



**LAKEWOOD WATER DISTRICT  
BOARD OF COMMISSIONERS  
Minutes of Regular Meeting  
June 22, 2023  
Boardroom & Via Microsoft Teams**

**1. CALL MEETING TO ORDER**

President Korsmo called the Regular Meeting to order at 3:30 PM.

**2. ATTENDANCE**

Present at the meeting: Commissioners J. Korsmo (Teams), G. Rediske, and G. Barton; General Manager R. Black, Engineering Manager M. Meyer, Finance Manager P. Mendoza, IT Manager C. Fast, Administrative Assistant J. Clark.

**3. PUBLIC COMMENT**

None.

**4. APPROVAL OF MEETING MINUTES FROM 5/18/23, 6/1/23 AND 6/7/23  
REGULAR MEETING.**

**COMMISSIONER REDISKE MOVED TO APPROVE THE MAY 18, 2023, SPECIAL MEETING, SECOND BY COMMISSIONER BARTON. MOTION PASSED UNANIMOUSLY.**

**COMMISSIONER REDISKE MOVED TO APPROVE THE JUNE 1, 2023, SPECIAL MEETING, SECOND BY COMMISSIONER BARTON. MOTION PASSED UNANIMOUSLY.**

**COMMISSIONER REDISKE MOVED TO APPROVE THE JUNE 7, 2023, SPECIAL MEETING, SECOND BY COMMISSIONER BARTON. MOTION PASSED UNANIMOUSLY.**

**5. FINANCIAL INFORMATION**

Philip Mendoza, Finance Manager, presented the May 2023 financials to the Board. He shared that *retail sales* in May 2023 were 3.27% lower than budgeted and 1.65% higher YTD. *Wholesale water sales* true up meetings with the wholesale partners last month, the new rates are applied to the May billings. *Operating revenue* is within 1% of the budget and 0.87% YTD. *Pumping operations* is 4.8% lower than budget and 9.86% under budget YTD; *Water Treatment operations* is 30.63% under budget and 35.06% under budget YTD. *Transmission and Distribution operations* is 1.07% over budget and 10.95% under budget YTD. *Total operating expense* is 10.7% under budget and 6% under budget YTD.

**a. Approval of Payables**

Disbursements made from the General Ledger Fund for checks number 45989 through 46081 totaling \$1,524,735.25, salary direct deposits totaling \$209,101.46, payroll taxes totaling \$80,549.80, and other electronic payments totaling \$1,566,660.90 for a total of \$3,381,047.41 were presented to the Board for approval.

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

**6. GENERAL MANAGERS REPORT**

Randall Black, General Manager asked the Board to select the four questions for the meeting with the Lakewood City Council. The following are the agreed questions.

1. FRANCHISE AGREEMENT: Given the current franchise agreement, is there a way in the City's mind that we can come to an understanding of our Franchise agreement? Specifically, do we have a reimbursement clause for work in the right of way when we are working together with the City to move, relocate or build new infrastructure for their construction needs., specifically for income-producing infrastructure like storm systems?
2. GRANT COLLABORATION: How can the district work more collaboratively and proactively with the City to secure funding for new grants for new infrastructure projects and needs in the City, which would include water distribution or relocation? So many of our costs have come from allocating resources for the City of Lakewood projects they have secured funding for.
3. PAVEMENT DEGRADATION CHARGES: Pavement degradation charges are costing our ratepayers/citizens of Lakewood. The fees or assessments have changed. The District would like to understand the components and formulas of how the fees are calculated. The District should be able to calculate the fee amount and be the same as the City's calculation.
4. CROSS CONNECTION PROGRAM: The District has been assuming the responsibility of in-premise backflow assemblies for the City through the current agreement. The agreement will expire this year, 2022. Can the City take over the in-premise backflow responsibility now? If not, can the District and City make plans to hand over the in-premise backflow responsibility to the City in 2023?

Conversation regarding the City of Lakewood Council questions to be discussed at the end of the General Manager's update.

**A) Western State Hospital Update:** There are no new updates on the DEA or the letter from DOH.

**B) Essential Works Committee:** General Manager Black is on a subcommittee for HB1621 addressing the in-house public works dollar threshold presented last session. The trades and the unions who opposed the bill would like a better understanding. In order to get the bill to pass, a subcommittee was formed to review the language, intent, and purposes of what the utilities were asking for. This subcommittee is taking precedence over the Essential Workers Committee at this time.

**C) Spanaway Water Connection:** The paving has been completed. Mr. Hohn's driveway has an area that must be fixed and paved. We are still waiting to hear from Spanaway Water when they plan to move up to 2 mgd.

**D) Federal and State Infrastructure Funds:** We are making great progress on the Public Works Trust loan application. We hope to receive the \$1.9M from Senator Murray's direct appropriation in the next month.

**E) PFAS Lawsuit Information:** General Manager Black shared that District hosted a PFAS coalition meeting with the option of being in person and online with different water districts and municipalities across Washington State to discuss PFAS and how to reach out to the State representatives to help accelerate the movement to address PFAS. We had 32 people in attendance, including Commissioner Barton. There is a lot of momentum to move forward to breaking the silence that many military branches are holding fast without communication and engaging the utilities. The coalition will be meeting in the near future.

Commissioner Barton shared that he liked how everyone came together even when differing points of view were shared. It was a very positive and supportive meeting.

### **Questions from Lakewood City Council**

1. PFAS: The City understands that the EPA is proposing to set a standard for PFAS (per-and polyfluoroalkyl substances) content in drinking water. What impact will these standards have in Lakewood?
2. Housing Density Mandates: The State Legislature is imposing greater housing density mandates for all cities and towns in Washington State. For Lakewood, this means that all residential properties will be mandated to allow up to 2 accessory dwelling units (ADUs) on each single-family residential property and 2 units on every single-family residential, as well as 4 units on every lot within a ¼ mile of walking distance of commuter rail or BRT station. The City of Lakewood opposed these mandates for a number of reasons to include concerns that infrastructure is not sufficient to handle these new mandated housing requirements. What impact will this mandate have on LWD's system to include the ability to provide certificates of water availability?
3. Connection Charge Waivers: The State Legislature passed HB 1326 that authorizes City owned and operated water and sewerage systems to establish a program to waive connection charges for properties owned or developed by, or on the behalf of, a nonprofit organization, public development authority, housing authority, or local agency that provides emergency shelter, transitional housing, permanent supportive housing, or affordable housing. Will the Lakewood Water District be considering the ability to waive connection charges for these types of development even though it does not apply to special districts to include options to incentivize accessory dwelling units (ADUs) through waiving/reducing connection charges? The City has asked Pierce County Sewers the same.

4. Fluoridated Water: The City understands the residents of Lakewood supported the addition of fluoride into the Lakewood Water District's water a number of years ago. A key benefit of fluoridated water is that it keeps teeth strong and reduces cavities in children and adults that results in financial savings for families. Given many research studies have proven the safety and benefits of fluoridated water for many decades, to include the benefits of better dental health, will the District be considering fluoridated water? Particularly when community water fluoridation is recommended by nearly all public health, medical, and dental organizations. In fact, the U.S. Centers for Disease Control and Prevention (CDC) lists water fluoridation as one of "[10 great public health achievements of the 20th century](#)."

General Manager Black shared an overview of the different questions received by City Manager Caulfield. Commissioner Korsmo shared that General Manager Black can provide a presentation on PFAS. Water availability is an easy topic due to the District's management of available expansion. Regarding ADUs, we would be willing to look at a reduced charge on connections and GFC charges. We don't have the capacity to take on the fluoridation issue at this time as we prioritize having clean PFAS free water.

Commissioner Barton shared that we could look at fluoridation after we fix all the affected wells with PFAS. He doesn't feel that ratepayers should have to pay for the reduced charges. If we change this policy, he feels the ratepayers should have a vote on this decision. Commissioner Rediske would like them to show us what the city has, and let's talk about some different options. Commissioner Korsmo agrees with both Commissioners Barton and Rediske.

## **7. OPERATIONS REPORT**

Operations report was provided for review.

## **8. ENGINEERING MANAGER'S REPORT**

Engineering Manager Meyer shared that the Scotts treatment facility project is almost finished. This afternoon both the G-1 & G-2 wells over at the Scotts treatment facility were turned on. This represents nearly another 2.5 mgd - 3.0 mgd of water back in service. One of the View Rd. wells on the District's western end are back online; the wells were converted from a submersible to a vertical line shaft. The second well should be back online in the next two weeks. The 104th & Bridgeport Tank well site should also be back online in the next few weeks.

We are averaging 16 mgd - 22 mgd with the odd weather. The wholesale customers are averaging 6.25 mgd. Spanaway Water will increase slowly over the next seven weeks to reach its full 2.5 mgd.

Thank you to Zac Smith for working out some kinks on some of the controls for the wholesale pump stations. We had a long weekend where there were some oddities; Zac is very knowledgeable, skilled and was keeping an eye on everything and making adjustments. He made things that should have been automated, now automated, to keep everything running smoothly. This change is a great benefit to the District.

### **a. Conditional Acceptance of Abitibi Well Evaluation**

Asking for conditional acceptance of the Abitibi well evaluation for Holt Services. The original pay estimate was \$300k, due to not moving forward with any additional testing the final amount is \$100K.

**MOTION TO APPROVE THE CONDITIONAL ACCEPTANCE OF ABITIBI WELL EVALUATION JOB #829 BY COMMISSIONER REDISKE. SECONDED BY COMMISSIONER BARTON. MOTION PASSED UNANIMOUSLY.**

**9. OFFICE MANAGER'S REPORT**

Report has been submitted for review.

**10. INFORMATION TECHNOLOGY MANAGER'S REPORT**

IT Manager Fast shared there were zero cyber events in May. He has been providing Excel training to the office and field staff. Next week the phone lines will be transferred from Momentum back to Microsoft Teams. This will be a cost savings of around \$1,000 a month.

**a. Disposal of Surplus Items**

Approval to dispose of the following items: one office desk, two office chairs and two old lobby chairs. **THE BOARD APPROVED THE DISPOSAL OF THE ITEMS LISTED.**

**11. HR MANAGER'S REPORT**

Report has been submitted for review.

General Manager Black shared a presentation on the Mission, Vision, and Value statements will be at the July meeting. He shared his appreciation to the committee for their hard work on this project.

General Manager Black shared that Kevin Wyckoff, GIS Coordinator, earned his Master of Science in Water Resources Management from Fresno State. Carrie Bledsoe, Accounting Specialist, earned her Leadership Certificate from South Puget Sound Community College. We are very proud of both of them!

**12. OTHER BUSINESS:**

**a. The Board acknowledged the wage increase this month.**

**b. Commissioner Barton provided a brief update on the WASWD Legislative Committee.**

The Government Relations Committee's primary focus is the 2024 Legislative agenda. The goals are the same as in 2023 "Uphold special purpose districts, ability to provide affordable water and efficient utility service for customers and firefighting purposes. Ensure safe drinking water and effective wastewater treatment for communities and thirdly, promote state and federal funding for investment and critical drinking water and wastewater infrastructures." They are also going to focus on bio-solids and PW Trust Funding.

The Workforce Development Committee has reached out to schools around the state, and they all would like more information to share with the juniors and seniors. They are looking at creating 30-second videos showing the different careers in the water industry.

Commissioner Barton would like something on the website "Lakewood Water District operates as a not-for-profit, publicly public utility also known as a special district. Our water district is locally run by a board of three commissioners that reside within the boundaries of our district and elected by voters that reside within our district." General

Manager Black will have staff look at adding something to the website and will report back at the next meeting.

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

**12. PUBLIC COMMENT**

None.

**13. ADJOURN**

President Korsmo adjourned the meeting at 4:56 PM.

**LAKEWOOD WATER DISTRICT  
BOARD OF COMMISSIONERS**


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ITS PRESIDENT

BY:

  
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ITS VICE PRESIDENT

BY:

  
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ITS SECRETARY

BY:

  
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DISTRICT SECRETARY (DATE) 7/20/23