LAKEWOOD WATER DISTRICT

2003
Water Quality & Annual Business Report

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Reading Touch-Read Meters >

A Message From Your Board of Commissioners

Dear Lakewood Water District Customers:

In the Spring 2002 issue of The Pipeline, we began sending messages to you regarding the intent of the Tacoma-Pierce County Board of Health to mandate the fluoridation of our water system. As you know, the Board of Health did issue its initial mandate by resolution shortly thereafter, and we have fought vigilantly in court to give you the opportunity to vote on the matter, according to our legal rights granted by the Revised Code of Washington (RCW 57.08.012).

On May 13, 2004, the Supreme Court of the State of Washington ruled in favor of the Lakewood Water District and the other water purveyors included in the case and against the Board of Health. This ruling confirms to the Lakewood Water District Board of Commissioners its statutory authority to determine fluoridation of its water supply or to submit the matter to a vote of the electors of the District. As we have faithfully communicated to you over these many months, your Board of Commissioners has been committed to allowing you to decide whether or not you want to add fluoride to your water and incur the costs of its implementation.

Throughout this process, your Board of Commissioners has consistently taken the position that our efforts were not to take sides for or against fluoridation, but instead to allow our customers to decide the issue by a public vote. Our task will be to provide information as to the cost of fluoridation and, if passed, the likely effect upon our rates. Accordingly, at a regular meeting of the Board of Commissioners on May 20, 2004, a resolution was adopted to commence the process of placing the issue on the ballot of the November 2, 2004 general election. It is our thought that this election will have the largest voter turnout and, therefore, reflect the decision of the largest number of our customers.

We realize the issue will be hotly debated, since we have been exposed to opinions both strongly for and against fluoridation. We are committed to this democratic process and will abide by its results.

Sincerely,
Your Board of Commissioners

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Mission Statement of Lakewood Water District

Lakewood Water District will provide its customers with water service that meets or exceeds all water quality standards, maintaining policies and practices that benefit the health and welfare of the community.

Information from the Environmental Protection Agency

Drinking water, including bottled water, may reasonably be expected to contain at least small amounts of some contaminants. The presence of contaminants does not necessarily indicate that water poses a health risk. More information about contaminants and potential health effects can be obtained by calling the Environmental Protection Agency's Safe Drinking Water Hotline (800-426-4791).

Some people may be more vulnerable to contaminants in drinking water than the general population. Immuno-compromised persons such as persons with cancer undergoing chemotherapy, persons who have undergone organ transplants, people with HIV/AIDS or other immune system disorders, some elderly, and infants can be particularly at risk from infections. These people should seek advice about drinking water from their healthcare providers. EPA/CDC guidelines on appropriate means to lessen the risk of infections by cryptosporidium and microbial contaminants are available from the Safe Drinking Water Hotline (800-426-4791).

How We Monitor Your Water Quality

Lakewood Water District staff takes great care to monitor the quality of your water to ensure you have the safest, cleanest possible water supply. We follow regulations of the Washington State Department of Health under the Safe Drinking Water Act. Each week, we conduct tests of the water at the source and during the treatment and distribution processes.

The table in this report shows the few compounds detected in the water, along with their detection levels and typical sources. Samples are taken and tested both at our own facility and at independent, state-certified testing laboratories.

Because our source water is underground aquifers, and therefore considered at a low level for possible contaminants, some testing parameters have reduced monitoring requirements. The levels indicated in the following chart are for the 2002 calendar year. If a level was not tested in 2002, levels indicated are for the most recent testing period.

Daily Water Testing

Lakewood Water District tests for many contaminants not listed in our regular water quality testing program. Most of the tests show no detectable levels. A complete list of those items for which we test, but which are undetected, is available at the District office.

Arsenic in Your Drinking Water

Your drinking water currently meets EPA's revised drinking water standard for arsenic. However, it does contain very low levels of arsenic. There is a small chance that some people who drink water containing low levels of arsenic for many years could develop circulatory disease, cancer, or other health problems.

Most types of cancer and circulatory diseases are due to factors other than exposure to arsenic. EPA's standard balances the current understanding of arsenic's health effects against the costs of removing arsenic from drinking water.

Lead and Copper in Drinking Water

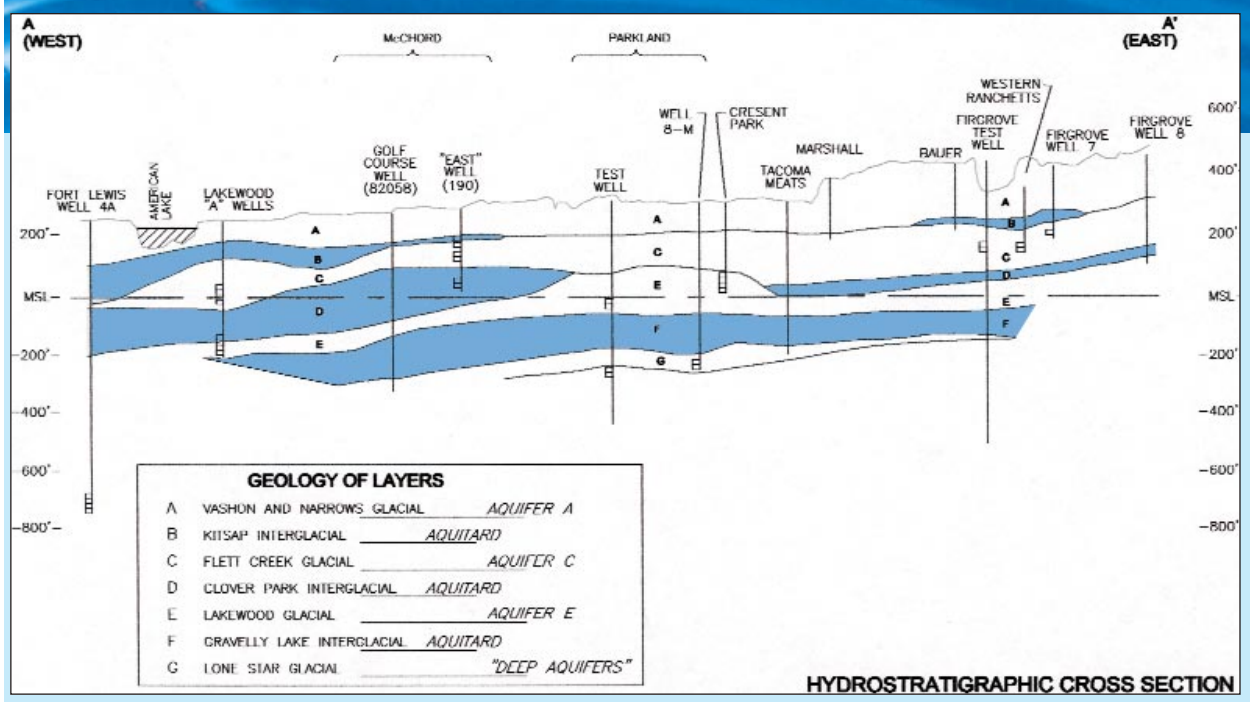
Lakewood Water District water meets or exceeds all governmental standards regarding lead and copper in drinking water.

The government requires that we test for these elements because significant levels can pose health risks. Infants and children who drink water containing lead in excess of the action level could experience delays in their physical or mental development. Children could show slight deficits in attention span and learning abilities. Adults who drink this water over many years could develop kidney problems, high blood pressure, or may be at an increased risk of getting cancer.

The primary sources for potential lead and copper in drinking water are homes built or replumbed with copper pipes prior to 1985, when lead-based solder was banned. If your home or building is "high risk," you may want to flush water that has been standing for six hours or longer, prior to using it for cooking or drinking.

Many people flush until they notice the temperature change—usually less than 30 seconds. Use water-wise practices, though, and use that flushed water for watering plants or washing dishes. You should never use HOT water for cooking or drinking, or making baby formula, because hot water can dissolve metals faster.

If your home does not meet the Environmental Protection Agency's "high risk" criteria, you may still be at some risk from lead leaching from brass faucets. You only need to run 6-8 ounces of water to flush what is inside the faucet.



HYDROSTRATIGRAPHIC CROSS SECTION

Lakewood Water at The Source

Underground aquifers are the primary source of water in Lakewood Water District. This means that the water you drink is pumped from a series of wells to your home or business via the District's system of pipes and pumps. Currently, Lakewood Water District operates with 31 wells to serve our customers.

The adjacent map shows a view of our service area and an outline of the aquifers from which we draw water.

Since our water comes from underground aquifers, protection of our "wellheads" is very important. Protecting our wellheads means we work hard to secure the integrity of our wells, including keeping them clean and in excellent running condition and not allowing discharge or placement of unhealthy materials into the ground through drainage systems. We also ask our customers to be careful to dispose of hazardous wastes properly so they do not seep into groundwater.

Wellhead protection includes working in concert with the city, county, Department of Ecology, and Department of Transportation to ensure we have response and mitigation plans in place to deal with any hazardous material spill which could affect water quality. We must all take care to protect our water source to ensure that our water supply continues to serve us well.

Lake and Stream Monitoring

Many lakes in Lakewood Water District's service area have been identified as surface expressions of the area's groundwater aquifers. However, few had ever been systematically measured. To better understand lake response to regional precipitation and interpret shallow aquifer response to lake water level changes, it was necessary to develop a long-term understanding of the changes in lake levels.

In particular, the District hoped to identify means of using the lake level responses to help properly manage its shallow groundwater withdrawals. To accomplish this, a series of gages were installed on fie local lakes and two streams. Robinson, Noble & Saltbush (environmental geologists) collected monthly water level measurements from 1999 through 2001 when monitoring was taken over by district personnel and citizen volunteers (in cooperation with the Pierce County Stream Team).

In addition, Lakewood Water district has been working in cooperation with the Tacoma-Pierce County Health Department's long-term groundwater monitoring program for the last seven years. The district uses the generated data as part of its aquifer management program and as a regional data source for watershed planning.

< Taking a Stream Level at Ponce de Leon Creek

For More Information on Water Quality:

If you would like to learn more about our water, or have questions regarding water quality or what you can do to help keep our water supply clean and safe, please feel free to contact us at Lakewood Water District, or any of the following organizations:

Lakewood Water District
P.O. Box 99729
Lakewood, WA 98499-0729
(253) 588-4423

Randall M. Black,
General Manager

E-mail:
rmblack@lakewood-water-dist.org

Washington State Department of Health (WDOH) Web site:
www.doh.wa.gov/ehp/dw

Environmental Protection Agency (EPA)
Web site:
www.epa.gov/safewater

Safe Drinking Water Hotline:
1-800-426-4791

Safe Drinking Water E-mail:
hotline-sdwa@epa.gov

Capital and R&R Projects for 2004

Security Improvements. The Lakewood Water District has recently completed its Vulnerability and Risk Assessment as well as Emergency Response Plan documents. From those documents, the District was able to prioritize and determine the highest risk facilities as determined through the evaluation. The Board of Commissioners approved a phased approach to the program and has authorized the District to spend $200,000 in 2004 on improvements to detect and prohibit trespassers in and around District facilities. Some of these improvements have already been initiated by District personnel, while other portions of the security improvements will be contracted out through the public bidding process.

Monitoring Filter System in New Filtration Plant

Completion of the Manganese and Iron Filtration Plants. The District recently completed its fourth and last iron and manganese filtration system at the Country Place well site. The District anticipates the four plants will significantly reduce the amount of flushing the District has previously been required to do for operation and maintenance. All the District's plants came in under budget and within the guidelines of the Department of Health. With some of these plants in operation for the last couple of years, the District has already seen an improvement in the maintenance and operation of the facilities and water quality.

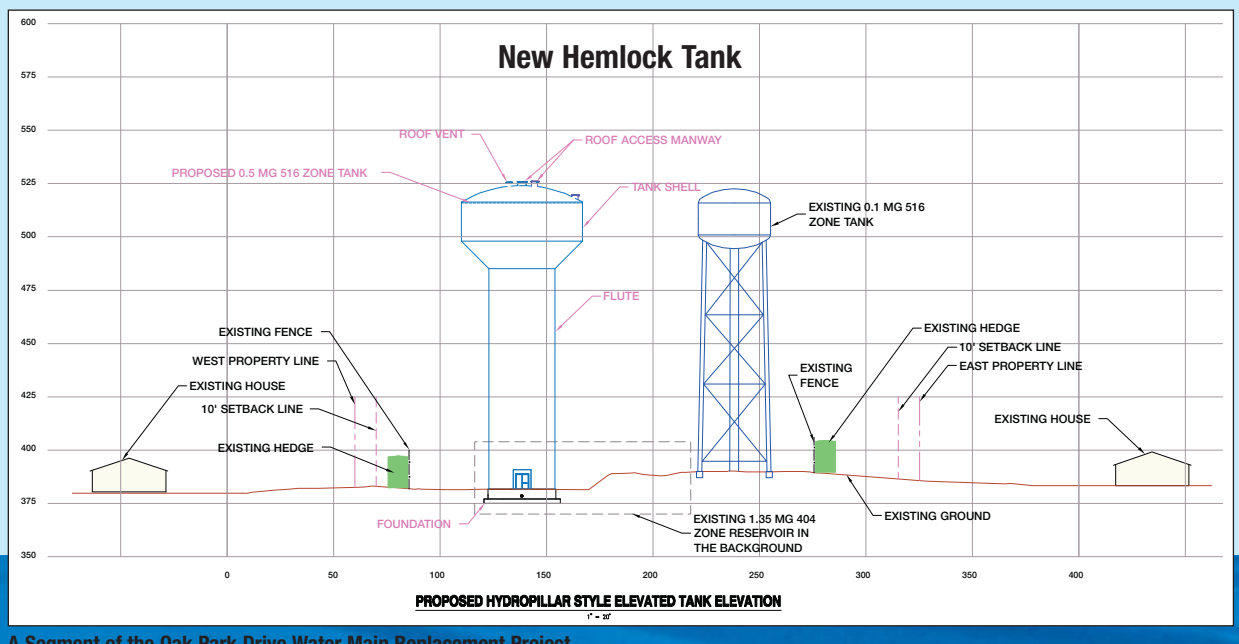
Pressure Upgrades. In 2004, the District will begin a five-phase approach to water main pressure upgrades. Phase I will occur in the northeast part of the District's service area to provide pressure improvements in that vicinity. It is anticipated all phases will be completed by 2008 year-end.

Capital Improvement Projects for 2004. These projects will include the installation of a new half-million-gallon water tank at Hemlock Hill to improve the water availability to meet peak demands as well as provide additional water for fire flow. The current tank at this site is only a 100,000-gallon tank and needs to be refilled approximately every two hours in the summertime. It is anticipated the new tank will only need to be refilled about every six hours and will need to be filled subsequently fewer times in the wintertime when the peak demand is lower. This will be a real improvement for our customers in the Hemlock Hill area who are in the high-pressure zone.

Shop Remodel and Expansion. The District will be proceeding with its facility remodel for our field staff. The current building housing our staff is over 40 years old and needs expansion and improvements to accommodate our present-day work force. The remodel is anticipated to begin in the fall of 2004.

The Oak Park Drive R&R project was completed in the fall/winter of 2003. Pape & Sons was the contractor awarded the project at approximately $270,750. This contractor has completed previous R&R projects for the District and each time has done an excellent job. This current project consisted of a couple of neighborhoods on the east and west sides of Bridgeport Way. Streets included in the project were Oak Park Drive, Oak Park Circle, Seeley Lake Drive, and Crescent Circle. The District replaced old 4-inch water mains and 1-inch galvanized water service pipes with 8-inch and 6-inch ductile iron water main and 1-inch 200 psi poly water service pipe. Five fire hydrants were also replaced.

R&R Projects from 2004-2009 North of American Lake. From 2004 through 2009, the District is planning to focus on the area located north of American Lake bounded by Gravelly Lake Drive SW to the east, Edgewood Drive to the west, Veterans Drive to the north, and American Lake to the south. The District plans to spend $3,335,000 on these R&R projects through 2008.



A Segment of the Oak Park Drive Water Main Replacement Project

LAKEWOOD WATER DISTRICT
BALANCE SHEET
YEAR ENDED DECEMBER 31, 2003
(unaudited)

ASSETS

Utility Plant in Service	46,677,706
Accumulated Depreciation	(15,601,309)
Net Utility Plant	31,076,397

CURRENT ASSETS

Cash	6,264,386
Investments	4,865,000
Accounts Receivable	209,421
Materials Inventory	82,791
Pre-Payments	206,303
Interest Receivable	63,852
Total Current Assets	11,691,753
Deferred Debits	441,670
Total Assets	$43,209,820

LIABILITIES & EQUITY

Unappropriated Retained Earnings	14,614,015

CURRENT LIABILITIES

Accounts Payable	128,583
Customer Deposit Payable	124,415
Accrued Liabilities	94,966
Total Current Liabilities	347,964
Deferred Credits	4,917
Bonds Payable	12,151,697
Contributions in Aid of Construction	16,091,227
TOTAL LIABILITIES & EQUITY	$43,209,820

Results of State Audit

The State Auditor's Office has concluded the District's 2002 audit. The yearly audit includes financial and compliance tests, reviewing high-risk areas, state and local compliance, and financial statements. The auditors have cited no deficiencies in this year's audit, and the District is proud of its history of clean reviews. Our elected Commissioners and District management continue to guide the District in maintaining our financial stability so we can continue to serve you effectively.

New Customer Numbers on Water Bills

The District has implemented new Utility Billing software to better serve the District and its customers. As of March 1, 2004, your billings have reflected a new customer number. If you have not yet done so, please make a note of your new number for future reference to your account, and if you utilize on-line banking to pay your water bill, please notify your financial institution of your new account number. Your bills also now include a graph reflecting your annual consumption. If you have any questions about your new bill, please call our Customer Service staff at 588-4423.

Automatic Bill Payment

If you are looking for a convenient way to pay your water bill, the Lakewood Water District is accepting applications for our Automatic Bill Payment Service. We are pleased to announce we are now servicing over 1,000 customers in the District with this program. If you would like to sign up for the Automatic Bill Payment Service, either contact the District Office at 588-4423 or you can obtain an application form at the Lakewood District web site: www.lakewood-water-dist.org.

Lakewood Water District on the Web

For those of you with Internet access, we invite you to visit the District's Web site at www.lakewood-water-dist.org. We offer a variety of information online, including tips on wise water use, answers to many of your questions, rates, current legislative issues that may impact the District, and copies of our recent newsletters. We also have our automatic payment (EFT) form available for customers, so you may sign-up for this easy payment method.

In addition, the Web site includes information on employment opportunities with the District and an employment application form can be downloaded. We regularly update information on the site, and we encourage you to visit us or contact us through the Web if you have questions or concerns.

Need Extra Copies of the Lakewood 2003 Water Quality and Annual Report?

If you would like extra copies of the Lakewood Water District 2003 Water Quality and Annual Report for your office, multifamily residence, library or organization, please call the District office at 253-588-4423.

Comparison of Lakewood Water District Rates with Surrounding Utilities "Two Month Billings of Residential Costs for Water as of May 10, 2004"

Company Name	Min Svc Chg "for 5/8"" meter"	Cost per 100 Cu Ft	Total Charge For 1500 Cu Ft
Lakewood Water District	**$0.00**	**0-800 cu ft = $12.65 (Base Rate) 800-2000 cu ft @ $.65 Over 2000 cu ft @ $.87**	**700 @ $.65 = $4.55 Base Rate = $12.65 Total = $17.20**
Parkland (531-5666)	$13.00	$.65 per 100 cu ft	1500 @ $.65 = $9.75 Svc. Chg. = $13.00 Total = $22.75
Tacoma (Inside City) (383-9600)	$21.90	$.894 per 100 cu ft except June thru Sept. when all water used over 500 cu ft is charged @ $1.118	WINTER: 1500 @ $.894 = $13.41 Svc. Chg. = $21.90 Total = $35.31 SUMMER: 500 @ $.894 = $4.47 1000 @ $1.118 = $11.18 Svc. Chg. = $21.90 Total = $37.55
Dupont (964-8121) Ext. # 385	$0.00	0-1000 cu ft = $32.00 (Base Rate) Over 1000 cu ft @ $1.12	500 @ $1.12 = $5.60 Base Rate = $32.00 Total = $37.60
Spanaway (531-9024)	$20.50 (base rate of $13 + EPA charge of $3.50 + capital projects fee of $4)	0-500 cu ft @ $.55 501-1500 cu ft @ $.75 1501-2500 cu ft @ $.95 2501-4000 @ $1.20 4001-7500 @ $1.30 7501 and over @ $1.50	500 @ $.55 = $2.75 1000 @ $.75 = $7.50 Svc. Chg. = $20.50 Total = $30.75
Tacoma (Outside City) (383-9600)	$26.28	$1.074 per 100 cu ft except June thru Sept. where all water used over 500 cu ft is charged @ $1.343	WINTER: 1500 @ $1.074 = $16.11 Svc. Chg. = $26.28 Total = $43.39 SUMMER: 500 @ $1.074 = $5.37 1000 @ $1.343 = $13.43 Svc. Chg. = $26.28 Total = $45.08
Steilacoom (581-1900)	$15.32	$2.11 per 100 cu ft	1500 @ $2.11 = $31.65 Svc. Chg. = $15.32 Total = $46.97

LAKEWOOD WATER DISTRICT
P.O. Box 99729
Lakewood, WA 98499-0729

Regulated and Unregulated Contaminants Monitoring Data Tables

The table to the left reflects the maximum allowed levels of certain contaminants, and the levels experienced in Lakewood Water District.

SUBSTANCE	MCL	HIGHEST LEVEL DETECTED	MCLG	TYPICAL SOURCES	DETECTED RANGE
Samples 2003					
Nitrates	10 ppm	2.2 ppm	10 ppm	Erosion of natural deposits	Less than .2 – 2.2 ppm
Total Trihalomethane Potentials T.H.M.P.	80 ppb	64.4 ppb	0	Disinfection Interaction	62.3 – 64.4 ppb
Coliform	2003	No detections			No detections

The items listed above were sampled for/detected in Lakewood Water District's water during 2003. Not listed are the 62 volatile organic chemicals and 81 synthetic organic chemicals including herbicides and pesticides that we tested for, which were not detected.

As noted in the chart above, all of the elements for which we test either met or exceeded federal and state standards. A complete Source Water Assessment card is available at the District office. All substances that have been tested for and found to have a positive detection in the last 5 years are included in the report.

Samples Last 5 Years					
Arsenic (2002)	50 ppb	7 ppb	None	Erosion of natural deposits	Less than 6 ppb – 7 ppb
Lead	15 ppb	Less than .2 ppb	0	Household Plumbing	All samples were under .2 ppb
Copper	1.3 ppm	.38 ppm	1.3 ppm	Household Plumbing	.2 – .38 ppm
Chloroform	Not regulated	.8 ppb	Not regulated		ND – .8 ppb
Perchlorate	Not regulated	6 ug/L	Not regulated		ND – 6 ug/L
Asbestos					Taken in 2002 with no structures detected

Our testing schedule is as follows:

Nitrate: Annually

Radionuclides: Every 4 years. Last done in 2000, with no violation. Completed initial requirements.

Trihalomethane Potentials (for ground water): Annually

Lead & Copper: Every 3 years at residential water tap. Due again in 2005.

Coliform: 70 samples a month.

E. Coli: 70 samples a month.

Arsenic: Scheduled samples were taken in 2001. All were under the current MCL level of 50 ppb and the proposed MCL of 10 ppb. In 2000, Lakewood Water District also took the initiative to test lower than the proposed EPA level of 10 ppb. All samples were under 5 ppb, except one sample at 7 ppb. Due in 2004

Asbestos: Every 3 years. Due again in 2005.

Volatile Organic Chemicals: Due again in 2005.

***Inorganics:** Tested 2001. No violations. Due 2004.

*The EPA and State offered Lakewood Water District and other qualified water systems an inorganic monitoring waiver for the 2002 – 2004 monitoring period. The waiver is based on source susceptibility, water quality history, and that such a waiver would not result in an unreasonable risk to health. Lakewood Water District chose not to request the waiver. We feel the information we receive from the tests helps to ensure the quality of water in our District.

Definitions:

MCLG: (Maximum Contaminant Level Goal) The level of a contaminant in drinking water below which there is no known or expected risk to health. MCLGs allow for a margin of safety.

MCL: (Maximum Contaminant Level) The highest level of a contaminant that is allowed in drinking water. MCLs are set as close to the MCLGs as feasible using the best available treatment technology.

Treatment Technique: "A required process intended to reduce the level of a contaminant in drinking water."

AL: (Action Level) The concentration of a contaminant which triggers treatment or other requirement which a water system must follow.

ND: Not Detected

NA: Not Applicable

ppm: parts per million, or milligrams per liter (mg/l)

ppb: parts per billion, or micrograms per liter (ug/l)

1 mg/L = 1000 ug/L

For aqueous (water) samples:

1 mg/L= 1 part per million (ppm)

1 ug/L = 1 part per billion (ppb)

ug = micrograms