



**LAKEWOOD WATER DISTRICT  
BOARD OF COMMISSIONERS  
Minutes of Regular Meeting  
January 18, 2024  
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 and G. Barton; General Manager M. Meyer, Consulting Manager R. Black, Operations & Maintenance Manager J. Dean, Finance Manager P. Mendoza, IT Manager C. Fast, HR Manager B. Levo, and Administrative Assistant J. Clark.

Excused: Commissioner G. Rediske

**3. PUBLIC COMMENT**

None.

**4. JUDI GLADSTONE, EXECUTIVE DIRECTOR WASWD UPDATE PRESENTATION**

General Manager Meyer introduced Ms. Gladstone and shared that the District has been a member of WASWD for many years and that they are a great partner.

Ms. Gladstone shared information about WASWD's 2022 strategic plan, all that they have accomplished, and what still needs to be worked on. The Retro program changed to make it eligible for different participants to join and make it more robust in diversifying the program.

In 2024, WASWD, in addition to the two annual conferences, is adding a new webinar every month to meet the needs of commissioners and managers. This year's conferences will also provide a track for administrators, human resources, and finance. Their goal is to bring in more educational programs to the members.

The second aspect is advocacy. WASWD has one of the most strategic lobbyists in Olympia; he has gone above and beyond to lobby for WASWD and its members. This legislative session is short but very busy, and the rapid response committee is very busy reviewing and commenting on the different bills that could affect WASWD's members.

Next is improving technology. WASWD has a new, updated website and online tools to help navigate, upload job postings, review documents, and watch webinars. The addition of an online forum portal allows members to ask questions and have members respond to the posts instead of to an admin. They are working on providing an online version of their directory and will save WASWD \$10,000 in printing costs.

They are also beefing up the work on the committees: Conference & Training, Finance, Golf, Government Relations, Membership, Scholarship, Workforce Development, Administrators, and Executive Director Search Committee. Each committee works hard to help WASWD run well and connect with other members.

Ms. Gladstone shared that she will be retiring at the end of the year but will assist the new director during the 2025 legislative session since it will be a regular session and a lot is going on during the beginning of the session.

The Board of Commissioners and staff thanked Ms. Gladstone for her leadership and dedication to all the members of WASWD. She has greatly impacted the District with her partnership and leadership and will be missed; and wishes her a wonderful retirement.

## **5. APPROVAL OF MEETING MINUTES FROM 12/21/23 MEETINGS.**

**COMMISSIONER BARTON MOVED TO APPROVE THE MINUTES FOR THE REGULAR MEETING DECEMBER 21, 2023, SECOND BY COMMISSIONER KORSMO. MOTION PASSED UNANIMOUSLY.**

## **6. FINANCIAL INFORMATION**

November 2023 and December 2023 financial reports

Philip Mendoza, Finance Director presented the November 2023 and December 2023 financial to the Board.

### **November 2023**

- *Retail Sales* Currently we are 5.87% higher than budgeted for the month and 8.83% higher YTD.
- *Operating revenue* is 15.98% higher than budgeted for the month and 7.54% higher YTD.
- *Pumping Operations* is 4.52% higher than budget for the month and 5.76% higher than budget YTD.
- *Water Treatment operations* is 28.59% under budget for the month and 18.77% under budget YTD.
- *Transmission and Distribution operations* is 26.69% under than budget for the month and 12.93% under budget YTD.
- *Total Operating Expense* is 12.84% under budget for the month and 5.83% lower than budget YTD.
- *Net Operating Revenue* is 83.60% higher than budgeted for the month and 26.93% higher YTD.

### **December 2023**

- *Retail Sales* Currently we are 0.64% higher than budgeted for the month and 8.13% higher YTD.
- *Operating Revenue* is 1.5% higher than budgeted for the month and 6.99% higher YTD.
- *Pumping Operations* is 15.4% lower than budget for the month and 4.02% higher than budget YTD.
- *Water Treatment operations* is 21.9% under budget for the month and 19.0% under budget YTD.
- *Transmission and Distribution operations* is 8.9% under than budget for the month and 12.6% under budget YTD.
- *Total Operating Expense* is 4.9% lower than budget YTD.
- *Net Operating Revenue* is 10.9% lower than budgeted for the month and 20.2% higher YTD.

#### **a. Approval of Payables**

Disbursements made from the General Ledger Fund for checks number 47200 through 47294 totaling \$475,201.87, salary direct deposits totaling \$221,026.78, payroll taxes totaling \$81,658.88, and other electronic payments totaling \$345,325.38 for a total of \$1,123,212.91 were presented to the Board for approval.

Commissioner Barton inquired on the status of the E Aquifer study. General Manager Meyer will provide a status update at the next meeting. Mott MacDonald is waiting to finalize some of their items in anticipation of the USGS finalized published report for the South Sound model.

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

**7. GENERAL MANAGER’S REPORT**

**DSHS & Western State** - General Manager Meyer and Consulting Manager Black have continued to meet weekly with DSHS regarding Western State Hospital. We await an update on water rights and the water system consolidation process. DSHS plans on submitting the water rights change application to the Dept. of Ecology by mid-February. They have also prepared an RFP for the water system conditional assessment. They have asked for input on the RFP and will have a District representative on the panel.

**PFAS Litigation** – As presented in past meetings, Marten Law received confirmation of receipt from the claims administrator that they received our paperwork stating we are opting out of the 3M and Dupont settlement. Recently, we learned they did not receive our paperwork as originally stated when Marten Law called the hotline, and the administrator confirmed it was received. Marten Law is investigating where the miscommunication is and getting it rectified.

**Country Place and 88<sup>th</sup>/Pine GAC Update** – The project design is going well. Consulting Manager Black has been doing a tremendous job leading the effort with our design teams. General Manager Meyer, Consulting Manager Black, and KennedyJenks are meeting with the Country Place HOA and Condo Association to provide an update on the design.

General Manager Meyer shared the Approval of Resolution B-1485 Designating FEMA Application Agent is to designate the new general manager and finance manager authority to sign the application. He learned yesterday that a FEMA seismic retrofit grant is closing on February 2, 2024, and he would like to apply for the grant if the District qualifies for the grant.

**The Big Freeze update** - General Manager Meyer shared that the District received over 60 calls about broken frozen pipes. Chris Randich did a tremendous job responding quickly to a majority of the calls. He appreciates Chris’s effort and did a great job!

Operations and Maintenance Manager Dean shared the majority of the broken pipes were on the property owner’s side. The District did have a few on our side (approximately 10). Many don’t realize they have frozen pipes until it starts to warm up, and they turn on their water and realize they don’t have any water and then find out their line is broken. If the break is on the property owner’s side, they are responsible for the repairs.

**a. Consulting Manager’s Report**

Consulting Manager Black shared a presentation showing the design of the GAC system that KennedyJenks made with the Board. The presentation showed the height and design of the tanks, fences, etc.

Commissioner Barton asked if we could change the color to help the structures blend in more. Consulting Manager Black said they offered the HOA and Condo Association to participate in the color selection.

The RFP for the Hipkins I-3 Well and Oakbrook O-2 Well to see if they can drill deeper will be issued in the next week.

Consulting Manager Black is also working on the Commissioner's Roles of Responsibilities and Conduct handbook. He has been reviewing other Districts' and Cities' handbooks and compiling information that will work for the District. He is also working on the budget process policy and the wholesale revenue use policy regarding distributing how the income is being utilized in both the general fund and storage. His goal is to complete these items by the February Board meeting.

## **8. OPERATIONS & MAINTENANCE REPORT**

Operations & Maintenance Manager Dean started by thanking the crews for their hard work in December and completing all the tasks while short-staffed. The meter box checks are 100% complete. The valve program was also completed, and the route for 2024 has been established. The fire hydrant maintenance program, in partnership with the Fire Department, has also been completed for the year.

Major projects:

**96<sup>th</sup> & Front Street** - The main and tie-ins were completed in December, and work has begun on temporary patching on 96th and permanent patching on the Front St. side. Staff is working with the City of Lakewood on what the patching on 96th St will look like; the permanent patching will need to wait until spring for dryer weather.

**Hipkins** – This project is going very well; they are ahead of schedule. The contractor initially said they would lay 190 ft of water main a day, and they are getting in around 350 ft a day.

**Ardmore & Whitman** – The City of Lakewood has a project on Ardmore and Whitman that requires the District to reroute mains. Pape & Sons will do the rerouting of the water mains.

**Vehicle Auction** - In December 2023, the District sent three vehicles to auction, all sold for \$21,500. After fees, the District will receive a \$17,930 net profit.

## **9. ENGINEERING REPORT**

Report is attached.

### **a. Approval of Resolution B-1485 Designating FEMA Application Agent**

General Manager Meyer shared this is an update from the 2012 Resolution B-1406 designating General Manager Meyer and Finance Manager Mendoza as application agents to apply for potential grant agreements with FEMA. The District would like to apply for the seismic retrofit for the 104th & Bridgeport and Washington Blvd. tanks. These \$3.2M construction costs, this

grant will cover 87% of those costs. This updated resolution will allow the District to apply for the grants if we qualify.

Commissioner Barton asked if these two tanks need to be replaced in the near future. General Manager Meyer shared these two tanks are not scheduled to be replaced.

Commissioner Korsmo asked if the tanks have been studied to see if they need seismic retrofit. General Manager Meyer shared that RH2 did a study in 2017, and a retrofit is in need.

**MOTION TO APPROVE RESOLUTION B-1485 DESIGNATING FEMA APPLICATION AGENTS MARSHALL MEYER AND PHILIP MENDOZA BY COMMISSIONER KORSMO. SECONDED BY COMMISSIONER BARTON. MOTION PASSED UNANIMOUSLY.**

## **10. IT MANAGER'S REPORT**

There were no cybersecurity issues.

### **a. Approve Surplus & Disposal Items**

IT Manager Fast shared the items for approval and disposal of items.

**COMMISSIONERS APPROVED THE SURPLUS AND DISPOSAL OF ITEMS.**

## **11. HR MANAGER'S REPORT**

HR Manager Levo shared that an applicant for the Engineering Manager position will be interviewed next week, and she will update us on how that goes. If it doesn't go to a second round, she will post an updated ad to see if it can get more interest. She shared that there are a lot of engineering positions open. Commissioner Korsmo inquired if we have considered going with an employment agency to help find candidates. HR Manager Levo said she hasn't yet, but that is an option to look at, but it does come at a cost. General Manager Meyer shared that HR Manager Levo has been doing a great job and has changed the advertisement to show more day-to-day duties to see if that will help to receive more applications.

## **12. OTHER BUSINESS**

- a. The Board acknowledged the wage increase this month.
- b. Commissioner Barton provided a brief update on the WASWD Legislative Committee.

Commissioner Barton shared that the Government Relations Committee has been very busy, and he is thankful to General Manager Meyer and Consulting Manager Black for their quick responses and insight on the different bills going through Olympia. Commissioner Barton reviewed various House and Senate bills that WASWD supports or has concerns about. Commissioner Korsmo thanked him for all his hard work.

- c. Our next Commissioner's meeting will be on February 22, 2024, at 3:30 PM.  
Special BOC Meeting Tank Dedication will be on February 27, 2024, at 12 PM.

## **13. PUBLIC COMMENT**

None.

**14. ADJOURN**

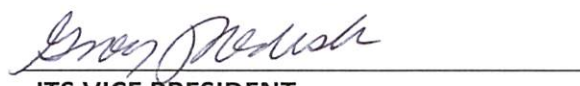
President Korsmo adjourned the meeting at 5:08 PM.

**LAKWOOD WATER DISTRICT  
BOARD OF COMMISSIONERS**


BY:

  
ITS PRESIDENT

BY:

  
ITS VICE PRESIDENT

BY:

  
ITS SECRETARY

BY:

 2/22/24  
DISTRICT SECRETARY (DATE)