

**LAKWOOD WATER DISTRICT  
BOARD OF COMMISSIONERS  
Minutes of Regular Meeting  
Thursday, March 18, 2021**

President Korsmo called the Regular Meeting virtually via Teams to order at 3:30 p.m. at the District office. Present at the meeting: Commissioners J. S. Korsmo, Jr., G. J. Rediske, and G. J. Barton; General Manager R. Black; Superintendent I. Black; Finance Director P. Mendoza; Office Supervisor T. MacDougall; IT Manager C. Fast; and District Secretary C. Butler.

**PUBLIC COMMENT:**

No members of the public were present.

**APPROVAL OF MEETING MINUTES:**

Commissioner Barton moved to approve the minutes of the February 18, 2021 Regular Meeting. Commissioner Rediske seconded the motion which carried unanimously. Each Commissioner individually gave verbal authorization for the use of their electronic signatures on these approved minutes.

**FINANCIAL INFORMATION:**

The Finance Director presented the February financials to the Board.

Disbursements made from the General Ledger Fund for check number 43303 through 43425 totaling \$1,283,416.46, salary direct deposits totaling \$186,536.59, payroll taxes totaling \$71,071.71, and other electronic payments totaling \$166,606.72, for a grand total of \$1,707,631.48 were presented to the Board for approval. After review, Commissioner Rediske moved to approve the payables as listed. Commissioner Barton seconded the motion which carried unanimously. Each Commissioner individually gave verbal authorization for the use of their electronic signatures on these approved payables.

**9/80'S WORK AND OPERATIONS DISCUSSION:**

After many discussions and studies with staff and the Board of Commissioners over many months, the General Manager presented the passionate recommendation to the Board to approve a three-month trial of a modified work week of 9/80's, where staff will work nine-hour days Monday thru Thursday, eight-hour days on Fridays, and have every other Friday off; hence, working nine days/80 hours every two weeks. During the initial three-month trial, the General Manager will keep the Board apprised of the successes and any lacks thereof. After the three-month trial and review and assessment by staff and the Board, should the process prove to be profitable, the General Manager recommended a second three-month trial with final decision from the Board made at the conclusion of that second trial period. He stated this and a special Staff Appreciation Day luncheon on March 31 would be two strong moves toward increased morale for the staff after all the very challenging restrictions from the COVID-19 pandemic and the staff's faithful and rise-to-the-occasion response over the past year.

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The General Manager stated he would like to commence the first three-month trial on May 1. The office staff work schedule would be 7:30 a.m. to 5:30 p.m. with a one-hour lunch. The field staff would be divided in two crews, one working 7:00 a.m. to 4:30 p.m. and the other 7:30 a.m. to 5:00 p.m. with a half-hour lunch. The on-call personnel will work 8:00 a.m. to 5:30 p.m. The new Engineer Manager will afford additional management oversight to cover the field staff schedules.

The General Manager stated he would like the entire staff to be able to benefit from this new work schedule; however, there were a few members of the office staff that would prefer to stay on the 5/8's schedule. This will only help provide better coverage for staff and customers. The management staff, primarily exempt from overtime, will continue to maintain the levels of service needed to get the job done but will, as possible, and most likely in general, be able to take advantage of the modified 9/80's schedule.

Commissioner Rediske moved to approve the General Manager's recommendation of a three-month 9/80's trial followed by report, assessment, and potential second three-month trial prior to the Board making final decision on the matter. Commissioner Barton seconded the motion which carried unanimously.

### **WESTERN STATE HOSPITAL UPDATE:**

The General Manager likened the multi-year journey with the hospital to a yo-yo. Just when it appears the hospital and DSHS (Department of Social and Health Services) are taking a step forward toward the District taking over its water system and permanently supplying their water, it seems to take two steps backwards. The most recent steps backward included an issue with insufficient pressure in one of the hospital's three-story buildings, the State Department of Health (DOH) allowing the use of an existing well to help supplement pressure needed for fire protection which made for dilution of the chlorine residuals supplied by the District, and a subsequent total coliform hit at the hospital during routine sampling. The District was, of course, concerned about the mixing of its chlorinated water with the hospital's non-chlorinated water system and having no way to ensure the quality of the water. This perpetuated the District having to sample the water at the source from the closest wells supplying water to the hospital, and these samples came back negative.

DSHS reported the hospital is planning to proceed with the installation of continuous disinfection (chlorination system) at their two wells. After treatment has been installed, they expect to go back to using the Lakewood Water District's water under emergency use only. DSHS plans to continue their infrastructure assessment. Their long-term plan is to continue to bring their distribution system up to Lakewood Water District standards as funding and time allows in the hopes of eventually getting out of the drinking water business; however, this appears to promise to be a long process. The most recent step backwards was finding out the hospital has \$0 in its 10-year budget for water improvements of any kind.

The General Manager had a conversation with Jeannie Rodriguez of DSHS and discovered she did not realize the dramatic differences between the existing infrastructure at the hospital and the standards and specifications for the District. He

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had a subsequent conversation with Carol Stuckey of DOH on Wednesday, March 17. It has become very apparent there is simply little to no knowledge or understanding of water amongst the DSHS representatives working on this matter. The General Manager further stated he did not see the District proceeding with this endeavor without a Memo of Understanding (MOU) or Interlocal Agreement (ILA) with the hospital/DSHS.

The District has been pursuing this venture with the hospital/DSHS since 1979. Commission Korsmo jokingly stated he was in high school and Commissioner Rediske was probably at Woodstock at the time the District began this journey. Commissioner Rediske was quick to clarify Woodstock occurred ten years prior. This brought a challenging discussion to a lighthearted end.

### **ANNUAL CAP (CUSTOMER ASSISTANCE PROGRAM) UPDATE:**

The General Manager invited the Office Supervisor to provide for the Board the yearly CAP update. Donations in the amount of \$1,327 were received in 2020 and year-to-Date contributions were at \$10,105. The General Manager sends a personalized thank-you card to each customer who donates towards the CAP Program. It has been heartwarming to see not only the number of donations since COVID-19 hit but the significant dollar amounts, up to \$50.

### **REVISED EMPLOYEE FRINGE BENEFIT POLICY (Exhibit A of Resolution No. B-1456):**

The General Manager presented a revised Employee Fringe Benefit Policy, Exhibit A of Resolution No. B-1456. The proposed changes included the addition of gift certificates to the employee's choices for the various applicable recognitions afforded by the policy. For years, the District was bound by limitations to only be able to offer gift certificates to restaurants or purchase a desired item of the employee's choice within the respective price ranges; gift certificates were classified as a taxable benefit. According to the District's Finance Director, a previous employee of the State Auditor's Office and resident auditor expert, the District can now include all appropriate gift certificates (e.g., not to include dedicated alcohol-supplying entities such as liquor stores of the likes of Total Wines, etc.)

A provision was added to award employees who demonstrate outstanding performance and productivity with a recognition award in the form of a gift card or other token of appreciation, cumulative cost not to exceed \$500 for the recognized employees. In most cases, the awards will be presented on or around an employee recognition meeting or event, e.g., Employee Appreciation Day. These recognition awards would be intended specifically to promote good will, foster a sense of pride in affiliation with the District, promote safety, productivity, reliability, efficiency, dedication, and commitment to the community served by the District.

Commissioner Rediske moved to approve the revised Employee Fringe Benefit Policy as presented. Commissioner Barton seconded the motion which carried unanimously.

### **GENERAL MANAGER PROJECT UPDATES:**

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**Spanaway Wholesale Water.** Spanaway's new General Manager, Tim Wells, shared with the District's General Manager their interest in obtaining the District's remaining one million gallons per day (mgd) of wholesale water. The General Manager and respective staff will meet with Mr. Wells on March 31 to present and discuss the broad strokes of this venture; however, it is not anticipated the District will yet have firm cost numbers to share at that time.

### **SUPERINTENDENT'S REPORT:**

The Superintendent's full, written report was provided to the Board in the pre-agenda packets. He supplementally reported the District was experiencing some delays in getting some projects up and running. One delay was due to difficulties with obtaining an easement from the Clover Park School District for the 39<sup>th</sup> Avenue project. The District had hoped to be in the ground by now for this project. The District's General Manager and Superintendent with the General Manager's fellow Rotarian Rick Ring who had commented that if the president of the school district's board doesn't want to grant the easement, it won't happen. This was concerning to the General Manager in light of the school district being a public entity. He asked the Commissioners if any of them knew Dr. Marty Schafer, President of Clover Park School District. Commissioner Korsmo stated he knew Dr. Schafer. The General Manager asked if he were willing to call Dr. Schafer to express the importance of obtaining this easement, and he said he would.

Alia has been awarded the construction of the Gravelly Lake Drive Project by the City of Lakewood. The District, of course, will be partnering with the City in this project, the initial phase spanning from Washington Blvd. to Nyanza. Alia has previously performed work for the District and, while they do good work, it has required a good deal of hand-holding.

On the equipment storage front over at the District's annex, the Superintendent reported there was \$80K left in the \$100K budget for a building to provide covered, secure storage for equipment and materials currently exposed to the weather and the only security provided by a four-foot fence. With prices escalating relatively quickly, he was able to secure an attractive price for a 40-foot by 80-foot steel building package at \$60K. This building would simply be a steel shell with four double-wide garage doors with two bays each, a door on the backside of the building for drive-thru provisions, and two man-doors at either end of the building. The total project, including the steel package, engineering, permitting, and construction would be approximately \$255K, \$280K after taxes. He reported there were anticipated savings in the Gravelly Lake Drive Project by approximately \$100K but would wait to count those proverbial chickens until they were hatched.

Conservatively, he and the General Manager stated they would like the Board's permission to at least purchase the \$60K steel package now with the funds still remaining in the budget to avoid additional price escalation, lay the slab in August, and go from there, proceeding as funds present themselves. After considerable discussion, the Board unanimously concurred this would be a reasonable and prudent purchase.

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Besides any project savings realized, increased revenues could also help mitigate the remaining costs. The Finance Director stated all indications are for a positive budget.

### **OFFICE SUPERVISOR'S REPORT:**

The Office Supervisor reported the staff did a superior job handling approximately 114 calls after District customers received the letter regarding the AFTS breach. These many calls included a number of very rough ones from irate and unsettled customers with strong and offensive language and delivery. The staff handled each and every one of the calls with professionalism, genuine care, good information, and grace. The General Manager added that he did not have to intercede on even one call; the staff handled them all themselves and at the highest level. The General Manager also stated he received no calls himself on the matter which spoke loudly to him.

The idea was presented of perhaps adding an introductory recording to callers, stating the calls would be recorded for training purposes. Perhaps this would cause irate customers to use a little more discretion in their approach and language used with District staff.

A billing debacle by temporary new billing vendor Sir Speedy resulted in 1775 District customer bills being mailed to the wrong address. Sir Speedy was quick to respond and step up to the plate to resend the bills to the correct addresses with a letter of apology included from the District, all with no charge to the District. IVR calls were also sent to the affected customers.

Delinquent customer accounts were down to 147, and the District had received eight CARES application, two of which included the required documentation and were approved; the other six did not provide the needed information.

Since the AFTS breach, the staff has been driving to the Post Office each day and manually handing the receipt of all mailed payments at the tune of 2500-3000 payments a month. The District investigated Lockbox solutions, the two front runners being Key Bank and a company in California. Since it would be undesirable for District customers to see their payments going to California, the District is proceeding with Key Bank at this time. President Korsmo thanked and commended the staff for all their hard work and valiant efforts.

### **OTHER BUSINES:**

**Board Acknowledgement of Employee Wage Increases**—the Board acknowledged wage increases for employees L. Nishiko and C. Pulk.

**Multi-factor Authentication Training for Commissioners**—the General Manager reported each Commissioner will need to have multi-factor authentication training on their District laptop computers. This is another layer of the required cybersecurity for the District. The General Manager asked the Commissioners to please contact District IT Manager C. Fast to schedule the individual trainings.

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**Valve Markers Invented and Made by District Employee**—District Construction Inspector S. Bosma developed and made blue metal valve markers to identify District valves at \$11/each versus \$22 from other suppliers. This matter was passed by the State Auditor's Office with no objection.

**Government Relations Committee Report**—the primary point of Commissioner Barton's summary of the recent committee meeting involved not calling attention to ourselves when a proposed water bill did not mention water districts but, rather, to have language for the District's lobbyist to have in his "back pocket" to discuss and negotiate these matters.

With no additional business to address, President Korsmo adjourned the meeting at 5:40 p.m.

**LAKWOOD WATER DISTRICT  
BOARD OF COMMISSIONERS**

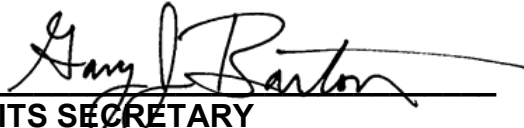
**BY:**

  
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**ITS PRESIDENT**

**BY:**

  
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**ITS VICE PRESIDENT**

**BY:**

  
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**ITS SECRETARY**

**ATTEST:**

JLC – for Christie Butler  
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**DISTRICT SECRETARY**