

Executive Director

Noteworthy

- Visit by Port of Bremerton – Representatives from the Port of Bremerton were hosted by the Port of Olympia to tour the Port and discuss the East Bay projects. As part of that visit Patty Belmonte from the Hands On Children’s Museum and I met with the delegation to discuss how our partnership on the East Bay projects has worked. Participants from the Port of Bremerton included:

- Cary Bozeman, CEO of the Port
- Tim Thomson, Chief Operating Officer
- Scott Ware, Public Outreach and Sustainability
- Steve Slaton, Director, Marine Facilities
- Steve Pottle, Maul, Foster & Alongi



- Budd Inlet Restoration – Efforts are continuing to complete a Phase II scope of work and a draft addendum to the Interlocal Agreement for implementing that work. Ecology has expressed a willingness to provide additional funding. Coordinated with this phase, the Squaxin Island Tribe will be conducting a scientifically-based process to identify and catalog potential habitat restoration projects within Budd Inlet.
- East Bay Public Plaza – The Board is being asked to authorize the design contract with Bob Droll this evening. The Board has previously been briefed and has seen the concept drawings. Staff met with the City of Olympia and Bob Droll last week to negotiate the width of sidewalks in front of the Plaza from 10 feet down to 7.5 feet.

Budget / Revenue

| Budget Performance | | | | | |
|---------------------|--------------|--------------|--------------|-------------|--------------|
| | Operations | Debt Service | Capital/AMP | Reserve | Total |
| 2009 Budget | \$11,327,257 | \$6,337,460 | \$26,749,295 | N/A | \$44,414,011 |
| August Status (66%) | \$6,748,126 | \$5,175,284 | \$10,273,447 | N/A | \$22,196,857 |
| Percentage | 60% | 82% | 38% | N/A | 50% |
| Cash on the Books | \$14,027,894 | \$4,672,589 | \$16,559,746 | \$9,000,000 | \$44,260,229 |

| Revenue Through July | |
|----------------------|--------------|
| WSC | \$10,372,177 |
| CDC | \$1,893,090 |

| Number of ERUs | | | |
|----------------|----------------|----------------|----------|
| | Thru July 2008 | Thru July 2009 | % Change |
| Lacey | 135,306 | 135,289 | -0.01% |
| Olympia | 168,558 | 168,384 | -0.1% |
| Tumwater | 57,636 | 61,341 | 6% |
| Total | 361,500 | 365,014 | 1% |

| Number of CDC Payments Received | | | | | | |
|---------------------------------|------|------|------|----------------|----------------|----------|
| | 2006 | 2007 | 2008 | Thru July 2008 | Thru July 2009 | % Change |
| Lacey | 1888 | 1129 | 688 | 425 | 256 | -40% |
| Olympia | 439 | 219 | 201 | 88 | 168 | 91% |
| Tumwater | 208 | 400 | 288 | 103 | 65 | -37% |
| Total | 2535 | 1748 | 1177 | 616 | 489 | -21% |

The table above shows the number of new ERUs for which CDC payments have been received.

Administration / Legal

Personnel Vacancy Rate

The vacancy rate for August was 1.6%.

Time Loss

There were no employees on time loss in August.

Safety Incidents

There were four recorded safety incidents in August. Medical attention was sought, resulting in L&I claims for two of the incidents.

Recognition

The Recognition Committee has been working on plans for the 2009 Employee Appreciation Event, which is scheduled for October 21.



Noteworthy

- Career Development Program – Two employees began new Career Development Plans and have enrolled in the University of Washington Project Management Program through the Washington State Department of Personnel.
- Lakehaven Utility Visit – LOTT’s General Counsel, Human Resources Manager, and Legal Assistant met with their counterparts from the Lakehaven Utility District on August 19 to discuss methods and strategies for more effective delivery of legal and human resources services. Staff from both utilities plan to meet for this purpose periodically.
- Bargaining Sessions – Four bargaining sessions have been held with AFSCME, the last on September 4. Tentative agreements were reached on several issues.
- Surplus Equipment – LOTT received \$581 for the van surplus by the Board in February. The van was sold on eBay by the Washington State Department of General Administration surplus program.

Communications / Environmental

News Stories

A feature story about East Bay construction, including a front page photo of LOTT’s building, appeared in the August 15 Olympian.

A September 2 Olympian editorial about the Port’s North Point planning vision used the East Bay development as a positive example and cited LOTT’s Administrative/Education Center and Plaza projects as part of that effort.

A news feature about dog waste in the August 17 Olympian mentioned that LOTT recommends customers do not flush dog waste. Instead, LOTT supports the County’s and other agencies’ recommendations to bag dog waste and dispose of it in the garbage.

Mayor Mah’s August 10 State of the City presentation to the Olympia Rotary Club was featured in their newsletter, including comments about LOTT’s Administrative/Education Center and East Bay participation.

Presentations and Tours

Two tours were conducted during August, one at the main plant and one at the satellite:

- Budd Inlet Treatment Plant – YMCA Aquatic Adventurers (8/12, 25)
- Martin Way Reclaimed Water Plant – Skillings Connolly (8/6, 2)

Inquiries

Staff responded to 70 requests for information received during August from citizens, customers, partner jurisdictions, other communities, consultants, contractors, and organizations.



Reclaimed Water Highlights

The national WaterReuse Symposium of the WaterReuse Association will be held in Seattle Sunday through Wednesday, September 12-16, and LOTT will be well represented. Tours of LOTT's reclaimed water facilities will be offered on Sunday. Karla Fowler will be moderating panels on Urban Reuse Case Studies on Tuesday, and LOTT will be included among the poster displays.

Staff attended two meetings as part of the State Reclaimed Water Use Rule process:

- Reclaimed Water Use Rule Advisory Committee, August 26 – The group is intensively addressing substantive rules for all uses of reclaimed water.
- Trace Organics Subcommittee, September 1 – This committee is considering potential rule text regarding pharmaceuticals, personal care products, and endocrine disrupting compounds. Proposed ideas included state-level state-of-the-research updates every five years or so, and some level of monitoring similar to California's policy.

Water Conservation

Two rebates totaling \$138,283 were finalized and issued to Providence St. Peter Hospital for the completion of two separate WaterSmart projects that are estimated to reduce flows by 8,535 gallons per day.

Interest in the residential toilet voucher program remains strong. Vouchers for 109 high-efficiency toilets have been distributed so far.

Noteworthy

- Sand in the City Exhibit – LOTT staff visited with an estimated 750 people at the Sand in the City celebration. LOTT's booth included the ever-popular, hands-on sand filter demonstration activity, reclaimed water bead wristbands, a quick survey about possible names and logos for the Education Center, and information about LOTT's programs, including FOG (fats, oils, and greases) prevention.



Engineering

Construction Change Orders

Kaiser Road Pump Station – Currently, three change orders totaling \$112,681 (6.3% of original bid amount) have been finalized. One additional change order will be issued for this project as the final punch list items are completed.

Administrative/Education Center Building – This project is at 33% completion, with five change orders at a net cost of \$104,302 (1.05% of original amount).

Project Updates

Kaiser Road Pump Station – The as-built drawings and the O&M manual are being completed.

Mottman Road Interceptor Replacement – This project is currently out to bid with a bid opening date of September 21. The Board will be asked to consider award of the contract at the September 23 Work Session. The Pre-Bid Conference was held Friday, September 4. The same day, additional

geotechnical drilling was conducted to provide bidders with information about the specific soil conditions. Several 18-inch holes were drilled 50 feet deep. The additional information will ensure that the micro-tunneling risks are better understood and the bids are more accurate.

Deschutes to Tumwater Reclaimed Water Pipeline – This is a four-phase project:

1. Deschutes Parkway Reclaimed Water Modifications have been completed under a preparation contract with DLB Earthworks.
2. Lakeridge Drive Reclaimed Water Pipeline is being managed by the City of Olympia as part of a larger pump station and potable water line project, with Rodarte Construction as the contractor. Lakeridge Drive is closed temporarily to accommodate construction. Pipe installation is nearly complete for the reclaimed water portion of the overall project.
3. Heritage/Marathon Parks Reclaimed Water Modification project is currently out to bid with the bid opening scheduled for Monday, September 28.
4. Tumwater Reclaimed Water Pipeline is also out to bid with a September 28 bid opening.

Noteworthy



- Utility Locates – LOTT received requests for 75 utility locates in August.
- Primaries and Process Improvement Projects – The Board is being asked to authorize the pre-construction services contract for this project this evening. Once approved, the GCCM firm will begin an exhaustive cost estimate.

Facilities

Permit Compliance

Permit compliance was 100% at the Budd Inlet Treatment Plant and 100% at the Martin Way Reclaimed Water Plant for the month of August.

Reclaimed Water Production

- Production at the Budd Inlet Reclaimed Water Plant averaged 0.43 million gallons per day (mgd) in August; 5.4 % of treatment plant flow was used to produce Class A Reclaimed Water.
- Production at the Martin Way Reclaimed Water Plant averaged 1.26 mgd; 8.3% of the reclaimed water was reused (all by LOTT).
- LOTT Class A Reclaimed Water production averaged a total of 1.69 mgd. Total reuse was 32%; total infiltration 59%. The majority of the 9.1% difference in August is accounted for as excess reclaimed water from the Budd Inlet Treatment Plant returned to the process, evaporation at the ponds, line loss, and/or meter accuracy.

Biosolids Production

During August 2009, 24 loads (713.18 wet tons total) of LOTT's biosolids were hauled by Groat Brothers, Inc. of Woodland, Washington, to Fire Mountain Farms, Inc. in Onalaska, Washington, for Class B land application, averaging 29.72 tons per load.

Methane Production

Of the 3,809,688 cubic feet of digester gas that was generated, about 64% was reused in the boilers and 36% was flared. (Note – Digester gas is approximately 70% methane.)

Odor Complaints / ORCAA

There were no odor complaints reported to treatment plant staff during the month of August.

Noteworthy

- Spills Reported – There were two spills reported to treatment plant staff in August. Both occurred in Olympia and were the result of STEP system equipment failure or line breakage. The total amount spilled was approximately 3,200 gallons, which was vactored and the affected areas washed down.
- Budd Inlet Treatment Plant Operations – August saw the demolition of existing gas scrubbers, one boiler, and associated piping/equipment for the Cogeneration project. Facilities staff was involved in this project on a daily basis to ensure continuity of operations.
- Martin Way Reclaimed Water Plant Operations – August was the first full month of operating both treatment trains. Facilities staff is working on balancing the process and addressing issues as they come up. Siemens Water Technologies also installed new operating software for the membranes, which has significantly improved automation and control capabilities.
- Security Camera System – Facilities staff review of security camera footage revealed improper access to LOTT's Hauled Waste Receiving Station on 8/28, resulting in the issuance of a Notice of Violation to a permitted waste hauler, and a \$350 fine.
- Industry Outreach Activity – 62% of the Industrial User Surveys sent out for the dental office outreach campaign have been returned. Facilities staff also began compiling and updating the list for the upcoming printers campaign.



Administrative Building / Education Center / Lab



Environmental Cleanup

The first phase of ground disturbing activities is complete. The construction of the water feature will require additional soil sampling and potential groundwater monitoring.

Construction Milestones

Structural steel erection and the slabs of all four floors are complete. The first floor has been framed and electrical and plumbing rough-in is occurring on the first and second floors.

Treatment Plant Adjustments

Plant staff have been coordinating closely with the Contractor to provide assistance as necessary.

Cogeneration Project

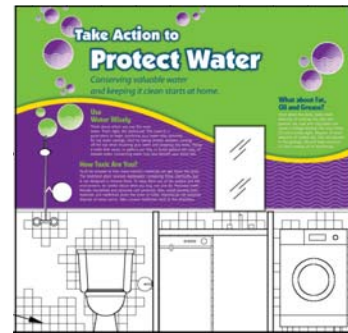
Site demolition is complete. All equipment, including the generator and gas conditioning equipment, has been either delivered or is in transit. Concrete pads for gas conditioning will be in place next week. All plans are 95% complete and the project is on schedule, with an estimated completion date of November 30, 2009.

Education Center

The bid for Exhibit Fabrication and Installation was advertised August 23, 2009. Bids will be opened September 16. A Request for Proposals has also been advertised for production of the audio-visual (AV) elements of the exhibits. AV proposals are due September 16.

East Bay Development

The Port's infrastructure construction project is continuing and should be complete by early November.





111 Market Street NE, Suite 250
Olympia, WA 98501
(360) 644-2333