



Winter, 2010
Issue 58

Keeping Lakewood Water District
Customers Informed

"SERVING THIS COMMUNITY
SINCE 1943"

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
Night/Emergency Phone:
(253) 588-2296

www.lakewood-water-dist.org

BOARD OF COMMISSIONERS

President:

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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.



The Pipeline

A Note From Your Commissioners...

We would like to take a minute to share with you the agony of budgeting. It's that time of year when we must develop an operating budget for 2010 in order to figure out how we can continue doing our "water-thing" in a business-like manner. (Never fear, we will operate, your water will continue to flow, your toilets will continue to flush, and you may bathe when the need becomes apparent.)

The big issues, as always, are predicting revenue and controlling costs, resulting in profit necessary to service our bonds, make necessary capital improvements such as water main replacements, pumping and treatment projects, equipment replacement, yachts for the Commissioners, etc., and maintain our reserves at an appropriate level.

Predicting revenue is tough, since water usage is driven so much by the weather. All we can do is look at prior years' usage, make an educated guess, and pray for an abundance of dry summer days. Interestingly, even with our glorious sunny summer this year, water usage was down slightly. Folks, you are not cooperating!

Controlling costs involves less guesswork but is driven by our desire to maintain the high quality of our employees and high level of service to our customers. We review our costs line by line and believe we have a pretty good "handle" on things. But then some event happens over which we have no control, and we get clobbered by some unexpected financial burden. In 2009, it was the unfunded dictate by Sound Transit that we had to lower our water mains as they passed beneath their tracks leading to the Ponders area. That item cost us over \$500,000. Now, we have been informed that we may be "on the hook" for another \$250,000, more or less, to do the same thing under their tracks as they extend their service further south. Again, an unfunded dictate over which we have no control. As we said above, this is agonizing.

After projecting revenues and costs, we must decide whether or not a rate increase is necessary. In reviewing all of this at our recent budget workshop, taking into consideration the present and anticipated economic climate, your sensitive and friendly Commissioners directed that the final 2010 budget not include a rate increase. As a result, we may end up budgeting for a slight overall loss for the year even after scaling back some previously planned capital improvements. Our thought, however, is that we are all in this difficult time together, and the District should be willing to eat into its reserves, if necessary, to avoid a rate increase at a time when it would be burdensome to our customers. Our management staff tells us we may need to have some rate increases over the next five years in order to rebuild our reserves and maintain them at adequate to strong levels. We can't promise anything for 2011 and beyond, but rest assured we will be working just as hard then to make the best decisions for the District and for all of you.

Have a happy holiday season.

*Best regards from
Your Board of Commissioners*



*Warm Wishes for a Prosperous
2010 from the Staff of
Lakewood Water District*



SEASONAL FLUSHING UNDERWAY:

Lakewood Water District staff will be performing the annual flushing of our water mains from the first week of March through the first week of July. Flushing at this time of year provides warmer temperatures to prevent frozen roadways when water is flushed out onto the streets, and it allows for the flushing to be completed before the summer months of peak pumping demands.



Natural mineral deposits of iron and manganese build up inside the water mains. There are no health risks associated with these deposits. Our high-velocity flushing process causes a scouring of the inside of the water mains.



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. If you need assistance after hours, please call 588-2296. Thank you for your cooperation.

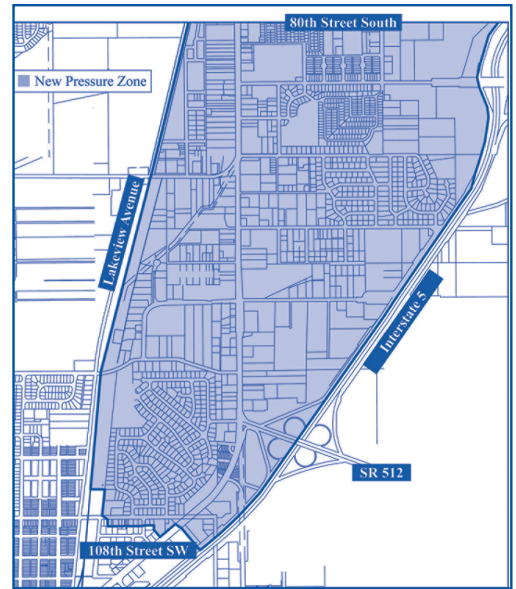
2009 Capital Projects Status

Because of the downturn in the economy, we experienced considerable savings in our capital improvement projects in 2009. LWD was able to secure contracts with a 20 percent savings on the Wholesale Transmission Main (WTM) project that stretches 24,300 feet to the intersection of 121st Street East and 22nd Avenue East. We also secured a 63 percent savings on the water main replacement project in the Tillicum area. By Thanksgiving 2009, the WTM project was 36 percent completed, and the Tillicum project was 84 percent completed.

The new pressure zone located north of 108th Street and east of the Sound Transit Railroad tracks was initiated on November 16 with three increments totaling a 22-psi pressure increase. The area was up to full pressure by December 2009 with very few calls during the implementation.

Capital Projects in 2010 are limited to those projects that must be completed or those that are financed by others. Projects anticipated for 2010 are: 1) the lowering of three water mains under Sound Transit Rail tracks south of Bridgeport Way SW; 2) Relocating about 600 feet of water main on Pacific Highway south of Bridgeport Way; and 3) water main replacements in the vicinity of 108th Street at Pacific Highway SW.

455 Pressure Zone



Phase one of the new 455 Pressure Zone project is complete. The new booster station behind the Lakewood Fire Department on Steilacoom Boulevard is tested and on-line. Pressure throughout the northeast quadrant of the District has been increased by 22 psi in most areas. The second phase of the project is the reconfiguration of the water mains at the District's 88th and Pine tank/well/booster facility. This work is scheduled for December 2009 and January 2010. The pressure zone and enhanced fire flow capability will be maintained by both sites operating jointly. Lakewood Water District would like to express our appreciation to those customers within this new pressure zone for your patience and cooperation throughout this long process.

District Q & A

The Lakewood Water District receives many customer phone calls and office visits asking good questions on a variety of topics. We thought it would be beneficial to add an occasional "Question and Answer" section to our newsletter to answer the most frequently asked questions for the benefit of all of our customers.

Q. How often am I billed and how long do I have to pay my bill?

A. All of our accounts are billed every two months, and your billing cycle is based upon the route or area in which you live. You are welcome to call our office to find out your particular billing cycle time period. All bills are due within 25 days of the bill date which is printed at the top of your invoice.