



**LAKESWOOD WATER DISTRICT  
BOARD OF COMMISSIONERS  
Minutes of Special Meeting  
June 1, 2023  
Boardroom & Via Microsoft Teams**

**1. CALL MEETING TO ORDER**

President Korsmo called the Regular Meeting to order at 8:30 AM.

*\*Technical difficulties, no sound until 8:39 AM.*

**2. ATTENDANCE**

Present at the meeting: Commissioners J. Korsmo, G. Rediske, and G. Barton; General Manager R. Black, Operations Manager I. Black, Engineering Manager M. Meyer, Finance Manager P. Mendoza, HR Manager B. Levo, and Administrative Assistant J. Clark.

**3. PUBLIC COMMENT**

None.

**4. PFAS PLAN UPDATE PRESENTATION**

Engineering Manager Meyer gave a presentation on how the new proposed MCL will affect four additional wells for a total of eight.

Four wells effected under DOH SAL Previously approved:

2023 Projects

- New wells Scotts G-4 and Lake Ave K-3
- Oakbrook O-2 replacement well
- Hipkins Rd I-3 replacement well

2024 Projects

- Oakbrook O-3 replacement well
- Country Pl. U-1 replacement well or treatment

With the new MCL at 4ppt we will have four additional wells that will need to be shut off and treated.

- 88<sup>th</sup> & Pine well site J-1, and J-3
- Washington Blvd. E-3
- Yard Well D-3

EPA Proposed Rule  
MCL 4ppt for PFOS and PFOA and 4 other chemicals.

	PFOA	PFOS	PFNA	PFHxS	PFBS	GenX
SAL	10	15	9	65	365	N/A
Proposed MCL	4	4	10*	9*	2000*	10*

*\*EPA's Proposed MCL used a Hazard Index to consider the combination of four contaminants.*

EPA uses a weighted average to determine chemicals according to the rules. Under the Safe Drinking Water Act, you can't combine chemicals to lead to a cause or effect on the consumer. They need to take each chemical as it is and then show what the health risk is for that chemical.

General Manager Black shared that there were over 1,000 comments submitted to the EPA regarding the new MCL, sharing concerns about the timeline, the combination of chemicals to come up with the MCL, and the cost of treatment.

EPA has estimated the treatment costs 3x lower than the actual. Their estimate for treating 1mgd is \$550K; the actual amount for the two treatment plants we put in is \$1.6M. Timing is also a challenge; there are only 5 manufacturers that make the GAC equipment (4 in the United States and 1 in Canada). The EPA's rule says you have to be able to identify and implement a program and treatment within three years. The Scotts project took almost three years due to how long it took to make the equipment. It takes around 48 weeks to get the GAC cylinders and containers, and that is before the rush of everyone testing. It won't be possible for everyone to get done in 3 years if the new rule goes through.

The data that has been collected is on 1/16 of the number of utilities that are in the United States alone. Under UCMR 5, in the next few months, EPA will get over 200,000 samples nationwide. They're going to give a broad look at what the issues really are and whether these are the right chemicals, are there different ones, or what the new information will show. AWWA is asking that the EPA start at 10ppt under the proposed rule until they get the data and look at everything that comes in through the testing under UCMR 5.

Engineering Manager Meyer shared charts showing when we will start seeing the effects of having the additional wells down. The ideal running pumping capacity is 20 hrs. a day; we will need to run 24 hrs. a day to meet the water demand. If the new MCL starts in 2028, we will not have the capacity to keep up.

## Options

### Do Nothing Additional

- 0.25 MGD shortfall by 2028, increasing to 1 MGD by 2030 and 3.5 MGD by 2043

### **Wait until the rule is finalized in early 2024.**

- Miss funding opportunities.
- Unknowns remain.
- Risk of project delay and supply shortfall.

### **Exceed desired run time of pumps to meet demands.**

- Increased risk to pump/motor failure, significant lead times still impact replacement equipment.
- Likely increase in overtime costs for O&M of sources in summer.

### **Proposed projects**

- Increases near-term capital project spending.
- Supply meets demand forecast.
- Spread costs through multiple years.
- Allows for additional funding opportunities in the future.
- Allows for adjustment if rule is delayed or MCLs increase.

Under the proposed rule, we have three years to conform and address PFAS; being in Washington State, we have an additional two years because they have a conformance agreement with the EPA. The proposed timeline is based on the five-year timeline.

### **Recommended Projects:**

#### **Country Place**

- 1 Well (U-1 Well)
- GAC Facility (Smaller than Ponders)
- 900 gpm
- Small project site, requires homeowner coordination
- High voltage overhead power lines at site
- Estimated cost - \$4.5M

The first project we're recommending is a GAC treatment facility at the Country Place U-1 well, which is at the District's northern end. This would be a smaller facility than Ponders, about 900 gallons per minute. It's about half the flow rate of the Ponders well site. There are certainly some constraints on the site dealing with the homeowner association and nearby homes. Due to our existing facility being in an easement and some high-voltage power lines, we would need to have shorter treatment vessels and a bigger footprint.

#### **88<sup>th</sup> & Pine**

- 3 Wells (J-1, J-2, J-3 Wells)
- J-2 Well off due to hydrogen sulfide
- GAC facility similar size to Ponders
- Benefit – J-2 Well will come online too
- 1,800 gpm combined capacity
- Estimated cost - \$5M
- Future tank replacement project at site

There are three wells at the site. One of the wells, J2 well, is already turned off due to hydrogen sulfide. It's more of an aesthetic concern. One of the primary treatment techniques for treating hydrogen sulfide is activated carbon; by adding an activated carbon system here for the two wells, J-1 and J-3, that have PFAS, we will be able to turn

on J-2 and get some additional capacity back. In 2006 we tried to go deeper into the aquifer but couldn't find it or at least any significant production. We ended up pulling the casing back and finishing in the same shallower aquifer. In this case, even though we've got the property, the deeper aquifer was not found at this location and was ruled out. The property will fit a GAC treatment facility. It's a similar capacity to the Ponders well site of 1,800 gallons per minute.

General Manager Black shared that this is the quickest response time to address PFAS. We've taken a look at everything that is affected by PFAS, and we've taken a look at what gives us the quickest response time to address more sources, and these are the two sites that do that because we are limited. We can't do much more at J at any of the Pine. We've already tried drilling deeper. We know there's no water there deeper, so we are limited.

## Recommendations

- Continue with projects approved in 2023
- Move forward with
  - U-1 GAC Facility – start design in 2023; construction/material orders in 2024
  - J-1, J-2, J-3 GAC Facility – start design in 2023; construction/material orders in 2024

Assuming the Board approves the loan application to the Public Works Trust Fund Board, we would immediately go out with an RFP. By August of this year, we would have the consultants contracted and started on the design. Doing this will help mitigate that big dip that we anticipated in 2028 because we would not need to turn off our 88th and Pine wells when the MCL goes into place, and we would also be able to turn on some additional sources with the E-1 well. This help flat lines the supply and projections moving forward with these projects, we'll have our 20-hour supply above our maximum daily demand.

Also, as noted, that does significantly increase the program costs because of these two projects and additional measures that we would need to take in later years for our D-3 well and our E-3 well. This would buy us time to address those other two remaining wells and develop additional funding opportunities. If the EPA changes its rule, those two wells will drop off. Those two are lowest at about 6ppt and 7ppt. They are just above the proposed MCL. If approved, then this would continue to have the first four wells online.

## Summary

If approved:

- G-4 Online – online 2025 (underway with grant funds)
- K-3 Online – online 2025 (underway with grant funds)
- I-3 Online – online 2025 (awarded loan funds through DWSRF)
- O-2 Online – online 2025 (awarded loan funds through DWSRF)
- Country Place GAC online 2026 (new project)
- 88th & Pine GAC – online 2026 (new project)
- New projects represent an additional \$10 Million.
- Apply for Public Works Board Loan (1.72% interest for 20 years) to fund new projects.
- Looking at options to offset impacts to rates in budgeting process.

One slight revision is the I-3 well. If we have these additional projects approved, we could shift that project out a bit so that it would be online in late 2026.

The two projects represent around \$10 million of additional capital projects. We would like to apply for the Public Works Trust loan at a 1.72% interest rate for 20 years to fund these new projects, and then we would look at options to offset impacts on rates in the budget process. We're working with FCS Group to take a closer look at that, and at the July Board meeting, we provide an update on what options are available.

## Financial Overview

Capital program to meet SAL - \$19.69 million (previously) from 2024 – 2027,  
 Capital program to meet MCL - \$31.86 million from 2024-2030

	2023	2024	2025	2026	2027	2028	2029	2030	TOTAL
SAL	\$2.68M	\$7.48M	\$6.37M	\$-	\$-	\$-	\$-	\$-	\$19.69M
Grants of \$3.81M secured, loans of \$8.20M secured, <b>leaving \$7.68M to fund</b>									
MCL	\$3.28M	\$8.49M	\$7.25M	\$4.94M	\$2.57M	\$0.84M	\$2.62M	\$1.87M	\$31.86
Grants of \$3.81M secured, loans of \$8.20M secured, <b>leaving \$19.85M to fund</b>									

Proposed MCL further increases rates unless additional grant funding is secured, or other spending is cut.

Borrowing \$10M from PWTB does not have a negative impact on rates compared to budget as borrowing was already planned and leaves future funding need of \$9.85M.

## Request

- Authorize loan application to Public Works Board Loan of \$10 million for U-1 and 88th & Pine GAC facilities – allow staff to start design process on these two sites.
- Authorize resolution for GHG Emission policy as required for loan application.

**MOTION TO AUTHORIZE A LOAN APPLICATION TO THE PUBLIC WORKS TRUST BOARD FOR \$10M BY COMMISSIONER REDISKE. SECONDED BY COMMISSIONER BARTON. MOTION PASSED UNANIMOUSLY.**

## 5. APPROVAL OF RESOLUTION B-1481 ESTABLISHING A GREENHOUSE GAS EMISSION REDUCTION POLICY

**MOTION TO APPROVE RESOLUTION B-1481 ESTABLISHING A GREENHOUSE GAS EMISSION REDUCTION POLICY BY COMMISSIONER REDISKE. SECONDED BY COMMISSIONER BARTON. MOTION PASSED UNANIMOUSLY.**

After the motion, Commissioner Barton would like to see language added to the policy regarding waste reduction and the R&R program. Continue the program of replacing aging water mains to reduce leaks and reduce the energy used to supply water that is ultimately lost through leaks. Clarification language will be presented in July for approval.

Due to Commissioner Barton wanting language change in Attachment A,  
**COMMISSIONER BARTON WITHDREW HIS SECOND, COMMISSIONER REDISKE  
WITHDREW HIS MOTION.**

**MOTION TO APPROVE RESOLUTION B-1481 ESTABLISHING A GREENHOUSE  
GAS EMISSION REDUCTION POLICY WITH THE ADDITION OF R&R PROGRAM  
WHICH MAKES OUR SYSTEM MORE ENERGY EFFICIENT BY COMMISSIONER  
BARTON. SECONDED BY COMMISSIONER REDISKE. MOTION PASSED  
UNANIMOUSLY.**

**MOTION TO APPROVE RESOLUTION B-1481 ESTABLISHING A GREENHOUSE  
GAS EMISSION REDUCTION BY COMMISSIONER REDISKE. SECONDED BY  
COMMISSIONER BARTON. MOTION PASSED UNANIMOUSLY.**

**6. AUTHORIZATION TO APPLY FOR PUBLIC WORKS TRUST LOAN**  
See above item #4.

**7. APPROVAL OF THE NEW DISTRICT LOGO**  
HR Manager Levo presented the new logo in a primary standard and a secondary use  
logo format.

**MOTION TO APPROVE NEW DISTRICT LOGO AS PRESENTED BY COMMISSIONER  
REDISKE. SECONDED BY COMMISSIONER BARTON. MOTION PASSED  
UNANIMOUSLY.**

**8. PUBLIC COMMENT**  
None.

**9. ADJOURN**  
President Korsmo adjourned the meeting at 9:36 AM.

**LAKESWOOD WATER DISTRICT  
BOARD OF COMMISSIONERS**


BY:

  
\_\_\_\_\_  
ITS PRESIDENT

BY:

  
\_\_\_\_\_  
ITS VICE PRESIDENT

BY:

  
\_\_\_\_\_  
ITS SECRETARY

BY:

  
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DISTRICT SECRETARY (DATE) 6/22/23