



**LAKEWOOD WATER DISTRICT
BOARD OF COMMISSIONERS
Minutes of Regular Meeting
October 19, 2023
Boardroom & Via Microsoft Teams**

1. CALL MEETING TO ORDER

President Korsmo called the Special Meeting to order at 8:00 AM.

2. ATTENDANCE

Present at the meeting: Commissioners J. Korsmo (remote), G. Rediske, and G. Barton; General Manager R. Black, Engineering Manager M. Meyer, Operations & Maintenance Manager Dean, Finance Manager P. Mendoza, HR Manager B. Levo, and Administrative Assistant J. Clark. Guest: Legal Counsel: Curtis Chambers and Tom Pors (remote)

3. PUBLIC COMMENT

Avery Meyer is attending a civic project (Marshall Meyer's daughter) she is excited to be here. (Avery excused herself for Executive Session). She returned after the Executive Session closed.

4. EXECUTIVE SESSION RCW 42.30.110(I) To discuss with legal counsel representing the agency matters relating to agency enforcement actions, or to discuss with legal counsel representing the agency litigation or potential litigation.

Commissioner Korsmo called Executive Session to order at 8:05 AM, estimated meeting time 30 minutes to 8:35 AM. Extended 5 mins to 8:40 AM. Commissioner Korsmo closed the Executive Session at 8:40 AM. Mr. Chambers and Mr. Pors left the meeting at 8:41 AM.

5. APPROVAL OF MEETING MINUTES FROM 9/28/23 REGULAR MEETING.

COMMISSIONER BARTON MOVED TO APPROVE THE SEPTEMBER 28, 2023, SPECIAL MEETING. SECOND BY COMMISSIONER REDISKE. MOTION PASSED UNANIMOUSLY. COMMISSIONER KORSMO APPROVED THE USE OF HIS ELECTRONIC SIGNATURE ON THE 9/28/23 MEETING MINUTES.

6. FINANCIAL INFORMATION

Philip Mendoza, Finance Manager, presented the September 2023 financial to the Board. He shared in September 2023 exceeded the budget for the month.

- *Retail sales* Currently we are 2.14% ahead of the budget and 14.4% higher YTD.
- (Sept 22 – 44.9M CCF vs Sept 23 – 42.9M CCF).
- *Operating revenue* is 1.58% higher than budgeted and 6.9% ahead YTD.
- *Operating Expense* is 15.81% under budget, 7% lower than budget.
- *Pumping Operations* is 25.57% higher than budget and 4% lower than budget YTD.
- *Water Treatment operations* is 38.42% under budget and 19.3% under budget YTD.
- *Transmission and Distribution operations* is 26.54% under than budget and 13.9% under budget YTD.
- *Total operating expense* is 15.81% under budget and 7% lower than budget YTD.
- *Net Operating Revenue* is 10.8% higher than budgeted and 30.1% higher YTD.

a. Approval of Payables

Disbursements made from the General Ledger Fund for checks number 46909 through 46986 totaling \$821,787.68, salary direct deposits totaling \$205,525.51, payroll taxes totaling \$74,242.13, and other electronic payments totaling \$370,020.45 for a total of \$1,471,575.77 were presented to the Board for approval.

COMMISSIONER REDISKE MOVED TO APPROVE THE PAYABLES AS LISTED. COMMISSIONER BARTON SECONDED THE MOTION. MOTION PASSED UNANIMOUSLY. COMMISSIONER KORSMO APPROVED THE USE OF HIS ELECTRONIC SIGNATURE ON THE SEPTEMBER PAYABLES.

7. SURPLUS PROPERTY AT NYANZA TANK

General Manager Black shared that the City of Lakewood reached out to see if the District would be willing to donate the surplus property for a City park if the neighbors are willing to have the property turned into a park. We are unable to build on the lots due to the size. In 2018, the value of the two lots was \$195k.

While designing the Nyanza tank in 2018, the Board was presented with three options: Retain the property, sell the property, or make it a park. The Board at that time decided to wait to decide on what to do with the property. During the planning process with the community, they asked if we would be willing to make it a park.

The Commissioners are in favor of donating the property. They would like to add a trail with educational signs about the water tank, the value of water, and that the property was donated.

Commissioner Korsmo would also like to add educational signage at the Western State Tank for those walking the trails.

8. RECOMMENDATION FOR NEW FEE STRUCTURE FOR PLAN REVIEW AND NEW CONSTRUCTION.

These fees would address the time staff takes to review plans and put together cost estimates. There is an increase in requests for plan reviews with the addition of the new ADU laws. These charges are for when contractors are seeking a detailed cost estimate. If they are asking basic questions, we would refer them to the District website for standard GFC charges.

Formal Estimate – Proposed Charge \$200.00

The property owner, developer, or someone investigating the cost of a water service connection or for service and is now ready to have the service installed. This would be valid for 60 days (about two months) from the date of the estimate. Non-Refundable.

Plan Review Fees

Purpose: To recover costs incurred by the District in reviewing plans and coordinating with builders and developers when proposing to connect to the water system. Using our standard fee for inspection at \$100.00 per hour as the baseline. *This is only for actual plan reviews and not general questions.

Currently, these costs are borne by the entire District, rather than specifically allocated to the developer. These fees would be required to be paid upfront and would not be credited to the owner/developer.

- Two copies of Plan review by Construction Manager/Department Head (1.5hr. ea.) - \$300.00 if approved with basic GFC's and meter cost.
- Red Line / Re-Plan review approval / Estimate (2hrs.) - \$ 200.00*
- Administration handling of documentation (1hr.) - \$100.00.
- Total Process Fee (6 hrs.) = \$600.00 Per review of plans with main extension for any size development.

*For every resubmittal for review there will be an additional \$100.00 per review.

Staff will come back in a year with a review of the amount of time spent and are the charges comparable or do they need to be adjusted up or down.

Commissioner Rediske supports the new fee structure; he would like to make sure that everything is clear and very easy to understand.

Commissioner Korsmo wants to make sure that we are growth friendly, development friendly and promote any opportunities within our boundaries.

MOTION TO APPROVE THE RECOMMENDED FEE STRUCTURE TO BEGIN ON JANUARY 3, 2024, BY COMMISSIONER REDISKE. SECONDED BY COMMISSIONER BARTON. MOTION PASSED UNANIMOUSLY.

9. GENERAL MANAGERS REPORT

Randall Black, General Manager, provided the following updates:

General Manager Black and Engineering Manager Meyer will present the Draft Budget presentation at the November 16, 2023, meeting. They will also present the October 2023 financials as Finance Manager Mendoza will be out of the office.

Spanaway Connection will be wrapping up in the next few weeks. They need to talk with one homeowner about a few items.

Commissioner Barton inquired about the PFAS lawsuit indemnification. General Manager Black shared there is some emerging information that has changed with regard to 3M pulling back on some of the indemnifications. We would like to have a special meeting on November 1, 2023, to have a presentation by Jeff Kray, Marten Law, regarding the PFAS settlements and have your recommendation on how to proceed forward. Another thing to note is that the number of people participating with the District on legal costs has increased, and two of the largest water utilities, Los Angeles Water Authority and Southwest Texas Water Authority, are now a part of the cost-sharing group with Marten Law. Legal costs will be split evenly with all participating utilities.

10. OPERATIONS & MAINTENANCE REPORT

Engineering Manager Meyer shared that Operations and Maintenance has been busy with work orders. The Front Street Water Main project is moving along. The water main has been installed and should be tested and online in the next month. The City of Lakewood sent a letter about a city-owned culvert; there is an abandoned water main underneath, and it has some erosion behind the water main. We are developing a plan to remove the old main and make the repairs. We will be working with Fish and Wildlife to make sure of the requirements and timing.

There was a water main issue that caused flooding in the basement of a home on 112th St. There is suspected asbestos, and staff are gathering bids from authorized remediation companies. We are working with the District's insurance company to fix the issues.

11. ENGINEERING MANAGER'S REPORT

Marshall Meyer, Engineering Manager, shared there is a reduction in pumping from 20 mgd to 12 mgd; the wholesale partners are also down to 5 mgd. N-1 View Road Well is back in service; we only have one well down for mechanical issues.

District staff have been working hard the past few weeks to install a water main on the 112th St Well site near the racquet club. They have prepped and plumbed the site, ready for the pump and motor to go in.

Emergency generator 2 out the 3 remaining generators have been installed (Washington Blvd. & Forester Reservoir). The last one to be installed is the largest on Steilacoom Blvd. (FEMA-funded).

Moving forward with the Country Place U-1 Well GAC design company has a contract in place. The 88th & Pine GAC design contract should be signed in the next few weeks.

Commissioner Rediske had questions on the Lead and Copper rule revision. Mr. Meyer shared that EPA has revised the rule stating all public water systems need to inventory all service lines on both the water system side and the customer side due to having a rule in 1955 that stated that we would only use galvanized or plastic pipes. We only need to look at connections prior to 1955. We need to take a statistically significant sample and expose and observe approximately 370 samples. We haven't found any lead yet. We feel it is unlikely that we will find any due to the glacial till soil; lead lines would not have held up over time.

12. INFORMATION TECHNOLOGY MANAGER'S REPORT

Report is attached.

13. HR MANAGER'S REPORT

HR Manager Levo shared the updated Technology Usage Policy. Adding in some clarifications and additional language around the use of personal devices and restricting that so that our staff does not use their personal cell phones, tablets, and computers to conduct district business.

Commissioner Barton asked if this rule applies to Commissioners. HR Manager Levo shared that it does apply to Commissioners because they are representing the District and would be subject to public disclosure. Commissioners can have SharePoint, Teams, and Outlook installed on their personal phones or can have a District phone (essentially carrying two phones). Commissioner Barton will work with IT Manager Fast to have the applications added to his phone.

MOTION TO APPROVE THE UPDATED TECHNOLOGY USAGE POLICY BY COMMISSIONER BARTON. SECOND BY COMMISSIONER REDISKE. MOTION PASSED UNANIMOUSLY.

14. 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 has been focusing on the 2024 Legislative agenda. They discussed their priorities on the Public Works Trust Funding; SHB 1621 CPARB has pushback from builders and laborers; the report is due in December. Bio-Solids will be back next year, and Policy 2030 and researching utility tax and utility relocation costs. The Workforce Development Committee is working on putting together a packet for job fairs.
- c. Our next Commissioner's meeting will be on November 1, 2023, at 8:30 AM and November 16, at 3:30 PM.
- d. General Manager Black introduced the idea of offering 100% coverage for medical and dental for our staff. HR Manager Levo will share information at the November meeting.

15. PUBLIC COMMENT


Avery Meyer shared that she liked the idea of donating the park and informational signs and thanked the Board for letting her attend the meeting.

16. ADJOURN

President Korsmo adjourned the meeting at 10:00 AM.

**LAKWOOD WATER DISTRICT
BOARD OF COMMISSIONERS**

BY:


ITS PRESIDENT

BY:


ITS VICE PRESIDENT

BY:


ITS SECRETARY

BY:

 11/26/23
DISTRICT SECRETARY (DATE)