

**LAKEHAVEN UTILITY DISTRICT**  
**King County, Washington**

**Resolution No. 2012-1210**

**RESOLUTION** of the Board of Commissioners of the Lakehaven Utility District, King County, Washington, adopting the 2013-2014 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 November 29, 2012, and

**WHEREAS**, believing that the adoption of the 2013-2014 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 2013 shall be as follows:

	<b>Water</b>	<b>WasteWater</b>	<b>Combined</b>
Estimated Funds Available Jan 1	<b>\$10,986,452</b>	<b>\$14,546,351</b>	<b>\$25,532,803</b>
Rate Related Revenue	\$15,775,785	\$15,059,531	\$30,835,316
Non Rate Related Charges	\$537,474	\$303,750	\$841,224
Interest and Other Income	\$57,000	\$89,500	\$146,500
Capital Facilities Charges	\$776,458	\$935,902	\$1,712,360
Loans/Grants	\$9,500,000	\$4,050,000	\$13,550,000
Total Revenues & Other Sources	\$26,646,717	\$20,438,683	\$47,085,400
Operations and Maintenance	\$9,323,963	\$11,308,357	\$20,632,319
Debt Service	\$4,133,934	\$340,965	\$4,474,899
Reserved for Capital Expenditures	\$13,500,000	\$10,050,000	\$23,550,000
Total Expenditures	\$26,957,897	\$21,699,322	\$48,657,218
Estimated Funds Available Dec 31	<b>\$10,675,272</b>	<b>\$13,285,712</b>	<b>\$23,960,985</b>

(b): The projected revenues and expenditures for the District for calendar year 2014 shall be as follows:

	<b>Water</b>	<b>WasteWater</b>	<b>Combined</b>
Estimated Funds Available Jan 1	<b>\$10,675,272</b>	<b>\$13,285,712</b>	<b>\$23,960,985</b>
Rate Related Revenue	\$17,009,943	\$15,061,533	\$32,071,476
Non Rate Related Charges	\$565,127	\$315,056	\$880,183
Interest and Other Income	\$67,000	\$129,500	\$196,500
Capital Facilities Charges	\$805,207	\$993,644	\$1,798,851
Loans/Grants	\$8,500,000	\$6,250,000	\$14,750,000
<b>Total Revenues &amp; Other Sources</b>	<b>\$26,947,277</b>	<b>\$22,749,733</b>	<b>\$49,697,010</b>
Operations and Maintenance	\$9,701,890	\$11,673,062	\$21,374,951
Debt Service	\$3,990,990	\$339,328	\$4,330,318
Reserved for Capital Expenditures	\$11,464,000	\$11,250,000	\$22,714,000
<b>Total Expenditures</b>	<b>\$25,156,880</b>	<b>\$23,262,390</b>	<b>\$48,419,269</b>
Estimated Funds Available Dec 31	<b>\$12,465,669</b>	<b>\$12,773,056</b>	<b>\$25,238,725</b>

Note: Depreciation Expense for 2013 and 2014 is estimated at \$9.3m and \$9.6m 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 during the 2013-2014 budget period shall be limited to:

	<b>2013</b>	<b>2014</b>
Water	\$13,500,000	\$11,464,000
Wastewater	<u>\$10,050,000</u>	<u>\$11,250,000</u>
<b>Total</b>	<b>\$23,550,000</b>	<b>\$22,714,000</b>

The planned capital projects for the period 2013-2022 are shown below(in thousands):

<b>Project Name</b>	<b>2013</b>	<b>2014</b>	<b>2015-2022</b>
Balance of Second Supply Project	\$ 252	\$ 247	\$ 2,000
Boiler Replacement	\$ 150	\$ -	\$ -
Facility Security - Cameras at Watershop	\$ 100	\$ 50	\$ -
Facility Upgrades - Other	\$ 75	\$ 205	\$ 580
I & I Study	\$ 250	\$ 250	\$ 500
IT Upgrades - Other	\$ 125	\$ 175	\$ 400
Lakota Aeration Diffuser Upgrade	\$ 150	\$ -	\$ -
Lakota BNR	\$ -	\$ -	\$ 20,000
Lakota Digester Mixer Replacement	\$ 1,500	\$ 3,000	\$ 500
Lakota HV Transformer Evaluations/Repairs	\$ 100	\$ -	\$ -
Lakota PLC Replacement	\$ 350	\$ 300	\$ 900
Lakota Upgrade - Other	\$ 240	\$ 185	\$ 1,415
Meter Install New/Replacement	\$ 300	\$ 300	\$ 1,700
Miscellaneous Field Work	\$ 150	\$ 150	\$ 2,400

Oasis Phase I	\$ 519	\$ 336	\$ 2,213
Oasis Phase II	\$ -	\$ -	\$ 3,000
Oasis Property (for future phases)	\$ -	\$ -	\$ 5,450
Office Facility Improvements	\$ -	\$ -	\$ 6,000
Pressure Zone 490 Upgrade	\$ -	\$ -	\$ 160
Pump Station 22 Improvements	\$ 300	\$ 300	\$ -
Pump Station 33 Upsize & Force Main Reroute	\$ 2,350	\$ 2,000	\$ 1,500
Pump Station 44 - South End Diversion	\$ -	\$ -	\$ 5,000
Pump Station 6 - Pump Replacements	\$ -	\$ 200	\$ -
Pump Station Telemetry System Upgrade	\$ 200	\$ 150	\$ 1,600
Pump Station Upgrades - Other	\$ 55	\$ 50	\$ 1,125
Redondo Biotower Supply Piping Replacement	\$ 200	\$ -	\$ -
Redondo BNR	\$ -	\$ -	\$ 5,000
Redondo Odor Control Improvement	\$ 400	\$ 360	\$ -
Redondo Outfall Air Venting	\$ 150	\$ -	\$ -
Redondo Pri & Sec Drive Unit Replacement	\$ 200	\$ -	\$ -
Redondo Upgrades - Other	\$ 190	\$ 150	\$ 1,010
Second Supply Project - Filtration	\$ 9,669	\$ 8,348	\$ 207
Secondary Clarifier Rehabilitation	\$ -	\$ -	\$ 300
Service. Connection Replace. Program	\$ 350	\$ 350	\$ 2,800
SM-Collection Improvements	\$ 650	\$ 650	\$ 7,100
SM-FW Downtown Trunk Upgrade	\$ 1,900	\$ 3,500	\$ 400
SWM- Road/Street Main Relocations	\$ 1,806	\$ 1,607	\$ 7,777
Vehicle Replacements	\$ 605	\$ 85	\$ 3,200
Wastewater System Plan - 2015	\$ 50	\$ 100	\$ 150
Water Storage Tank Mixing	\$ 50	\$ 80	\$ 240
Water System Plan - 2014	\$ 150	\$ 50	\$ -
Water Telemetry Design & Upgrade	\$ 150	\$ 100	\$ 1,300
Water Upgrades - Others	\$ 80	\$ 80	\$ 1,680
Well 25 Generator/Fuel Tank	\$ 100	\$ -	\$ -
WM- Distribution Improvements	\$ 500	\$ -	\$ 4,000
WM-1st Ave S: 316th to BPA (OASIS Ph II)	\$ -	\$ -	\$ 4,140
WM-538 To 578 Pressure Zone (OASIS Ph II)	\$ -	\$ -	\$ 2,160
<b>Estimated Project Costs</b>	<b>\$ 24,366</b>	<b>\$ 23,358</b>	<b>\$ 97,907</b>

**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 2013-2014 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 13th day of December 2012.

**ATTEST:**

 _____ President and Commissioner	<input checked="" type="checkbox"/>	_____ Yea	_____ Nay	_____ Abstain
 _____ Vice President and Commissioner	<input checked="" type="checkbox"/>	_____ Yea	_____ Nay	_____ Abstain
 _____ Secretary and Commissioner	<input checked="" type="checkbox"/>	_____ Yea	_____ Nay	_____ Abstain
 _____ Commissioner	<input checked="" type="checkbox"/>	_____ Yea	_____ Nay	_____ Abstain
 _____ Commissioner	<input checked="" type="checkbox"/>	_____ Yea	_____ Nay	_____ Abstain
Approved as to form:  _____ General Counsel				