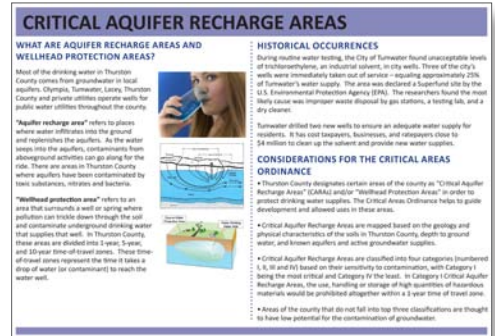


Executive Director

Noteworthy

- Technical Subcommittee Meeting – The Technical Subcommittee (TSC) met on November 30 to review the consultant team statements of qualifications that were submitted for the Groundwater Recharge Scientific Study. Three firms were short-listed to provide interviews on January 4, 2012 – Brown and Caldwell, HDR, and Anchor QEA. The TSC also continued discussion regarding the County’s draft Critical Aquifer Recharge Areas regulations. The TSC also met on December 7 to review plans for testimony at the County Planning Commission’s December 10 hearing on the Critical Aquifer Recharge Areas regulations.
- Brewery Property – LOTT is scheduled to sign closing documents on the Brewery property on December 13.
- December Quarterly Staff Meeting – LOTT staff attended the final 2011 staff quarterly meeting on December 7, featuring a holiday potluck luncheon, a year-end report from the Executive Director, and a briefing on the Critical Aquifer Recharge Areas and Groundwater Recharge Scientific Study.



Budget / Revenue

Budget – November (91.2%)				Cash on the Books	
	Actual	Budget	%		Amount
Personnel – CIP	\$557,088	N/A	N/A	WSC	\$7,692,174
Personnel – Operations	\$5,534,642	N/A	N/A	CDC	\$4,671,989
Total Personnel	\$6,091,730	\$7,014,968	87%	AMP	\$3,232,518
				Unspent Bond Proceeds	\$9,438,691
Non-Personnel	\$4,076,142	\$5,047,881	81%	Operation Reserves	\$9,000,000
Total Operations Budget	\$10,167,872	\$12,062,849	84%	Debt Reserves	\$4,754,424
Capital Budget	\$11,423,186	\$21,200,856	54%	Total	\$38,789,797
Total	\$21,591,058	\$33,263,705	65%		

Revenue Thru October		% of Budget
WSCs	\$7,032,123	103%
CDCs	\$3,165,881	

Number of ERUs			
	Thru Oct 2010	Thru Oct 2011	Change
Lacey	194,372	204,378	5.1%
Olympia	241,932	245,588	1.5%
Tumwater	88,761	91,768	3.4%
Total	525,065	541,734	3.2%

Number of CDC Payments Received						
	2008	2009	2010	Thru Oct 2010	Thru Oct 2011	Change
Lacey	688	510	436	334	363	9%
Olympia	201	247	346	281	226	-20%
Tumwater	288	119	192	187	147	-21%
Total	1,177	876	974	802	736	-8%

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

Administration / Legal

Personnel Vacancy Rate

The vacancy rate is determined by the number of open positions, divided by the number of authorized full-time equivalents (FTE). For the month of November, there are three vacant FTEs out of 65.5 authorized, resulting in a vacancy rate of 5%.



Safety Incidents

A safety incident is any reportable incident or injury an employee sustains while on the job, from the most minor scrape to a severe injury. There were no safety incidents in November.

Time Loss Accidents

A time loss accident is one where an employee misses work due to an injury and receives lost wages from Labor and Industries. No employees received time loss in November.

Noteworthy

- Recruiting Progress – LOTT's newest Facilities Technician began work on December 12. The selection process is underway for three open positions, Instrument/Electrical Technician, Community Relations Administrative Assistant, and Laboratory Technician. The Administrative Assistant position attracted 287 applications.

- Labor Management Training – The Labor Management Committee had communications training with Rhonda Hillyer of Agreement Dynamics on December 6.
- Tumwater Brewery Property – Legal staff continue to work on the Tumwater brewery property acquisition.
- Accounts Payable System Article – LOTT’s electronic accounts payable approval system was featured in the Government Finance Officer’s Association’s Treasury Management Newsletter. The article discussed how the system works and how it was created.
- Staff Holiday Donations – Various LOTT staff are contributing again to the Food Bank Food Drive, Toys for Tots, and the Adopt a Family Program. LOTT has “adopted” three local families.



Communications / Environmental

News Stories

LOTT has been featured in several Olympian stories since the last Board Meeting:

- A November 9 news story focused on the joint interest of LOTT, Olympia, and the Port of Olympia in acquisition of the surplus state Department of Fish and Wildlife properties in the downtown area.
- A story about pile driving startup for the Primary Sedimentation Basins project appeared on November 13.
- A November 13 editorial about the high number of incoming new and inexperienced elected officials locally noted this will offer challenges for regional organizations such as LOTT.
- The December 5 front page headline story – titled Tough Path for LOTT – discussed the potential impacts of the draft Thurston County Critical Areas Ordinance on LOTT’s groundwater recharge program.
- LOTT was represented in the December 11 front-page photo and story about the Thurston County Planning Commission’s public hearing on the draft Critical Areas Ordinance.

The Fall 2011 issue of Green Pages included a feature story by LOTT’s environmental educator titled Reflections of a Watershed Educator.

Facilities Use Group Events

During November LOTT hosted several groups at the Regional Services Center. Thurston County Solid Waste held a Master Composter class; The Evergreen State College Masters in Environmental Studies Program held a book reading for the public; the Port of Olympia held two commission meetings; Enduris provided training to Port of Olympia staff; and the South Sound Estuary Association held their second lecture in a series of four.

WET Science Center Visitors

	August 2011	September 2011	October 2011	November 2011
Walk-Ins	631	335	524	318
Partner Schools	0	0	445	223
Other Schools	0	120	0	135
Youth Groups	120	11	0	0
College Groups	0	0	102	0
Adult Groups	0	0	0	33
Special Events	0	6	38	0
Facilities Use Groups	70	130	232	188
Total	821	602	1,341	897

School visits during November included Tumwater Hill Elementary (125), Peter G. Schmidt Elementary (98), Annie Wright Academy (33), River Ridge High School Special Education Class (15), Lincoln Elementary (29), and Hansen Elementary (58)

Other Tours

- Budd Inlet Treatment Plant – Philippine Teachers (11/4, 8)
- Regional Services Center – Panorama City Residents (11/8, 8), City of Olympia Water Crew (11/17, 11)



Inquiries

In November staff responded to 70 requests for information from citizens, ratepayers, agencies, organizations, consultants/vendors, students, other communities, and media.

TSC Report

See the Executive Director's report on page 1 of this Program Report.

Reclaimed Water Highlights

Staff has been working intensively to prepare written comments on the draft Critical Aquifer Recharge Areas chapter of the Thurston County Critical Areas Ordinance. We've also had two consultants develop summaries and compilations of relevant scientific studies to accompany the comments. Verbal testimony was presented to the Thurston County Planning Commission on December 10. The package of written comments, science summaries, and CDs with the scientific papers will be submitted this week.

Water Conservation

This year has been very successful in achieving flow reduction through a variety of water conservation projects. We completed 13 WaterSmart commercial retrofit projects in 2011, and there are 8 more on the books to be completed by early 2012. We have provided over 630 WashWise rebates for water-efficient washing machines and have given out nearly 400 residential water saving kits. Nearly 400 high-efficiency toilets have been provided to residential customers, and nearly 200 high-efficiency toilets have been installed for commercial customers. Participation in the high-efficiency toilet project for multi-family customers has been good, but installations associated with that project will continue into early 2012. Overall, we are very close to our goal of reaching a total of 1,000,000 gallons per day in water savings since the start of LOTT's flow reduction program in 1997. Once all the projects initiated in 2011 are complete, we will be only 20,471 gallons away from that goal. Staff expects to achieve that goal by late spring 2012. The Water Conservation Coordinating Committee is currently working on ideas for a community event to celebrate once we meet the goal.

Noteworthy

- Septic Summit Work Group Meeting – The work group met on December 8 to share information and talk about next steps. Thurston County shared the news that their grant application was accepted by the Washington State Department of Health. The grant will provide funding that can be used to refine information about the septic system inventory, and help to identify priority areas in need of conversion. The group plans to meet again in February, after city staff members have an opportunity to brief their new council members on the septic issue and the county has more details about the grant award.
- Signing Ceremony – Staff attended the signing ceremony on November 29 at the Squaxin Island Tribe's Museum for the Budd/Deschutes Watershed Environmental Coalition between the Tribe and the cities of Lacey, Olympia, and Yelm.
- Coordination with Tribe Staff – LOTT staff met with Squaxin Island Tribe staff on December 6 about the Critical Aquifer Recharge Areas draft and participation in the Groundwater Recharge Scientific Study.
- WET Center Newsletter – The winter quarter issue of the Get WET newsletter has been printed and posted on the website.
- Email Communications – In order to streamline and manage LOTT's growing number of email lists, staff will begin utilizing an email service in December. Vertical Response is a free service for non-profit organizations, that will allow us to maintain address privacy, provide automatic list management, customize email layout, track click-through rates and email delivery, and assist with event marketing. This system will be used for distribution of Board Meeting agendas beginning in January.



Engineering

Construction Change Orders

East Bay Plaza Project – Change Order 3 is currently being processed for about \$12,300, which will bring the total change orders up to about 7% of the project value.

Project Updates

Primary Sedimentation Basins – Construction continues with the major activity being pile driving. The steel pipe pilings for the new primary basins are half-way completed. (There will be more pilings next summer under the electrical/chemical/odor control building.) The City of Olympia building permit has been obtained. The other subcontractors are coming on-board and preconstruction meetings are being scheduled. Submittals and construction questions are also being reviewed and answered.

East Bay Public Plaza – The restroom foundation and floor slabs have been installed. The stream feature is currently being worked on and several sections have been poured in concrete. The wetland feature is complete except for plantings. Parcel 8 is awaiting mosaic artwork to complete the concrete paving. The project is on schedule, and should be completed by mid-June 2012.

Aeration Blowers – Revised O&M manuals have been returned, and are in final review by LOTT Operations staff. The contract with Trane is being closed-out.

Waste Activated Sludge Line Replacement – The north WAS line has been installed and the south WAS line is near completion. The utilidor section is ongoing. Completion is scheduled for the end of December.

Security Camera Upgrades – This project is now complete.

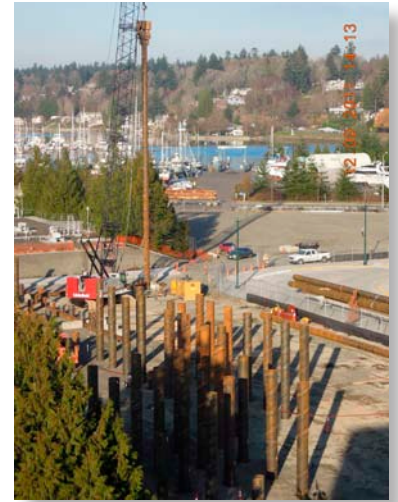
Martin Way Reclaimed Water Plant Membrane Replacement – Parametrix is preparing the 90% design submittal. Brown and Caldwell is preparing a 30% design submittal for the foam control portion of the project.

Martin Way Pump Station Reclaimed Water System – Two variable frequency drives are being added to the reclaimed water pressure system to improve performance and reliability. Parametrix is providing electrical engineering design.

Effluent Pumps – Engineering electrical design to replace the five variable frequency drives has begun with construction slated for next summer when flows are at their lowest.

Noteworthy

- Reclaimed Water Storage Project – The selection committee, including representatives from Tumwater, held interviews with three well qualified engineering firms, including Gray and Osborne, HDR, and Parametrix, and selected Gray and Osborne. The scope of work for engineering design is now being developed. An engineering contract will be prepared for Board approval for the January Board meeting.
- Locates – Staff processed 35 locates during November to mark LOTT pipeline utilities for various construction projects throughout Olympia, Lacey, and Tumwater.
- Biosolids Management Plan – The preliminary business case evaluation for biosolids dewatering (centrifuge) equipment replacement planning was completed by Brown and Caldwell.
- Port Storm Water Study – The Port of Olympia has asked LOTT to analyze the benefits and costs of LOTT accepting and treating Port



cargo yard storm water. LOTT has contracted with Brown and Caldwell to complete this study. A scope of work was reviewed by the Port and LOTT, and negotiated for cost sharing and work effort. After reducing the overall cost by \$4,000, LOTT will pay for the tasks that primarily benefit LOTT (estimated at \$14,400) and the Port will pay for tasks that benefit them (estimated at \$21,100), total cost estimate of the study is \$35,500.

Facilities

Permit Compliance

Permit compliance was 99.9% at the Budd Inlet Treatment Plant and 100% at the Martin Way Reclaimed Water Plant for the month of November. One total coliform sample exceeded permit limits due to probable sample collection error.

Reclaimed Water Production

- Production at the Budd Inlet Reclaimed Water Plant averaged .37 million gallons per day (mgd) in November 2011; 4% of the treatment plant flow was used to produce Class A Reclaimed Water.
- Production at the Martin Way Reclaimed Water Plant averaged .60 mgd; 58% of the reclaimed water was reused (all by LOTT).
- Class A Reclaimed Water production averaged a total of .97 mgd. Total reuse was 55%; total infiltration 31%. The majority of the 14% difference is accounted for as excess reclaimed water from the treatment plant returned to the process, evaporation at the ponds, line loss, and/or meter accuracy.

Biosolids Production

During November, 21 loads (677.93 wet tons total) of LOTT's biosolids were hauled by Groat Bros. to Boulder Park for Class B land application to agricultural (winter wheat) and range land in Douglas County, averaging 32.28 tons per load.

Methane Production

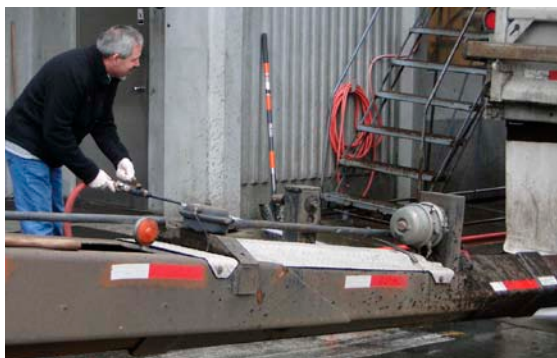
Of the 4,973,040 cubic feet of digester gas that was generated, 81% was used in the cogeneration system, 0% was reused in the boiler, and 19% was flared. (Note – Digester gas is approximately 70% methane.) A total of 238,027 kilowatt hours of power were generated, which equates to about \$17,137.94. The cogeneration facility operated for 30 days during November.

Spills

Treatment plant staff received no reported spills during the month of November.

Odor Complaints / ORCAA

Treatment plant staff received no odor complaints during the month of November.



Noteworthy

- Operations – The Operations team managed the first true rain event of the season in a professional manner, and initiated an end of the year ultraviolet bulb replacement project to ensure the disinfection system is prepared to handle high flow events. The Operations Supervisor plans to meet with LOTT's partner jurisdictions to update them on our two-shift operations and changes to spill reporting procedures.
- Environmental Compliance – Staff hosted state and regional biosolids management staff from Ecology on November 8 for a tour of LOTT's solids handling process; compiled and mailed hauled waste rate increase letters to LOTT's 26 permitted waste haulers and three public agencies on November 14; hosted a special meeting of the Northwest Biosolids Management Association on November 17 to discuss the recent Wahkiakum County ordinance and other efforts banning biosolids land application; conducted two pretreatment program compliance inspections of permitted industries; and completed a final wastewater discharge permit and fact sheet for Crown Cork & Seal with the final permit being issued on November 17.
- Maintenance – Work orders processed in the month of November: 24 corrective, 62 preventative, and 152 scheduled, for a total of 238. Equipment summary for the month of November: 40 out-of-service, 2,275 active, and 386 deactivated. Total assets on record is 2,710, and the total number of inventoried items is 1,547.
- Control Systems – Jim Howard has accepted a position in Engineering, so the Control Systems team is preparing to fill two positions.

