

City of Cosmopolis

Workshop

October 03, 2012

Mayor Pro Tem Carl Sperring opened the workshop 6:05

Councilmembers Present: Karen Cox, Frank Chestnut, Jim Ancich and Debbi Moran

Staff Present: Finance Director Kathy Welch, and Public Works Director Darrin Raines

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Darrin explained that Mike Olden would be present to give Council an update on the test wells and the alternate water sources that might be available. Darrin said that preliminary tests looked encouraging. Mike Olden said that we basically have two options for alternate water sources. Darrin said that to be totally independent from Aberdeen we would need about 175 gallons per minute. This would also allow for fire protection storage. What we have from this first well is 45 to 50 gallons per minute. This would be a good start on our independence from Aberdeen.

Attorney Hyde asked if we would need extensive treatment of the water. Darrin said that we would need some but not the same extent that you have with surface water like Aberdeen has. We could possibly get on line for \$365,000 versus \$4 to \$5 million we would need if we were to purchase water from an out of town source and pipe it to Cosmopolis. Darrin said the report outlines how fast the well would actually pay for itself. Our next step, if we decide to proceed, would be to drill another test well in the neighborhood of Makarenko Park. Frank had asked if we could drill a test well in the Park with the conditions of the endowment. Attorney Hyde said the only conditions on the park are not cutting the conifers unless they are dangerous trees.

Mayor Raines arrived at 6:20 p.m.

Mike Olden, Gibbs and Olson, said that the numbers look good on the pump test. We should be able to get about 1/4 of what we need from our own source. The preliminary quality tests looked good. Mike said they were to come back with some feasibility numbers to see if it might pan out for the City. The water quality was really good at Holly and Altenau. He thinks we would find something in Makarenko Park and would install some sort of treatment system that is built into the \$365,000 cost. Mike had a spread sheet to compare the cost and the break-even point. The funding source could be a loan from the Department of Health revolving fund with 1 to 1/2 % interest cost. We would want to do further study to make sure the minimum capacity inks out versus continuing purchasing everything from Aberdeen. Frank commented that if we got 40 to 50 gallons from Makarenko, he feels that it would look good for the City. Mike said the second well is a lot easier, because you already have your treatment in place and just need the distribution line from source. If treatment facility located in Makarenko Park, they take up very little space and would not interfere with the trees.

Jim asked how you would know whether or not you had tapped into the same aquifer with the second well. Mike explained that there are level monitors that you can put on the system that tells you when you pump the second well, if you are drawing down on the first well. There are modeling systems to make sure that you do not over pump certain basins.

Mike said the next step is drilling a test well and an intermediate step of submitting an application to Department of Ecology for water rights permit. This is not a real big deal and we would get that started as soon as possible under the current work we are doing. Once we get that back we would initiate a driller to go up and punch a hole in the ground to see what we have. We would test for volume and water quality. If this looks good, the next step is to request a water right cost reimbursement process with the Department of Ecology. You have to make a formal request and DOE comes back with an estimated cost of what it will cost to do the scoping work; which you pay and then DOE comes back with the real cost of doing the water right review. Mike estimates that this process would cost about \$35,000. He hopes that it doesn't get to this point, but wanted to be real conservative to make sure we had enough to complete the process.

Mike said that in the meantime we need to take some steps to get the process started sooner. One of those is updating our water system plan done by next spring so we could apply for funding by next spring. Darrin said this would fit right into the process Kathy and I have been discussing. As part of the plan, you have a financial viability plan that examines current revenues versus expenditures. In that we have a set of guidelines for rates for the term of the Plan. This gives you backing when you are talking to the residents about rates and why you might need an increase. You also need this to apply for funding. Mayor Raines asked about the cost of the Water Comp Plan update, and if it will cost less than the last time since we have the basic premise in place. Mike said that the original plan was done some years ago and a lot of the material could be used, but he also cautioned that requirements have changed since the last plan was adopted. He was hesitant to give us a fixed cost to update the Plan.

Mayor Raines said that we can discuss this further at a workshop, November 7<sup>th</sup> at 6:00 p.m.

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Finance Director

Attest:

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Mayor











