



LAKEHAVEN UTILITY DISTRICT

31627 1st Ave. S. | PO Box 4249 | Federal Way, WA 98063-4249
Federal Way: 253-941-1516, Tacoma: 253-927-2922 | www.lakehaven.org

September - October 2003

Commissioner's Corner

Dick Mayer



As the summer of 2003 gradually turns to fall, we feel very fortunate to have endured one of the driest, hottest seasons on record with an ample supply of water to meet the needs of our residential and business customers. Despite record pumping during the month of July (see more on the record summer in this newsletter) and the loss of a key well during this period to a malfunctioning pumping system, the District was able to keep the water flowing without restrictions on water use. Your collective efforts to use water wisely and the availability of water through our system "intertie" with the City of Tacoma were significant factors allowing us to avoid restrictions on irrigation requested by a number of other water utilities in the Puget Sound area.

On the administrative side, we are also very pleased to have recently completed our Department of Revenue tax audit for the years 1997-2001. Rather than pay additional taxes of nearly eighty five thousand dollars (\$85,000.00) for this period, as the Department initially requested, we were able to emerge from the audit with a check of over forty five thousand dollars (\$45,000.00) from the State of Washington.

The focus of our efforts in recovering this money was on reducing the percentage of the sewer piping system which is allocated to "collection" rather than transmission. Under the tax regulations applicable to sewer utilities, the revenues obtained from the operation of the "collection" system are taxed at a higher public utility tax rate than revenues from "transmission and treatment", which are taxed under the business & occupation tax rate. For many years, the Department interpreted its rules to limit a utilities' allocation of the portion of its sewerage system to "transmission" facilities, to those mains to which no other lines were connected. The practical effect of this was that only a small portion of the last sewer line leading into the treatment plants could be characterized as a transmission facility.

While our audit was being conducted, the Supreme Court of Washington decided the case of City of Spokane v. The Department of Revenue. In this case, the Court found that the Department was obligated to use the definition of "sewerage collection" accepted in the industry. Rather than allow the Department to retain its broader definition of "collection" in this context, the Court agreed with the City of Spokane that lines are collecting sewer only to the point of common conveyance with other collection lines. Thereafter, the lines are engaged in the "transmission" of sewage flows. With this definition in hand, we were able to demonstrate that our system is approximately 94% "transmission and treatment" and only 6% "collection". The result is a nearly \$130,000.00 savings to the District on the current bill and lower tax bills applicable to future years.

The money we save on taxes can be used in our Capital Improvement Program to fund the construction of future improvements to the sewer system. We wish to thank the staff and the Department of Revenue auditors for their willingness to work with staff and our Board's Finance Committee to resolve the tax audit in a manner consistent with the City of Spokane decision.

Leonard D. Englund
Commissioner

Charles I. Gibson
Commissioner

Timothy A. McClain
Commissioner

Donald L.P. Miller
Commissioner

Ronald E. Nowicki
Commissioner



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LEGISLATIVE UPDATE

Although there are still quite a few pages left on the 2003 calendar, the 2004 Legislative Session is rapidly approaching and the District's Legislative Committee is working on a draft 2004 Legislative Agenda. A draft agenda is typically submitted to the Board of Commissioners in the fall, for review and discussion, before a final agenda is adopted by the Board as a description of the District's legislative program for the upcoming legislative session.

The Legislative Committee is chaired by Commissioner Bev Tweddle and includes Commissioner Tom Jovanovich, District Lobbyist Phil Watkins and General Counsel Steve Pritchett. If you have any questions, comments or suggestions for the Committee, you can contact Commissioner Tweddle at 253-927-2832.

STATUS OF LOCAL AQUIFERS

Record amounts of water have been delivered as a result of the unseasonably dry summer weather this year. In June an average of 16.33 million gallons per day (mgd) was produced compared to the previous June record of 14.15 mgd set last year. This July's water production rate of 20.21 mgd broke the 1994 July record of 16.97 mgd and the all time high water month record of 17.31 set in August of 1998. Current August demands will also challenge the 1998 record, but should end up below the new mark set this July. As a result of both weather and higher demands, the groundwater levels in aquifers are expected to finish the year below last year's levels. However the water levels remain higher than the lowest levels experienced in 1995. Our largest aquifer, known as the Redondo-Milton Channel Aquifer, is about two feet below last year at this time. The Mirror Lake Aquifer has been used more extensively to meet the higher demands and is about 6 feet below last year's summer level. The Federal Way Deep Aquifer is currently about two feet above last year's levels, but will be used more in the later part of this year to relieve the upper Redondo-Milton Channel Aquifer. Lakehaven has also placed more reliance on three small pocket aquifers that are part of the Eastern Upland Aquifers system located East of Interstate 5 after adding iron and manganese removal systems to two of the three wells this spring. These three wells and the purchase of some water from the City of Tacoma have helped to minimize the declines in our larger aquifer and keep the District in shape for the future.

TIP OF THE WEEK

Always use vacuum breaker-style backflow preventers built in or installed separately when using garden hose style pesticide applicators. Using a vacuum breaker prevents the pesticide in the sprayer from being sucked back into the potable water system in the event of a low-pressure situation in the water supply system. Low pressure can arise from an event such as a fire truck pumping water from a fire hydrant.

REDONDO NPDES 2002 COMPLIANCE AWARD

Representatives from the Department of Ecology awarded the Redondo Wastewater Treatment Plant staff an Outstanding Wastewater Treatment Plant award at the July 24, 2003 Board of Commissioners meeting. Out of approximately 300 Washington State wastewater treatment facilities, Redondo was one of 31 facilities to achieve 100 percent compliance with their discharge permit in 2002. The wastewater-discharge permit places limits on the quantity and concentrations of contaminants that wastewater treatment plants may discharge to receiving waters. District management and the Board of Commissioners commend and appreciate the efforts of the dedicated employees in the operations, maintenance, engineering, and administrative support departments whose efforts combine to ensure outstanding plant operation, permit compliance and protection of the environment.

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NEW METER READER VEHICLE

You might have noticed a new 3-wheel vehicle in the greater Federal Way neighborhoods. Don't send your kids outside, it's not the ice cream man and don't move your vehicle from the curb, it's not the meter maid. It is Lakehaven's new addition to the meter reading fleet. Another conservation method to conserve energy for the future.

TELEPHONE NUMBERS

The District is presently evaluating the installation of a customer communication system which will allow automated messages to be communicated to customer phones to provide notice of events such as water outages, water shutoffs for main cleaning, payment reminders or any emergency situation. In order for this system to be effective, the District needs telephone numbers on all accounts.



This program will reduce costs and improve the efficiency of programs which require customer notification. If you have not provided the District with your telephone number, please contact the Customer Service Department at 253-941-1516.

KIDS CORNER

Cup O' Fish

Make an edible aquarium in a cup. This is a great party treat you can make with your child. You will need:

Blue Jell-O
Gummy fish (or fruit-flavored sharks)
Clear plastic cups

1. Make blue Jell-O according to the directions on the box.
2. Pour into clear plastic cups.
3. Let them cool in the refrigerator until partially set about an hour.
4. When they're partially set, place a few gummy fish in each cup.
5. Put them in the refrigerator until they're completely set.
6. Eat and enjoy!

If you want to make an entire punch bowl of fish Jell-O follow the same directions as the "cup o" fish".

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WHERE DOES YOUR WATER GO?

On average, every American uses 60 gallons of water every day.

Your Board of Commissioners

Dick Mayer - President

Ed Stewart - Vice President

Beverly J. Tweddle - Secretary

Tom Jovanovich - Commissioner

Donald L. P. Miller - Commissioner

Regular Board of Commissioners meetings are held at:

Lakehaven Center
31531 First Ave. S.
Federal Way at 6 p.m.

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Commissioner

Charles I. Gibson
Commissioner

Timothy A. McClain
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Ronald E. Nowicki
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