

Regular Meeting of the Board of Commissioners
November 18, 2021—3:30 p.m.
Virtual Meeting via Microsoft Teams

Agenda

1. Call to Order
2. Attendance
3. Public Comment
4. Approval of Meeting Minutes from October 21, 2021
5. Financials
 - a. Finance Manager's Report
 - b. Board Approval of Payables
6. Board Review of the 2022 Draft Budget
 - a. Introduction to Budget (Randy)
 - b. P&L (Philip and Randy)
 - c. Options and Recommendation for Rate Increases (Philip and Randy)
 - d. 2022 Capital (Ian and Marshall)
 - e. Five-year Capital (Randy)
 - f. Wages and Benefits (Randy)
7. Board Award of the Steilacoom Blvd Tank Seismic Retrofits Project
8. General Manager's Report
9. Operations Manager's Report
10. Engineering Manager's Report
11. Office Manager's Report
12. Executive Session Under RCW 42.30.110
13. Other Business
 - a. Government Relations Committee Report - Commissioner Barton
14. Public Comment

**LAKWOOD WATER DISTRICT
BOARD OF COMMISSIONERS
Minutes of Regular Meeting
Thursday, October 21, 2021**

President Korsmo called the Regular Meeting to order at 3:32 p.m. at the District office.

Present at the meeting: Commissioners J. Korsmo, G. Rediske, and G. 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.

Approval of Meeting Minutes:

Commissioner Rediske moved to approve the minutes of both the September 23, 2021 Special Meeting and the October 12, 2021 Special Meeting. Commissioner Barton 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 Manager presented the September financials to the Board.

Disbursements made from the General Ledger Fund for check number 44215 through 44357 totaling \$2,323,426.71, salary direct deposits totaling \$186,580.62, payroll taxes totaling \$69,506.53, and other electronic payments totaling \$224,104.97, for a grand total of \$2,803,618.83 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.

Update on State Department of Health State Action Level for PFAS

The General Manager shared information on a recent call with the State Department of Health regarding the upcoming rule on the State Action Level (SAL) for PFAS and the notification process. The notification process will include direct messaging to ratepayers if a source were to exceed the SAL. The Engineering Manager was also present on the call to discuss options for the District's impacted wells. The General Manager requested the ability to restructure the budget by moving allocated dollars from 2023 to 2022 to fund the two additional pumps and motors that will enable the District to pump extra

capacity out of other wells to offset taking the impacted wells offline. Commissioner Barton asked for additional information on impacted wells and power costs. The Board authorized the General Manager to proceed with his request.

Budgetary Decision Discussion – Source and Storage Allocations:

The General Manager introduced the topic. The Finance Manager presented information on the current status of the 2022 budget, as well as the different funding options and their impact on rates. The first option was to use the 20% of wholesale revenue set aside for source and supply to fund the year-to-year projects associated with source and supply wells and well capacity and reliability improvements. This option would still be in line with the wholesale revenue resolution. The second, third, fourth, fifth, and sixth options related to the seismic retrofitting of tanks: what level of seismic upgrades to pursue and funding options for those upgrades. Funding options included the use of the dedicated 30% of wholesale revenue set aside for tank storage and replacement. The District requested direction from the Board on the presented options. After discussion, the Board would like to pursue the first option for source funding using 20% of wholesale revenue. They would also like to pursue all proposed seismic upgrades but without using the 30% of wholesale revenue that has been set aside for tank storage and replacement.

Recommendation for Extending EPSL to Staff:

The General Manager presented Resolution B-1472 Extension of Emergency Leave – One-Time Use to the Board for consideration. The resolution would extend a one-time use of Emergency Paid Sick Leave, previously defined by the Families First Coronavirus Response Act and continued through the American Rescue Plan Act, to staff who have not previously used it for quarantine or isolation related to COVID-19. The resolution would be effective beginning October 1, 2021 and continue through September 30, 2022. The Board approved Resolution B-1472 as presented and each Commissioner individually gave verbal authorization for the use of their electronic signatures on the resolution.

Work Week Recommendation for 9/80's Versus 5/8's:

The General Manager summarized the 9/80's work week trial conducted over the last six months, including successes and challenges and the improved morale of staff. Collected data indicates that there have been small improvements due to the modified work week, including additional office hours for customer service, but the majority of information indicates a status quo – operations are running effectively and have not suffered due to offering a 9/80's schedule. The General Manager presented options to the Board and recommended that the Board approve the continuation of a 9/80's schedule offering to staff with the understanding that the modified work week will only continue so long as there is no reduction in work capacity by the staff. The Board approved the recommendation as presented.

General Manager's Report:

The General Manager shared that the District has a meeting with the City of Lakewood in November regarding the franchise agreement. After offering to take questions on his report, the General Manager yielded the rest of his time to the Operations Manager and Engineering Manager to give their reports.

Operations Manager's Report:

The Operations Manager shared information on current projects, including the resolution of the ongoing permitting issue with the City of Lakewood and the progress on the Scott Well Site project. Supply chain issues continue to impact all projects.

Engineering Manager's Report:

The Engineering Manager presented information related to the wells impacted by the new State Action Level for PFOS. He also presented highlights from his report. President Korsmo asked if Joint Base Lewis-McCord was using their PFAS-treated wells (yes).

Office Manager's Report:

The Office Manager shared information on the disconnect process. The District is down to 52 from 160 on the disconnect list.

Other Business:

The Board acknowledged wage increases as presented.

Commissioner Barton inquired about the General Manager's presentation to the Chambers-Clover Creek Watershed Council. The General Manager will be speaking on the District stewardship of resources used in the basin and the needs going forward as related to competing demands.

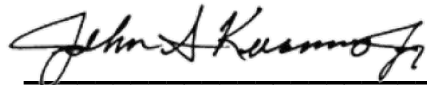
Commissioner Barton presented information from the Government Relations Committee, including the requested funds from the legislature, water quality nutrient limits for sewer districts, and the final package from the Governor's office for nonpayment amounts.

Our next Commissioner's meeting will be on November 18.

With no additional business to address, President Korsmo adjourned the meeting at 5:08 p.m.

**LAKEWOOD WATER DISTRICT
BOARD OF COMMISSIONERS**

BY:



ITS PRESIDENT

BY:



ITS VICE PRESIDENT

BY:



ITS SECRETARY

ATTEST:

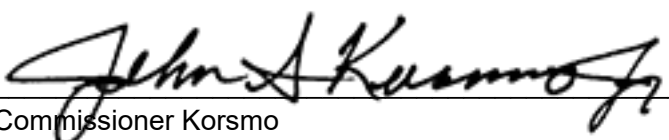


DISTRICT SECRETARY

LAKWOOD WATER DISTRICT
2021
INCOME STATEMENT

OCTOBER	CUR MO ACTUAL	CUR MO BUDGET	CUR MO VARIANCE	Y-T-D ACTUAL	Y-T-D BUDGET	Y-T-D VARIANCE
SALE OF WATER	1,245,165	1,102,236	142,929	8,794,458	8,269,802	524,656
OTHER OPERATING REVENUE	82,393	71,574	10,820	925,248	1,017,225	(91,977)
WHOLESALE WATER SALES	359,905	367,386	(7,481)	3,763,884	3,725,873	38,011
TOTAL OPERATING REVENUE	1,687,464	1,541,196	146,268	13,483,590	13,012,900	470,690
OPERATING EXPENSE						
PUMPING	108,030	94,609	13,421	926,846	996,971	(70,125)
WATER TREATMENT	18,840	36,782	(17,943)	337,529	367,822	(30,292)
TRANSMISSION & DISTRIBUTION	64,274	94,847	(30,573)	840,087	948,472	(108,385)
CUSTOMER ACCOUNTS	57,940	63,555	(5,614)	588,837	635,549	(46,712)
CUSTOMER INFORMATION	53	1,572	(1,519)	8,040	15,720	(7,680)
ADMINISTRATIVE & GENERAL	183,248	178,758	4,490	2,107,078	1,927,171	179,907
TOTAL OPERATING EXPENSE	432,386	470,124	(37,738)	4,808,417	4,891,704	(83,287)
MAINTENANCE EXPENSE						
SOURCE OF SUPPLY	1,816	2,067	(251)	18,564	20,666	(2,102)
PUMPING	13,561	21,405	(7,844)	209,460	214,050	(4,590)
WATER TREATMENT	18,879	14,383	4,496	163,151	143,830	19,321
TRANSMISSION & DISTRIBUTION	86,808	85,482	1,326	885,225	854,821	30,404
ADMINISTRATIVE & GENERAL	6,112	19,840	(13,728)	219,254	198,404	20,850
SUB-TOTAL	127,177	143,177	(16,000)	1,495,653	1,431,771	63,882
DEPRECIATION EXPENSE	226,083	226,083	(0)	2,260,830	2,260,833	(3)
UTILITY EXCISE TAXES	60,319	39,995	20,324	413,885	372,938	40,947
TOTAL MAINTENANCE EXPENSE	413,579	409,256	4,323	4,170,368	4,065,542	104,826
TOTAL OPERATING & MAINT EXPENSE	845,964	879,379	(33,415)	8,978,786	8,957,247	21,539
NET OPERATING REVENUE	841,499	661,817	179,683	4,504,804	4,055,653	449,151
GAIN (LOSS) ON DISP. OF PROPERTY	-	-	-	38,017	-	38,017
RENTAL OR LEASE INCOME	775	1,350	(575)	9,220	13,500	(4,280)
INTEREST INCOME	1,338	1,160	178	10,324	11,600	(1,276)
INTEREST L-T DEBT	(116,322)	(183,306)	66,984	(1,627,768)	(1,721,387)	93,618
DEBT ISSUANCE COSTS	-	-	-	(134,622)	(184,414)	49,792
CARES GRANT FUNDING	-	-	-	(3,269)	-	(3,269)
TOTAL MISC INCOME/EXPENSE	(114,209)	(180,796)	66,587	(1,708,098)	(1,880,701)	172,602
NET INCOME	727,291	481,020	246,270	2,796,706	2,174,952	621,754

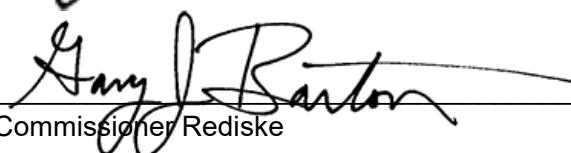
We, the undersigned Board of Commissioners of the Lakewood Water District
Pierce County, Washington, do hereby certify that the merchandise or services
hereinafter specified have been received and checks numbering 44358 through
44456 and all electronic payments for this period are hereby approved for payment in the sum of
\$1,930,073.46 this 18th day of November 2021



Commissioner Korsmo



Commissioner Barton



Commissioner Rediske



General Manager

Check no.	Vendor Name	Payment Description	Amount
44358	Cintas Corporation #461	10/06 Weekly Svc, Terry Towels	215.44
44359	Doxvault	Sept 2021 Document Conversion	2,512.95
44360	Grainger Inc	Clamp Pipe, Nipples, Elbows	272.30
44361	Guardian Security Systems	Oct 2021 Cloud Storage/Access - Various Sites	1,991.54
44362	Harold Lemay Enterprises Inc	Oct 2021 Shredding Bin	119.00
44363	Hydra-Stop	(3) 6" Valves, (2) 8" Valves - Distribution Mains	23,980.17
44364	Lakewood Hardware & Paint	(3) 2" Mini Alum Louver	32.97
44365	Long Painting Company	Retainage Release - Washington Blvd Tank	29,193.30
44366	NW Cascade	Hydrant Meter Deposit Refund	110.00
44367	Parametrix	Aug 2021 112Th St Sw From Pac Hwy to S Tac Way	4,791.95
44368	Pierce County Finance Dept	2nd Half Property Taxes	9,221.30
44369	Pierce County Sewer	Utility Svc - 1 Site	18.21
44370	S&B Inc	Sept 2021 Wholesale Booster	1,439.25
44371	Schwind, Eric	Uniform Reimbursement	66.95
44372	Seattle Ace LLC	Adapter, Pipe Cutter, Wall Plates, Shop Supplies	255.19
44373	Staples	(3) Calendars	40.93
44374	US Bank	Bond Admin Fees	1,468.96
44375	Utilities Underground	(315) Locates	812.70
44376	Water Management Labs Inc	MMO-MUG & Coliform Tests	266.00
44377	Committee For Deferred Comp	October Payroll	3,325.50
44378	Michael G. Malaier, Trustee	October Payroll	825.00
44379	WA Public Employees Retirement	VOID - MISPRINT	-
44380	WA State Support Registry	October Payroll	195.50
44381	WA Public Employees Retirement	October Payroll	56,779.31
44382	Airgas USA LLC	Acetylene Rental	16.50
44383	Associated Petroleum Products	(400) Unleaded Fuel	1,322.49
44384	AWWA	AWWA Annual Renewals	4,134.00
44385	Blakes Backflow Service LLC	(159) Oct Backflow Tests	2,655.30
44386	Ceccanti Inc	Sept 2021 Pay App 2 - Scott's Well Site	450,712.50
44387	CenturyLink	Internet Svc - 1 Site	110.98
44388	Cintas Corporation #461	10/13 Weekly Svc	182.44
44389	Confluence Engineer Group LLC	Sept 2021 PFAS Response	17,168.00
44390	Construction Testing Labs	Scott's Well Site - Special Inspection	1,824.00
44391	Day Wireless Systems	Sept 2021 Comm System	636.41
44392	Dept of Health	Grant Submittal - Steilacoom Seismic Upgrades	1,027.00
44393	Ferguson Waterworks	(24) iPearl Meters, (17) Omni Meters	28,747.26
44394	GC Systems Inc	6" Claval Rebuild Kit & Stem	1,546.07
44395	Grainger Inc	Joint Sealing Compound	75.29
44396	Guardian Security Systems	Oct 2021 Cloud Storage/Access - View Rd	38.51
44397	Holroyd Co Inc	Crushed Rock - Yard	813.45
44398	Holt Services	Retainage Release - G-3 Well	20,251.66
44399	Lakewood Hardware & Paint	Baseboard Heater	74.79
44400	Marten Law	Sept 2021 PFAS	23,853.50
44401	Mid Columbia Forklift Inc	Oil/Filter Change - Forklift	368.02
44402	Municode	Annual Website Maint Support	3,500.00
44403	Owen Equipment	Vector Truck Rental - 3 Days	5,737.55
44404	Pacific Civil & Infrastructure	Retainage Release - 39th Ave Ph2	9,835.87
44405	Parametrix	Sept 2021 112Th St SW From Pac Hwy to S Tac Way	4,023.68
44406	Parkland Light & Water Company	Utility Svc - 1 Site	9,803.94
44407	Philadelphia Insurance Co	Oct 2021-2023 - Property Insurance	213,405.00
44408	Pierce County Auditor	Claim & Release of Lien	78.00
44409	Pro Call Center	After Hours On-Call Svc	216.90

44410	Puget Sound Energy	Utility Svc - 1 Site	14.85
44411	Rainier Supply	Bulbs, Outlets, & Couplings	189.10
44412	Seattle Ace LLC	Plumbing Fittings, Cutters, Electric Box Cover	101.72
44413	Sitts & Hill Engineers Inc	108th St Well Site Lot Combo	1,804.00
44414	Verizon Wireless	Sept 2021 SCADA Charges	1,000.35
44415	WASWD	07/21-06/22 Retro Fee	1,802.25
44416	Associated Petroleum Products	(500) Unleaded Fuel, (170) Diesel Fuel	2,302.68
44417	CenturyLink	Utility Svc - 8 Sites	692.90
44418	Cintas Corporation #461	10/21 Weekly Svc	182.44
44419	City of Lakewood	R&R-Aug-Sept 2021 Grav Lk Dr - Wash Blvd	226,084.53
44420	Connie P Roberts	Compensation & Benefits Survey	7,550.00
44421	Cooper, Kendall And Sukin	Reimbursement of Damages from Main Repair	125.00
44422	Core & Main (HD Supply)	(16) Mtr Yokes, (10) Meter Resetters	5,855.25
44423	Ferguson Waterworks	Plumbing Fittings - Dunbar Tank	2,982.58
44424	Harold Lemay Enterprises Inc	Sept 2021 Shredding & Dumpster Disposal	755.97
44425	Kennedy/Jenks Consulting	Sept 2021 Engineering Svc - Scotts GAC	40,353.47
44426	Parametrix	Oct 2021 Grav Lk Dr - Wash to Nyanza & Edgewood	2,145.74
44427	Pierce County Auditor	Claim & Release of Lien	78.00
44428	Pro Pest Control	Oct 2021 Bait Stations	103.40
44429	Puget Sound Energy	Utility Svc - 1 Site	1,691.67
44430	Rainier Supply	Ballasts & Fuses	357.63
44431	Red Quote	COBRA Benefits - C Butler	56.34
44432	S&B Inc	G-1, 2, & 3 Scott's Wells Telemetry Integration	23,020.46
44433	Seattle Ace LLC	Thermometer, Batteries, Solder	72.81
44434	Staples	Ink & Chair Mat	270.88
44435	US Postal Service	Replenish Postage	300.00
44436	Water Management Labs Inc	Coliform Tests	361.00
44437	AFLAC	October Payroll	474.25
44438	Delta Dental	October Payroll	3,907.43
44439	Employee Fund	October Payroll	330.00
44440	Principal Life Insurance	October Payroll	2,687.09
44441	Regence Blue Shield	October Payroll	58,443.09
44442	Asphalt Patch Systems Inc	6431 Steilacoom Blvd Cut in Valve	1,128.80
44443	CenturyLink	Utility Svc - 2 Sites	167.93
44444	Cintas Corporation #461	10/27 Weekly Svc	182.44
44445	Confluence Engineer Group LLC	Oct 2021 PFAS Response	2,844.00
44446	Construction Testing Labs	Scott's Well Site - Concrete Work	750.00
44447	Farmer Brothers	(96) Coffee Bags	196.20
44448	Ferguson Waterworks	Tee/Tap, Cap/Flange, Nut/Bolt Sets, Gaskets	413.16
44449	Grainger Inc	Ball Valves, Union, Primer, Pipe, Grease & Grease Gu	1,496.73
44450	Lowes Companies Inc	LED Lights, Electric Box Cover	167.18
44451	Miles Resources LLC	Recycle Asphalt & Concrete	225.19
44452	Murray, Smith & Assoc. Inc	Sept 2021 Scott's G-3, & Lake Steilacoom Dr	28,066.80
44453	Seattle Ace LLC	Surge Protector, Valve Handle, Faucet Handle	83.68
44454	TMG Services INC	Pump Control, & Lake Ave Site - Chlorine Generator	29,134.90
44455	Town of Steilacoom	Utility Svc - 2 Sites	15,214.36
44456	Water Management Labs Inc	Coliform Tests	361.00

Sub-Total

1,406,622.78

October Payroll

188,365.53

October Payroll Taxes

65,860.34

Other Electronic Payment

10/14/2021	Pmt #470 - EmGov Power	500.00
10/21/2021	Pmt #471 - De Nora Water Tech	15,237.09
10/21/2021	Pmt #472 - RH2 Engineering Inc	15,547.04
10/21/2021	Pmt #473 - Sir Speedy	3,827.16
10/28/2021	Pmt #474 - Sir Speedy	2,029.32
11/4/2021	Pmt #475 - VOID	-
11/4/2021	Pmt #476 - RH2 Engineering Inc	3,952.92
11/4/2021	Pmt #477 - Sir Speedy	5,886.93

B&O Tax

60,318.92

3rd Qtr. Paid Family Medical Leave (PFML)	1,675.86	
3rd Qtr. ESD Unemployment	1,829.27	
3rd Qtr. L&I Tax	6,459.84	
Unclaimed Property	2,855.09	
Authnet Gateway (OCT)	17.95	
US Bank CC Payment	136,799.42	
Xpress Bill Pay -Merchant fees (OCT)	2,925.03	
Key Bank -Merchant SVCS (OCT)	125.85	
Key Analysis service charge (OCT)	485.77	
Paymentech Fee (OCT)	8,751.35	269,224.81
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GRAND TOTAL		<u>1,930,073.46</u>



2022 DRAFT BUDGET

Theme:

“Focusing on Tomorrow, Today!”

Table of Contents:

1. P&L—Summary Income Statement (Philip)
2. P&L—Detail (Philip)
3. Cash Flow Statement and 5-year Rate Forecast (Philip) –
Option 1 and Option 2
4. 2022 Capital & R&R Projects (Ian and Marshall)
5. Five-year Forecast of Capital & R&R Projects (Ian and
Marshall)

LAKWOOD WATER DISTRICT

2022 - DRAFT BUDGET

NO RATE INCREASE INTEGRATED ON BUDGET

11/14/21

	2022 BUDGET	2021 FORECAST	2021 BUDGET	DIFF B21 VS B22
SALE OF WATER	9,763,128	9,979,693	9,603,228	159,901
OTHER OPERATING REVENUE	1,177,327	1,129,527	1,224,451	(47,124)
WHOLESALE WATER SALES	4,563,677	4,504,738	4,460,645	103,031
TOTAL OPERATING REVENUE	15,504,132	15,613,958	15,288,324	215,808
OPERATING EXPENSE				
PUMPING	1,174,600	1,083,253	1,179,190	(4,590)
WATER TREATMENT	482,959	407,132	441,386	41,573
TRANSMISSION & DISTRIBUTION	1,081,003	1,080,561	1,138,166	(57,163)
CUSTOMER ACCOUNTS	860,907	731,937	762,659	98,248
CUSTOMER INFORMATION	19,347	14,087	18,864	483
ADMINISTRATIVE & GENERAL	1,154,991	1,312,348	1,256,002	(101,011)
TOTAL OPERATING EXPENSE	4,773,807	4,629,317	4,796,267	(22,460)
MAINTENANCE EXPENSE				
SOURCE OF SUPPLY	27,588	23,210	24,799	2,789
PUMPING	258,509	257,050	256,860	1,649
WATER TREATMENT	203,871	150,823	172,596	31,275
TRANSMISSION & DISTRIBUTION	1,239,738	1,013,920	1,025,785	213,953
ADMINISTRATIVE & GENERAL	294,534	267,740	238,085	56,449
SUB-TOTAL	2,024,240	1,712,743	1,718,125	306,115
DEPRECIATION EXPENSE	2,713,000	2,712,997	2,713,000	-
UTILITY EXCISE TAXES	452,929	446,752	452,929	-
TOTAL MAINTENANCE EXPENSE	5,190,168	4,872,493	4,884,054	306,115
TOTAL OPERATING & MAINT EXPENSE	9,963,975	9,501,810	9,680,321	283,655
NET OPERATING REVENUE	5,540,157	6,112,148	5,608,003	(67,846)
GAIN (LOSS) ON DISP. OF PROPERTY	11,900	37,992	-	11,900
RENTAL OR LEASE INCOME	13,040	13,040	16,200	(3,160)
INTEREST INCOME	12,600	12,370	13,920	(1,320)
INTEREST L-T DEBT	(2,209,244)	(2,071,502)	(2,087,999)	(121,245)
DEBT ISSUANCE COSTS	-	(182,950)	(184,414)	184,414
TOTAL MISC INCOME/EXPENSE	(2,171,704)	(2,191,051)	(2,242,293)	70,589
NET INCOME	3,368,453	3,921,097	3,365,710	2,743

LAKWOOD WATER DISTRICT
2022 BUDGET - DETAIL

11/14/21

8 MO (ACTUAL). +
4 MO.
(PROJECTION)

INCOME STATEMENT

G/L #	ACCOUNT DESCRIPTION	2022 BUD TOTAL	2021 FORECAST TOTAL	2021 BUD TOTAL	% '22 BUD VS '21 BUD	FINANCIAL ANALYSIS NOTE
461.100	METERED SALES TO GEN. CUST.	6,665,962	6,866,460	6,511,069	2.4%	SEE REVENUE ANALYSIS - 2022 S/S; 3-YR AVERAGE OF RETAIL SALES
461.130	R & R FIX CHARGE	3,097,166	3,114,544	3,097,166	0.0%	PROJECTED TO BE THE SAME
461.120	CITY OF LAKEWOOD FRANCHISE FEE	544,214	559,502	527,414	3.2%	
461.125	FRANCHISE FEE OFFSET	(544,214)	(559,147)	(527,421)	3.2%	
461.200	STEILACOOM VOLUME CHARGE	-	-	-		
461.300	ADJUSTMENTS TO METERED SALES	-	(1,667)	(5,000)	-100.0%	
	TOTAL SALE OF WATER	9,763,128	9,979,693	9,603,228	1.7%	
466.000	STEILACOOM WATER SALES	443,229	456,652	461,219	-3.9%	2-YR AVERAGE FROM THE TOWN OF STEILACOOM ON A MONTHLY BILL CYCLE
466.100	WHOLESALE WATER SALES	4,563,677	4,504,738	4,460,645	2.3%	BASED ON DEMAND SCHEDULE AND FIXED/VOLUME CHARGES
467.000	CROSS CONNECTION	56,206	56,203	54,950	2.3%	
470.000	FEES/PENALTIES/NSF	72,000	23,579	40,141	79.4%	EXPIRATION OF UTILITY MORATORIUM
471.000	MISC. SERVICE REVENUES	16,000	16,340	16,865	-5.1%	
472.000	RENTAL INCOME (CELL TOWERS)	589,892	576,753	651,276	-9.4%	DROPPED TWO CELL SITES (CURRENTLY IN PROGRESS W/ CONTRACTS)
	TOTAL OF OTHER OPERATING REVENUE	5,741,004	5,634,265	5,685,096	1.0%	
	TOTAL OPERATING REVENUE	15,504,132	15,613,958	15,288,324	1.4%	
620.000	OPERATION SUPV. & ENGINEERING	91,978	84,350	81,786	12.5%	
623.000	POWER PURCHASED FOR PUMPING	753,719	718,866	703,096	7.2%	PROJECTED RATE INCREASE FOR POWER COSTS
624.000	WHOLESALE FACILITIES O&M	264,239	239,470	346,648	-23.8%	REDUCED FROM POWER CONSUMPTION ON BPS
626.000	TELEMETRY OPERATIONS	64,664	40,568	47,660	35.7%	INCREASE FROM SCADA COSTS AND PAM ANNUAL MAINTENANCE
	OPERATIONS IN PUMPING	1,174,600	1,083,253	1,179,190	-0.4%	
640.000	OPERATION SUPR & ENGINEERING	91,978	83,102	81,786	12.5%	
641.000	CHLORINATING	211,968	198,793	205,490	3.2%	INCREASE COST IN SALT; LABOR RATE INCREASE
642.000	WATER TREATMENT - SAMPLES	69,106	67,579	66,035	4.7%	
642.100	WATER TREATMENT - PFAS TESTING/GAC	109,907	57,657	88,075	24.8%	WATER SAMPLING COST \$20,000 INCREASE (33% QTY INCREASE)
	OPERATIONS OF WATER TREATMENT	482,959	407,132	441,386	9.4%	
660.000	OPERATION SUPV. & ENGINEERING	200,564	194,931	191,214	4.9%	
661.000	WATER STORAGE FACILITIES	117,677	115,514	118,940	-1.1%	
661.100	PHILLIPS TANK O & M	1,200	400	1,200	0.0%	
662.000	TRANS. & DISTR. LINES EXPENSES	28,908	28,908	30,900	-6.4%	
662.010	FLUSHING	57,904	52,704	57,316	1.0%	
662.020	VALVE OPERATIONS/MAINTENANCE	120,774	110,931	137,593	-12.2%	
662.100	PARKLAND INTERTIE EXPENSES	1,700	1,093	1,610	5.6%	
662.200	FIRE FLOW	1,671	950	2,700	-38.1%	
663.000	METER EXPENSES ONS/OFFS	70,284	66,760	75,900	-7.4%	
664.100	CROSS CONNECTION EXP/ BACKFLW	139,856	135,615	127,264	9.9%	LABOR RATE INCREASE

LAKWOOD WATER DISTRICT
2022 BUDGET – DETAIL

11/14/21

8 MO (ACTUAL). +
4 MO.
(PROJECTION)

INCOME STATEMENT

G/L #	ACCOUNT DESCRIPTION	2022 BUD TOTAL	2021 FORECAST TOTAL	2021 BUD TOTAL	% '22 BUD VS '21 BUD	FINANCIAL ANALYSIS NOTE
665.000	MISCELLANEOUS EXP	41,772	52,853	49,851	-16.2%	
665.100	TOOLS & EQUIPMENT	14,000	11,639	14,000	0.0%	
665.200	SAFETY EXPENSES	38,598	34,550	50,588	-23.7%	PER SANDY, REDUCED COSTS WITH SAME TRAINING LEVEL AND SAFETY
665.300	LOCATING EXPENSES	162,383	170,881	179,450	-9.5%	
665.400	ON-CALL	69,962	87,760	85,390	-18.1%	
666.000	UNIFORMS	13,750	15,074	14,250	-3.5%	
	OPERATIONS OF TRANS & DISTRB	1,081,003	1,080,561	1,138,166	-5.0%	
902.000	METER READING EXPENSES	56,535	60,691	54,803	3.2%	
903.000	CUST. RECORDS & COLLECTION EXP.	804,372	671,246	707,856	13.6%	ADDED DISCONNECT HOURS + LABOR INCREASE
	CUSTOMER ACCOUNTS	860,907	731,937	762,659	12.9%	
910.000	CONSERVATION / WATER EDUCATION	19,347	14,087	18,864	2.6%	
920.000	ADMIN. & GENERAL EXPENSES	1,278,024	1,458,312	1,391,532	-8.2%	FULL RETIREMENT OF FINANCE DIRECTOR
920.700	COMMISSIONER REDISKE	4,562	4,277	4,562	0.0%	
920.800	COMMISSIONER BARTON	4,562	5,792	4,562	0.0%	
920.900	COMMISSIONER KORSMO	4,562	4,139	4,562	0.0%	
921.000	OFFICE SUPPLIES & EXPENSES	60,706	85,718	57,815	5.0%	ADJUSTED FOR INFLATION
921.100	POSTAGE	19,880	15,344	26,120	-23.9%	
921.200	PUBLICATIONS/PRINTING	29,000	38,955	31,250	-7.2%	
921.300	ELECTION COSTS	-	21,000	21,000		
921.400	OUTSOURCED BILLING	77,591	56,746	66,275	17.1%	SIR SPEEDY \$.06 HIGHER PER UNIT PRICE
921.500	PAYMENT PROCESSING	110,136	84,438	97,200	13.3%	PAYMENTECH \$15,000 INCREASE, XBP \$6,000 INCREASE
922.020	TRUCK & CAR EXPENSES	108,669	91,471	100,976	7.6%	HIGHER GAS PRICES BUDGETED FOR 2022
922.022	TRUCK & CAR (CREDITS)	(194,943)	(194,943)	(201,000)	-3.0%	
922.030	TRACTOR EXPENSES	25,234	7,794	18,088	39.5%	SCHEDULED MAINTAINENCE FOR TRACTORS
922.033	TRACTOR (CREDITS)	(2,000)	(2,000)	(6,000)	-66.7%	
922.080	GENERATOR/COMPRESSOR EXPENSE	48,450	53,276	48,100	0.7%	
922.044	GENERATOR/COMPRESSOR (CREDITS)	-	-	-		
922.050	GIS EXPENSES	144,645	143,224	145,338	-0.5%	
922.060	OVERHEAD ON OTHER REPAIRS & IMPROVE.	(441,086)	(441,086)	(441,086)	0.0%	
922.100	OVERHEAD ON NEW SERVICES	(12,000)	(13,207)	(12,000)	0.0%	
922.110	OVERHEAD ON R&R & NEW MAINS	(565,250)	(565,250)	(565,250)	0.0%	
923.100	ATTORNEY SERVICES	25,000	35,998	32,000	-21.9%	CITY OF LAKEWOOD \$5,000 DECREASE
923.200	OTHER PROFESSIONAL SERVICES	12,000	49,356	28,010	-57.2%	IN-HOUSE ENGINEER AND HR
923.300	ACCTING & AUDITING SERVICE	81,000	90,487	84,000	-3.6%	
924.000	PROPERTY INSURANCE	167,292	162,643	157,226	6.4%	HIGHER PROPERTY INSURANCE
926.500	EDUCATION / TRAINING	91,593	47,837	88,454	3.5%	
926.600	MEMBERSHIPS / DUES	33,797	36,053	33,797	0.0%	

LAKWOOD WATER DISTRICT
2022 BUDGET – DETAIL

11/14/21

8 MO (ACTUAL). +
4 MO.
(PROJECTION)

INCOME STATEMENT

G/L #	ACCOUNT DESCRIPTION	2022 BUD TOTAL	2021 FORECAST TOTAL	2021 BUD TOTAL	% "22 BUD VS "21 BUD	FINANCIAL ANALYSIS NOTE
929.000	DUPLICATE CHARGES	(21,432)	(21,352)	(21,432)	0.0%	
930.000	MISCELLANEOUS GENERAL EXPENSE	45,119	38,512	40,500	11.4%	
930.110	PROPERTY TAX	17,880	17,147	16,403	9.0%	
930.100	RESEARCH & DEVEL. / WATER RIGHTS	2,000	1,667	5,000	-60.0%	
	TOTAL A&G	1,154,991	1,312,348	1,256,002	-8.0%	
	TOTAL OPERATING EXPENSE	4,773,807	4,629,317	4,796,267	-0.5%	
	MAINTENANCE EXPENSE					
613.100	MONITORING OF SURFACE WATER	26,827	22,918	24,074	11.4%	
614.100	WELLHEAD PROTECTION	761	292	725	5.0%	
	MAINTENANCE OF WATER SUPPLY	27,588	23,210	24,799	11.2%	
631.000	MAINT. STRUCTURES & IMPRVMENTS.	16,114	21,141	16,500	-2.3%	
633.000	MAINT. OF PUMPING EQUIPMENT	237,381	232,760	236,600	0.3%	
633.100	PHILLIPS PUMPING STATION	5,014	3,149	3,760	33.4%	
	MAINTENANCE OF PUMPING	258,509	257,050	256,860	0.6%	
652.100	PONDERS - PCE/TCE	74,351	39,228	58,708	26.6%	ADJUSTED FOR POWER COSTS FROM 2021
652.201	VIEW ROAD - O & M	129,520	111,595	113,888	13.7%	INCREASED COST FOR N-3 WELL
	MAINT OF WATER TREATMENT	203,871	150,823	172,596	18.1%	
670.000	MAINT. SUPERVISION	200,564	189,951	191,214	4.9%	
672.000	MAINT. OF RESERVOIRS & STANDPIPE	183,561	102,775	122,490	49.9%	\$60K FROM PAINT AMORTIZATION; FINISHED WASH BLVD PAINTING AND PROJECTED STEILACOOM
673.000	MAINT. OF TRANS. & DISTR. MAINS	144,606	88,938	134,384	7.6%	INCREASED FLAGGING COST, DISTRICT LABOR AND MATERIALS COST
675.000	MAINTENANCE OF SERVICES	54,979	31,636	54,837	0.3%	
676.000	MAINTENANCE OF METERS	187,088	166,988	151,499	23.5%	INCREASED HOURS FROM 1916 TO 2393 (477 HRS INCREASE)
676.100	CHECK FOR LEAKS	8,434	13,245	10,175	-17.1%	
676.200	MTR BILLING EDITS	48,730	31,331	22,880	113.0%	INCREASED HOURS FROM 416 TO 832 (416 HRS INCREASE)
677.000	MAINTENANCE OF HYDRANTS	140,674	103,595	85,548	64.4%	INCREASED HOURS FROM 881 TO 1401 (520 HRS INCREASE); PERFORMING PROGRAMS THAT DISTRICT BENEFITED FROM THE FIRE DEPT
678.000	CITY PROJECTS	40,109	34,968	51,760	-22.5%	
679.000	PAID TIME OFF	230,993	250,493	200,998	14.9%	EXTRA HOLIDAY (JUNETEENTH); INCREASED SICK LEAVE ESTIMATED USE; LABOR RATES
	MAINTENANCE TRANS & DISTRB	1,239,738	1,013,920	1,025,785	20.9%	

LAKEWOOD WATER DISTRICT
2022 BUDGET – DETAIL

11/14/21

8 MO (ACTUAL). +
4 MO.
(PROJECTION)

INCOME STATEMENT

G/L #	ACCOUNT DESCRIPTION	2022 BUD TOTAL	2021 FORECAST TOTAL	2021 BUD TOTAL	% '22 BUD VS '21 BUD	FINANCIAL ANALYSIS NOTE
932.000	MAINTENANCE OF GENERAL PLANT	124,367	113,111	104,718	18.8%	INCREASED A/P PROJECTED COSTS
932.100	TECHNOLOGY/OFFICE EQUIPMENT ADMINISTRATIVE	170,167	154,629	133,367	27.6%	INCREASED COSTS FROM CYBERSECURITY ITEMS/UPGRADES AND HIGHER A/P COSTS FROM CURRENT OPERATIONS
	SUB-TOTAL	294,534	267,740	238,085	23.7%	
	SUB-TOTAL	2,024,240	1,712,743	1,718,125	17.8%	
403.000	DEPRECIATION EXPENSE	2,713,000	2,712,997	2,713,000	0.0%	
408.100	UTILITY EXCISE TAXES	452,929	446,752	452,929	0.0%	
	TOTAL MAINTENANCE EXPENSE	5,190,168	4,872,493	4,884,054	6.3%	
	TOTAL OPERATING & MAINT EXP	9,963,975	9,501,810	9,680,321	2.9%	
	NET OPERATING REVENUE	5,540,157	6,112,148	5,608,003		
414.000	GAIN (LOSS) ON DISP. OF PROPERTY	11,900	37,992	-	0.0%	DISPOSAL OF 2 TRUCKS AND TRAILER
418.000	RENTAL OR LEASE INCOME	13,040	13,040	16,200	-19.5%	
419.000	INTEREST INCOME	12,600	12,370	13,920	-9.5%	
427.000	INTEREST L-T DEBT	(2,209,244)	(2,071,502)	(2,087,999)	5.8%	INCREASED INT EXP FROM 2021A ISSUANCE
434.000	DEBT ISSUANCE COSTS	-	(182,950)	(184,414)		
	TOTAL MISC INCOME/EXPENSE	(2,171,704)	(2,191,051)	(2,242,293)	-3.1%	
	NET INCOME	3,368,453	3,921,097	3,365,710	0.1%	

LAKEWOOD WATER DISTRICT 2022 BUDGET
PROJECTED CASH FLOW STATEMENT
as of 1/1/2022, Combined Rate Increase (6.00%) - OPTION 1
and FIVE-YEAR RATE FORECAST

CASH FROM OPERATIONS	
CASH FROM OPERATIONS - NET INCOME	6,069,467
ADD BACK DEPRECIATION	2,713,000
TOTAL CASH FROM OPERATIONS	\$ 8,782,467
CASH FROM FINANCING	
PRINCIPAL PAID ON REFINANCED REVENUE BOND #4 (06/01/22)	(400,000)
PRINCIPAL PAID ON REVENUE BOND #5 (06/01/22)	(250,000)
PRINCIPAL PAID ON REVENUE BOND #8A (06/01/22)	(340,000)
PRINCIPAL PAID ON REVENUE BOND #9A (06/01/22)	(160,000)
PRINCIPAL PAID ON REVENUE BOND #9B (06/01/22)	(475,000)
PRINCIPAL PAID PUBLIC WORKS TRUST FUND #1 (07/01/22)	-
PRINCIPAL PAID PUBLIC WORKS TRUST FUND #2 (07/01/22)	(62,838)
PRINCIPAL PAID PUBLIC WORKS TRUST FUND #4 (06/01/22)	(42,105)
PRINCIPAL PAID PUBLIC WORKS TRUST FUND #5 (06/01/22)	(40,895)
DEBT INTEREST EXPENSE, TOTAL OF	(2,209,244)
INTEREST INCOME	12,600
TOTAL CASH FROM FINANCING	\$ (3,967,482)
CASH FOR CAPITAL PROJECTS	
CAPITAL PROJECTS	
R&R PROJECTS	(4,631,550)
OTHER CAPITAL PROJECTS	(9,461,956)
TOTAL CAPITAL PROJECTS	(14,093,506)
PROCEEDS FROM GENERAL FACILITIES CHARGES	241,213
PROCEEDS FROM GRANT REIMBURSEMENT	657,155
NET CASH FLOW FOR THE YEAR	\$ (8,380,153)
BOND RESERVE AS OF 01/01/22	805,000
LOCAL GOVT INVEST POOL	12,339,957
GENERAL FUND BANK ACCOUNT	1,500,000
CASH AS OF 01/01/22	14,644,957
CASH AT THE END OF THE YEAR - 2022	\$ 6,264,804

FIVE-YEAR RATE FORECAST (total, weighted)	6.55%					ADDT'L INFORMATION
	2022	2023	2024	2025	2026	2027
Annual Increase % - Weighted Average	6.00%	6.68%	6.68%	6.69%	6.69%	8.76%
General %	6.00%	7.00%	7.00%	7.00%	7.00%	10.00%
R&R %	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%
Combined Debt Coverage Ratio (target 2.0)	2.13	2.01	2.08	2.01	2.39	1.92
Debt Issues (Gross)	0	10,700,000	0	11,400,000	0	12,000,000
Total Ending Cash Balances	6,264,804	11,518,906	6,129,720	12,103,137	6,930,453	14,975,028
Days of Operating Expenses (180 target)	306	545	281	536	297	620
Bi-Monthly Bill Difference 1500cf	\$ 2.90	\$ 3.28	\$ 3.49	\$ 3.71	\$ 3.95	\$ 5.00

LAKEWOOD WATER DISTRICT 2022 BUDGET
PROJECTED CASH FLOW STATEMENT
as of 1/1/2022, Combined Rate Increase (6.68%) - **OPTION 2**
and FIVE-YEAR RATE FORECAST

CASH FROM OPERATIONS	
CASH FROM OPERATIONS - NET INCOME	6,122,223
ADD BACK DEPRECIATION	2,713,000
TOTAL CASH FROM OPERATIONS	\$ 8,835,223
CASH FROM FINANCING	
PRINCIPAL PAID ON REFINANCED REVENUE BOND #4 (06/01/22)	(400,000)
PRINCIPAL PAID ON REVENUE BOND #5 (06/01/22)	(250,000)
PRINCIPAL PAID ON REVENUE BOND #8A (06/01/22)	(340,000)
PRINCIPAL PAID ON REVENUE BOND #9A (06/01/22)	(160,000)
PRINCIPAL PAID ON REVENUE BOND #9B (06/01/22)	(475,000)
PRINCIPAL PAID PUBLIC WORKS TRUST FUND #1 (07/01/22)	-
PRINCIPAL PAID PUBLIC WORKS TRUST FUND #2 (07/01/22)	(62,838)
PRINCIPAL PAID PUBLIC WORKS TRUST FUND #4 (06/01/22)	(42,105)
PRINCIPAL PAID PUBLIC WORKS TRUST FUND #5 (06/01/22)	(40,895)
DEBT INTEREST EXPENSE, TOTAL OF	(2,209,244)
INTEREST INCOME	12,600
TOTAL CASH FROM FINANCING	\$ (3,967,482)
CASH FOR CAPITAL PROJECTS	
CAPITAL PROJECTS	
R&R PROJECTS	(4,631,550)
OTHER CAPITAL PROJECTS	(9,461,956)
TOTAL CAPITAL PROJECTS	(14,093,506)
PROCEEDS FROM GENERAL FACILITIES CHARGES	241,213
PROCEEDS FROM GRANT REIMBURSEMENT	657,155
NET CASH FLOW FOR THE YEAR	\$ (8,327,397)
BOND RESERVE AS OF 01/01/22	805,000
LOCAL GOVT INVEST POOL	12,339,957
GENERAL FUND BANK ACCOUNT	1,500,000
CASH AS OF 01/01/22	14,644,957
CASH AT THE END OF THE YEAR - 2022	\$ 6,317,560

FIVE-YEAR RATE FORECAST (total, weighted)	6.68%					ADDT'L INFORMATION
	2022	2023	2024	2025	2026	2027
Annual Increase % - Weighted Average	6.68%	6.68%	6.68%	6.69%	6.69%	7.38%
General %	7.00%	7.00%	7.00%	7.00%	7.00%	8.00%
R&R %	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%
Combined Debt Coverage Ratio (target 2.0)	2.16	2.03	2.10	2.04	2.42	1.91
Debt Issues (Gross)	0	10,700,000	0	11,400,000	0	12,000,000
Total Ending Cash Balances	6,317,560	11,638,935	6,322,039	12,373,126	7,283,883	15,270,348
Days of Operating Expenses (180 target)	309	551	289	548	312	633
Bi-Monthly Bill Difference 1500cf	\$ 3.09	\$ 3.29	\$ 3.50	\$ 3.73	\$ 3.97	\$ 4.49

2022 Capital Improvement and R&R Projects--Summary

Project	Project Subtotal	Overhead	Project Total	Project Classification	
				Total	R & R
G-3 Well and G-1, G-2 GAC (Est 822K from GAC) and (Est 795K from G-3 Well) Carry Over from 2021	1,618,107	80,905	\$ 1,699,012	\$ 1,699,012	
Gravelly Lake Dr SW including Washington to Interlaaken Main Replacement (Carry Over 2022)	400,000	20,000	\$ 420,000	\$ -	\$ 420,000
New Garage Facility w/ new power and doors (\$280k garage facility; \$40k for power and doors)	320,000	16,000	\$ 336,000	\$ 336,000	
Front Street 92nd to 96th moved to 2023 (\$1,500,000)		-	\$ -	\$ -	\$ -
Naomilawn, Newgrove Hold \$800,000 till 2022 (Hold until Last to assure Funding) Est 800,000		-	\$ -		\$ -
112th Street from Pac Hwy to South Tacoma Way Moved to 2022	1,300,000	65,000	\$ 1,365,000	\$ -	\$ 1,365,000
Halcyon - Phase 4 of 39th Ave SW	800,000	40,000	\$ 840,000		\$ 840,000
Washington Ave - North Fort Phase II Improvements	1,600,000	80,000	\$ 1,680,000		\$ 1,680,000
Design Projects for 2022 and 2023 see below	311,000	15,550	\$ 326,550	\$ -	\$ 326,550
Steilacoom Lake Drive Phase 2 (\$1,400,000.00) Moved to 2023		-	\$ -		\$ -
	0	-	\$ -	\$ -	\$ -
Total Capital and R&R Projects 2022	\$ 6,349,107	\$ 317,455	\$ 6,666,562	\$ 2,035,012	\$ 4,631,550
Pumping and Water Quality					
Pumping and Water Quality Maintenance Budget (see Attached Tab for Details)	929,200	92,920	\$ 1,022,120	1,022,120	
Pumping and Water Quality Capital Budget (See Attached Tab for Details)	3,447,000	172,350	\$ 3,619,350	3,619,350	
Engineering Capital Projects (See Attached Tab for Details)	74,100	7,410	\$ 81,510	81,510	
Shake Alert RH2 & Emergency Response Plan Update 2 sites, Phase III	96,000	9,600	\$ 105,600	105,600	
Planning, Legal, General Facilities, Vehicles					
10-Year Master Plan for the Office and Yard (40K spent in 2020 balance Carry over)	25,000	2,500	\$ 27,500	27,500	
Perfection of Water Rights extension of Abitibi use: Tom Pors & PGG	25,000	2,500	\$ 27,500	27,500	
Annual Vehicle Replacement Program (GROSS)	-	-	\$ -	0	
PFOA/PFOS State Department of health (peterson Resources 15K; Barney Worth \$5k)	20,000	2,000	\$ 22,000	22,000	
JBLM Legal And Related Issues	500,000	50,000	\$ 550,000	550,000	
Grant application Ponders and Commerce	-	-	\$ -	0	
Office IT & GIS Capital Budget Software and Computers, Phones and Printers	159,558	15,956	\$ 175,514	175,514	
PD--USGS Groundwater Model Maintenance for Chambers Clover Creek Basin	5,000	500	\$ 5,500	5,500	
PD/MM Field Tools and Equipment	63,500	6,350	\$ 69,850	69,850	
Facilities Maintenance projects	-	-	\$ -	0	
Annex Upgrades - Update Appliances, remodel, renovate to make more useable for On call	75,000	7,500	\$ 82,500	82,500	
Assumption of Western States Hospital (initial Phases)	-	-	\$ -	0	
Bridgeport Tank Seismic Upgrade	-	-	\$ -	0	
Total 2022 Capital and R&R Projects	\$ 5,419,358	\$ 369,586	\$ 5,788,944	\$ 5,788,944	\$ -
2022 Alternative R&R Project Listing					
	Project costs are shown above under the Annual Water Main Replacement Program				
TOTAL ALL PROJECTS	\$ 11,768,465	\$ 687,041	\$ 12,455,506	\$ 7,823,956	\$ 4,631,550
Spanaway Spur WTME Connection Project (before 1/1/2023)	\$ 1,560,000.00	\$ 78,000.00	\$ 1,638,000.00	\$ 1,638,000.00	

**Forecast of District Capital Improvement and R&R Projects for
2022-2027**

Please note: 5 year forecast is for establishing minimum capital expenditures, and will vary in comparison to the individual capital budgets for the current year.

		Capital	R&R
2022			
Capital	Scott's Well Stite G-3 and GAC - (Carry over) (\$822k for GAC-reimbursable)	\$ 1,699,012.00	
R & R	Gravelly Lake Drive SW Nyanza to Washington (Carry Over)		\$ 420,000.00
Capital	Steel Building LWD Yard (Carry Over)	\$ 336,000.00	
R & R	Design Projects for 2022 to Build in future	\$ -	\$ 326,550.00
R & R	Naomilawn, Newgrove Hold until 2022 (\$800,000)	\$ -	\$ -
R & R	Front Street 92nd to 96th likely Moved to 2022 (\$1,500,000)	\$ -	\$ -
R & R	Washington Ave Phase 2 North Fort COL	\$ -	\$ 1,680,000.00
R & R	Phase 4 39th Ave Job - Halcyon to Pac Hwy	\$ -	\$ 840,000.00
R & R	112Th Street from Pac Hwy to South Tacoma Way	\$ -	\$ 1,365,000.00
Capital	Spanaway Spur Connection - WTME Final Phase Reimbursable	\$ 1,638,000.00	\$ -
Capital	Pumping and Water Quality Maintenance Budget	\$ 1,022,120.00	\$ -
Capital	Pumping and Water Quality Capital Budget	\$ 3,619,350.00	\$ -
Capital	Engineering Capital Projects	\$ 81,510.00	\$ -
Capital	10 Year Master Plan Update	\$ 27,500.00	\$ -
Capital	Perfection of Water Rights extension of Abitibi use: Tom Pors & PGG	\$ 27,500.00	\$ -
Capital	Annual Vehicle Replacement Program (GROSS)	\$ -	\$ -
Capital	PFOA/PFOS State Department of Health	\$ 22,000.00	\$ -
Capital	JBLM Legal Related Issues	\$ 550,000.00	\$ -
Capital	Grant Applications Ponders And Commerce	\$ -	\$ -
Capital	Office IT & GIS Capital Budget Software and Computers, Phones and Printers	\$ 175,514.00	\$ -
M&O	PD - USGS Groundwater Model Maintenance for Chambers Clover Creek Basin	\$ 5,500.00	\$ -
M&O	PD/MM Field Tools and Equipment	\$ 69,850.00	\$ -
Capital	Shake Alert RH2 & Emergency Response Plan Update	\$ 105,600.00	\$ -
Capital	Annex Improvements storage and upgrades	\$ 82,500.00	\$ -
Capital	Bridgeport Tank Seismic Upgrade	\$ -	\$ -
2022 Total		\$ 9,461,956	\$ 4,631,550
		Total	\$ 14,093,506

2023

R&R	Annual Water Main Replacement Program/Capital Projects		\$ 4,389,381
	Carry Over from 2021		
R&R	Well Capacity & Reliability Improvements / Source and Supply Wells	\$ 610,500	
R&R	Pumping & Water Treatment Projects	\$ 440,000	
R&R	Pump and Motor Replacements (Emergency Fund)	\$ -	
Capital	Storage Maintenance and Improvements Program	\$ 1,500,000	
R&R	Annual Vehicle Replacements	\$ 130,000	
Capital	Ponders GAC - Media Replacement	\$ 400,000	
Capital	Legal Fees	\$ 300,000	
Capital	IT and Office	\$ 150,000	
Capital	Facilities Maintenance	\$ 50,000	
Capital	Capital Projects (MISC)	\$ 325,000	
2023 Total		\$3,905,500	\$4,389,381
		GT	\$8,294,881

2024

R&R	Annual Water Main Replacement Program/Capital Projects		\$ 4,057,459
R&R	Well Capacity & Reliability Improvements / Source and Supply Wells	\$ 1,600,500	
R&R	Pumping & Water Treatment Projects	\$ 440,000	
R&R	Pump and Motor Replacements (Emergency Fund)	\$ 200,000	
Capital	Storage Maintenance and Improvements Program	\$ 866,802	
Capital	Annual Vehicle Replacement Program	\$ 130,000	
Capital	Legal Fees	\$ 300,000	
Capital	IT and Office	\$ 350,000	
Capital	Facilities Maintenance	\$ 50,000	
Capital	Capital Projects (MISC)	\$ 325,000	
2024 Total		\$4,262,302	\$4,057,459
		GT	\$8,319,761

**Forecast of District Capital Improvement and R&R Projects for
2022-2027**

2025

R&R	Annual Water Main Replacement Program/Capital Projects			\$	4,179,183
R&R	Well Capacity & Reliability Improvements / Source and Supply Wells		\$	1,534,500	
R&R	Pumping & Water Treatment Projects		\$	440,000	
R&R	Pump and Motor Replacements (Emergency Fund)		\$	-	
Capital	Storage Maintenance and Improvements Program		\$	788,548	
Capital	Annual Vehicle Replacements		\$	130,000	
Capital	Equipment Replacement		\$	120,000	
Capital	Scotts GAC - Media Replacement		\$	575,000	
Capital	Legal Fees		\$	100,000	
Capital	IT and Office		\$	150,000	
Capital	Facilities Maintenance		\$	50,000	
Capital	Capital Projects (MISC)		\$	325,000	
	2025 Total			\$4,213,048	\$4,179,183

GT

\$8,392,231

2026

R&R	Annual Water Main Replacement Program/Capital Projects			\$	4,179,183
R&R	Well Capacity & Reliability Improvements / Source and Supply Wells		\$	1,490,000	
R&R	Pumping & Water Treatment Projects		\$	440,000	
R&R	Pump and Motor Replacements (Emergency Fund)		\$	200,000	
Capital	Storage Maintenance and Improvements Program		\$	1,321,167	
R&R	Annual Vehicle Replacements		\$	130,000	
Capital	Ponders GAC - Media Replacement		\$	400,000	
Capital	Legal Fees		\$	100,000	
Capital	IT and Office		\$	150,000	
Capital	Facilities Maintenance		\$	50,000	
Capital	Capital Projects (MISC)		\$	325,000	
	2026 Total			\$4,606,167	\$4,179,183

GT

\$8,785,350

2027

R&R	Annual Water Main Replacement Program/Capital Projects			\$	4,179,183
R&R	Well Capacity & Reliability Improvements / Source and Supply Wells		\$	561,000	
R&R	Pumping & Water Treatment Projects		\$	440,000	
R&R	Pump and Motor Replacements (Emergency Fund)		\$	-	
Capital	Storage Maintenance and Improvements Program		\$	666,476	
Capital	Design 88th and Pine		\$	400,000	
R&R	Annual Vehicle Replacements		\$	130,000	
Capital	Legal Fees		\$	100,000	
Capital	IT and Office		\$	150,000	
Capital	Facilities Maintenance		\$	50,000	
Capital	Capital Projects (MISC)		\$	325,000	
	2027 Total			\$2,822,476	\$4,179,183

GT

\$7,001,659

Lakewood Water District
Cost of Living Adjustment (COLA) Recommendation

Consumer Price Index	Urban Wage Earners and Clerical Workers (CPI-W)
Region	Seattle-Tacoma-Bellevue
Period	June to June
Percentage	6.20%

2022 Marketing Review

Lakewood Water District

▶ November 3, 2021

Marketing Summary

Carrier	RFP Response	Notes
MEDICAL		
Regence - Current	.68% Decrease	Shown in proposal
Premera	1.8% Decrease	Not shown in proposal
UnitedHealthcare	3.8% Increase	Not shown in proposal
PEBB (Regence BlueShield)	6.5% Decrease	Shown in proposal
Aetna	No comparable plan	Not shown in proposal
WCIF (Premera Blue Cross)	17.3% Decrease	Shown in proposal
Kaiser Permanente	1/1/22 Quotes not available at this time	Not shown in proposal
DENTAL		
Delta Dental - Current	2.3% Increase	Shown in proposal
WCIF Delta Dental	3.9% Decrease	Shown in proposal
WCIF Willamette Dental	20.2% Decrease	Shown in proposal
LIFE & DISABILITY		
Principal - Current	Life & AD&D: 4.5% Increase Long Term Disability: 0% Increase	Shown in proposal
WCIF The Standard	47.6% Decrease Long Term Disability - Base / Buy-up	Shown in proposal

Benefit Plan Review

Medical Review – Current Carrier

		Current	Renewal	Alternative #1	Alternative #2	Alternative #3
Carrier & Plan:		Regence BlueShield Platinum \$250	Regence BlueShield Platinum \$250	Regence BlueShield Platinum \$500	Regence BlueShield Gold \$1,000	Regence BlueShield Gold HSA \$1,500
General Plan Information						
💰 Deductible (Ind / Fam)		\$250 individual / \$500 family	\$250 individual / \$500 family	\$500 individual / \$1,000 family	\$1,000 individual / \$2,000 family	\$1,500 individual / \$3,000 family
🏠 Out of Pocket Max (Ind / Fam)		\$4,000 individual / \$8,000 family	\$4,000 individual / \$8,000 family	\$5,000 individual / \$10,000 family	\$7,000 individual / \$14,000 family	\$4,500 individual / \$9,000 family
👨 Office Visit (PCP / SPC)		PCP: \$20 / SPC:\$30	PCP: \$20 / SPC:\$30	PCP: \$20 / SPC:\$30	PCP: \$30 / SPC:\$50	Deductible, then 20%
👨 Co-Insurance		10%	10%	20%	30%	20%
Preventive Care						
💰 Well Visits, Immunizations, Preventive Lab & X-Ray		Covered in full	Covered in full	Covered in full	Covered in full	Covered in full
Outpatient Services						
💰 Diagnostic X-Ray and Lab Tests		Covered in full	Covered in full	Covered in full	30%	Deductible, then 20%
💰 Complex Imaging		10% after deductible	10% after deductible	20% after deductible	30% after deductible	Deductible, then 20%
🏥 Emergency Room		\$250 ER copay, then 90% after deductible	\$250 ER copay, then 90% after deductible	\$250 copay, then 80% after deductible	\$300 copay, then 70% after deductible	Deductible, then 20%
🏥 Urgent Care Facility		\$30 copay	\$30 copay	\$30 copay	\$50 copay	Deductible, then 20%
Pharmacy						
In Network Retail						
💊 Prescription Drugs (Tier 1/Tier 2/Tier 3/Specialty)		Preferred Generic: \$8 Generic: \$30 Preferred Brand: \$30 Brand: 50% Preferred Specialty: 20% Specialty: 50%	Preferred Generic: \$8 Generic: \$30 Preferred Brand: \$30 Brand: 50% Preferred Specialty: 20% Specialty: 50%	Preferred Generic: \$8 Generic: \$35 Preferred Brand: \$30 Brand: 50% Preferred Specialty: 20% Specialty: 50%	Preferred Generic: \$10 Generic: \$35 Preferred Brand: \$50 Brand: 50% Preferred Specialty: 20% Specialty: 50%	Preferred Generic: 10% Generic: 25% Preferred Brand: 25% Brand: 50% Preferred Specialty: 20% Specialty: 50%
Number of Days Supply		30	30	30	30	30
Other Services						
Chiropractic		\$20 copay, 10 visit limit	\$20 copay, 10 visit limit	\$20 copay, 10 visit limit	\$30 copay, 10 visit limit	Deductible, then 20% / 10 visit limit
Cost Summary						
EE Employee	13	Age Rated	Age Rated	Age Rated	Age Rated	Age Rated
ES Employee + Spouse	10					
EC Employee + Child(ren)	4					
EF Employee + Family	11					
Total Monthly Premium	38	\$60,302.02	\$59,890.06	\$56,502.40	\$48,777.30	\$49,251.77
Total Annual Premium		\$723,624.24	\$718,680.72	\$678,028.80	\$585,327.60	\$591,021.24
\$ Change to Current			-\$4,943.52	-\$45,595.44	-\$138,296.64	-\$132,603.00
% Change to Current			-0.68%	-6.3%	-19.1%	-18.3%

Regence: VSP Vision Benefit included: One routine exam covered in full and \$150 allowance for hardware, per calendar year

Regence: Composite 3-Tier Rates Available: 0-18: \$393.23, 19-20: \$397.64, 21+: \$781.98, Total Cost: \$59,890.70

Medical Review – Marketing Options







		Current	Renewal	Alternative #1	Alternative #2
Carrier & Plan:		Regence BlueShield Platinum \$250	Regence BlueShield Platinum \$250	PEBB UMB Classic \$250	WCIF Premera \$200
General Plan Information					
Deductible (Ind / Fam)		\$250 individual / \$500 family	\$250 individual / \$500 family	\$250 individual / \$750 family	\$200 individual / \$400 family
Out of Pocket Max (Ind / Fam)		\$4,000 individual / \$8,000 family	\$4,000 individual / \$8,000 family	\$2,000 individual / \$4,000 family	\$2,200 individual / \$4,400 family
Office Visit (PCP / SPC)		PCP: \$20 / SPC:\$30	PCP: \$20 / SPC:\$30	15% after deductible	\$25 Copay
Co-Insurance		10%	10%	15%	20%
Preventative Care					
Well Visits, Immunizations, Preventive Lab & X-Ray		Covered in full	Covered in full	Covered in full	Covered in full
Outpatient Services					
Diagnostic X-Ray and Lab Tests		Covered in full	Covered in full	15% after deductible	Covered in full
Complex Imaging		10% after deductible	10% after deductible	15% after deductible	20% after deductible
Emergency Room		\$250 ER copay, then 90% after deductible	\$250 ER copay, then 90% after deductible	\$75 copay, then 15% after deductible	\$150 copay, then 20% after deductible
Urgent Care Facility		\$30 copay	\$30 copay	15% after deductible	\$25 copay
Pharmacy					
In Network Retail					
Deductible (Ind / Fam)		n/a	n/a	Deductible \$100 individual / \$300 family OOP Max \$2,000 individual / \$4,000 family	n/a
Prescription Drugs (Tier 1/Tier 2/Tier 3/Specialty)		Preferred Generic: \$8 Generic: \$30 Preferred Brand: \$30 Brand: 50% Preferred Specialty: 20% Specialty: 50%	Preferred Generic: \$8 Generic: \$30 Preferred Brand: \$30 Brand: 50% Preferred Specialty: 20% Specialty: 50%	Value Tier: \$5% to \$10 Tier 1: 10% to \$25 Tier 2: 30% to \$75 Specialty: Same as any other medication	Tier 1: \$5 copay Tier 2: \$35 copay Tier 3: \$70 copay
Number of Days Supply		30	30	30	30
Other Services					
Chiropractic		\$20 copay, 10 visit limit	\$20 copay, 10 visit limit	\$15 copay, 24 visit Limit	\$25, 20 visit limit
Cost Summary					
Employee	13	Age Rated	Age Rated	\$836.61	\$713.36
Employee + Spouse	10			\$1,598.56	\$1,419.45
Employee + Child(ren)	4			\$1,408.07	\$1,242.92
Employee + Family	11			\$2,170.04	\$1,948.99
Total Monthly Premium	38	\$60,302.02	\$59,890.06	\$56,364.25	\$49,878.75
Total Annual Premium		723,624.24	718,680.72	676,371.00	598,545.00
\$ Change to Current			-4,943.52	-47,253.24	-125,079.24
% Change to Current			-0.68%	-6.5%	-17.3%

PEBB: VSP Vision Benefit included: One routine exam covered in full and \$150 allowance for hardware, per calendar year

Dental Review

		Current	Renewal	Alternative #1	Alternative #2
Carrier & Plan:		Delta Dental Dental PPO 2,500	Delta Dental Dental PPO 2,500	WCIF Delta Dental Plan B-4	WCIF Willamette Dental
Deductible (Ind / Fam)		\$50 individual / \$150 family	\$50 individual / \$150 family	No Deductible	No Deductible
Calendar Year Max		\$2,500 per calendar year	\$2,500 per calendar year	\$2,000 per calendar year	No Annual Maximum
Preventive Care (IN)		100% in-network	100% in-network	100% in-network	100% in-network
Preventive Care (OON)		80% out-of-network; preventative care does not accrue towards annual maximum	80% out-of-network; preventative care does not accrue towards annual maximum	80% out-of-network	n/a
Basic Care (IN)		80% after deductible in-network	80% after deductible in-network	80% in-network	Copays vary by service provided
Basic Care (OON)		70% after deductible out-of-network	70% after deductible out-of-network	70% out-of-network	n/a
Major Care (IN)		50% after deductible in-network	50% after deductible in-network	50% in-network	Copays vary by service provided
Major Care (OON)		40% after deductible out-of-network	40% after deductible out-of-network	40% out-of-network	n/a
Orthodontia Coverage		Not included	Not included	50% payable to a \$2,000 lifetime maximum	\$2,800 Copay \$150 Copay for Pre-Orthodontic Service; fee is credited towards orthodontic Copay if patient accepts treatment
OON Percentile		See Delta Dental Fee Schedule	See Delta Dental Fee Schedule	See Delta Dental Fee Schedule	n/a
Rate Guarantee		1/1/2022	1/1/2023	1/1/2023	1/1/2023
Cost Summary					
Employee Only	13	\$52.85	\$54.05	\$55.38	\$49.02
Employee + Spouse	10	\$110.15	\$112.65	\$107.24	\$81.55
Employee + Child(ren)	4	\$115.50	\$118.10	\$107.24 for one child \$152.61 for more than one child	\$81.55 for one child \$130.52 for more than one child
Employee + Family	11	\$172.80	\$176.70	\$152.61	\$130.52
Total Monthly Premium	38	\$4,151	\$4,245	\$3,991	\$3,313
Total Annual Premium		\$49,816	\$50,943	\$47,889	\$39,751
\$ Change to Current			\$1,127	-\$1,927	-\$10,065
% Change to Current			2.3%	-3.9%	-20.2%

Life/AD&D Review

	Current	Renewal	Alternative #1
Carrier & Plan:	Principal Flat \$50k	Principal Flat \$50k	WCIF The Standard \$50k
 Life Benefit	\$50,000	\$50,000	\$50,000
 Accidental Death Benefit	\$50,000	\$50,000	\$50,000
 Spouse and Dependent Coverage	\$2,000 for spouse and children over 6 months, \$1,000 for children up to six months old	\$2,000 for spouse and children over 6 months, \$1,000 for children up to six months old	\$1,000 for Spouse and Children
 Accelerated Benefit	less than 24 months to live pays 75% of policy	less than 24 months to live pays 75% of policy	included
 Age Reduction Schedule	reduces to 75% at age 65 and to 50% at age 70	reduces to 75% at age 65 and to 50% at age 70	reduces to 65% at age 70 and to 30% at age 80
 Rate Guarantee	1/1/2022	1/1/2023	1/1/2023
Rating Structure			
<i>Covered Employees</i>	38	38	38
<i>Volume</i>	\$1,888,000	\$1,888,000	\$1,888,000
<i>Life Rate / \$1000</i>	\$14.300	\$14.950	\$7.50
<i>AD&D Rate / \$1000</i>	\$0.000	\$0.000	Included in Life Rate
Total Monthly Premium	543.40	568.10	\$285.00
Total Annual Premium	6,520.80	6,817.20	\$3,420
\$ Change to Current		296.40	-\$3,101
% Change to Current		4.5%	-47.6%

Long Term Disability Review

	Current	Renewal	Alternative #1	Alternative #2
Carrier & Plan:	Principal	Principal	WCIF Base LTD	WCIF Buy-Up LTD
Benefit	70%	70%	40%	60%
Max (Monthly)	\$5,000	\$5,000	\$4,000	\$6,000
Elimination Period	90 days	90 days	180 days	90 days
Max Benefit Duration	To social security normal retirement age	To social security normal retirement age	To social security normal retirement age	To social security normal retirement age
Own Occupation Period	2 years	2 years	First 24 months	First 24 months
Rate Guarantee	1/1/2022	1/1/2023		
Rating Structure				
<i>Covered Employees</i>	38	38	38	38
<i>Volume</i>	\$204,850	\$204,850	\$204,850	\$204,850
<i>LTD Rate / \$100</i>	Age Rated	Age Rated	Included in Medical	Based on Salary
Total Monthly Premium	\$2,156.29	\$2,156.29	\$0	\$0
Total Annual Premium	\$25,875.48	\$25,875.48	\$0	\$0
\$ Change to Current		\$0	-\$25,875	-\$25,875
% Change to Current		0.0%	-100.0%	-100.0%

**WCIF Base LTD - Cost is \$5.36 PEPM for those who waive medical.

**Lakewood Water District
Wage Increase Comparison**

Utility	COLA Calculation	2022 COLA	2022 Step or Merit
Alderwood Water and Wastewater District	CPI-U, June to June	5.00%	5.00%
City of Bonney Lake	CPI-W, June to June	6.29%	4.00%
City of Milton	CPI-U, June to June	TBD	TBD
City of Puyallup	CPI-U, June to June	6.29%	4.00%
City of Sumner	CPI-W, June to June	6.29%	5.37%
Covington Water District	CPI-W, June to June	6.30%	0-5.00%
Firgrove Mutual Water Company	CPI-U, October to October	TBD	TBD
Highline Water District	CPI-W, June to June	6.29%	TBD
Lakehaven Water and Sewer District	CPI-U, June to June	4.00%	7.00%
Olympic View Water and Sewer District	CPI-W, June to June	4.00%	5.00%
Parkland Light and Water	CPI-W, June to June	TBD	N/A
Pierce County Public Works	N/A	TBD	5.00%
Sammamish Plateau	CPI-U, June to June	5.50%	0-6.00%
Silver Lake Water and Sewer District	CPI-W, October to October	TBD	0-6.00%
Soos Creek Water and Sewer District	CPI-W, June to June	2.60%	0-3.00%
Spanaway Water Company	CPI-W, October to October	TBD	TBD
Tacoma Public Utilities	CPI-W, ECI	TBD	3.00%
Woodinville Water District	CPI-U, June to June	5.50%	5.00%

Lakewood Water District
Reservoir Seismic Retrofits for Steilacoom Blvd
Job #788

BID OPENING--Tuesday, November 9, 2021 @ 2:00 p.m.

Engineer's Estimate \$2,700,000, including 10.0% sales tax

Base Bid				T Bailey Anacortes, WA 98221		Roglin's, Inc. Aberdeen, WA 98520		Stellar J Woodland, WA 98374		Quigg Bros., Inc. Aberdeen, WA 98520	
Item	Description of Item	Unit	Qty	Unit Price	Total	Unit Price	Total	Unit Price	Total	Unit Price	Total
1	Mob. Demob. Prep. Cleanup	LS	1	\$ 40,000.00	\$ 40,000.00	\$ 180,000.00	\$ 180,000.00	\$ 210,000.00	\$ 210,000.00	\$ 210,000.00	\$ 210,000.00
2	Site Work	LS	1	\$ 225,000.00	\$ 225,000.00	\$ 220,000.00	\$ 220,000.00	\$ 145,000.00	\$ 145,000.00	\$ 160,000.00	\$ 160,000.00
3	Steilacoom Blvd Reservoir Foundation	LS	1	\$ 642,022.00	\$ 642,022.00	\$ 740,000.00	\$ 740,000.00	\$ 750,000.00	\$ 750,000.00	\$ 690,000.00	\$ 690,000.00
4	Steilacoom Blvd Reservoir Anchors and Access	LS	1	\$ 800,000.00	\$ 800,000.00	\$ 930,000.00	\$ 930,000.00	\$ 850,000.00	\$ 850,000.00	\$ 1,070,000.00	\$ 1,070,000.00
5	Steilacoom Blvd Reservoir Mechanical	LS	1	\$ 260,000.00	\$ 260,000.00	\$ 173,000.00	\$ 173,000.00	\$ 200,000.00	\$ 200,000.00	\$ 220,000.00	\$ 220,000.00
6	As-builts	LS	1	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00
SUBTOTAL					\$ 1,977,022.00		\$ 2,253,000.00		\$ 2,165,000.00		\$ 2,360,000.00
10.0% WSST					\$ 197,702.20		\$ 225,300.00		\$ 216,500.00		\$ 236,000.00
TOTAL BASE BID					\$ 2,174,724.20		\$ 2,478,300.00		\$ 2,381,500.00		\$ 2,596,000.00

Schedule A - Bid				T Bailey Anacortes, WA 98221		Roglin's, Inc. Aberdeen, WA 98520		Stellar J Woodland, WA 98374		Quigg Bros., Inc. Aberdeen, WA 98520	
Item	Description of Item	Unit	Qty	Unit Price	Total	Unit Price	Total	Unit Price	Total	Unit Price	Total
1	Steilacoom Blvd. Reservoir Finishes and Blasting	LS	1	\$ 582,702.00	\$ 582,702.00	\$ 970,000.00	\$ 970,000.00	\$ 1,550,000.00	\$ 1,550,000.00	\$ 1,460,000.00	\$ 1,460,000.00
SUBTOTAL					\$ 582,702.00		\$ 970,000.00		\$ 1,550,000.00		\$ 1,460,000.00
10.0% WSST					\$ 58,270.20		\$ 97,000.00		\$ 155,000.00		\$ 146,000.00
TOTAL SCHEDULE A BID					\$ 640,972.20		\$ 1,067,000.00		\$ 1,705,000.00		\$ 1,606,000.00

Schedule B - Bid				T Bailey Anacortes, WA 98221		Roglin's, Inc. Aberdeen, WA 98520		Stellar J Woodland, WA 98374		Quigg Bros., Inc. Aberdeen, WA 98520	
Item	Description of Item	Unit	Qty	Unit Price	Total	Unit Price	Total	Unit Price	Total	Unit Price	Total
1	Steilacoom Blvd. Reservoir Finishes	LS	1	\$ 190,000.00	\$ 190,000.00	\$ 420,000.00	\$ 420,000.00	\$ 400,000.00	\$ 400,000.00	\$ 420,000.00	\$ 420,000.00
SUBTOTAL					\$ 190,000.00		\$ 420,000.00		\$ 400,000.00		\$ 420,000.00
10.0% WSST					\$ 19,000.00		\$ 42,000.00		\$ 40,000.00		\$ 42,000.00
TOTAL SCHEDULE B BID					\$ 209,000.00		\$ 462,000.00		\$ 440,000.00		\$ 462,000.00

	1	2	3	4
TOTAL BASE BID + SCHEDULE A	\$ 2,815,696.40	\$ 3,545,300.00	\$ 4,086,500.00	\$ 4,202,000.00

Yellow denotes corrected error in Bid

Operations Manager Report October 2021

Presented November 18th, 2021

OPERATIONS

Work ORDERS Lucity and PM's – Lucity Add in Caselle – Lucity added Waiting for Caselle

439	Billing/Office Field Service Orders
0	Field Service Orders
00	Fleet Service Orders
100	Pumping Service Orders Pumping and Storage 129
439	Total Service Orders

DELINQUENT ACCOUNTS – Teri

143	Delinquent Accounts
33	Paid on Door Hangers or on Disconnect
110	Services Disconnected
91	Paid on Disconnect
19	Remained Disconnected at the end of the month

LOCATES- Debbie

322	Locate Requests Received
34	Requests were out of LWD Service Area
09	Locates were submitted by LWD
18	Cancelled Locates
280	Locates Completed
271	Total amounts owed

BACKFLOW- Shaun J.

538	Assemblies Tested
00	New Applications
00	New Installations Shaun
00	Assemblies Replaced – Shaun
00	Repairs- Shaun
00	Removals –Shaun
4616	Existing installations permitted - Shaun
532	Test Reports Completed & Entered - Shaun

Right of Way Permit: 0

Water Availability Letters: 7

Superintendent's Report
Page 2 of 15

1	10/6/2021	TINA LEE	9905 BRIDGEPORT WAY W	10/11/21	C/TI	5195000026
1	10/7/2021	JOYCE BAILEY	8202 79TH ST SW	10/12/21	R/ADDITION	6430000021
1	10/11/2021	SCOTT HUNTER PROPERTIES	7501 BRIDGEPORT WAY SW	10/18/21	C/ADDITION	3905000361
2	10/22/2021	VITALIY MIKSHANSKIY	9428 EDGEWOOD LN SW - ADU		R/NEW CONST	6385200151
1	10/19/2021	CAROL SUNDSTROM	451 LAKE LOUISE DR SW		R/ADDITION	5020000200
1	10/27/2021	Sebastian Brost Crumble Cookie	5605 LAKEWOOD TWNE CTR STE G	11/2/21	C/TI	4002240080
1	10/28/2021	ARCHIE ESCOBIDO	7628 96TH AVE SW	11/3/21	R/REMODEL- ADDITION	5020000200

MAINTENANCE

Bobby Gaskin – Department Head

NEW SERVICES:

None to report this month

MAINS MAINTENANCE

None to Report this Month

JOBS

Job # 813 cut in 6" valve for Pierce County Sewer Project on Steilacoom Blvd / Gravelly Lake
Off the main through Lockburn Middle School.

Service Maintenance

None to report this month

VALVE MAINT.

None to report this month.

VALVE OPERATION CHECKS

None to report this month

Hydrant Maintenance

Rebuilt Fire Hydrant 26H06 @ 7314 Interlaaken Dr. SW

Hydrant Replacement:

None to report this month.

METER MAINT.

None to Report This Month

Flushing Season:

Completed the Annual Flushing programs in May.

LEAK DETECTION REPAIR

Detected leaks at 15 Thornewood Ln SW, have not been able to address this one due to wedding schedules at the castle. And another at 8409 Spruce ST SW, excavated down to main where indicated and no leak was found. This is not typical but can happen.

GROUND MAINT.

None to report this month

CITY FRANCHISE PROJECTS

None to report this month

OPEN METER BOX CHECKS

818 This Month

Disconnects:

We dedicated a great deal of time and effort to the disconnects due to covid, and the monthly disconnects that have happened since the moratorium has been lifted.

CAPITAL & R & R PROJECTS – Operations Manager Projects

Deleted all but Dec of 2020 for space purposes: 12-1-2020 It looks like the Gravelly Lake Project might possibly start a month or two late. We had received conflicting information with respect to the phasing of the project, so I got off the phone with the City Engineer and he has told me the project is expected to last up to 15 months, but the additional timeframe is to get the Light Poles and the like installed in his mind all the water work would be complete in 2021. Work continues designing Phases 2-4 of 39th, The Front Street Project, and Gravelly Lake Drive. We will be selecting consultants to design the 112th Project, and the Steilacoom Lake Drive Project after the first of the year. 1-7-21 Work continues the design for Gravelly Lake, and 39th, we have design finished for 108th Street Crossings and are actively seeking installation pricing at this time. Front Street Design is at 60% or better as is 39th and Gravelly so we anticipate these projects starting to bid in February time frames. 2-3-21 Work continues on the designs for Gravelly Lake Drive Project and Phase 2-3 of 39th Ave. We are working with BMC on 40th to try to obtain an easement as the utilities are so tight in the street. We are also working with the Clover Park School District to get an easement through the school

property between Early and 100th. This will be a large project at 5000 feet. Design work continues on the Scotts Filtration project as well, the Iron and Manganese has been bid, the GAC vessels and Media was put out to bid on the 3rd with opening set on the 16th. 3-1-21 We have selected Consultants for the upcoming '22 projects: RH2 will continue with Phase 4 of 39th which will take the 20 from Scotts to Mont Grove, Parametrix will finish Front Street for Construction in '22, Murray Smith will be designing the second Phase of Steilacoom Lake Drive for '22, and we are asking David Evans (formerly CHS) and Parametrix to give us scope and budget on 112th street upsizing main to 24" on either side of I-5. 4-5-21 we have selected Parametrix to design the 112th Street Project, they built the project leading up to where we are at and have the time to get this project pounded out and ready for bid after the 1st of the year in 2022. 5-5-21 We are waiting on the scope and budget from Murray Smith on Lake Steilacoom Dr. phase 2 project, Parametrix is working on 112th, and Front Street is at 90% design and holding until next fall. 6-9-21 Same this month we are waiting for submissions of preliminary plans for both Steilacoom and 112th. 39th phase 4 is at 60% plans so that will be no issue getting out late this year for next year's work. 8-3-21 Murray Smith has started the design on the second phase of the Steilacoom Lake Drive Phase 2 Project, they have started baseline survey, and engineering locates. We are anticipating design completion by January 2022, and construction later in 2022 after the North Fort Project on Gravelly and Washington. 9-9-21 The City of Lakewood has announced they will be continuing with Phase 2 of the North Fort Project replacing curb gutter sidewalk and paving on Washington Blvd, we will be replacing the water main as a part of this. 10-6-21 we have switched gears and started back designing the Washington Project with the City, we will continue to work on the design of Lake Steilacoom Dr project with Murray Smith. Design continues 112th Street to SouthTacoma Way, as well as Halcyon to Pac HWY. Those three projects will comprise our R & R budget next year. **11-5-21 Parametrix is at 100% drawings for the Washington Blvd Project with the city. We are reviewing it and have requested a phasing plan from the City of Lakewood. This will be a large project, and the right phasing can help a great deal, and the wrong Phasing can make the project much more expensive and time consuming.**

Wholesale Transmission Main Extension Project: (701-705)

Prior Year removed in order to reduce the length of the report: 2020

1-7-21 all the contractor issue on the job have been worked out and the project is conditionally accepted, the only remaining issue on the project is some warranty costs on the Pumps and motors supplied by Triangle pump. This item has been turned over to the district's attorney. Triangle has mounted some resistance to our billing for all the costs of the warranty work including pulling and replacing the pumps and transporting them to the Triangle Shop for work. 2-3-21 We have put the vendor on notice Triangle Pump that they owe us for the costs to pull and transport the pumps and motors. We have notified them of the Approximately

\$30,000.00. We have had our attorney contact theirs to try to resolve this, but this may go to Arbitration. 3-1-21 This is the final loose end for the Wholesale Project, we have sent a letter requesting Arbitration if they do not want to settle this. Athan from Ogden Murphey has sent the final letter requesting settlement of Arbitration. 4-5-21 We have crafted the complaint and are preparing to submit the complaint; we have not only included the \$29,000 and change due for the cost to remove haul and replace the pumps and motors but have also include the lost Wholesale revenue as part of the claim pushing our overall complaint request to over \$260,000. 5-5-21 Triangle Pump came back with a counter of 15,000 which is about ½ of the total we spent removing and reinstalling the pumps, but completely ignores the last revenue. 6-9-21 a settlement has been reached and this issue is completed, the additional lost revenues were not actually a result of Triangles pump issues. 8-3-21 Some Warranty issue have come up with the Check valves, and some additional vibrations with the pumps and motors so the contractor has been notified and we are awaiting filed visits from the manufacturers reps. **10-6-21 we have completed the Potholing, and once a route is determined we will start working on the easements to go through the property, Mr. Hohn was at the meeting last month, we assured him his driveway would be one color, likely with a seal coat. He is thinking he would be happy with 30-35K. Even though his appraisal came in at 6800 it might be a bit of a challenge getting this one negotiated but I'm cautiously optimistic we will be able to.**

WSDOT Washington and Berkley & union and North Thorne Project (Job 742)

Prior Year removed in order to reduce the length of the report: 2020

1-7-21 We met with the design build team a few weeks ago to discuss an option they were proposing for the Murray Roadside, and after we had come up with an acceptable plan for the water and sewer work required by the project, they decided they would propose we keep all of our facilities in place, which leaves Pierce county and LWD in a bind as the roundabouts built over them will make repairs or replacements extremely costly and time consuming. We objected heavily and told them we were not prepared to allow that option to take place especially after we had all spent months getting the design to meet all our need's prior. We were not prepared to scrap that design and allow them to save some money. The contractor was obviously not pleased with our reply, and WSDOT was supportive of our position. 2-3-21 We still have a great deal of work to be completed in this area, the discussion of who is responsible continues, but for now we will focus on the work to be completed. At present the work at Washington and Berkley has been completed, but work on The North Thorn Side remains unfinished, we will need their contractor to install the balance of the 500-600 feet of main and make the connection at North Thorne, so this loop is completely functional again. All the work remains unfinished on the Murray Roadside of the project. Some issue has come up after we agreed to a plan to finish the work, and we are not sure of where the project sits at

this moment. But we have told the contractor and WSDOT that now that there is a Traffic round in place, and the area now falls into an exclusionary zone, with WSDOT this means that we would not be able to access this without additional permits, making maintenance considerably more difficult. The plan we had agreed to would have moved our facilities out and away so that we could maintain them at will, it appears now that the contractor has some capability in costs for this move now, and thus the request for us not to move the facilities. We have respectfully declined and asked that the facilities be relocated as agreed upon. 3-1-21 We have approved materials for the work to continue so we anticipate that this balance of the waterline improvements is going in soon. This project is supposed to be complete later this summer, so we know it can't drag on much longer. We will then have the task of finalizing and fighting over who is responsible for these costs incurred. As you recall when this started a couple of years ago, they were thinking we would pay for all waterline relocation costs, we disagreed and then we moved forward with the idea that this issue would be solved at a later point. My guess is that this latter point is getting close. We feel comfortable with our position, and we are not the only one stating the same position to the AG as Pierce county and the Sewer lines are being affected similarly, but as you are all aware there is never a guarantee in a legal proceeding. 4-5-21 we have been notified that KLB Atkins civil contractor will begin the final phases of the waterline work starting the 21st of April, with the Berkley area then moving to the North Thorne area followed by the work at Murray Road it would appear that we are back on for the re-routing of the main to avoid the Security Area for WSDOT. 5-5-21 this work is nearing a close with work competing at Washington and Berkley, and well as North Thorne. The placement of the new casing went in this last Saturday, and all that remains is the connection of the main from the I-5 Crossing to the next casing and pipe and the completion of the main to 46th Street. 6-9-21 completing of the water portion of this project is imminent we are hoping to have this work completed and back in service by the end of next week. This has proven to be quite a challenge. 8-3-21 This project has been completed, and the water is working normally in all areas, the issue of payment looms at this stage. There were portions of the work that were clearly not LWD's responsibilities, but a significant portion of this project we did under protest and with the understanding that a resolution would be determined at a later date. LWD and Pierce County Sewer were both forced to relocate significant portions of main. Our contention is that we have franchises with the City of Lakewood that would require this work to be covered, WSDOT bought the property from the City and is then giving it back them. This issue has not been resolved, so there remains some level of liability potential for the district if our position is not upheld. **10-6-21 We had the WSDOT contractor do some warranty work, they had a water valve paved over. But this should be it for that scope of work.**

Gravelly Lake Dr SW Washington to Nyanza (748): City of Lakewood JBLM North Access

Prior Year removed in order to reduce the length of the report: 2020

1-7-21 Plans are at or near the 60% mark we will review them once received and turn them around quickly. We are anticipating the City to put this out to bid in February for an April start time frame. 2-3-21 This project is in the final design stages, LWD has submitted their final 100% drawings to the City for inclusion in their plans, we are waiting for the City to Advertise and award this contract. Recall please that we are working with the City this saves us a great deal of restoration and mobilization and traffic control costs. We are anticipating this work starting for LWD's portion in April and to have the water line completed by the end of the year '21. 3-1-21 This project is out for bid and will be opened on the 2nd of this month at 2:00 pm this will let us know who we are going to be working with. Award will not happen until the council meeting later in the month. 4-5-21 R.L Alia was awarded the project, they are working on schedule but have told us they will not start until late in May, they have also told us that they will be starting at the Nyanza end of the project and working their way back to Washington and Gravelly. They will not be doing the Washington portion of the project until 2022 so we will only build about 75% of the water main portion of this project the balance will carry over in to 2022, this means that we have additional funds available for some of the other projects we have coming online like the Scott's Filtration facilities, the Steel Shop building, or 39th Ave Phase 2-3. 5-5-21 RL Alia has yet to start this work it looks as of now that the first week in June is the new Start date, as we had mentioned earlier this means that the project completion is likely to be in 2022 which means we will have to carry over the unfinished balance into the following year. 6-9-21 RL Alia has begun work on this project they have been installing water main from the near the intersection at Gravelly and Pacific Hwy back to the Gravelly and Nyanza intersection. This work is required to be completed so that they can divert traffic from Gravelly around Nyanza Road this detour is expected to occur on the 21st of June from that point forward the road will be closed to through traffic. Our GIS tech has generated a map for alternate routes for our workers. It is anticipated that work will continue in phases through the end of the year with some break for winter weather and restart at the Washington Gravelly intersection in March of '22 and completing before June, but for the street lights these need to have the bases in and the bolt pattern surveyed for each base so that the elevation and the arm length for each can be designed and built this can take 15-20 weeks and thus the 18Months on the city contract although the largest portion of the work will have been completed for some time. Just as what played out on the previous Gravelly Lake project. 7-6-21 Alia has put in enough water to re-route the traffic over to the permanent detour around Nyanza. We anticipate a couple weeks before they start laying main again from the Traffic round at Nyanza top the north-west heading towards the Country Club. 8-3-21 Alia has been doing well, they are roughly ½ way done laying main and by the 4th will have the main and services transferred over from the old to the new between Pac Hwy and the Country Club Road. This project is being built in phases with the next ending at Veterans with the Traffic round installation then late this year the stretch up to the start of the roundabout at

Washington and Gravelly this will start early spring 2022 and finish mid-year. 9-10-21 this project continues to progress nicely they have broken the halfway mark on this project. As it set right now the plan would be to finish this project by May of 2022. The City has informed us that the second phase of this project will bid in January with a May June Start date. This will require that we participate with them and install roughly 1.5 million in water line improvements. This was not anticipated until 2023 so some shuffling of capital project will be required in 2022. 10-6-21 Alia continues to progress; they lost a good portion of the month of September due to COVID outbreak worked only 7-8 days. **11-5-21 The project is moving along, the phasing has it in front of the district, and closing veterans drive so access is likely as impacted as possible. They are demoing this phase and will begin installing water in a week or two. We anticipate that this Phase will take them in to the new year, and then finally finishing with the traffic round and Washington and Gravelly, and the last portion of the project the traffic round at Interlaaken. The second phase of this project will bid out in January and will start in May at the far end over by the North Fort.**

39th AVE Steilacoom to 96th (749):

Prior Year removed in order to reduce the length of the report: 2020

12-1-2020 The Contractor is doing well this project has turned out to be a bit more challenging than any of us had expected. The Secondary power is not something that the power company locates it appears, so the contractor has found these drops on several occasions slowing the installation down each time. Despite the difficulties they will be pressure testing the main from Steilacoom over to South Tacoma way via 94 this week. And starting on 39th Ave Court as soon as the pressures and purities come back for the portion that is completed. 1-7-21 This has been a tough project we have encountered a significant amount of un-located utilities. These have cost the contractor and we anticipate some change orders will need to be written to address these uncontrolled issues. We will be complete with the Tie in and services by next Wednesday and be waiting for weather suitable for the restoration work, and final paving. Pape and sons have done a great job as usual and have worked well with us to get this project completed. 2-3-21 This project has been completed the Final paving and punch lists have been finished. Pape and sons did a great job again for us, and we look forward to working with them again very soon. **6-9-21 this project is complete and just pending L&I approval.**

39th AVE Phase 2 and 3 Job# 780:

12-1-2020 RH2 engineers are hard at work designing the next phases of this project, we are designing this project in phases such that if the money is insufficient to build it all that we can parse out portions of the work and keep moving. We have Asked RH2 to design the crossing

at Halcyon as well as this work will need to be complete before the Scotts Site contractor will be on board. This work must be completed as the City is planning on a grind and overlay project from Pacific Highway to Bridgeport and we would need this in place by April. 2-3-21 Design continues this project as we mentioned in the engineering portion of this report, we are working on easements with Clover Park School District as well as BMC. These will both greatly assist the project; it was not until after the utilities were marked that the density of the other utilities in the area were revealed. 3-1-21 We have been working with the Clover Creek School District on an easement and we have just sent in what we hope to be the final draft to the District. We are optimistic we can obtain this easement, we have similar optimism with BMC we have worked around most of their concerns and are awaiting word back from their real estate department, as BMC was very recently purchased. Again, we are optimistic that this will come through soon. We are looking at a similar start time for this as with Scotts' and Gravelly lake Drive, which will make for a very busy summer. 4-5-21 we have worked through our issues with the School District, and all is moving ahead as planned we are hopefully finishing up the BMC easement this week then we can finish the plans and get this project out on the street for bid very soon. We are optimistic that with funds freeing up from another project that we will be able to get this project completed through 108th street, with only the 4th phase remaining for 2022. 5-5-21 we have resolved the issue with the school district as well as the easement with BMC so we have submitted the permits, and are finalizing the design with the Cities comments. We anticipate this going out to bid in late May, much later than we had expected, but we did run in to some significant delays, do to easement and permits. **6-9-21** This project was put out to bid, and Miles Resources was determined to be low bidder, the supply of the material remains to be the issue with this and any other projects we put out this summer, we have been working with vendors and suppliers to get this project underway, our primary goal is to get the work in front of the school completed. We have a temporary construction easement that expires on 12/31/21 which is 25' wide giving us more room to work, and a permanent 20' Easement. 7-6-21 Miles Resources was low bid on this project, they started work Mobilizing in on the 29th. Their schedule has them finishing in December, but we are hoping it will go faster than that. They are working Back from the Early learning center in order to make sure they don't interfere with school business in September. Once they Hit 100th Street they will be on Nights until they tie in at 39th this was one of the agreements we made to get the ROW through BMC, this easement saved us from having to replace the main through this section in place requiring High lines to the customers as we would have had to put the new main in where the old line is currently. This is a target rich environment with utilities everywhere. 8-3-21 This project has been a challenge to say the least, the progress has been slow, and marked with miss located utilities and surprises along the route. Miles has been moving steadily and is on track to finish the main and service up to the 39th Tie in near the end of the month. This has all be night work, they are moving through the BMC property now with likely main installation through the end of next week, with pressure and purities tie in and services to follow. We have found unmarked septic systems, and

sanitary sewer force mains scattered throughout and un-located. We did hit a force main that came right out of the lift station on 40th it was miss located by 7-8 feet laterally and about the same off in depth. 9-10-21 We are nearing the completion of Phase 2 with just a few hundred feet left to go, phase 3 is a shorter project with less complications so we are hoping that this section of the project will progress more quickly. The contractor has experienced several material delays and some delays due to design and locate issues and is not anticipating completion the First week of December versus the last week of October. We are still reviewing the schedule but would anticipate most of these delays are valid. 10-6-21 Work continues this project, they have lost time with Vacations from lead operator, and now their foreman is gone, they set back and started running services instead of continuing with the main. **11-5-21 Miles resources is closing in on this project, they have several tie in to complete and about ten days of Services to complete but we are expecting this to all occur before Thanksgiving, the final restoration will be completed based on weather so its anyone's guess at this time.**

Front Street / 96th Main Improvements: Job#: 781

Parametrix is currently designing this project, we don't anticipate building this project unless the City Project Runs long and we need something else to do. This project will most likely go out for bid in 2022. 2-3-21 This project is hovering at about 90% design, we have suspended the design at this point as this work will likely not occur until 2022, early in 2022 or late 2021 we will finish the design make any changes and put it out to add early in 2022. 3-1-21 Parametrix is still in a bit of w holding pattern waiting to finalize the designs for this project, but now we know we will be moving ahead with this in '22 we will get then to complete the 90% and then hold until later into November December to Bid the work for an early start in '22. 4-5-21 Parametrix has completed the design through 90% and we are looking to shelve it for the next several months and bid it right after the first of the year. This is one of the last projects that was on the old list of projects for improving flow to the Wholesale Transmission Main. We are engaged with Murray Smith to do some additional modeling to make sure nothing has changed and that we are still on track for the take schedule we have in place. The big potential change to this is the Spanaway Connection, if they choose to take the 2 million gallons a day that will accelerate our take schedule but over a decade and we will need to be able to produce consistently 7.5 million gallons a day and beyond. 6-9-21 This project is ready to go out to bid, we will refresh the frontend specs and put this out near the end of the year for Construction in early 2022. **10-6-21 This project has been put on hold until 2023 Modelling in house has contradicted with the timing of this project, so we are holding it off.**

Scott well site GAC and Iron and Manganese Treatment # 757, # 758, and #778

1-7-21 The Iron and Manganese filtration for the G-3 well has been ordered ATEC systems was low on the supply bid. We just sent notice of Award out yesterday. We anticipate these will arrive in May for immediate installation. 2-3-21 Design is well past the 60% design milestone, and we are closing I on the 90% mark, we have started ordering the owner supplied materials: Iron and manganese filter, chlorine generator, and MCC panels for the SCADA. We are anticipating that this will bid in March with G-3 work starting in earnest on April 1st, this may require so special effort to push the permits through the city. 3-1-21 All of the long lead time items have been ordered, and we are finalizing the Specs and plan for the construction of this work. We are anticipating putting this work out in Late March approving it at the April Board BOC meeting for construction in May. 4-5-21 design is nearing completion, the project report has been submitted to DOH, and the permits have been applied for with the City of Lakewood. We are looking at building optional projects on site to maximize the effectiveness of the site and match the Grant funding that we will have available. We are anticipating this to be between 5.3 and 5.7 million depending on which package is adopted by the legislators. 5-5-21 This project as with many others has experienced a significant number of delays in engineering, and well as permitting issues, this project in particular with the boundary line adjustment required to build on both pieces of the lots. We have design at 90% and finishing the specials this and eye towards letting this the 15th of May. 6-10-21 This project is out for bid at present with opening set for Friday the 18th of June. We had the job walk through yesterday and had 9 contractors present. We did receive the Grant funding for the GAC system this we are hoping will cover most if not all of the costs of the GAC system. The project costs for GAC and G-3 Treatment is expected to go to 7.5 million. 7-6-21 the project was let, and Ceccanti construction was low, we had some initial concerns but based on the reference calls we recognize that they have done similar work all be it longer than the 5 years ago we targeted in the paperwork, the consultant didn't put our most updated language for experience in and we missed that in review, so our language didn't prohibit them from bidding. We were however pleased with the price at 5.4 million for both G-3 and the GAC system, this will allow for the district to cover any potential changes required, and allow for some of the design elements that we were hoping to get in but pulled in an effort to make sure we came in at a number we could afford. Please recall that this project received 5.4 million in Grant funding which has greatly improved the district position moving forward as much of this would have been borne by the rate payers had the State not come through with this help. 8-3-21 Ceccanti is on site now and clearing trees and getting set up on the project they started the last week in July, they are waiting on materials to start the yard piping when it arrives later this week. The GAC templates and Vessels will be available well in advance of the contractor requiring them, as with the Atec system, the pump and motor were installed for G-3 yesterday,

so all the owner supplied materials are available and no delays. A great number of submittals are going back and forth at this point trying to get all of the materials approved for the construction to start. One minor change was agreed to with Ceccanti to build the Pump Pad for the G-3 well Pumptech bid included a portion but not all the work, so we transferred this all to Ceccanti. 9-10-21 This project is moving along with the work they can perform. The delays due to materials are far more accentuated on this project than on 39th with the stainless fittings and the like the delays are far greater. Buildings and tanks can't go up as the pipe penetrations are not delivered, and these must be in place before we can continue. The GAC slab is formed, and bar is being tied for the first of two pours on the 24th with the final pour on the 30th. The solid waste Manhole bottom is in place, but the top section is still several weeks out. This is a truly a Challenging time to be building these large, complicated projects. From what I can gather these shortages will last well in to 2022 and possibly stretch in to 2023 **10-6-21 work continues on this project slowly waiting on parts and permits has seriously impacted the schedule. It looks like we will have the Tanks set the week of the 11th but can go up with the G-3 Building while waiting on engineer's approval then the production of the materials. Ceccanti has shown to be efficient and providing quality work when they have work to complete. I am confident that around 70% of the project will be complete by years end. Assuming we can get the materials to build with. 11-5-21 The Scotts project is starting to grow legs again, we are starting to receive the belayed products to start moving forward again, Baker Silo is well under way with the Backwash tank, and the foundation penetrations have arrived for the G-3 Building so they will be getting that foundation poured shortly.**

Spanaway Spur Project – WTME connection # 777

9-23-20 we have determined and scope and budget, and have put RH2 under contract for the design, and Sitt's Hill under contract for the surveying on the project. We have also sent out letter to the property owners that we are hoping to get easements from we have sent them out Return Receipt such that we can minimize any delays if we need to utilize the legal system and condemnation to acquire the easements. We are optimistic that these property owners will work with us as each of them have several easements already through their properties. 12-1-2020 the Initial design Survey has been completed and design has started first looking for the best route then drawing it up. Once we know where we want to go, we can engage the property owners and attempt to secure easements. This may turn out to be the most difficult part of the project. 2-3-21 We have potential alignment figured out, and we are working to finalize the points of connection. We presented this information to the partners at the last quarterly meeting in January. We have been told that Spanaway's bent is to have this online

taking water January 1, 2023 so we have some time to spare on this project. 3-1-21 RH2 continues to work on the alignment of this project, they have proposed that we sit down with Pierce county and discuss the potential moratorium on Brookdale Road and the paving of it. Peirce county has clarified that moratorium would remain until November of '22. This would push us to get operational by 1/1/23. So, we are hoping that we can get some consideration on this issue. 4-5-21 We have met with Spanaway Water and they are very interested in purchasing the final 1 million gallons a day this will sell out the capacity of the Wholesale Main. We are working with them to show them the pricing and the effects of using the more volume of water vs paying the fix rate and not utilizing the volume to offset it. 5-5-21 and interesting development Spanaway not only wants the 2 million, but they would like another if we can get it. This throws a whole set of complications at the wholesale the first and foremost can we ever do it? If so, how much more, and lastly how much capital would we need to spend in order to do this? We have asked RH2 to look into the possibility of this and what it would take to make this happen. 6-14-21 we are continuing to work with the other utilities trying to utilize some of the existing utilities easements instead of using more of the property owners land, we had a meeting on Thursday with TPU and that went well, but there is still some resistance to agree to the use of this property. We are looking into the opportunity to acquire easement from some of the other property owners and then go down 42nd Ave this would get us back down to Brookdale if the pipeline corridor is not available. This would be more expensive and would increase the length of the project but would present the only option if the pipeline corridor is not available. 7-6-21 we are working on getting updated Right of Entry forms to the Residents along the alignment, and once that has occurred, we will be potholing the Fiber along the alignment and about ten sites in the Brookdale ROW to find Fiber, and the Tacoma A/C main. Based on the lukewarm reception we got from Tacoma Public Utilities we are also researching and alternate route and have reached out so several additional property owners to test the waters of an easement through their properties as an option. 8-3-21 we have been working with the property owners to get new Right of Entry forms so that we can go on to their properties and dig some potholes to verify the alignment for the project. We have met with some considerable resistance and it appears that the Leonard, the Hohn's and the Martinez's are presenting a unified front in casual opposition to this work. We feel we can continue to work with them in an effort to drive a negotiated agreement rather than through the courts. We are running in to a time crunch though so with out some substantial progress soon our options are getting limited. 9-10-21 we have finally negotiated the RIGHT of ENTRY in to all three properties necessary to do the potholing such that a design and alignment can be established for this project. The cost of time and the potholing will impact the budget, and conversations with Spanaway need to occur to make sure they are aware of the current construction environment and the high likelihood that this will cost more. We do have a Q3 meeting with the partners on the 14th to discuss takes and the construction timeline for the projects in the district required to provide those takes. 10-6-21 Then Potholes are complete and we are waiting on the engineers to confirm the layout of the line, then we

can start to negotiate with the property owner's and look to get a contractor on board as soon as practical next spring. **11-5-21 We have a meeting Scheduled with TPU to discuss the alignment of the main, and if all goes well we will be able to start negotiating with the Property owners, but if they refuse to allow us access in their non-exclusive easement, then rather fight them, we will be forced to change the alignment from the one most acceptable to the property owners and that likely will push us in to condemnation with the property owners who have emphasized the desire to not lose any more useable land to easements. We are hoping that TPU takes the entire scope of the work in to mind, and sees that this is for the betterment of the community and that not doing this will only aggravate the already less than excited property owners.**

Pumping Operations

1. Production/Demands
 - a. Pumping has settled in at about 10 million gallons per day. The large majority of this reduction is due to retail customer demands, but some reduction in wholesale partner demands as well.
2. Maintenance Activities
 - a. Reduced demands have helped allow for more resting of wells and given crews additional availability to perform preventative maintenance.
 - b. Completed monthly lake and stream monitoring tasks, which support our water rights perfection process.
3. Groundwater Wells
 - a. The L-2 Well Pump and Motor were replaced in November. This well also needed a new variable frequency drive (VFD), which required some limited modifications to the electrical equipment in the building. This work is now complete.
 - b. In anticipation of taking wells offline once the State's PFAS rule goes into effect, we have begun investigating the condition of the P-1R Well at the Steilacoom Boulevard site. We hope to be able to equip this well and put it back into production for the first time in several decades. Pricing information was solicited from three firms and Holt Services was selected for the work.
4. Booster Pumps
 - a. One pump at Steilacoom Boulevard Pump Station was pulled from service and being rebuilt. This is the first time it has been serviced since being installed in 2006. This period of lower demands provides a good opportunity to perform this type of work.
5. Equipment out of service
 - a. Still working with manufacturer/supplier to replace A-3 well motor
 - b. Currently have 2 wells out of service due to PFAS levels (1 will be back online with completion of Scotts Treatment Project).
6. Upcoming Pumping Projects
 - a. G-3 Pump and motor installed, waiting for construction of remaining facilities
 - b. G-1 Pump and motor replacement is ordered, waiting for install after GAC facility construction is complete.
 - c. Reviewing the consultant's scope of work for well rehabilitation and testing of F-2, P-2, and S-2 wells.
 - d. P-1R Well inspection and cleaning is currently underway.

Capital Projects

1. Scotts well site treatment project
 - a. Recently began work on G-3 Well building below grade piping and foundation.
 - b. Backwash tank for GAC system has floor and walls poured, roof to be completed soon.
2. ARPA program (America Rescue Plan Act) - \$13.7M to City of Lakewood
 - a. Currently, the City has listed \$1,500,000 as a funding request for the District's proposed well at the hospital on their secondary priority list. We will continue to engage with the City, monitor this program and advocate for this project.
3. FEMA projects - 2 project grants; both grant approvals have been extended to early 2023.
 - a. Steilacoom Blvd Tank Seismic Retrofits – Project bids were opened on 11/9/2021. We received 4 bids, ranging from \$2,815,696 to \$4,202,000. The lowest, responsive bid was

from T Bailey, who recently completed the Nyanza Tank for the District. We are recommending the construction contract be awarded to T Bailey.

- b. Emergency Generators and Well Improvements project – We are reviewing the 90% design documents from the design consultant. We anticipate advertising the project for bid near the end of the year.
4. R-2 Well Drilling
 - a. Have an executed agreement with Holt Services for this project, which includes drilling a new well near the R-1 Well along 112th Street, near the Lakewood Racket Club.
 - b. The well will be approximately 600 feet deep and 16 inches in diameter, similar to the existing R-1 Well.
 - c. We have been in communication with the Racket Club about the project starting up and the footprint of the work. We will coordinate with them about fencing extents and gate locations based on some of the concerns they've raised in the past.

Water Quality

1. Completed monthly water quality samples in October.
2. Latest round of PFAS samples complete, no significant changes from earlier rounds of sampling. Took some additional samples at the Oakbrook O-2/O-3 wells given their PFAS levels being close to the proposed state action levels (SALs) for PFOS.
3. Met with the State Department of Health (DOH) on 11/2/2021 to review information for our sanitary survey, which occurs every five years. The initial meeting resulted in some minor requests to update some information, and the field visit with DOH staff went very well, with DOH staff complimenting our staff and facilities. This success is due to the great work our staff completes on a daily basis. A written report will be prepared by DOH after they summarize their visits.

Water Storage

1. The Steilacoom Boulevard Seismic Retrofit project will require this facility to be temporarily removed from service, but is being timed to occur outside of high demand periods.
2. Maintenance at the Farwest Tank is being completed to keep the mechanical equipment running well.

VIA REGULAR & CERTIFIED MAIL: RETURN RECEIPT REQUESTED

November 1, 2021

Sally Irish
6808 100th Street SW
Lakewood, WA 98499

Subject: Lakewood Water District
Utility Account No. 16612.01
Service Address: 6808 100th St SW
Notice of Unauthorized Water Connection and Unpermitted Cross Connection
**Demand to terminate Unauthorized Water Connection by Monday,
November 15, 2021.**

Dear Ms. Irish:

Lakewood Water District (District) provides water service to the single-family residence on the property located at 6808 100th Street SW, Lakewood, WA (Account #16612.01). It is our understanding the property is owned by you.

It has come to the District's attention that a single-family residence occupied by Steve Munkirs on property with the address of 10002 Dekoven Dr. SW, Lakewood, WA, located adjacent to your property is receiving water service through a hose connected to your residence at 6808 100th SW. Please be advised this water service connection violates District policy prohibiting more than one single family structure on a single water service line/connection to the District's water system (Unauthorized Connection). This Unauthorized Connection also constitutes an unauthorized/uncontrolled cross connection with the District's water system and endangers public health and safety.

Please be advised the Unauthorized Connection is in violation of **RCW 57.08.180**, which makes unpermitted direct or indirect connections to the District's water system a crime, and also violates **RCW 9A.61.020**, which makes defrauding a public utility a crime. The diversion of utility service also violates the provisions of **RCW 80.28.240**, which subjects the offending persons to treble damages.

Please disconnect and discontinue the Unauthorized Connection by Monday, November 15, 2021 by Noon that day. If the Unauthorized Connection is not terminated by that date and time, the District will terminate water service to your property thereafter. However, if you feel the Unauthorized Connection should continue and your water service not terminated, you may appeal this determination to the District Board of Commissioners. The next District Board of Commissioners meeting where an appeal may be considered is November 18, 2021, via Teams (login information is located on our website) commencing at 3:30 p.m. **To appeal, you must**

contact me on or before Noon on November 15, 2021, by phone or in writing and request a hearing with the Board of Commissioners on that date.

Please give this matter your immediate attention. Otherwise, please call me if you have any questions or would like to discuss this matter further.

Sincerely,

Ian Black
Operations Manager

IB:tlm

Cc: Board of Commissioners
Curtis Chambers, District Attorney
Steve Munkirs

VIA REGULAR & CERTIFIED MAIL: RETURN RECEIPT REQUESTED

October 29, 2021

Susan Bailey
10001 Dekoven Dr SW
Lakewood, WA 98499

Subject: Lakewood Water District
Utility Account No. 16610.03
Service Address: 10001 Dekoven Dr SW
Notice of Unauthorized Water Connection and Unpermitted Cross Connection
**Demand to terminate Unauthorized Water Connection by Monday,
November 8, 2021.**

Dear Ms. Bailey:

Lakewood Water District (District) provides water service to the single-family residence on the property located at 10001 Dekoven Dr. SW, Lakewood, WA (Account #16610.03). It is our understanding the property is owned by you.

It has come to the District's attention that a single-family residence occupied by Steve Munkirs on property with the address of 10002 Dekoven Dr. SW, Lakewood, WA, located adjacent to your property is receiving water service through a hose connected to your residence at 10001 Dekoven Dr. SW. Please be advised this water service connection violates District policy prohibiting more than one single family structure on a single water service line/connection to the District's water system (Unauthorized Connection). This Unauthorized Connection also constitutes an unauthorized/uncontrolled cross connection with the District's water system and endangers public health and safety.

Please be advised the Unauthorized Connection is in violation of **RCW 57.08.180**, which makes unpermitted direct or indirect connections to the District's water system a crime, and also violates **RCW 9A.61.020**, which makes defrauding a public utility a crime. The diversion of utility service also violates the provisions of **RCW 80.28.240**, which subjects the offending persons to treble damages.

Please disconnect and discontinue the Unauthorized Connection by Monday, November 8, 2021 by Noon that day. If the Unauthorized Connection is not terminated by that date and time, the District will terminate water service to your property thereafter. However, if you feel the Unauthorized Connection should continue and your water service not terminated, you may appeal this determination to the District Board of Commissioners. The next District Board of Commissioners meeting where an appeal may be considered is November 18, 2021, via Teams (login information is located on our website) commencing at 3:30 p.m. **To appeal, you must**

contact me on or before Noon on November 8, 2021, by phone or in writing and request a hearing with the Board of Commissioners on that date.

Please give this matter your immediate attention. Otherwise, please call me if you have any questions or would like to discuss this matter further.

Sincerely,

A handwritten signature in black ink that reads "Randall M. Black". The signature is written in a cursive style with a large initial 'R'.

Randall Black
General Manager

Cc: Board of Commissioners
Curtis Chambers, District Attorney
Steve Munkirs