

LAKEHAVEN UTILITY DISTRICT
King County, Washington

Resolution No. 2010-1170

RESOLUTION of the Board of Commissioners of the Lakehaven Utility District, King County, Washington, adopting the 2011-2012 biennial budget.

WHEREAS, it is the desire of the Board of Commissioners to adopt a biennial budget to assist and guide the District in planning expenditures for the operation and maintenance of the water and sewer systems, for necessary capital improvements to such systems and for the overall administration of the various services of the District, and

WHEREAS, the Board has reviewed budgetary considerations at various study sessions held during Board meetings, and

WHEREAS, a public hearing on the biennial budget was held on December 9, 2010, and

WHEREAS, believing that the adoption of the 2011-2012 biennial budget set forth herein is appropriate;

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of the Lakehaven Utility District as follows:

SECTION 1(a): The projected revenues and expenditures for the District for calendar year 2011 shall be as follows:

	Water	Wastewater	Total
Estimated Funds Available Jan 1	\$9,017,002	\$9,731,278	\$18,748,280
Rate Related Revenue	\$13,110,854	\$14,751,106	\$27,861,960
Non Rate Related Charges	\$330,552	\$225,223	\$555,776
Interest and Other Income	\$243,473	\$136,704	\$380,177
Capital Facilities Charges	\$512,125	\$556,800	\$1,068,925
Total Revenues and Other Income	\$14,197,004	\$15,669,834	\$29,866,838
Operations and Maintenance	\$9,508,517	\$10,821,354	\$20,329,871
Debt Service	\$2,576,297	\$457,019	\$3,033,316
Reserved for Capital Expenditures	\$4,000,000	\$3,000,000	\$7,000,000
Total Expenditures	\$16,084,814	\$14,278,373	\$30,363,187
Estimated Funds Available Dec 31	\$7,129,192	\$11,122,739	\$18,251,931

(b): The projected revenues and expenditures for the District for calendar year 2012 shall be as follows:

	Water	Wastewater	Total
Estimated Funds Available Jan 1	\$7,129,192	\$11,122,739	\$18,251,931
Rate Related Revenue	\$13,972,657	\$15,749,426	\$29,722,084
Non Rate Related Charges	\$342,433	\$245,095	\$587,527

Interest and Other Income	\$245,730	\$145,782	\$391,512
Capital Facilities Charges	\$512,125	\$556,800	\$1,068,925
Total Revenues and Other Income	\$15,072,945	\$16,697,103	\$31,770,048
Operations and Maintenance	\$9,592,569	\$11,189,249	\$20,781,818
Debt Service	\$2,476,175	\$426,701	\$2,902,876
Reserved for Capital Expenditures	\$4,000,000	\$5,000,000	\$9,000,000
Total Expenditures	\$16,068,744	\$16,615,950	\$32,684,694
Estimated Funds Available Dec 31	\$6,133,393	\$11,203,892	\$17,337,284

Note: Depreciation Expense for 2011 and 2012 is estimated at \$8.0m and \$8.8m respectively. These non-cash items, are not shown on this cash-basis budget, but are reported as a part of the District's annual accrual-basis financial statements.

SECTION 2: The planned capital expenditures for the 2011-2012 budget period shall be limited to:

	2011	2012
Water	\$4,000,000	\$4,000,000
Wastewater	<u>\$3,000,000</u>	<u>\$5,000,000</u>
Total	\$7,000,000	\$9,000,000

The planned capital projects for the period 2011-2020 are shown below:

Project Name	2011	2012	2013-20
Oasis Property (for future phases)	\$ -	\$ -	\$ 5,450
Oasis Phase II	\$ -	\$ -	\$ 4,000
Oasis Phase I	\$ 270	\$ 650	\$ 4,350
Water Site Equipment Documentation	\$ -	\$ 25	\$ 25
Water Telemetry Design & Upgrade	\$ -	\$ 100	\$ 1,400
Balance of Second Supply Project	\$ 1,338	\$ 354	\$ 2,144
Second Supply Project - Filtration	\$ 1,244	\$ 802	\$ 21,954
Well 10C Treatment	\$ -	\$ -	\$ 320
Well Upgrades - Undefined	\$ 50	\$ 50	\$ 400
Well 33 Pump Controls	\$ -	\$ -	\$ 200
Pressure Zone 490 Upgrade	\$ -	\$ -	\$ 150
WM-1st Ave S: 316th to BPA (OASIS Ph II)	\$ -	\$ -	\$ 2,200
WM-538 To 578 Pressure Zone (OASIS Ph II)	\$ -	\$ -	\$ 1,590
Service. Connection Replace. Program	\$ 350	\$ 350	\$ 2,800
Meter Install New/Replacement	\$ 200	\$ 200	\$ 1,600
WM- Distribution Improvements	\$ 150	\$ 150	\$ 3,650
Water System Plan - 2014	\$ 50	\$ 50	\$ 200
Water System Plan - 2020	\$ -	\$ -	\$ 300
Lakota Digester Mixer Replacement	\$ 200	\$ 750	\$ -
Lakota Disinfection System Replacement (Miox)	\$ 51	\$ 51	\$ 51
Lakota Piston Pump Replacement	\$ 50	\$ -	\$ -
Lakota PLC Replacement	\$ 100	\$ 350	\$ 350
Lakota Air Flow Meter Replacement	\$ 20	\$ 20	\$ 20
Lakota Mag Flow Meter Replacement	\$ 25	\$ 25	\$ 25

Lakota/Redondo Quartz Sleeve Replacement	\$ -	\$ -	\$ 55
Lakota Dewatering Upgrade	\$ 250	\$ -	\$ -
Lakota Re-Rating Study	\$ 10	\$ -	\$ -
Lakota Methane Utilization - Study	\$ -	\$ -	\$ 30
Lakota Headworks Upgrade	\$ -	\$ -	\$ 659
Lakota Plant Upgrades - Undefined	\$ 50	\$ 50	\$ 400
Lakota Autocad Plant Drawings	\$ 25	\$ 25	\$ 150
Redondo Waste Gas Flame Replacement	\$ -	\$ -	\$ 25
Redondo PC & SC Scraper Coating Evaluation	\$ 50	\$ -	\$ -
Redondo PC & SC Floor Resurfacing	\$ -	\$ 200	\$ -
Redondo Primary & Secondary Drive Replacet	\$ 50	\$ -	\$ -
Redondo Roto Disk Thickener	\$ 100	\$ -	\$ -
Redondo Cogen	\$ 475	\$ -	\$ -
Redondo Asphalt Seal Coat	\$ 15	\$ -	\$ -
Redondo Plant Upgrades - Undefined	\$ 50	\$ 50	\$ 400
Redondo Autocad Plant Drawings	\$ -	\$ 25	\$ 75
Redondo SCADA System	\$ -	\$ 50	\$ 50
I & I Study	\$ 200	\$ 1,000	\$ 2,800
Pump Station 33 Upsize & Force Main Reroute	\$ 500	\$ 1,500	\$ 1,750
Pump Station Equipment Documentation	\$ 25	\$ 25	\$ 50
Pump Station Undefined Upgrades	\$ 25	\$ 25	\$ 200
SM-Collection Improvements	\$ 375	\$ 575	\$ 4,800
SM-FW Downtown Trunk Upgrade	\$ -	\$ -	\$ 4,250
Wastewater System Plan - 2015	\$ 50	\$ 50	\$ 200
Wastewater System Plan - 2021	\$ -	\$ -	\$ 300
SWM- Road/Street Main Relocations	\$ 1,222	\$ 974	\$ 7,849
Document Process Management Platform	\$ 30	\$ 70	\$ -
District Information System Replacement/Upgrade	\$ 75	\$ 75	\$ 80
Control System Network Separation	\$ 10	\$ -	\$ -
Computerized Maintenance Management System	\$ 30	\$ -	\$ -
Miscellaneous Field Work (On Call Contract)	\$ 150	\$ 300	\$ 2,400
Vehicles Replacements	\$ 400	\$ 400	\$ 3,200
Mower Replacements	\$ 15	\$ -	\$ -
Fuel Truck (fka: Hook Lift System-Unit 415)	\$ 60	\$ -	\$ -
Estimated Project Totals	\$ 8,340	\$ 9,321	\$ 82,902

SECTION 3: Although Section 1 of this resolution references total budget expenditure categories, it is the intent of the Board that each departmental budget (Water and Wastewater) is autonomous and expenditure limitations for each department shall be observed. Any increase in departmental budgets as well as the total budget is subject to Board approval.

SECTION 4: The General Manager and General Counsel are authorized to employ up to a total of 104.0 full time equivalent staff during the 2011-2012 budget period.

SECTION 5: The Board hereby reserves the right to adopt any amendments to the budget as it shall deem appropriate.

ADOPTED by the Board of Commissioners of the Lakehaven Utility District, King County, Washington, at an open public meeting thereof this 9th day of December 2010.

ATTEST:

<u>Donald L. Miller</u> President and Commissioner	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<u>Ronald E. Newick</u> Vice President and Commissioner	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<u>Arnold D. E. [Signature]</u> Secretary and Commissioner	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<u>[Signature]</u> Commissioner	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<u>[Signature]</u> Commissioner	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Approved as to form: [Signature]
General Counsel