



**LAKEWOOD WATER DISTRICT
BOARD OF COMMISSIONERS
Minutes of Special Meeting
February 22, 2024
Boardroom & Via Microsoft Teams**

1. CALL MEETING TO ORDER

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

2. ATTENDANCE

Present at the meeting: Commissioners J. Korsmo, G. Rediske, and G. Barton; General Manager M. Meyer, Consulting Manager R. Black, Operations & Maintenance Manager J. Dean, Finance Manager P. Mendoza, IT Manager C. Fast, Office Manager T. MacDougall, HR Manager B. Levo, and Administrative Assistant J. Clark.

Guest: Jeff Kray, Marten Law (arrived at 3:37 PM).

3. PUBLIC COMMENT

None.

4. ELECTION OF OFFICERS

President – Commissioner Rediske nominated Commissioner Korsmo for President. Commissioner Barton seconded. Nomination passed unanimously.

Vice President - Commissioner Korsmo nominated Commissioner Rediske for Vice President. Commissioner Barton seconded. Nomination passed unanimously.

Secretary - Commissioner Rediske nominated Commissioner Barton for Secretary. Commissioner Korsmo seconded. Nomination passed unanimously.

5. Executive Session – Delayed until Jeff Kray arrived.

6. APPROVAL OF MEETING MINUTES FROM 1/18/24 MEETINGS.

COMMISSIONER REDISKE MOVED TO APPROVE THE MINUTES FOR THE REGULAR MEETING JANUARY 18, 2024, SECOND BY COMMISSIONER BARTON. MOTION PASSED UNANIMOUSLY.

7. FINANCIAL INFORMATION

Philip Mendoza, Finance Director presented the January 2024 financial to the Board.

- *Retail Sales* Currently we are 2.93% higher than budgeted for the month and 2.93% higher YTD.
- *Operating revenue* is 2.38% higher than budgeted for the month and 2.38% higher YTD.
- *Pumping Operations* is 13.95% lower than budget for the month and 13.95% lower than budget YTD.
- *Water Treatment operations* is 20.47% under budget for the month and 20.47% under budget YTD.
- *Transmission and Distribution operations* is 37.57% under than budget for the month and 37.57% under budget YTD.
- *Total Operating Expense* is 25.27% under budget for the month and 25.27% lower than budget YTD.

- *Net Operating Revenue* - We expected a breakeven of our operating revenues with our operating expenses. However, we ended up with \$224,615 as Net Operating Revenue.

a. Approval of Payables

Disbursements made from the General Ledger Fund for checks number 47295 through 47404 totaling \$876,881.53, salary direct deposits totaling \$230,495.88, payroll taxes totaling \$87,757.90, and other electronic payments totaling \$354,400.79 for a total of \$1,549,536.10 were presented to the Board for approval.

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

5. Executive Session RCW 42.30.110(1)(i) To discuss with legal counsel representing the agency matters relating to discussion with legal counsel representing the agency litigation or potential litigation.

Commissioner Korsmo called the Executive Session to order at 3:45 PM. Estimated session time 30 minutes (4:15 PM). Commissioner Korsmo called for a 15-minute extension 4:30 PM. Commissioner Korsmo closed the Executive Session at 4:30 PM.

Commissioners directed Marshall Meyer and Jeff Kray to opt back in the Dupont settlement by March 1, 2024.

MOTION BY COMMISSIONER REDISKE TO OPT BACK IN TO THE DUPONT SETTLEMENT. SECONDED BY COMMISSIONER BARTON. MOTION PASSED UNANIMOUSLY.

MOTION BY COMMISSIONER REDISKE TO AUTHORIZE GENERAL MANAGER MEYER TO SIGN DOCUMENTATION TO OPT BACK INTO THE DUPONT SETTLEMENT. SECONDED BY COMMISSIONER BARTON. MOTION PASSED UNANIMOUSLY.

Jeff Kray left the meeting at 4:39 PM.

8. 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 will be meeting with DOE next week to discuss the critical nature of the timing of reviewing the water rights change application. The timing is connected to the budget requests to the State.

Funding Update – General Manager Meyer shared he learned the two Public Works Board loans for 88th & Pine and Country Place will have \$1.5 million in grants. Rep. Leavitt secured the other \$1.86 million grant for two additional wells. The \$2 million from the EPA and around \$3.9 million from the DCCA will fund the construction of two new wells.

a. Consulting Manager's Report

General Manager Meyer shared that Consulting Manager Black has taken the lead on the Commissioner's Roles of Responsibilities and Conduct handbook, Budget Policy, and Revenue Allocation for Wholesale Water Sales.

Consulting Manager Black worked 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 also worked 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.

The Board will review the documents at the March meeting.

Essential Workers Designation – Consulting Manager Black would like to volunteer to continue work on this project after he retires. The Board of Commissioners approved his request.

Bill Clarke will contact the State Department of Emergency Response to work through the steps of designating essential workers.

Commissioner Barton shared that he has written a letter to WASWD to grant Randy Black a lifetime membership to WASWD. The final vote will be at the Spring Conference.

9. Approval of Resolution B-1486 to Accept Country Place GAC PWB Loan

The resolution approves the District accepting the Public Works Board loan for the Country Place GAC loan.

MOTION TO APPROVE RESOLUTION B-1486 TO ACCEPT COUNTRY PLACE GAC PWB LOAN BY COMMISSIONER REDISKE. SECONDED BY COMMISSIONER KORSMO. MOTION PASSED UNANIMOUSLY.

10. Approval of Resolution B-1487 to Accept 88th & Pine GAC PWB Loan

The resolution approves the District accepting the Public Works Board loan for the 88th & Pine GAC loan.

MOTION TO APPROVE RESOLUTION B-1487 TO ACCEPT 88TH & PINE GAC PWB LOAN BY COMMISSIONER REDISKE. SECONDED BY COMMISSIONER BARTON. MOTION PASSED UNANIMOUSLY.

11. Approval of Resolution B-1488 Official Emergency Delegate, Rescinding B-1254

General Manager Meyer shared that this would replace Randy Black as the official emergency delegate to Marshall Meyer and rescind B-1254.

MOTION TO APPROVE RESOLUTION B-1488 OFFICIAL EMERGENCY DELEGATE, RESCINDING B-1254 BY COMMISSIONER REDISKE. SECONDED BY COMMISSIONER BARTON. MOTION PASSED UNANIMOUSLY.

12. OPERATIONS & MAINTENANCE REPORT

Operations & Maintenance (O&M) Manager Dean shared the Ardmore and Hipkins project with the city. The District's portion has been completed ahead of schedule. Pape & Sons did a great job and came in around \$20,000 under the estimate. District inspector Sam Boseman did a great job and played a major part in redesigning the intersection on the fly.

Operations & Maintenance Manager Dean participated in the water system conditional assessment interviews this past week; DSHS has selected RH2 Engineers.

Commissioner Rediske inquired about the 80 frozen pipe calls and if we recommend contractors to customers. O&M Manager Dean shared that we tell them to call a plumber. We provide a list of contractors to choose from but do not specifically recommend any contractors.

9. ENGINEERING REPORT

The report is attached. The RFP for the K3 and G4 wells will be issued next week and will be open for 30 days to comply with EPA regulations. The money from Senator Murray will be used for these two wells.

General Manager Meyer provided an update on the E aquifer study as requested by Commissioner Barton. This is a longer-term study of our second deepest aquifer. Working with Mott McDonald, our hydrogeologist consulting firm, is using the latest USGS model, to look forward at how sustainable the E-level aquifer is and how many additional wells we can plan to go into this E-level aquifer. We are finding the need for an advantage to go deeper to avoid some of the PFAS contamination. They've done a lot of compilation of data and have looked at some of the historical information available to compare it to. What does the model predict in terms of aquifer levels and pumping, and what do our actual recorded measurements show? And they're finding good matching of patterns and levels and things like that between the model and our measurements. So that gives us good confidence in the model. USGS has not finished publishing the report that supports the latest model, so forward projections have not been completed yet, and won't be finalized until USGS finalizes their report.

10. CUSTOMER SERVICE MANAGER'S REPORT

Office Manager MacDougall shared the annual write-off report for approval. Commissioners asked what qualifies as a write-off. Accounts with a balance of more than \$8.00 are sent to collections. Refunds are issued for balances over \$3.00. Commissioner Rediske asked what the difference between the 2022 and 2023 write-offs was. Office Manager MacDougall shared it is approximately \$2,200 less than last year.

MOTION TO APPROVE THE 2023 ANNUAL WRITE OFFS BY COMMISSIONER REDISKE. SECONDED BY COMMISSIONER BARTON. MOTION PASSED UNANIMOUSLY.

11. 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 the two Hydrogeologist applicants were interviewed this past week. HR Manager Levo thanked staff members Amber and Jake for participating in the interview panel. The panel was unanimous on the top pick for the position. Both applicants are well qualified, and either would be a good option. She will be preparing an offer letter on Friday.

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 provided updates on the status of the Workforce Development committee; they will have a trial run in mid-March and at the spring conference. He shared that he nominated Randy Black for a lifetime WASWD membership, and the Board of Directors approved the nomination and will make the final decision at the spring meeting.
- c. Our next Commissioner's meeting has been moved from March 21, 2024 to March 28, 2024, at 3:30 PM.
Special BOC Meeting Tank Dedication will be on February 27, 2024, at 12 PM.

13. PUBLIC COMMENT

None.


*Commissioner Korsmo called for a recess at 5:27PM to allow the Board of Commissioner to review the new historical wall. Recess ended at 5:37 PM.

14. ADJOURN


President Korsmo adjourned the meeting at 5:37 PM.

LAKWOOD WATER DISTRICT
BOARD OF COMMISSIONERS

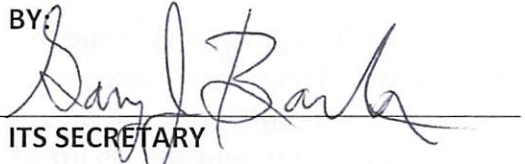
BY:


ITS PRESIDENT

BY:


ITS VICE PRESIDENT

BY:


ITS SECRETARY

BY:

 3/28/24
DISTRICT SECRETARY (DATE)