



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

March - April 2001

Commissioner's Corner

Dick Mayer



Much of the news in the utility business over the past months has been focused on the scarcity of electrical power in the western region of our nation. Corresponding to the decreased availability of electricity in the power distribution grid, market forces have driven large increases in electrical power costs to consumers. The current state of rising energy costs comes as quite a shock to long-term residents of the Northwest. Electricity has been an abundant and relatively inexpensive source of energy for as far back as most of us can remember (Fortunately I'm not quite able to remember back to life before electricity!).

The impacts of high energy costs plague both residential and commercial/industrial customers of the power utilities. Many industries are facing production cutbacks and, in some cases, even plant closings to cope with the financial strain that power costs have placed on their operating budgets. Just as local industry and your home budgets are being impacted by the rising costs of electrical power, the cost of electricity is changing the way we must do business.

The District consumes a tremendous amount of electricity each month providing you a supply of clean water and in treating the sewage that flows from your homes and businesses. Huge electrical motors, some of which run 24 hours a day every day of the year, operate the wells that pump water into the distribution system. Large electrical motors also power pump stations that transport sewage flows from your neighborhoods to the treatment plants. The treatment plants themselves consume a large amount of electricity processing the flows of sewage that are received everyday.

Many of you have likely heard recently that King County, which operates the largest sewer treatment system in the state, has been informed that the bond rating of the sewer utility may be downgraded due to the tremendous amount of money pouring out of the utility for electrical costs. With the amount of money that is planned to be spent by the County on capital improvements in the coming years, even a small change in the interest rate can cost ratepayers millions of dollars in long-term interest costs. In light of its changing financial situation, King County is looking to ratepayers to cover the higher costs of operating the utility.

Your Board of Commissioners adopted the last water and sewer rate increase in the latter part of 1999. It was our intention at the time this rate increase was adopted that it would be sufficient to ensure the financial health of the District through the end of next year. We hope that our rate assumptions remain valid, even with the unexpected higher costs we are experiencing for electrical power, and that we can continue to offer some of the lowest water and sewer rates in the region. Realizing that we cannot bank on good intentions alone to keep your water and sewer rates down, we have negotiated a contract with Puget Sound Energy that will allow us to save money on electrical power during the coming months. Under the contract, the District can volunteer, on a daily basis, to curtail electric power delivery from PSE at times when power is less available in their system.

By agreeing to take an interruptible supply of electricity, we receive a substantial reduction in our power bill. Of course we must continue to operate while power from PSE is curtailed. In order to do this, when the power is turned off from PSE, we will convert to electricity produced by our backup generators to keep the utilities fully operational

Leonard D. Englund
Commissioner

Charles I. Gibson
Commissioner

Timothy A. McClain
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Donald L.P. Miller
Commissioner

Ronald E. Nowicki
Commissioner



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at much lower costs. During the past several years we have purchased and installed a number of large generators to provide power to our various facilities in the event of emergencies.

The power shortage is, of course, a good reminder to all of us that it is important to conserve our natural resources at all times.

Thank you for your interest in the District and please feel free to contact me at 253-941-8199 if you have any thoughts you would like to pass along.

LEGISLATIVE UPDATE

The District is continuing to work on bills of interest to the water and sewer utility business during the 2001 legislative session.

The biggest spotlight is again on water rights legislation. Water purveyors and their associations throughout the industry are working with the Governor and the Department of Ecology to try and fix the water right permitting system. Current estimates place the backlog in unprocessed water rights applications at over 7,000, with a corresponding delay in processing time now believed to cover more than a decade. Water supply issues surrounding the Endangered Species Act (ESA) listings of salmon species in the Puget Sound Region have also made the task of solving water resource problems more pressing.

We are pleased to have several bills introduced so far during this session, including a bill that would expand our ability to undertake activities aimed at generating funds for the Customer Assistance Program.

We should be able to provide a full summary of the 2001 session in the next newsletter. Stay tuned!

Future Water Treatment

The District is continuing to install the treatment equipment and treatment operation for the entire distribution system, which is scheduled to be ready to go on-line by early June.

Shut Off Valves

The District encourages its customers to know where the shut-off valve is located to their home and to periodically turn the valve on and off to be sure it is in good working condition.



The older style shut-off valve in most older homes is shut off with the angle rod seen above ground at an L shape and typically located below the outside faucet at the foundation at the front of the house or street side of the house. Care should be taken not to use extreme force when trying to operate the older angle rod type. Over the years valves may not turn easily and could be damaged. Customers should make sure the valve is turned back to the full "on" position after located and turning the valve. If the valve is only partially on it may continue to drain water and leak.

Newer home installations are typically located in the garage

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area. The valve would be turned clockwise when closed. Care should be taken when turning the valve on, not to use extreme force as damage may occur to the shutoff gate valve.



The water meter has a shut off valve in the box on the street side of the meter. The raised slotted angle valve again would be turned clockwise for closed and again care should be taken not to use extreme force when turning the valve as damage may occur. You will need a T shaped wrench for the shut off valve which may be purchased at most local hardware stores. You can use a crescent wrench and screwdriver as a makeshift T handle wrench. If you have any questions, call 253-946-5426.

Water Conservation Activities

The District will participate this spring in the events listed below.

The Rhododendron Species Botanical Garden 7th Annual 2001 Spring Plant Sale
Friday April 6th 3 -6 p.m.
Saturday April 7th 9 a.m. – 3 p.m.

At 2525 S 336th St, Weyerhaeuser Corp. Headquarters West Middle Parking Lot.
&
The Trade Show Expo @ SeaTac Mall
Wednesday April 25th 2001
1 – 9 p.m.

Your Board of Commissioners

Beverly J. Tweddle - President

Donald L. P. Miller - Vice President

Tom Jovanovich - Secretary

Dick Mayer - 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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