

Commissioners' Corner



Ron Nowicki

An open letter to all customers/owners of Lakehaven Water and Sewer District who live within the City of Federal Way:

I have served as one of your Lakehaven Commissioners for over 10 years. My personal mission is to bring you the best and most reliable water and sewer service at the lowest reasonable cost. I believe that, in large part, Lakehaven is accomplishing this objective (please review the rate comparison sheet on the Lakehaven website).

The point of this message is to inform ratepayers who may not be aware that, earlier in the year, the City of Federal Way Council discussed the matter of whether to raise revenues by charging Federal Way residents a 7.75% utility tax on top of their water and wastewater bills. Presumably, the revenues collected from this would go into the City's general fund.

This discussion of a utility tax followed the execution of a ten-year franchise agreement between the City and District in May 2016. The franchise agreement, which deals primarily with the terms under which our water and sewer facilities will be located in city rights of way, replaced an earlier agreement that was set to expire. It was negotiated for over a year and contains several key points that are not specific to the use of right of way (see our May/June 2016 Newsletter issue for more information).

Under the franchise agreement, Lakehaven ratepayers within the City pay a franchise fee of 3.6% of their water and sewer rates from mid-year 2016 through the end of 2019. That amount is scheduled to increase to 3.8% from 2020-23 and then again to 4.0% in the 2024-26 period.

In exchange for the franchise fee, the City agreed to pay the cost of maintaining the fire suppression system (hydrants and associated infrastructure) within the City limits. The City also agreed to forego the initiation of any proceedings to attempt to assume the District's authority to provide water and sewer service. Lastly, the City agreed to bear the cost of electricity for streetlights located in the right-of-way within the City. These costs were previously covered by Lakehaven customers through a monthly two-dollar street light charge. The agreement does not preclude the City of Federal Way from imposing a utility tax, but provides that the payment of any utility tax will remove the obligation to pay the franchise fee.

Continued...

Lakehaven Links

Our Mission

The Lakehaven Water and Sewer District is committed to the continued delivery of safe, reliable and high quality drinking water and environmentally responsible sewer service to our customers.

Board of Commissioners

Len Englund, President
 Tim McClain, Vice President
 Don Miller, Secretary
 Peter Sanchez
 Ron Nowicki

Regular Board of Commissioners meetings are held at 6:00 p.m the 2nd and 4th Thursdays of each month at the Lakehaven Center at 31531 1st Ave South, Federal Way.

Contact Us

Federal Way: 253-941-1516
 Tacoma: 253-927-2922
 After Hours Emergencies:
 253-941-1516

Business Hours:
 Monday – Friday
 8:00 a.m. to 4:30 p.m.

www.lakehaven.org

Commissioner's Corner, continued

Lakehaven customers/owners presently pay about \$23 million annually for water and wastewater services in Federal Way, equating to a franchise fee of about \$830,000 annually at the franchise fee's current rate of 3.6%. The hydrant charge paid by the City is about \$640,000 annually. A 7.75% utility tax would result in an annual payment of approximately \$1,780,000 (an increase of \$950,000 over the franchise fee). Because our rates are based on "cost of service" factors, any utility tax would necessarily be added to our rates.

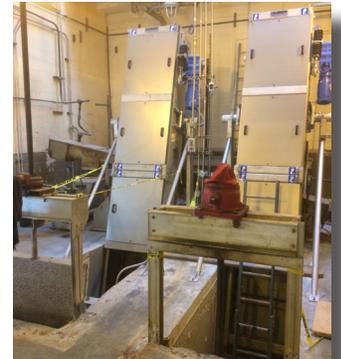
I believe that your Board is willing to pursue a legal challenge to the imposition of a utility tax. This brings me to the question, however: do you want the District to challenge a utility tax? Put another way: would an approximate 4.15% increase in your water and wastewater bill to help fund your City be objectionable to you? Alternatively, would you prefer to see the City fund their needs in another manner? Because you have the biggest stake in the matter, your opinions should, and do, matter to us.

Please let us know your thoughts. Leave an email (the address for all Commissioners is available on our website), come to one of our Board meetings, or, if you see us on the street, let us know your thoughts on the matter. We want to represent you and your input is the best way for us to do that.

Lakota WWTP Screens Installation and Upgrade

The District completed construction of a new influent screening system at its Lakota Wastewater Treatment Plant over the past summer. This \$1.7M replacement and upgrade project helps protect the internal treatment plant equipment from rocks and other items that enter the collection system and may clog or disrupt the treatment process.

The original system consisted of two channels, each with a single automatic raking mechanism that cleared vertical screening bars spaced 3/8" apart. The new system operates with two new multi-rake bar screening mechanisms that clear a smaller bar spacing of 1/4". In addition, a new "rock box" was installed ahead of the two screening channels to protect the new screening systems by intercepting larger rocks and grit before it hits the screens. These improvements are anticipated to help maintain the reliability of the treatment process and extend the life of other equipment within the plant.



Water Supply and Wild Weather

As you will probably recall, several months ago the National Weather Service reported that we had experienced record-breaking rainfall in the area over a period that extended from last October into the spring months. The reported total rainfall during this period was over 4 feet. Shortly thereafter, as we moved into summer, our area experienced a record number of days without measurable rain. You may be asking: "What does this mean for our water supply?" Well, climatologists reported that this kind of weather transition (although amazing) is just a coincidence and not an indication of climate change. In fact, it is normal for the Puget Sound region to have very wet winters and very dry summers at times.

For 2017, Lakehaven Water and Sewer District enjoyed a water surplus due to the very wet winter and spring. Sufficient surface water had been stored behind Howard Hanson Dam for our use well into the summer months, while groundwater supplies were allowed to be replenished and reserved in case prolonged warmer

and dryer than normal weather conditions continued. These two different supply sources, along with our customer's ongoing efforts to use water wisely, allowed us to maintain an uninterrupted supply of high quality drinking water despite the diverse weather patterns we experienced this past year.

