



**LAKESWOOD WATER DISTRICT
BOARD OF COMMISSIONERS
Minutes of Regular Meeting
March 16, 2023
Boardroom & Via Microsoft Teams**

1. CALL MEETING TO ORDER

President Korsmo called the Regular Meeting to order at 3:33 PM.

2. ATTENDANCE

Present at the meeting: Commissioners J. Korsmo, G. Rediske (online 3:40 PM-4:59 PM), and G. Barton; General Manager R. Black, Operations Manager I. Black, Engineering Manager M. Meyer, Finance Manager P. Mendoza, IT Manager C. Fast, Human Resources Manager B. Levo, Administrative Assistant J. Clark. Special guests: Burt Clothier and Curtis Chambers.

3. PUBLIC COMMENT

None.

4. USGS MODEL UPDATE PRESENTATION – BURT CLOTHIER

Engineering Manager Meyer presented the history of the District's participation with the USGS models over the last 20 years. The District has paid over \$218k since 2015 to the USGS. In 2001-2002 Watershed Management Plan; 2006-2009 Model Data Collection; 2010 the Chambers Creek Watershed (CCW) model framework; 2011 CCW Model; 2010-2015 Additional model data collection; 2015 USGS Puyallup River Watershed Report; 2016-2018 SES Model conversion; 2022-2023 SES Model Completion and Reports.

Model overview covers all the aquifers the District pumps from, the original CCW model of approximately 490 sq miles, and the new Southeast Sound (SES) model covers approximately 1,220 sq miles.

Model capabilities addresses the regional level questions such as water flow patterns or water budget calculations. Groundwater pumping is around 13% of the total recharge that enters the basin. A majority leaks into the Puget Sound basin. Allows for predictive analyses such as regional aquifer responses to reduce recharge (e.g., lower annual participation). Long-term well pumping impact analysis, climate change impacts on groundwater levels and surface water flows. Analyze potential surface water impacts from new wells and help plan mitigation strategies. Wellhead protection area definitions, particle tracing, and time of travel (TOT) studies.

Model Limitations – Contaminant fate and transport would require investment to enable and develop additional model modules, which is complex. Water quality or water chemistry modeling. Real-time or short-term predictions of impacts and surface water flow predictions (responses to individual storm events or low/high precipitation weather of less than one-month increments).

Areas for Model Improvement – USGS needs additional data on springs – unmapped locations and flow measurements; stream gauging; better resolution mapping; and publishing existing high-quality data sources so they can be used.

Benefits to the District – Water quality planning tools (wellhead protection areas and flow path modeling). Water rights support/mitigation planning (surface water impacts). Aquifer stability (trend tracking and modeling to help balance total water use between aquifers). Well placement and pumping optimization (where to place wells for efficient operations).

Next Steps – *New sources* - revisit impacts of proposed wells with new model. *Aquifer E health* - complete aquifer E study, started in 2022. *Plan for the future* - use the new model for future long-term predictive analyses (water rights mitigation, and potential PFAS source identification). *Optimization* - use model to optimize well operations.

Commissioner Barton asked about some of the model's capabilities related to water quality. Burt Clothier, Hydrogeologist, confirmed that the particle tracking capabilities of the model are generally a conservative prediction of a pathway for contaminants, and the current model's capabilities are helpful for determining the path of contaminants, if not their exact concentrations or interaction with the soil structures. There are some contaminants that also may disperse faster in water due to their chemistry, for which the model's current capabilities may not be conservative. The model would be capable of doing that type of modeling with additional investment and effort. Mr. Clothier also noted that the materials presented at the meeting were based on the older model since the newest model had just been released. It is anticipated that the new model is more accurate, but without the official, published USGS documentation that goes along with the model, it would be important not to convey any conclusions from modeling with the new model until all of USGS's model limitations are known and documented. General Manager Black noted that many concerned citizens believe the model will be able to be used to point to the District as the main driver of decreased stream flows and surface water levels.

Mr. Clothier noted that the model can look at the interaction between groundwater and streams but that the physical measurement of stream flow is more difficult to determine as precisely as the model reports. So, the example figures presented where the model may predict a fraction of one percentage of stream flow change is nearly impossible to confirm with field measurements and is within the range of error for the model itself. He noted that the USGS reports show that pumping in the basin accounts for only 13 percent of total aquifer recharge in the basin, which is even less than the amount of precipitation in the basin. This limited amount of withdrawal and the assertion that there is a direct connection between that withdrawal and a reduction in surface water at a specific location is not within the model's capabilities. He remarked that there are likely groups who want to point to known users of water to the observed flow reductions but that the model isn't adequate to show that connection, and a watershed management plan would likely be the tool to help answer that question.

Operations Manager Black asked if the surface water impacts predicted by the model in the example figure presented are within the margin of error in the model. Mr. Clothier confirmed that is the case and explained how this model inaccuracy has contributed to some challenges related to water rights law in the state. The challenge is in the regulatory interpretation that any impact shown by the model should be addressed, while the technical capabilities are not accurate enough to guarantee that small impacts are accurate throughout the region and that these small impacts are not able to be measured in the field because they are so small.

5. APPROVAL OF MEETING MINUTES FROM 2/16/23 REGULAR MEETING.

COMMISSIONER BARTON MOVED TO APPROVE THE FEBRUARY 16, 2023, REGULAR MEETING, SECOND BY COMMISSIONER KORSMO. MOTION PASSED UNANIMOUSLY.

6. FINANCIAL INFORMATION

Philip Mendoza, Finance Manager, presented the February 2023 financials to the Board. He shared that *Retail Sales* in February 2023 were 5.7% higher than budgeted and 6.94% higher YTD. *Wholesale Water Sales* are within 2% of the budget. *Operating Revenue* is 3.17% higher than budgeted and 3.30% higher YTD. *Pumping Operations* is 4.85% higher than budget and 3.83% under budget YTD. *Water Treatment Operations* are 15.1% under budget and 23% under budget YTD. *Transmission and Distribution Operations* is 30.8% under budget and 25.8% under budget YTD. *Total Operating Expense* is 11.6% under budget and 12.7% under budget YTD. *Maintenance Transmission & Distribution* is 22.3% under budget and 18.2% under budget YTD. *Total Operating & Maintenance Expense* 10.1% under budget and 8.1% lower YTD. *Net Operating Revenue* is 83.8% higher than budgeted and 94.4% higher YTD.

a. Approval of Payables

Disbursements made from the General Ledger Fund for checks number 45669 through 45764 totaling \$1,127,100.92, salary direct deposits totaling \$216,045.23, payroll taxes totaling \$80,232.16, and other electronic payments totaling \$344,407.09 for a total of \$1,767,785.40 were presented to the Board for approval.

COMMISSIONER BARTON MOVED TO APPROVE THE PAYABLES AS LISTED. COMMISSIONER KORSMO SECONDED THE MOTION. MOTION PASSED UNANIMOUSLY.

7. GENERAL MANAGERS REPORT

- a. Executive Session pursuant to RCW 42.30.110(1)(i) to discuss legal risk of proposed action.** Commissioner Korsmo called the Executive Session to order at 4:15 PM, estimated time 15 minutes. Commissioner Korsmo called for additional time at 4:30 PM. Commissioner Korsmo closed the Executive Session at 4:38 PM. No action was taken.

General Manager Black thanked Philip, his team, Marshall, and Gene Petersen for their help in applying for \$5M to help with PFAS projects from Representative Strickland's Community Funding Project. The paperwork for the EPA has been finished to receive the funds from Senator Murry's office. The funds should be available in June or July 2023.

He compiled a letter to address the lack of communication with JBLM to meet with State representatives and agencies on what can be done sooner than later to address PFAS. Due to the new MCL being issued, the base can no longer do the CERCLA process. He will keep the Board informed of the meeting once the date has been scheduled.

8. OPERATIONS MANAGER'S REPORT

- a. Request for Conditional Acceptance for the Naomilawn, Newgrove, and Highland Water Main Replacement Project Job #0719.**

Operations Manager Black shared that Pape & Sons did a wonderful job and finished early.

MOTION TO APPROVE CONDITIONAL ACCEPTANCE FOR THE NAOMILAWN, NEWGROVE, AND HIGHLAND WATERMAIN REPLACEMENT PROJECT JOB #0719 BY COMMISSIONER KORSMO; SECONDED BY COMMISSIONER REDISKE. MOTION PASSED UNANIMOUSLY.

Lake Steilacoom Dr. project is being paved today and should be completed within the week. With the completion of the Lake Steilacoom Dr. project, half of the R&R projects will be completed for the year. The Front St. project will start with HCON at the beginning of June. The Hipkins Rd. project may be delayed due to the City of Lakewood not being ready until October/November due to ROW delays. Discussion about the possibility of moving a project scheduled from 2024 to 2023.

The flushing project should start in mid-March.

Commissioner Barton asked about the main break on 104th/Butte. Is the crack due to a defect in the pipe due to being too close to a pump? Operations Manager Black shared that the main looked like it was laid at an arch, which could have contributed to the linear crack. This type of pipe cracks and doesn't break circularly. We are working with the city to get permits for the asphalt and sidewalks repaired; this is a priority for the District to fix quickly.

9. ENGINEERING MANAGER'S REPORT

a. Request for Conditional Acceptance of Completion for the Seismic Retrofit of Steilacoom Reservoir Project by T Bailey, Inc.

There have been some changes due to site conditions and tank coding, but we were able to negotiate the change orders, and the project price was \$3.06M and \$1.2M from FEMA towards the total cost. The project came within budget.

MOTION TO APPROVE CONDITIONAL ACCEPTANCE OF COMPLETION FOR THE SEISMIC RETROFIT OF STEILACOOM RESERVOIR PROJECT BY T BAILEY, INC. BY COMMISSIONER BARTON. SECONDED BY COMMISSIONER REDISKE. MOTION PASSED UNANIMOUSLY.

Marshall Meyer, Engineering Manager, shared EPA released their proposed MCL for PFAS on March 13, 2023. The proposed MCL has moved beyond the original two compounds, and now there are six. This list does include the five that the State of WA has.

The proposed MCL levels for PFOS and PFOA are lower than the SAL:

SAL - PFOA 15 ppt / PFOS 10 ppt
EPA – PFOA/PFOS 4 ppt

The four wells (O-2, O-3, I-3, U-1) below SAL are now above the proposed MCL. We have at least three years before the MCL goes into effect.

Engineering Manager Meyer thanked the Board for their approval to move forward with our current projects for funding. If we had waited until next year, we would have even more projects to propose, and we are in much better shape than other districts that have yet to apply for any funds.

General Manager Black shared, per the engineering community, the new MCL level will cost utilities across the country \$380B a year to battle PFAS. In order to enact a policy or rule, EPA will have to perform a physical impact on the community and how communities will get funding to treat PFAS.

Engineering Manager Meyer shared that the EPA plans on finalizing the rules by the end of 2023.

Commissioner Korsmo asked if the District would take any action regarding the proposal.

Engineering Manager Meyer stated the action would be to continue attending the sessions and making public comments. When they finalize their rule, it will be around the same time we are approving the budget.

General Manager Black shared DOH will come out with rules that state you will continue with the SAL until the MCL is finalized, and then they will provide guidance on what to do next.

Commissioner Barton commented the Commissioners have been very strong on making sure we have a buffer and to make sure we have enough water to pump. Everyone has been proactive in addressing this issue.

Commissioner Rediske left the meeting at 4:59 PM.

10. IT MANAGER'S REPORT

IT Manager Fast shared there were no cyber security issues last month.

a. Board Approval of the Administrative Backflow Fees

The staff is asking to have the administrative fees reduced. We are proposing to pass these gains in efficiency along to our ratepayers by reducing the District's \$10.00 administrative fee on the District's Backflow Testing program to \$5.00. This will result in a Net 0 increase to the District backflow testing program for 2023 and keep the fee at \$34.00 per tested assembly.

Staff is able to keep the overhead low due to increased efficiency in the amount of time it takes the office staff to administer the program. It went from two days to generate notices to one hour, and the backflow test entry from 10 minutes a test down to one minute a test on average. We think it would be best to pass the savings on to the customers.

MOTION TO APPROVE THE REDUCTION OF THE FEE BY COMMISSIONER BARTON. SECONDED BY COMMISSIONER KORSMO. MOTION PASSED UNANIMOUSLY.

b. Board Approval of Surplus/Disposal/ECycle items

IT Manager Fast shared the updated list of items for approval for Surplus, Disposal and ECycle.

MOTION TO APPROVE THE LIST OF ITEMS FOR SURPLUS, DISPOSAL AND ECYLE AS PRESENTED BY COMMISSIONER KORSMO. SECONDED BY COMMISSIONER BARTON. MOTION APPROVED UNANIMOUSLY.

11. OFFICE MANAGER'S REPORT

a. Board Approval of 2022 Write-Offs

General Manager Black shared the Office Manager's report was included in the packet. He presented the 2022 annual write offs that were not able to be collected on for a total of \$13,312.87.

Items include the following:

- Miscellaneous A/R - are invoices for such things as hydrant meter rentals or damage to a meter box, etc.
- Small Balances are terminated accounts with credit or debit balances of \$8.00 or less.
- Collection Write-Offs are terminated accounts that have been sent to our collection agency for non-payment. The reason for not turning the water off is generally because there is a new owner at the property.
- 50% Leak Adjustments were approved for customers who had a leak on their side of the meter, repaired it, and the water bill was a hardship. This is allowed one time per lifetime of the customer's account.
- Meter Leak Adjustments are accounts that had a meter leak on the District side of the meter, and the District adjusted their balance to the average usage for that timeframe.
- Miscellaneous Adjustments are adjustments such as waiving fees or accounts that were not appropriately billed.

MOTION TO APPROVE THE 2022 WRITE-OFFS BY COMMISSIONER KORSMO. SECONDED BY COMMISSIONER BARTON. MOTION PASSED UNANIMOUSLY.

12. HR MANAGER'S REPORT

HR Manager Levo presented the 2023 Succession Plan Update. It is essentially the same as in 2022. Two employees are retiring in 2023 (General Manager & Foreman/Safety Officer). The Foreman/Safety Officer position will not be filled and was placed at the bottom of the list. HR Manager Levo will advertise for the General Manager position in June 2023. Two employees are retiring in 2025, one in 2027, and one in 2028. Additional potential incumbents were also added to the Operations & Maintenance Department Head and Lead positions.

Commissioner Barton inquired when the Board would receive updates on the Mission, Vision, and Values statements. HR Manager Levo shared that she planned to meet with the Commissioners individually to provide monthly updates. The Commissioners agreed to meet monthly for updates.

13. Other Business:

- a. The Board acknowledged the wage increase this month.
- b. Commissioner Barton provided a brief update on the WASWD Legislative Committee. He shared that the Workforce Committee is contacting schools with questions on how to reach out to high school students to get them interested in Water/Sewer work.

Government Relations Committee has been focused on what is happening in the legislature. The Bio-Solids bill did not make it through the committee. HB1621 In-House Public Works bill is still moving forward but has had pushback from some unions. Extreme Shut Off bill, House bill passed and going through Senate.

- c. Our next Commissioner's meeting will be on April 20, 2023, at 3:30 PM.

- d. Commissioner Barton and Engineering Manager Meyer had a discussion on the pro and cons of vertical turbine and submersible pumps.

12. PUBLIC COMMENT

None.

13. ADJOURN

President Korsmo adjourned the meeting at 5:22 PM.

**LAKWOOD WATER DISTRICT
BOARD OF COMMISSIONERS**

BY:


ITS PRESIDENT

BY:


ITS VICE PRESIDENT

BY:


ITS SECRETARY

BY:

 4/20/23
DISTRICT SECRETARY (DATE)