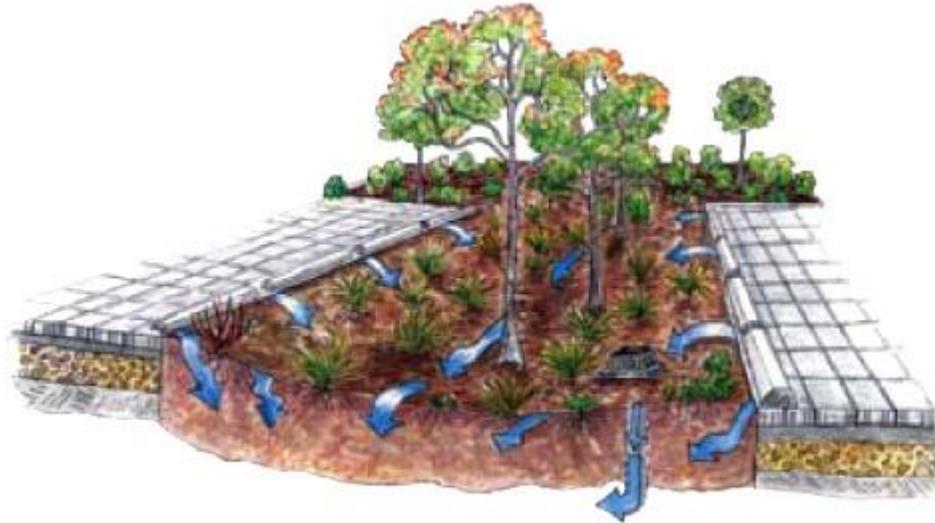




LAKEHAVEN UTILITY DISTRICT

31627 1st Ave. S. | PO Box 4249 | Federal Way, WA 98063-4249
Federal Way: 253-941-1516, Tacoma: 253-927-2922 | www.lakehaven.org

November – December 2011



RAIN GARDENS are shallow depressions landscaped with native plants. They are designed to catch rainwater runoff from impervious surfaces such as roofs, walkways, and driveways. Rain gardens reduce flooding problems and offer low-maintenance landscaping.

Commissioner's Corner

Ron Nowicki



With all of the issues of national, state, and regional concern vying for our attention, it doesn't come as much of a surprise that the District tends to operate somewhat "below the radar" when it comes to visibility among the governmental entities that serve us. Although our focus at the District is narrow, we do provide critical utility services to more than a hundred thousand customers in our service area. Because clean water and reliable sewer service mean so much to the area, I wanted to use this Commissioner Corner as an opportunity to let you know something about the Lakehaven Utility District.

The District exists as the municipal offspring from the merger of King County Water District No. 124, itself a product of a number of water district and water cooperative mergers, into the Lakehaven Sewer

Leonard D. Englund
Commissioner

Charles I. Gibson
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Timothy A. McClain
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Donald L.P. Miller
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District. The Lakehaven Sewer District traces its roots back to February 27, 1956, when the King County Council officially incorporated Lakehaven as a municipal corporation of the State of Washington. With the origin of the water utilities going back into the 1940's, it is safe to say that the District has played a long term role in the development of this community.

The District is organized and takes its basic authority for water and sewer governance under Chapter 57 of the Revised Code of Washington. As a special purpose municipal corporation, we have only the specific authority and areas of jurisdiction granted under state law. While we are permitted to form and operate street lighting systems, our primary responsibility is to provide water and wastewater services within approximately thirty-five square miles of southern King County and northern Pierce County. We do not have the ability to tax our customers and generate our revenues only from the rates and connection charges we collect from property served by the systems. In corresponding fashion, the monies we collect are spent only on items that are related to the provision of water and sewer services.

We are governed by an elected Board of Commissioners. The Board is comprised of five members, who are elected to staggered six year terms. The Board holds regular meetings on the second and fourth Thursday of each month at 6:00 p.m. The meetings are open to the public and are held at the Lakehaven Center, which is located adjacent to French Lake Park (off of 1st Avenue South).

I am confident that I speak for the other Board members when I say that we serve the owners of the utilities. The owners are the customers that have paid for the water and sewer systems over the many years of their development and continue to contribute to the District's ongoing operations through the payment of rates. I have had the privilege to serve as one of your five commissioners for the past six years. It has been a great experience, and I want to invite you to come to our Board meetings if you have questions, comments or concerns about your District.

Have a wonderful holiday season!

UPDATE ON RATES AND CHARGES

During the months of November and December, the Board will be reviewing the District's monthly rates, fees, Capital Facilities Charges and the Capacity Rental Program for the water and sewer systems. The current plan is to have an update of each in place for the beginning of 2012.

Rates: The current rate resolution calls for a rate increase for water and sewer service for 2012. For single family residential customers, the increase is just under 7% for water service and approximately 3% for sewer service. This adds up to an extra \$1.22 per month for the average water customer and \$1.54 per month for the average sewer customer. Although it is too early to tell at the time this article was prepared (mid-

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October), an early review of the revenue requirements for the water and sewer systems suggests that a small additional increment of increase may be necessary for 2012. This is more a likelihood for water rates. The Board will be reviewing ways to reduce the costs driving these increases as well as the possible alternatives for spreading rate increases over future years in an effort to minimize increases in any single year.

Fees: The District periodically reviews the fees it charges for services not included in the rates. These tend to apply more to developers and new customers. It appears that certain fees may rise and some may decrease, but it is anticipated that most changes will be minimal.

Capital Facilities Charges: The District's Capital Facilities Charges (CFC) are established as the proportionate cost of the facilities of general benefit that a property uses for water and/or sewer service and are typically collected at the time of initial connection. These are reviewed every other year to ensure that they keep up with new facilities that are added, or are planned to be added, to the systems. It is anticipated that the water CFC, which is currently at \$3,097 per Equivalent Residential Unit, will rise significantly in response to the twenty to twenty five million dollars the District will spend on the filtration plant for the Second Supply Pipeline. Any changes to the sewer CFC should be much smaller.

Capacity Rental Program: On January 1, 2012, the District will begin collecting CFC capacity rent from all property owners in the District using more capacity in the water and/or sewer systems than was originally acquired. The amount of excess capacity will be determined by using a rolling twelve month average of consumption. Additional "buffers" have been included to reduce the impact of capacity rent and ensure that only those properties using significantly more capacity than purchased will be billed for rent. You may want to review earlier editions of the Newsletter, available online @ www.lakehaven.org for additional information. We will continue to update you throughout 2012.

CUSTOMER ASSISTANCE PROGRAM CHRISTMAS FAMILY & FOOD BARREL

Each year, District employees adopt several families in need at Christmas. Gifts are donated for the families and delivered a week before the holiday. In addition, employees attempt to assist customers who, through a variety of circumstances, are unable to pay their water/sewer bill. To help these customers, please consider making a tax-deductible donation to Lakehaven Utility District's Customer Assistance Program.

Thank you to the following area businesses who provided donations for our Christmas families: Jimmy Mac's, Starbucks,

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Red Lobster, Billy McHale's, Black Bear Diner, Zero Freeze Ice Cream, Chipolte Mexican Restaurant, Trader Joe's, Dash Point Chiropractic, and Century Theaters.

Also, in recognition that many in our community have extra needs during the Holiday season, the District is providing space for a donation barrel in the Customer Service area of the main office on behalf of the Multi-Service Center until 12/31/2011. The office address is 31627 First Avenue South, Federal Way, WA.

Thank you!



Leonard D. England
Commissioner

Charles I. Gibson
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Timothy A. McClain
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Donald L.P. Miller
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Ronald E. Nowicki
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KIDS' CORNER - WINTERIZE WATER PIPES

Prevent pipes from freezing or breaking by:

- Insulating exposed pipes and faucets.
- Disconnecting and draining hoses.
- Wrapping outside faucets with rags or by buying a Styrofoam hose cover.



Your Board of Commissioners

Ron Nowicki - President
Len Englund - Vice President
Chuck Gibson - Secretary
Tim McClain - Commissioner
Don Miller - Commissioner

Regular Board of Commissioners meetings are held the 2nd and 4th Thursdays of each month.
These meetings are held at the Lakehaven Center at:

Lakehaven Center
31531 First Ave. S.
Federal Way at 6 p.m.

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