summary, investment earnings increased during the second quarter. With nearly half of the portfolio in the Local Government Investment Pool, the District continues to benefit from higher rates and maintains liquidity. As market conditions change, the District plans to shift from a short-term focus to a laddered long-term strategy to optimize returns.

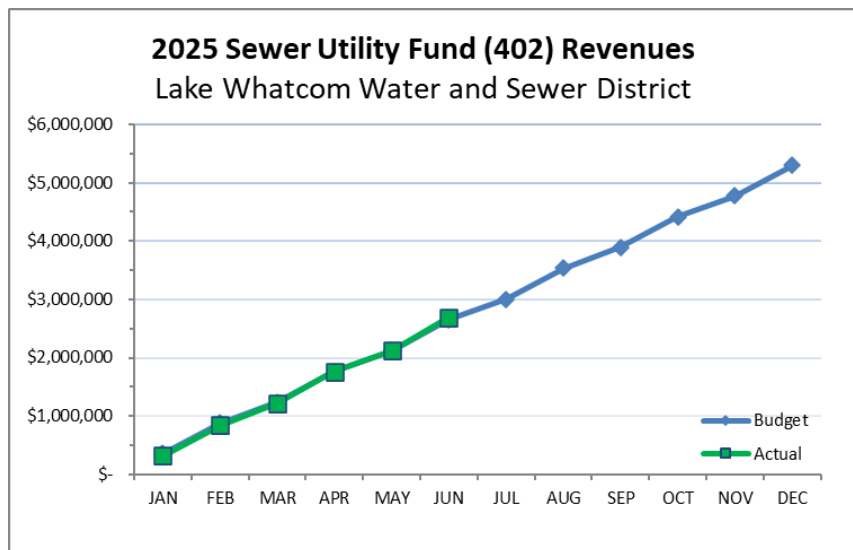


Total expenditures through the second quarter were \$2,900,221, closely aligning with the budgeted amount of \$2,961,000. This reflects capital projects progressing as planned and operating expenditures tracking slightly below projections. The District's consistent adherence to budgetary controls has supported performance through the first half of the year. Looking

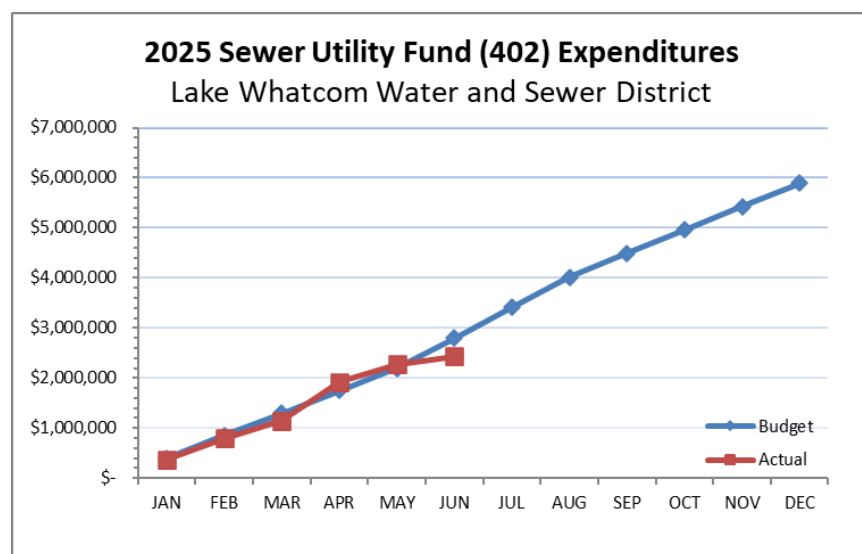
ahead, expenditures are expected to remain on target as major capital projects continue on schedule and operating costs are managed prudently to ensure alignment with the approved biennial budget.

Sewer Utility Fund (Fund 402)

Revenues in the Sewer Utility Fund generally aligned with projections through the first half of the year, totaling \$2,694,336 compared to budgeted \$2,650,000. As service revenue in this fund is fixed, significant variances are not expected. Consistent with the Water Utility Fund, interest earnings in the Sewer Utility Fund increased during the second quarter, as investment performance trends similar across both funds. Additionally, General Facilities Charges revenue is expected to rise in the third quarter, further supporting alignment with budgeted projections.



Sewer Utility Fund expenditures slightly lagged projections towards the end of the second quarter (\$2,436,736 actual vs. \$2,800,000 budgeted). This is largely due to capital projects that are budgeted as part of the District's capital improvement plan but have yet to be completed (\$799,319 actual vs. \$1,857,000 budgeted) as well as debt service payments that are not made until the last quarter of the year. Significant costs associated with Rocky Ridge and Lakewood lift stations were recognized in the



second quarter with the project scheduled to close out in the third quarter. Operating expenditures in the Sewer Utility Fund slightly lagged projections (1,564,554 actual vs. \$1,711,232 budgeted). However, it is anticipated that this will also track more closely with projections in the latter half of the year as one-time costs are realized.

District Fund Balances

The District manages its monies within five funds: Water Utility Fund (401), Sewer Utility Fund (402), Sewer Contingency Reserve Fund (425), Water Contingency Reserve Fund (426), and Bond Reserve Fund (460). Within the Water Utility and Sewer Utility funds are system reinvestment funds (i.e., funds dedicated to capital projects) and debt service funds associated with the respective utility. The following discussion summarizes the activity associated with each fund through the first half of 2025.

Water Utility Fund (Fund 401)

The Water Utility Fund, which serves as the primary operating fund for the District's water utility, derives most of its revenue from rates charged to water customers. Fund expenditures are comprised of general operating expenses (personnel salary and benefits, professional services, utilities, etc.), payments relative to debt service on past capital improvement projects, and expenditures on water system reinvestment-defined equipment and projects. Also managed within the Water Utility Fund are monies allocated towards an operating reserve, which is equal to the cost of operating the water utility for 90 days (\$735,519). The fund entered 2025 with a balance of \$2,167,817 and has a balance of \$2,203,169 at the end of the second quarter.

Sewer Utility Fund (Fund 402)

Like the Water Utility Fund, the Sewer Utility Fund serves as the primary operating fund for the District's sewer utility. Revenues are comprised primarily of rates charged to sewer customers, and expenditures consist of general operating expenses (personnel salary and benefits, professional services, utilities, etc.), payments relative to debt service on past capital improvement projects, and expenditures on sewer system reinvestment-defined equipment and projects. Also managed within the fund are monies allocated towards an operating reserve, which is equal to the cost of operating the sewer utility for 60 days (\$562,836). The fund entered 2025 with a balance of \$4,835,293 and has a balance of \$5,092,895 at the end of the second quarter.

Sewer Contingency Reserve (Fund 425)

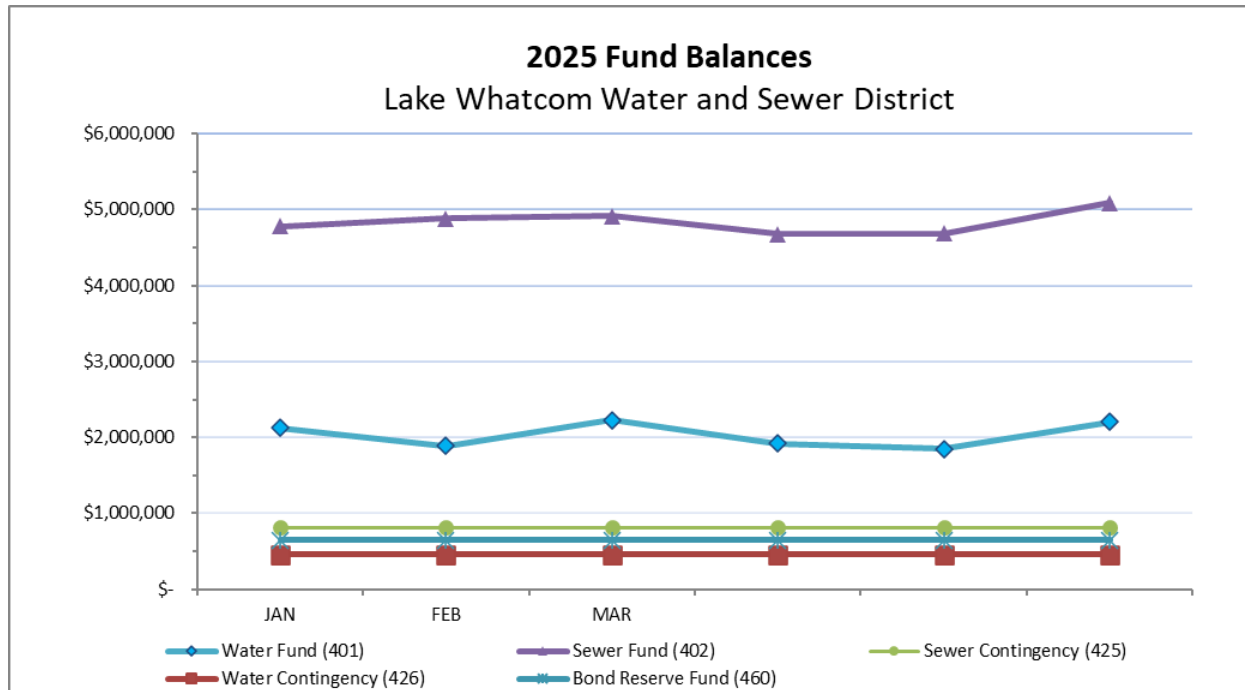
A sewer contingency reserve is maintained in accordance with District financial policies at one percent of the sewer utility infrastructure replacement cost (\$815,000). This fund provides for paying for unanticipated costs that may be incurred by the Sewer Utility. The Sewer Contingency Reserve was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

Water Contingency Reserve (Fund 426)

A water contingency reserve is maintained in accordance with District financial policies at one percent of the water utility infrastructure replacement cost (\$460,000). This fund provides for paying for unanticipated costs that may be incurred by the Water Utility. The Water Contingency Reserve was fully funded through the end of the second quarter.

Bond Reserve Fund (Fund 460)

The District's Bond Reserve Fund is a restricted fund associated with covenants of the 2016 bond sale. It was fully funded at \$646,125 through the second quarter of 2025. As the District moves closer to paying this debt in full, the balance within this fund will be reduced in the coming years to maintain the Maximum Amount Due (MAD).



District Cash and Investments

In accordance with its financial policies, the District invests its funds in a manner that provides the highest return with maximum security while meeting daily cash flow demands. The following is a summary of the District's cash and investments through June 30, 2025.

INVESTMENTS/CASH AS OF 6/30/2025

Petty Cash	\$ 1,600	
Cash	\$ 1,485,350	
Debt Service Account	\$ 646,125	
Public Funds Account	<u>\$ 31,407</u>	2.940%
WA Federal	\$ 2,164,482	
Local Gov't Investment Pool	\$ 4,006,604	4.383%

		PRINCIPAL COST	MARKET VALUE	MATURITY DATE	YIELD
US Treasury Note	Non-callable	\$ 499,512	\$ 543,000	Jul-25	4.783%
US Treasury Note	Non-callable	\$ 747,615	\$ 810,000	Dec-25	4.440%
US Treasury Note	Non-callable	\$ 797,274	\$ 855,000	Jan-26	3.950%
US Treasury Note	Non-callable	\$ 467,667	\$ 500,000	Jun-26	4.500%
US Treasury Note	Non-callable	\$ 534,034	\$ 515,000	Jun-27	3.724%
US Bank Safekeeping		\$ 3,046,102	\$ 3,223,000		

TOTAL **\$ 9,217,188**

USE OF FUNDS:

Bond Reserve - Restricted	\$ 646,125
Contingency - Assigned	\$ 1,298,355
Operating Reserves	\$ 1,185,000
Operating Assigned	\$ 6,087,708
	<u>\$ 9,217,188</u>

Fund Balance Summary

Water Utility Fund (401)	\$ 2,203,168
Sewer Utility Fund (402)	\$ 5,092,895
Sewer Contingency Fund (425)	\$ 815,000
Water Contingency Fund (426)	\$ 460,000
Bond Reserve Fund (460)	<u>\$ 646,125</u>
	<u>\$ 9,217,188</u>



LAKE WHATCOM WATER AND SEWER DISTRICT
June 2025 Utility Account Adjustments

Sudden Valley Adjustments

Late Fee Credits	\$ 503.89
High Use/Leak Credits	\$ 1,296.71

North Shore/Geneva


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

Total Account Adjustments	\$ 1,800.60
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**AGENDA
BILL
Item 8.D**

**Operations Department
Report**

DATE SUBMITTED:	July 23, 2025	MEETING DATE:	July 30, 2025
TO: BOARD OF COMMISSIONERS	FROM: Jason Dahlstrom, Operations & Maintenance Manager		
GENERAL MANAGER APPROVAL			
ATTACHED DOCUMENTS	1. Operations Department Report		
	2. Status of District Water & Sewer Systems		
TYPE OF ACTION REQUESTED	RESOLUTION <input type="checkbox"/>	FORMAL ACTION/ MOTION <input type="checkbox"/>	INFORMATIONAL /OTHER <input checked="" type="checkbox"/>

BACKGROUND / EXPLANATION OF IMPACT

Updated information regarding District operations in advance of the Board meeting.

FISCAL IMPACT

None.

RECOMMENDED BOARD ACTION

None required.

PROPOSED MOTION

None.



Lake Whatcom Water & Sewer District Operations & Maintenance Department Report

Prepared for the July 30, 2025 Board Meeting
Data Compiled 7/24/25

State Required Report Status														
Monthly Reports														
Name Of Report		Completed												
Chlorination Report Agate Heights Prepared by: K Cook	Postmarked by the 10th of month	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	
		x	x	x	x	x	x	x						
Surface Water Treatment Rule Report (SVWTP) Prepared by: K Cook	Postmarked by the 10th of month	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	
		x	x	x	x	x	x	x						
Annual Reports														
Name Of Report	Deadline	Completed												
WA State Cross Connection Report Prepared by: R Munson	May	April 22, 2025												
OSHA 300 Log Prepared by: R Munson	February 1	January 30, 2025												
Water Use Efficiency Performance Report Prepared by: K Cook	July 1	January 22, 2025												
Community Right to Know (Hazardous Materials) Prepared by: R Munson	March 31	January 9, 2025												
Northwest Clean Air Emissions Report	February 1	March 3, 2025												
Consumer Confidence Reports Prepared by: K Cook	June 30	Geneva		SV		EagleR		Agate Ht						
		6/17/25		6/17/25		6/17/25		6/17/25						
Other Reports														
Name Of Report	Deadline	Last Completed												
CPR/First Aid Training Coordinated by: R Munson	Due Biennially Next Due 2027	February 27, 2025												
Flagging Card Training Coordinated by: R Munson	Due Triennially Next Due 2025	Ongoing with O&M staff												

Safety Program Summary	
Completed by Rich Munson	
Summary of Annual Safety Training	
2024/25 Testing Period - Dec 2024 to April 4, 2025	
	% Complete
Engineering - Managers	100%
Engineering - Staff	100%
Field Crew - Managers	100%
Field Crew - Staff	100%
Office - Managers	100%
Office - Staff	100%
Overall	100%

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

Dates of Completed Safety Committee Meetings						
1.23.25	5.22.25					
2.20.25	6.26.25					
3.20.25	7.24.25					
4.24.25						
Summary of Work-Related Injuries & Illnesses						
	Current Month	2025	2024	2023	2022	2021
Total Number of Work Related Injuries						
Defined as a work related injury or illness that results in:						
Death						
Medical treatment beyond first aid						
Loss of consciousness	0	0	0	0	0	0
Significant injury or illness diagnosed by a licensed health care professional						
Days away from work (off work)						
Restricted work or job transfer						
Total Number of Days of Job Transfer or Restriction (light duty or other medical restriction)	0	0	0	0	0	0
Total Number of Days Away from Work (at home, in hospital, not at work)	0	0	0	0	0	0
Near Misses	0	0	0	0	0	0
Safety Coordinator Update						

Status of District Water and Sewer Systems
Prepared by Jason Dahlstrom - Operations and Maintenance Manager
7/30/2025 Board Meeting

Safety Activities	
<ol style="list-style-type: none"> 1. No time-loss injuries or near misses. 2. Daily safety reminders directly relevant to the day's tasks. Weekly safety trainings based on District specific safety programs. 3. Jobsite tailgate meetings by project lead. 	
Water Utility Activities	
<p><i>Water Treatment Plants</i></p> <ol style="list-style-type: none"> 1. Sudden Valley <ol style="list-style-type: none"> a. Plant is operating well, averaging 0.7 million gallons per day (MGD) at 700 GPM. b. Water use is consistent with typical seasonal usage. 2. Agate Heights <ol style="list-style-type: none"> a. Plant is operating well. b. Water use is consistent with typical seasonal usage. <p><i>Distribution System</i></p> <ol style="list-style-type: none"> 1. 3 water leaks repaired this month 2. Annual pressure reducing valve maintenance ongoing in Sudden Valley 3. Pressure monitoring equipment being installed on a trial basis 	
Sewer Utility Activities	
<p><i>Lift Stations</i></p> <ol style="list-style-type: none"> 1. Flat Car bypass project ongoing, District portion completed <p><i>Collection System</i></p> <ol style="list-style-type: none"> 1. Sewer camera inspections ongoing, emphasis on defect inspections 	
Fleet	
<p><i>Vehicles</i></p> <ol style="list-style-type: none"> 1. Nothing new to report <p><i>Equipment</i></p> <ol style="list-style-type: none"> 1. Sewer bypass pump in repair, rental on site 	
Facilities	
<ol style="list-style-type: none"> 1. Seasonal grounds maintenance ongoing 	
Training	
<ol style="list-style-type: none"> 1. C Gates earned Water Treatment Plant Operator 3 certification 	
Development	
<ol style="list-style-type: none"> 1. There are 5 permits currently in stages of development <ol style="list-style-type: none"> a. Installation inspections ongoing 	