

**LAKESIDE WATER DISTRICT
BOARD OF COMMISSIONERS
Minutes of Regular Meeting
Thursday, July 15, 2021**

President Korsmo called the Regular Meeting 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; Engineering Manager M. Meyer; Operations Manager I. Black; Finance Manager P. Mendoza; Office Manager T. MacDougall; IT Manager C. Fast; HR Analyst B. Levo, guests A. Sanchez and S. Tarasov of FCS Group.

PUBLIC COMMENT:

No members of the public were present.

APPROVAL OF MEETING MINUTES:

Commissioner Rediske moved to approve the minutes of the June 24, 2021 Regular Meeting. Commissioner Barton seconded the motion which carried unanimously. Attending virtually, Commissioner Barton gave verbal authorization for the use of his electronic signature on these approved minutes.

FINANCIAL INFORMATION:

The Finance Manager presented the June financials to the Board.

Disbursements made from the General Ledger Fund for check number 43875 through 43976 totaling \$481,242.28, salary direct deposits totaling \$197,249.06, payroll taxes totaling \$75,678.48, and other electronic payments totaling \$173,172.70, for a grand total of \$927,342.52 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. Attending virtually, Commissioner Barton gave verbal authorization for the use of his electronic signature on these approved payables.

CONTINUED DISCUSSION ON WHOLESALE REVENUE ALLOCATION WITH FCS GROUP:

The General Manager recapped the previous information presented by FCS Group. S. Tarasov presented additional information on the District's historical approach to revenue and rates. He also presented the Commissioners with options as to where to direct revenues from wholesale water. The Board would like FCS Group to create a model that shows the 50-year impact on rates for median income levels in the District. The General Manager also committed to working with counsel on a proposed resolution. Both of these items will be presented at the August meeting.

APPROPRIATIONS AND CONGRESSIONALLY DIRECTED SPENDING:

The General Manager shared good news with the Board: The District's application for congressionally directed funds from Senator Murray's office has been selected to proceed. To recap, the application was for a grant of \$2.4 million with 80% funding from the federal government and 20% funding from the District. The next step in the process is approval by the Appropriations Subcommittee of Interior, Environment, and Related Agencies.

GENERAL MANAGER PROJECT UPDATES:

Spanaway Water Connection:

The General Manager reported the highlights of the projects listed in the General Manager Project Update.

2021 Bond Update:

The General Manager reported that the bond rating call with Standard and Poor's went well and staff did an excellent job. The District was awarded a rating of AA, up from the previous rating of AA- with positive outlook. The new rating will improve the District's position for future bond issuance.

Statewide Classification of Utilities as Essential Workers:

The General Manager reported on the initiative to classify utility workers as essential. Currently, there is no Washington State law or category under emergency orders that ensures resources will be available to utilities. The General Manager is working with the Regional Water Cooperative of Pierce County, Washington Association of Sewer and Water Districts, and the State Department of Health to determine the best path for utilities receiving an essential designation.

OPERATION MANAGER'S REPORT:

The Operations Manager's full, written report was provided to the Board in the pre-agenda packets. The Operations Manager presented information on the following projects: Gravelly Lake, 39th Phase II and Phase III, and the upcoming Scott treatment project with Ceccanti, Inc. The Operations Manager also shared information on project timelines and challenges with the building project at the back of District property.

ENGINEERING MANAGER'S REPORT:

The Engineering Manager reported on the increased pumping activity during the heat wave – over 76 million more gallons of water were pumped in June 2021 versus June 2020. He also shared information on well activity and repair and the upcoming proposal to the City of Lakewood to request a portion of the American Rescue Plan Act funds they were allotted.

OFFICE MANAGER'S REPORT:

The Office Manager reported that the District has reopened the lobby to customers. She also reported that the disconnect moratorium will end on September 30 and the District

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will make good faith efforts to communicate this information to customers via letter, including information on next steps and available customer payment assistance programs. The District will also contact those who do not respond by phone. There are currently 189 ratepayers on the disconnect list, for a total of about \$85,000. The District has approved eight CARES applications, with a little less than \$19,000 left and available.

OTHER BUSINESS:

Commissioner Barton presented his report on the Government Relations Committee meeting, including the following topics: the draft 2022 legislative agenda, COVID exit strategy for past due accounts, a multi-year strategy for utility tax, public works trust fund reform, and PFAS.

The General Manager shared that the District will be hosting an informational meeting and tour with Senator Nobles on July 21 and requested that a Commissioner attend.

The next regularly scheduled Commissioner's meeting will be on August 19.

With no additional business to address, President Korsmo adjourned the meeting at 5:20 p.m.

**LAKWOOD WATER DISTRICT
BOARD OF COMMISSIONERS**

BY:


ITS PRESIDENT

BY:


ITS VICE PRESIDENT

BY:


ITS SECRETARY

ATTEST:


DISTRICT SECRETARY