



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

July - August 1999

Commissioner's Corner

Dick Mayer

As the long-awaited summer months finally arrive, the Board of Commissioners continues its work with staff, consultants and a number of interested outside parties towards the adoption of an updated Capital Facility Charge for the water system. In order to meet the Board's commitment that growth will pay for the cost of new water supplies necessary to meet the demands of growth, this means fairly allocating the high cost of the water which will someday flow to this area through Tacoma's Second Supply Pipeline to new customers.

Being forced to wrestle with the high costs of new water from the Second Supply Pipeline is a direct consequence of the relative scarcity of what was once considered to be a nearly limitless resource. Paying these costs, now estimated to run in the thirty million-dollar range, runs contrary to our inherent predisposition as consumers to find the lowest cost alternative among competing choices. In the current water resource environment, however, there simply are no other choices and we must accept the Second Supply Pipeline as our only link to the future availability of water to meet new demand.

As reported previously, we worked hard during the last legislative session to allow you the right to make the choice of whether you wanted to purchase your water and sewer service from the District or from the City of Federal Way. While our efforts did not culminate in legislation requiring voter approval of a city assumption of a district's water and sewer service jurisdiction, we remain determined to continue the effort to make this decision a matter of choice for our customers.

One of the reasons that it is important that the customers of a district be allowed to make this choice is that, as with many of the purchases you make, the choice between the competing alternatives involves price, or cost of service, comparisons. These considerations, along with the array of other necessary comparisons of the product or service, are important to us as consumers and must be evaluated in order for an informed decision to be made on which products or services we buy. I offer just a couple of points for you to consider in this regard.

A city running the water and sewer utility can impose a utility tax on top of the monthly rates. A city cannot, however, impose this tax on the service where it is provided directly by a water-sewer district. Where provided by a city, the tax on these services can be collected from customers residing outside the city as well as those who reside within the city. As a percentage applied to the total water and sewer bill, when monthly rates increase, so do the tax revenues going to the city general fund.

Most of you see these taxes on your other utility bills, such as the power, cable and telephone bills. One of the many things these taxes all have in common is that, while they are not collected to improve the quality of the service, they add measurably to your cost of purchasing the product. Compounding the burden on the consumer is that there is little or no control over the rates charged for neither this service nor the identity of the service provider.

Other important factors in the comparison of the bottom line include the fact that cities can allocate a general city overhead burden to the cost of providing the water and sewer service. Additionally, the utility may be charged for services provided to it by other departments within the city. Unfortunately, as a captive consumer, the utility customer has no direct control over the rate of overhead allocated by a city to the water and neither sewer utility nor

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the internal rates charged to the utility by other city departments. In contrast, with the District, water and sewer service is the only enterprise and your Board is directly accountable to the customers for the cost of water and sewer service.

It is common to our way of thinking that price is a fair way to measure the value of competing services and products. This measurement, however, only comes about through the opportunity to freely make choices. In light of this, we will continue to work to allow you every opportunity to make the choice where you purchase your water and sewer service.

Please let us know your thoughts.

LEGISLATIVE UPDATE

The District and City of Federal Way have again reached agreement to place litigation over the City's proposed assumption of the District on hold. Previously, the parties determined to place a stay on legal

proceedings pending the promise of legislation during the 1999 legislative session. This was done in the hope that new legislation might have rendered further legal proceedings unnecessary. While no legislative solution was reached in Olympia this year, with the prospect for future legislative consideration of the assumption laws in the next session, the City and District have again decided to place their respective legal challenges on hold. Many thanks to Federal Way Mayor Ron Gentz for his leadership on the litigation hold.



Poster Winners

The District, in partnership with the Federal Way Elementary Schools and the local business community, sponsored our 3rd annual poster drawing contest to develop a 1999 Water Conservation Calendar. The winning posters will be the featured art on the calendars. Calendars will be available through the participating schools as a fund raising project this fall.

Business Contributors were Arbys, Burger King on 320th, Big Five, Barnes and Nobles, Creative Minds, Gateway Center, and Sea Tac Mall. Congratulations to the following poster winners: Aaron Walker, Amber Odenwalder, Ashley Dunn, Brittany Hoevner, Brooke Backman, Crissa White, Hannah Maon, J. R. Pulv, Lillya Radchuck, Linda Flores, Michele Faubert, Neil Robianes, and Susan Kim.

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Consumer Confidence Report

The Safe Drinking Water Act requires that utilities issue an annual "Consumer Confidence" report. This report details where the water comes from, what it contains, and the risks our water quality monitoring and testing are designed to prevent. This report will be mailed to all our customers in July.

Website

In an effort to continually provide excellent service to our customers, Lakehaven Utility District has implemented a web site, which will provide an additional source of information about the district. Newsletters and water quality reports will be available on the site as well as rate schedules, information on conservation, Y2K updates and a phone listing of key personnel and emergency contacts. Visit our site to get acquainted with your Board of Commissioners and Lakehaven's General Manager. We will be updating the site on a regular basis with additional information. Our goal has been to make this site easy to navigate and user friendly. On the Home Page we have an e-mail link to our office for those who would like to ask a question or express an opinion. Our web site address is www.lakehaven.org and we welcome your visits and hope to hear from many of you.

FEATURED EMPLOYEE

From left to right:



Kevin Jones, Chris Cox, Robert Wiese

Each year the District employs students from various Federal Way High schools for temporary work. Three of these students are graduating this year, all with honors. Chris Cox and Robert Wiese have both received a scholarship to attend WSU and will be working towards a degree in architecture. Kevin Jones will attend the University of WA on a full tuition undergraduate scholarship to study Electrical Engineering and Biochemistry. All of us at Lakehaven wish each of them the very best in their future endeavors.

WATERING CALENDAR

The District has implemented a watering schedule calendar for the summer months to conserve our water supply. This calendar is on a voluntary basis. Please use the last two digits of your house number and water only on the days with your color, not to exceed 1" weekly. For best absorption, water between the hours of 9:00 p.m. and 10:00 A.M.

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JULY

S	M	T	W	T	F	S
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

AUGUST

S	M	T	W	T	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

Your Board of Commissioners

Beverly J. Tweddle - President

Donald L. P. Miller - Vice President

Dick Mayer - Secretary

Tom Jovanovich - Commissioner

Ed Stewart - Commissioner

Regular Board of Commissioners meetings are held at the Lakehaven Center at 31531 First Ave. S., Federal Way at 6 p.m.

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