

LOWPER WATER SYSTEM
PO Box 20429
Seattle, WA 98102
(206) 282-4200

January 23, 2012

Richard A. Finnigan
2112 Black Lake Blvd. SW
Olympia, WA 98512

Re: Lower Water System, Response to John Anderson memo to WUTC 12/20/2011 and 12/26/2011

Dear Rick:

The week of December 19, 2011 Mr. Anderson called our office wanting to talk to me about helping get unresponding signatures for the PUD easement requirement. Unfortunately, I was out of the area for the holidays and did not get back to Mr. Anderson until the week of January 13, 2012. At that time our letter of January 20, 2012 was sent to Mr. Anderson as we agreed to work together to acquire the PUD easements agreement.

Mr. Anderson's letters of 12/20/2011 and 12/26/2011 are incorrect and not factual. Mr. Ward's memo of January 6, 2012 helps correct some of Mr. Anderson's concerns.

The following are our responses to Mr. Anderson's concerns.

1. The service agreement with Solmar is an expenses benefit to both Lower and Sunland Shores water systems. The Sunland Shores water system is approved for 50 connections not 121 and is servicing 47 customers on a flat rate, no meters or no meter reading expenses.
2. Mr. Anderson is not knowledgeable with the complete Lower water system. There are 21 connections not just 7. There is more to the expenses and operations of a water system than reading meters and paying for water.
3. The Department of Health requires an assigned certified water operator to be responsible for the system, which Solmar provides. The operation of the Lower water system is per the Clallam County PUD water plan, per agreement.

4. Water systems do have moving parts that do fail. Since 2006 the Water Company has expended over \$7,000.00 in fire hydrant repair, service line leaks, check valve replacement and repair.

If you have any questions, please let me know.

Sincerely,

David Dorland