

Meeting Overview

Kapowsin community meeting-5/2/18

- ◆ Status of the Kapowsin water system –Derek Pell, DOH
 - Meeting opened with introductions around the room.
 - We have a lot to celebrate
 - We have grant money for the new ground source and improvements project. Two grants-one obligated from USDA-RD for \$500,000 and one that is available from DOH for \$500,000.
 - The leak in the transmission line was fixed stopping the need to truck water and reducing the amount of debt being accrued. Air was forced into the pipe and they spotted it by the bubbles. The line was not where people thought it was.
 - Hats off to Valley Water District for keeping the system up and running and we are happy resources could work together.

- ◆ Project funding sources –Katherine Brooks, Pierce County
 - Valley had applied for the USDA-RD grant before the receivership but the money was not distributed due to delays in the Federal budget approval. They gave the RD paperwork to the County upon receivership, the county continued to move forward and the grant was obligated.
 - DOH also has grant money earmarked for the new Kapowsin groundwater source. Because the RD grant is a federal grant, they require all other grant money to be used first and the RD grant to be used second. These grants do not cover the same things necessarily, so the timing of when the DOH grant comes through is very important. Funding dollars for the well source provided by these two grants does not have to be paid back. Monies from these grants can be used for the well, distribution lines, treatment, and if any grant dollars are left over to other priority system updates.

- ◆ Engineering project for new well and related items –Katherine Brooks, Pierce County
 - USGS drilled a well on the Craig site. The well log shows that they hit plenty of water but a water quality test was never done. USGS didn't need one because they were using the well to concrete in earthquake detection equipment.
 - The County is working with engineering firm Kennedy/Jenks on the new groundwater source project.
 - There are several potential well site locations: three are on property owned by Tacoma Public Utilities. One site is near the treatment building. This site would require the least amount of distribution line added and still has room for a storage tank for fire flow if/when that is possible. USGS is concerned about using the Craig property as a well site because hard pumping of the water system will give misreading's and ruin their investment.
 - There is a question as to why the well is going to be so much money. It is due to the depth the well must be drilled to reach a water source. The cost for the well goes higher the deeper you drill. If the driller hits a source earlier they will stop drilling, but right now

it looks like the well will be more than 300' and potential treatment and distribution also add cost.

- The treatment system is different moving from a surface water to a groundwater source, but the treatment facility building will remain where it is.
 - It is good to get off of the surface water source-some years there were flow problems, contamination is a possibility, and there are no “right of entry” easements for the length of the transmission line. We were lucky the break happened where it did.
 - There is a handout showing what the County has done so far to bring the system back up.
 - The critical path right now is locking down the land for the well. We hope to drill by August if this gets done.
- ◆ Rate changes and rate setting –Katherine Brooks, Pierce County
- The other handout provided shows that the current \$150 collected from each customer is not covering the costs for maintenance and operations. A deficit is accruing. This amount does not cover an outstanding claim filed against Kapowsin Water District or the costs for future system upgrades, preservation or emergency reserves which would be an additional rate charge paid through a special assessment levied against each customer. At that time, you may receive two bills. Valley Water District anticipates that if they take over the system after receivership, their portion would be between \$70 and \$75 per month. We cannot tell you what the final numbers will be at the end because we need to wait and see how much free grant money we can obtain that will cover system costs.
 - We are still looking for additional funding sources. We were asked to check into the Russell Family Foundation grant for the Puyallup Watershed, and the Bill Gates Foundation. We will stretch money as far as possible into the components of the system.
- ◆ Future administrative regulations –Katherine Brooks, Pierce County
- The County does not run water systems so we are in the process of creating administrative regulations similar to the ones we have for the sewer utility. We will let you know when the draft regulations are available to see (we will post them on the website).
- ◆ Future steps regarding the Receivership –Derek Pell, DOH
- Receivership is a process.
 - In November of this year, DOH, the County, and Valley will go before the Court to talk about how things are going and preferred direction for the future.
 - The grants are tied to the County as the receiver, so transition will probably not happen until the funds are exhausted.
 - We are looking at developing a disposition plan that will provide the Kapowsin customers a safe and reliable water source for now and into the future.