



Our Water...

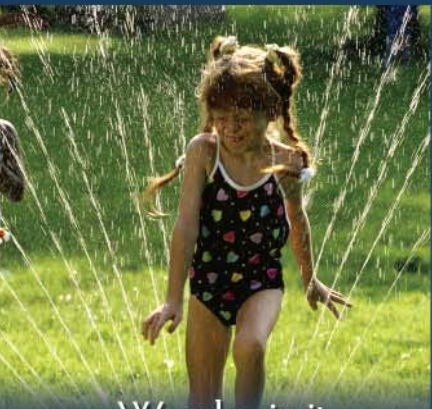
We admire it



We use it



We value & protect it



We play in it...



Lakewood Water District  
Water Quality and  
Annual Business Report  
2007



## A Message From Your Board of Commissioners

Dear Lakewood Water District Customers:

It's been said that the more things change, the more they stay the same. The Mariners change rosters every year but still manage to be mired in mediocrity; the pages on the calendar change every four weeks or so, and yet the clouds still remain; and improvements and changes are made annually at your friendly water District, but our goal of quality customer service remains the same. So what changes have occurred over the past 12 months that are worth boasting about and how will they affect you, the customer? We're glad you asked.

What do Costco, Sam's Club, and now Lakewood Water District all have in common? All are in the wholesale business. Wholesale water, you ask? What does that entail? We recognize that Lakewood is expanding, and of course more people means more showers to take, lawns to water, and glasses to fill with good, clean water. In preparation for this, we have been busy securing available water rights over the past few years. While this will ensure more than an abundant supply for our customers—now and for the future—it has also made it possible to send water to our neighboring water companies to offset shortages they may be facing. Of course, when we say "send" we mean "sell" which brings us to the part that is beneficial for you, our customer. By offering this wholesale water to others that would otherwise be sitting in aquifers hundreds of feet underground, we are able to generate revenue that helps us adequately maintain our infrastructure, buy new equipment, keep our staff fully trained, and—you're going to love this one—keep future rate increases to a minimum. So while our return policy may not be as liberal as Costco's, our expansion into the wholesale water business is advantageous to all involved.

Another change, although not as physically imposing as building miles of new water main to surrounding areas, was to make the menial process of paying your water bill more convenient. As it seems the entire world is wired to the Internet these days, we took the necessary steps to add online bill pay to our website. We encourage all to look

into this method of payment as the convenience and savings in time, natural resources, and postage costs truly make it a valuable resource for our customers. And while you're there, you can take advantage of other online services, such as checking your account information or consumption, or registering a request for service or repair.



From left, John S. Korsmo Jr., W.W. Philip, and L.R. Ghilarducci Jr.

This past year we have worked to fully comply with the new Water Use Efficiency Rule that took effect recently. While it may sound like a complex rule, it's basically a fancy way of telling us we need to account for all our water, whether it's the water we pump from our wells, the water we sell to our customers, or the water we flow

from our hydrants. While we have already done a good job in doing this over the years, we have made the necessary tweaks in our daily operations to ensure we are in complete compliance. So when you hear the catchy phrase "every drop counts," know that it's more than just a saying.

Our 65th Anniversary has come and gone, and we would like to thank all 150+ customers, vendors, dignitaries, past employees, and present staff who attended our Open House. For more details on that event, look for the related article in this report. 65 years is a long time to be doing one thing, and over the years, we as your District have certainly grown both in size and knowledge. We enjoy taking the time to keep our customers up to date on all the activities going on here at the District, including this Annual Report, where we can relay how we are improving our service to you. Continue to look for our quarterly newsletter, "The Pipeline," as it will provide you with all the current District news for the coming year.

In this ever-changing world, we know that water is a

valuable resource vital to all, and we are honored to be part of a District that has provided this community with safe, clean drinking water for the past 65 years. We look forward to many more years of doing the same. Remember what they say about the more things change.... Enjoy your summer.



Your Lakewood Water District staff at our 65th Anniversary Celebration.

*Serving the community for 65 years with*



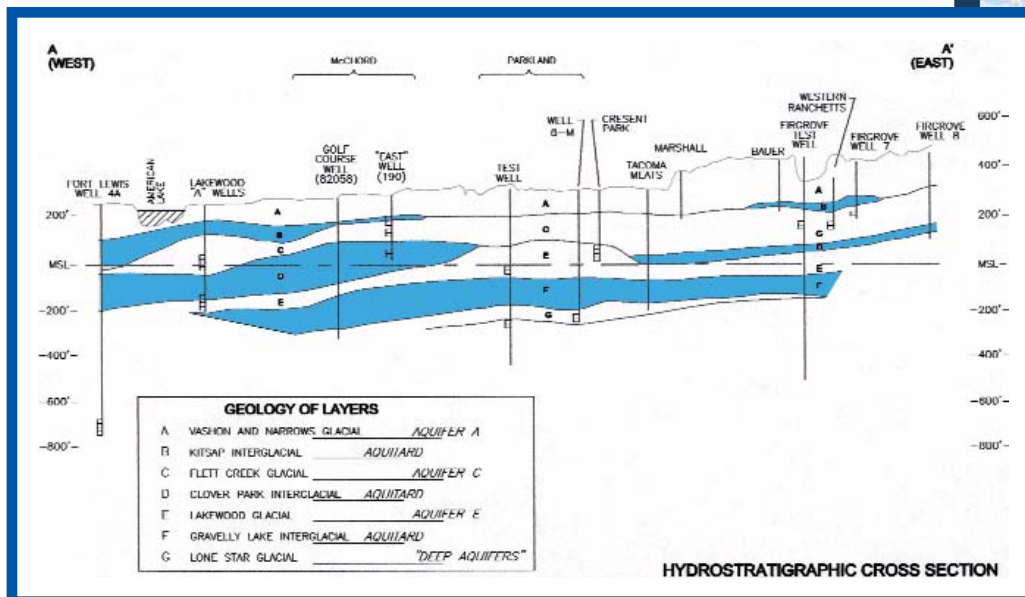
## Where Does Your Water Come From?

Your water comes from underground aquifers. This means the water from your taps is pumped from a series of 29 active wells to your home or business through over 250 miles of Lakewood Water District water main pipes. The graphic shows the location and depth of the aquifers from which we draw water to serve our customers.

Aquifers are essentially underground rivers, allowing water from glaciers, snow, and rain from Mt. Rainier and the foothills of the Cascades to flow to the Puget Sound, refreshing our water supply on a continual basis.

Because our water comes from underground aquifers, protection of our "wellheads" is very important. We work hard to secure the integrity of our wells, including keeping them clean and in excellent 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 properly dispose of hazardous wastes so they do not seep into the groundwater.

We work closely with the city, county, Department of Ecology, and Department of Transportation to ensure we have emergency response and mitigation plans in place to deal with any hazardous material spill that could affect water quality. It takes all of us to protect our water source to ensure that our water supply continues to serve us well.



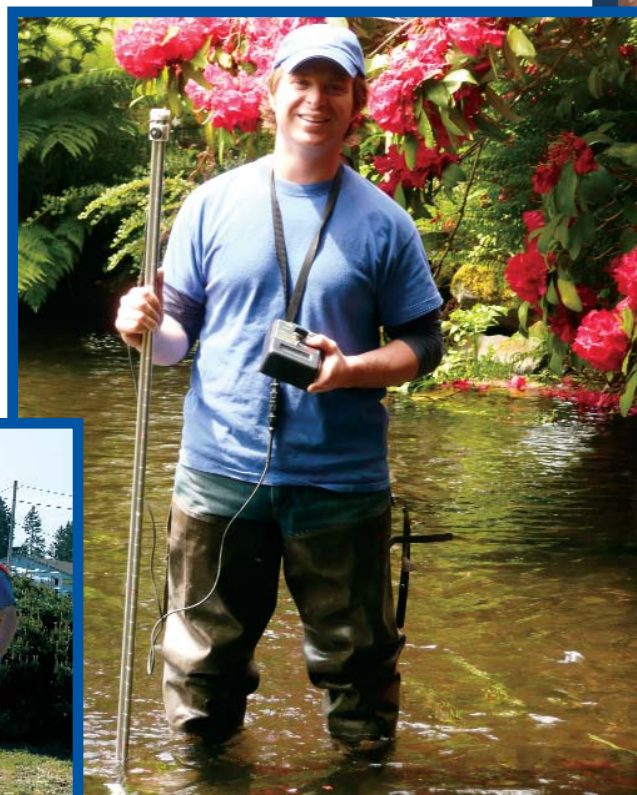
## Monitoring Our Lakes and Streams

Lakewood Water District continually monitors the lakes and streams in our service area as many of our lakes have been identified as surface expressions of the area's groundwater aquifers. To better understand lake response to regional precipitation and interpret shallow aquifer response to lake water level changes, we use a series of gauges installed on five local lakes and two streams.

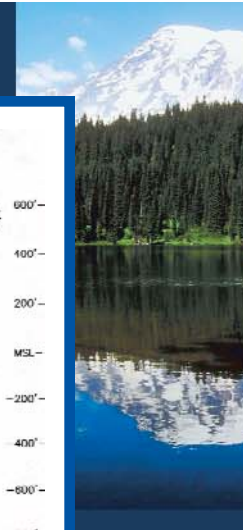
Lakewood Water District staff members collect monthly water level measurements in cooperation with the Pierce County Stream Team. In addition, the District works in cooperation with the Tacoma-Pierce County Health Department's long-term groundwater monitoring program. The District uses the generated data as part of our aquifer management program and as a regional data source for short- and long-term watershed planning.



Hydrant maintenance.



Monitoring Ponce deLeon Creek.





## Water Main Projects Completed

### Rivendale Development

8800 Block of 104th St. SW  
920 feet of 8-inch water main  
2 fire hydrants, 5 main valves were installed

### Water Main Extension

90th Ave./108th St. to Butte Dr.  
201 feet of 6-inch water main, and  
347 feet of 8-inch water main  
1 hydrant, 3 main valves installed

### Alexander Property

100th St. SW/Farwest Dr.  
1,072 feet of 8-inch water main  
1 hydrant, 3 main vales installed

### McDonald Duplex

10721 McDonald Rd.  
195 feet of 8-inch water main  
1 hydrant, 2 main valves installed

### 8-inch Main Extension

Lexington St.  
222 feet of 8-inch water main  
1 mainvalve installed  
2814 Lexington Street Front Footage  
137 feet of 8-inch water main installed

### Kline Street 16-inch water main

111th St. SW/Kline St. SW  
1,431 feet of 16-inch water main  
2 hydrants, 8 main valves installed

### Water Main Replacement

Farwest Dr./108th St. S.W. to  
102nd Ave. Ct. SW  
143 feet of 6-inch water main  
29 feet of 4-inch water main  
2 main valves installed

### Chicago Ave. Phase I

Chicago Ave. SW  
439 feet of 8-inch water main  
1 hydrant, 3 main valves

### Chicago Ave. Phase II

331 feet of 6-inch water main  
1 hydrant, 2 main valves

## How We Keep Your Water Safe

Lakewood Water District works hard every day to provide you with the highest quality of water. We want you to have the safest, cleanest, best-tasting water possible. We follow the regulations of the Washington State Department of Health under the Safe Drinking Water Act.

Every week, we conduct tests of the water at its source and during the treatment and distribution processes.

Your water meets or exceeds all standards for safety. The chart across the page in this report shows the few compounds detected in the water, along with their detection levels and typical sources of those elements. Samples are taken on a regular basis and tested both at our own facilities and at independent, state-certified testing laboratories.

Because our water source is underground aquifers, and therefore considered at a low risk for possible contaminants, some testing parameters have reduced monitoring requirements. The chart includes how many samples are taken per year, the last year samples were taken, the results of those samples, and the next sample year.

Lakewood Water District tests for many possible 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.

## We Meet or Beat EPA Standards

### Lead and Copper Levels

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

The government requires that we test for these elements, because significant levels can pose health risks. Infants and children who drink water that contains lead in excess of the action level could experience delays in their physical or mental develop-

ment. 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 risk of getting cancer.

The primary sources for potential lead and copper in drinking water are homes built or re-plumbed 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 run their faucet 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, drinking, or making baby formula, because hot water can dissolve metals faster.



Flushing a nearby neighborhood street

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.

### Low, Natural Levels of Arsenic

Your drinking water meets the EPA's drinking water standard for arsenic. It does contain a very low level of arsenic, but this naturally occurs as a result of runoff from natural deposits. 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 disease are due to factors other than exposure to arsenic. The EPA's standard balances the current understanding of arsenic's health effect against the costs of removing arsenic from drinking water.



"Were here to serve you."

## Water Quality Monitoring Results

The table below reflects the maximum allowed levels of certain contaminants and the levels experienced in Lakewood Water District. Not listed are 63 volatile organic chemicals that we tested for, all resulting in either Not Detected (ND) or well below the MCL. Your water meets or exceeds all federal, state, and local quality standards, ensuring that you enjoy safe, clean water.

Sample Type	Samples Taken per Year	Last Sample Year	Next Sample Year	MCL (maximum level allowed)	Highest Level Detected	Detected Range	Number of Samples MCL	MCLG	Typical Sources
<b>Arsenic</b>	22 every 3 yrs	2007	2010	10 ppb	<6 ppb	<2 ppb -<6 ppb	0		Erosion of natural deposits
<b>Asbestos</b>	3 every 3 yrs	2006	2009			No structures detected	0	0	Friable fibers
<b>Copper</b>	30 every 3 yrs	2005	2008	1.3 ppm AL	.26 AL	.03 - .26 AL	0	1.3ppm AL	Household plumbing
<b>Fecal Coliform</b>	840 per yr	2007	2008	0	ND	ND	0	0	Human and animal fecal waste
<b>Total Coliform</b>	840 per yr	2007	2008	<5% positive	ND	ND	0	0	Found throughout the environment
<b>Haloacetic Acids</b>	4 per yr	2007	2008	60 ppm	1.4 ppb	ND - 1.4 ppb	0	0	Byproduct of drinking water disinfection
<b>Lead</b>	30 every 3 yrs	2005	2008	15 ppb AL	.003 AL	<.002 - .003 AL	0	0	Household plumbing
<b>Nitrates</b>	22 per yr	2007	2008	10 ppm	2.9	<0.2 - 2.9	0	10 ppm	Erosion of natural deposits
<b>Total Trihalomethanes</b>	4 per yr	2007	2008	80ppm	1.7 ppb	0.6 - 1.7 ppb	0	0	Byproduct of drinking water disinfection

### Our testing resulted in no violations.

Due to the consistent high quality of water in the District, the Washington State Department of Health has awarded testing waivers for Synthetic Organic Chemicals. All of the elements for which we tested in 2006 either met or exceeded federal and state standards. Complete Source Water Assessment information is available at the District office.

## Important 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 at (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 at (800) 426-4791.

### 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

**pCi/L:** Pico Curie per Liter

**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



Water quality and water treatment team.

Hydrants and pipe in the yard ready to server you!



## District Projects 2007 – 2008

### Wholesale Transmission Main

The District continues to plan for constructing a wholesale water transmission main to supply needed water to other water purveyors in Pierce County. We anticipate construction this fall for this project. We are currently serving water to Summit Water & Supply Co. and the Town of Steilacoom, and we are moving forward toward entering into contracts with Spanaway Water Company and Rainier View Water Company. Other purveyors have also expressed interest in obtaining wholesale water from the District. This wholesale water transmission main has been designed and engineered to get the 24-inch water main to 121st Street & "A" Street in Parkland. From there, the other purveyors may construct water main to their respective locations.

### New Pressure Zone

The District is moving forward with a new pressure zone within our service area in the area east of the railroad track running through town and north of 108th Street SW. Most of this area has typically been a low pressure area in need of additional pressure. The new pressure zone has been engineered to provide 22 pounds of additional pressure to the area known as Sylvan Park. The additional pressure will increase the fireflow capacity in that area as well.

### Tillicum Water System Replacement Project

The Lakewood Water District will be replacing and upgrading the water main in the Tillicum area in conjunction with the City of Lakewood installing sanitary sewers in parts of American Lake Gardens and Tillicum. The District will replace water main in Portland Avenue between Thorne and Berkley Roads. Partnering with the City in the construction of both these projects will reduce costs for both entities. This collaboration between the District and the City will also reduce the impacts to our neighborhoods by coordinating the construction activities and minimizing water service interruptions. We are anticipating this project to begin this fall.

### Sound Transit Water Main

Earlier in 2008, we extended a 16-inch water main to the south end of Lakeview Drive. Construction is currently underway under the railroad tracks, extending the main over to Pacific Highway just north of the new Sound Transit Commuter Station to complete a water line loop. This will provide greater water volume to the area.

### Bore under I-5 to Springbrook

Demand for more water on the east side of Interstate 5 in the Bridgeport Way area has established a need for another water main to cross I-5. The location of the crossing has been identified, and the crossing has been engineered. The engineering has shown that a horizontal directional drill will be necessary 25 feet deep underneath I-5, for a length of approximately 600 feet. It is anticipated it will take about three months to complete this project. We are in the process of obtaining the various permits to proceed.

### Sound Transit Railroad Relocation

Sound Transit continues to move forward with its plans to bring rail commuter service to the Lakewood Station. In doing so, Sound Transit has identified areas within Lakewood that will have rail track relocation taking place to accommodate the commuter rail and Amtrack traffic. Sound Transit will be relocating the tracks to facilitate additional improvements to accommodate commuter and other traffic. Because of these improvements, the District will need to improve and protect our existing mains from vibrations from trains on the relocated tracks.

Our highly-trained service crew working hard, working safe.





# Lakewood Water District Balance Sheet

Year Ended December 31, 2007

(unaudited)

## ASSETS

<b>Total Net Utility Plant</b> .....	44,066,967
Cash.....	1,505,472
Temporary Cash Investments.....	8,225,000
Other Current Accrued Assets.....	1,056,905
<b>Total Current Assets</b> .....	10,787,377
Deferred Debits.....	452,290
<b>TOTAL ASSETS</b> .....	\$55,306,634

## LIABILITIES & EQUITY

Current Liabilities.....	1,210,960
Deferred Credits.....	4,917
Contributions in Aid of Construction .....	15,066,468
Bonds Payable.....	16,975,367
Unappropriated Retained Earnings.....	22,048,922
<b>TOTAL LIABILITIES &amp; EQUITY</b> .....	\$55,306,634

## Another Clean Audit

The State Auditor's Office has completed the District's 2006 audit. The annual audit includes a complete review of financial and compliance practices, reviewing high-risk areas, how the District meets state and local regulations, and our financial statements.



Your accounting staff.

The auditors cited no deficiencies for the 12th year in a row, complimenting the District on its strong financial policies, precise accounting practices, and competent and cooperative staff. The District is proud of its history of consistently clean audits.

Your elected Commissioners, District management, and staff work diligently to guide the District in maintaining our financial stability so we can continue to serve you effectively.

## Celebrating 65 Years of Service

The year was 1943. Computers and all the other technology we rely on today were not on the horizon. But while technology, regional growth, and gasoline prices have all changed dramatically, Lakewood Water District's commitment to providing the highest quality water and customer service has not changed since your water district began pumping water to the community in 1943.



This year, we celebrated 65 years of service to the Lakewood community. When we began in 1943, Lakewood Water District served 7,900 customers with 4 wells and 3 tanks. Today, your water district serves over 75,000 customers through 29 active wells, 13 tanks, and a total possible storage capacity of 26 million gallons. We're proud of the fact that in the last 65 years, our customers have had only 9 rate increases.

Lakewood Water District's commitment to service includes not only a dedication to maintaining the lowest rates possible, but also to maintaining high quality service, upgrading the system when needed to provide our customers with water that is as pure and safe as possible, filtering out minerals that taste bad, and monitoring the water system at least weekly to ensure a safe, secure water supply. The District continually monitors water pressure to ensure appropriate fireflow, and works hard to make sure you have convenient ways to contact District staff, pay your

water bills, and find the information you need.

No one knows for sure what the future holds, but one thing you can count on.....your Lakewood Water District will continue its commitment to serving the community with dedication and quality customer service.

Thank you for letting us serve you.



Our District office in the 1950's.

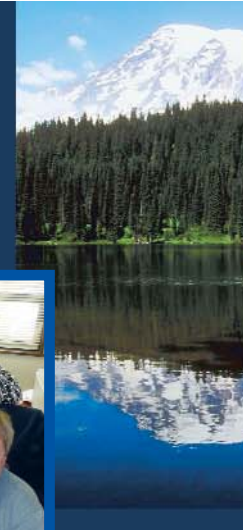


An employee (and customer) and his family enjoy the June 3rd Open House.



Past employees, shown here, joined Lakewood Water District customers, vendors, and local dignitaries to celebrated our 65th Anniversary with an open house on June 3.

dedication and quality customer service.



*Serving the community for 65 years with dedication and quality customer service.*

**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  
11900 Gravelly Lake Drive SW  
Lakewood, WA 98496-0729  
(253) 588-4423  
Randall M. Black, General Manager  
E-mail: [rblack@lakewood-water-dist.org](mailto:rblack@lakewood-water-dist.org)

**Washington State Department of Health (WDOH) Web site:**

[www.doh.wa.gov/ehp/dw](http://www.doh.wa.gov/ehp/dw)

**Environmental Protection Agency (EPA) Web site**

[www.epa.gov/safewater](http://www.epa.gov/safewater)

**Safe Drinking Water Hotline:**

1-800-426-4791

**Safe Drinking Water E-mail:**

[hotline-sdwa@epa.gov](mailto:hotline-sdwa@epa.gov)

**Need More Copies of the Lakewood Water Quality and Annual Report?**

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



**Meter reading,  
Mapping,  
Computer  
Support, and  
Locating.**

**Comparison of Lakewood Water District Rates with Surrounding Utilities  
Two-Month Billings of Residential Costs for Water as of May 15, 2008**

Company Name	Min Svc Chg for 5/8" meter	Cost per 100 Cu Ft	Total Charge For 1500 Cu Ft
<b>Lakewood Water District (588-4423)</b>	<b>\$15.17 base rate 0-800 cu ft</b>	<b>0-800 cu ft = \$15.17 (Base Rate) 801-2000 cu ft @ \$.77 Over 2000 cu ft @ \$1.04</b>	<b>700 @ \$.77 = \$5.39 Base Rate = \$15.17 Total = \$20.56</b>
<b>DuPont (964-8121) Ext. # 385</b>	\$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
<b>Parkland Light &amp; Water (531-5666)</b>	\$15.60 \$4 cap fee	0-6000 cu ft @ \$.78 6001 - 10,000 cu ft @ \$.85 10,001 - 15,000 cu ft @ \$.95 Over 15,000 @ \$1.05	1500 @ \$.78 = \$11.70 Svc. Chg. = \$15.60 \$4 cap fee (\$2/month) Total = \$31.30
<b>Spanaway Water Co. (531-9024)</b>	\$24.50 (base rate of \$14.00 + EPA charge of \$4.00 + capital projects fee of \$6.50)	0-500 cu ft @ \$.60 501-1500 cu ft @ \$.85 1501-2500 cu ft @ \$1.05 2501-4000 @ \$1.35 4001-7500 @ \$1.75 7501 and over @ \$2.00	500 @ \$.60 = \$3.00 1000 @ \$.85 = \$8.50 Svc. Chg. = \$24.50 Total = \$36.00
<b>Steilacoom (581-1912)</b>	\$30.64	\$2.11 per 100 cu ft	1500 @ \$2.11 = \$31.65 Svc. Chg. = \$30.64 Total = \$62.29
<b>Summit Water &amp; Supply Co. (537-7781)</b>	\$40.74	0-4000 cu ft @ \$1.22 4001-6000 cu ft @ \$1.94 Over 6000 cu ft @ \$2.42	1500 @ \$1.22 = \$18.30 Svc. Chg. = \$40.74 Total = \$59.04
<b>Tacoma Water (Inside City) (383-9600)</b>	\$29.46	\$1.202 per 100 cu ft except June thru Sept., when all water used over 500 cu ft is charged @ \$1.503	WINTER: 1500 @ \$1.202 = \$18.03 Svc. Chg. = \$29.46 Total = \$47.49  SUMMER: 500 @ \$1.202 = \$6.01 1000 @ \$1.503 = \$15.03 Svc. Chg. = \$29.46 Total = \$50.50
<b>Tacoma Water (Outside City) (383-9600)</b>	\$35.36	\$1.442 per 100 cu ft except June thru Sept., when all water used over 500 cu ft is charged @ \$1.83	WINTER: 1500 @ \$1.442 = \$21.63 Svc. Chg. = \$35.36 Total = \$56.99  SUMMER: 500 @ \$1.442 = \$7.21 1000 @ \$1.83 = \$18.30 Svc. Chg. = \$35.36 Total = \$60.87



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Lakewood, WA 98496-0729

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