



Winter, 2011
Issue 62

Keeping Lakewood Water District
Customers Informed

"SERVING THIS COMMUNITY
SINCE 1943"



Warm Wishes

for a
healthy,
happy 2011
from the
Staff of
Lakewood
Water District

Published by
Lakewood Water District
11900 Gravelly Lake Drive SW
P.O. Box 99729
Lakewood, WA 98496-0729

Mon.-Fri. 8:30am-5:00pm
Phone: (253) 588-4423

www.lakewood-water-dist.org

BOARD OF
COMMISSIONERS

President:

Lawrence R Ghilarducci, Jr.

Vice President:

William W. Philip

Secretary:

John S. Korsmo, Jr.

General Manager:

Randall M. Black

The Board of Commissioners
meets the 3rd Thursday of each
month at the District
office - 3:30 pm.
Public Welcome



The Pipeline

Dear Lakewood Water District Customer,

In case you didn't see the Public Notice in the December 10, 2010 edition of "The News Tribune" or the December 10 and 16 editions of "The Suburban Times," we wanted to share with you here the information we put in both papers announcing the presentation of the 2011 Budget at the December 16 meeting and inviting you to attend.

The proposed 2011 Final Budget was presented at our December 16 meeting and was adopted by your Board of Commissioners. It includes a 12 percent rate increase. For example, the average residential customer using 1500 cubic feet of water every two months will pay about \$2.70 more, or \$1.35 more per month. The two-month billing for 1500 cubic feet of water will go from \$22.50 to \$25.20.

Here is a comparison of our current rate structure and the new rate structure that will be effective January 1, 2011:

Water Consumption	Current Rates	New Rates
0-800 cubic feet	\$ 16.55	\$ 18.55
801-2000 cubic feet	\$ 0.85/ccf	\$ 0.95/ccf
2001 and over	\$ 1.15/ccf	\$ 1.30/ccf

In preparing the 2011 Draft Budget, early analyses affirmed a rate increase was necessary for 2011. The Board of Commissioners made the decision during the 2010 Budget process not to impose a rate increase due to the economy, even though our analysis showed one was needed.

The 2011 Budget reflects needed Rehabilitation & Replacement (R&R) and Capital Improvement projects for 2011, to include the construction of a booster pump station to support the new 4.5-mile wholesale water transmission main constructed this year that will supply wholesale water to customers in Pierce County and generate increased revenue to the District. In 2011, the District is faced with a Phase II unfunded, mandated Sound Transit project estimated at \$275K. Phase I was also unfunded and mandated in 2009-2010 with costs at \$609K. In 2011, it is also necessary for the District to initiate the renewal of its six-year Comprehensive Water System Plan as required by the State Department of Health. Needed R&R projects include replacement of the District's main at the Custer Street Bridge Crossing built in 1970 and other main rehabilitation and replacement in aging areas of our infrastructure.

Some additional reasons for this needed increase are:

- The District took advantage of savings due to the competitive construction bidding climate the last two years and utilized reserve funds to construct a number of large, needed projects.*
- The District needs to begin rebuilding its reserves to keep the District financially sound and viable.*
- The District has not had a rate increase for 2 years.*
- 2010 retail revenues are down 10% due to a wet, cold spring and summer.*
- Wholesale revenues are down 40% from that budgeted for 2010 due to the economy.*
- The economy also resulted in decreased development which negatively impacted the anticipated income from General Facilities and new connection charges.*

Continued on back page.

Continued from page 1.

- Due to the economy and to mitigate a rate increase to our customers, the District is not filling two vacant positions in 2011.
- There was no cost-of-living increase for staff in 2010, and no wage increases are proposed for 2011.

Here are some additional points showing the District's financial due diligence:

- The District has delayed the purchase of vehicles for two years.
- The District has expended efforts to explore all options to rising health care costs.
- The District's O&M costs for 2010 are \$175K below the 2010 Budget.
- The District has utilized equipment and technology investments to reduce costs, e.g., flushing costs have been decreased 25 percent from the 2006 Budget to current 2010 costs.
- The District is endeavoring to sell surplus property.
- The District is on the preliminary project list to receive funds from the Public Works Trust Fund (PWTF) for the Wholesale Booster Station in the amount of \$1.3M.

We continue to be proud of the fact that even with this increase, the District has the lowest water rates in the Puget Sound area. Please see the rate comparison on our website at www.lakewood-water-dist.org. As we hope is evident above, we work hard to steward every penny of our rate-payer's money with the utmost care and concern, and we will continue to do so.

Happiest of holidays to you and yours,
Your Board of Commissioners

LWD WEATHERS STORM

La Nina has once again played one of her little tricks on the Pacific Northwest. The latest windstorm left as many as 14 of the District's 23 sites without electrical power; however, due to prior planning, preparation, training, and the creative use of back-up electrical power generators, there was no interruption in service to District customers. There were a small number of isolated areas where the pressure was below normal, but everyone had water.



That is the overall District goal—to keep as many people in water for as long as possible no matter the type and extent of the event. We are always working to meet your needs and are happy the wind did not succeed in “blowing away” your water supply!

WINTER-WISE YOUR HOME:

Our early “welcome to winter” cold this year reminds us it is always a wise precaution to ready your pipes for unpredictable weather. You can rest easy knowing you're well prepared if you follow these simple precautions.

Prevention:

1. Disconnect and drain your outdoor garden hoses, to help keep ice from forming in the hose and backing into your faucet which could cause damage.
2. Wrap all of your outside faucets or protect them with insulating faucet covers.
3. Know where your master water shut-off is located.
4. If you are going to be out of town for an extended amount of time, be sure to have someone check on your home regularly, or have your water shut off while you are away.

When the cold weather hits:

5. You can open cabinet doors under sinks to allow warm air into these spaces to help prevent freezing.
6. Allowing a faucet to drip slightly could prevent damage. Just opening the faucet to a slow drip can relieve excess pressure that can build between the faucet and any ice blockage that forms.

With these precautionary and preparatory measures in place, you can sit back and enjoy the winter ride!

SEASONAL FLUSHING COMING YOUR WAY:

Lakewood Water District will be performing the annual water main flushing from the first week of March through the first week of July. This timing affords us warmer temperatures to prevent frozen roadways when water is flushed out onto the streets, and allows us to finish before the summer months of peak pumping demands.

Natural mineral deposits of iron and manganese build up around the inside of the water mains. There are no health risks associated with these deposits. High-velocity flushing scours the inside of the pipes. We pull water from a storage tank or reservoir, then proceed from hydrant to hydrant, turning them on full speed.

If you experience **dark or cloudy water**, we suggest that you do not drink the water until it is clear again. You may want to store extra drinking water before this time period, and we recommend you refrain from doing laundry during this time. You may want to use the water only for toilet flushing, lawn watering, etc. If the water remains dark and cloudy, **running your outside faucet** for 5 to 10 minutes should clear up this problem.

Flushing occurs between the hours of 8 a.m. and 4 p.m. Blue-and-white street notification signs will be placed in your neighborhood 48 hours in advance to let you know when the District's flushing crew will be coming to your area. If you have any questions, please call 588-4423 day or night. **We thank you for your cooperation.**