STATE OF WASHINGTON
DEPARTMENT OF HEALTH
SOUTHWEST DRINKING WATER REGIONAL OPERATIONS
PO Box 47823, Olympia, Washington 98504-7823
TDD Relay 1-800-833-6388

February 29, 2016

Greg Rae
Olympic Water and Sewer, Inc.
781 Walker Way
Port Ludlow, Washington 98365-9792

Subject: Olympic Water and Sewer, Inc., ID #68700L, Jefferson County; Water System Plan Update, ODW Project #14-1003

Dear Mr. Rae:

The Water System Plan (WSP) received by the Office of Drinking Water (ODW) on September 29, 2014, along with subsequent submittals received on August 13, 2015, and December 30, 2015, have been reviewed and are **APPROVED**.

Approval of this WSP is valid as it relates to current standards outlined in WAC 246-290 revised March 30, 2012, WAC 246-293 revised September 1997, and RCW 70.116 (Municipal Water Law) effective September 2003, and is subject to the qualifications herein. Future changes in the rules and statutes may be more stringent and require facility modification or corrective action.

An approved update of this WSP is required on or before February 29, 2022, unless ODW requests an update or plan amendment pursuant to WAC 246-290-100(9).

APPROVED NUMBER OF CONNECTIONS

Based on the information provided in this WSP, this system has sufficient capacity to meet the growth projections for the identified six-year planning period. ODW will reflect this condition by noting on the water facilities inventory (WFI) form and operating permit an "**unspecified**" designation for this system's approved number of connections. The analysis presented in this document demonstrates that this water system has the capacity to adequately serve 2,427 equivalent residential units (ERUs), assuming an Average Day Demand of 185 gallons per day per ERU and a Maximum Day Peaking factor of 2.51. The limiting factor described in the approved WSP is source-pumping capacity.

You are responsible for permitting the addition of new service connections to your water system in a manner consistent with the approved WSP. We expect you to maintain a process which recognizes all new connections added to the water system and the water demands associated with each connection. Your process must ensure that physical capacity and water right limitations are not exceeded.

LOCAL GOVERNMENT CONSISTENCY

Carl Smith, Director of Community Development, Jefferson County signed the local consistency statement on November 18, 2014. This meets local government consistency requirements for WSP approval pursuant to RCW 90.03.386 and RCW 43.20.

SERVICE AREA AND DUTY TO SERVE

Pursuant to RCW 90.03.386(2), the service area identified in this WSP service area map may now represent an expanded "place of use" for this system's water rights. Changes in service area should be made through a WSP amendment.

Olympic Water and Sewer, Inc. has a duty to provide new water service within its retail service area. This WSP includes service policies to describe how your system plans to do so.

CONSTRUCTION WAIVERS

Standard Construction Specifications for distribution main extensions in this WSP are approved. Consistent with WAC 246-290-125(2), this system may proceed with the installation of distribution main extensions provided this system completes and keeps on file a construction completion report form in accordance with WAC 246-290-125(2) and WAC 246-290-120(5) and makes it available for review upon request by ODW.

WATER RESOURCES

Our approval of your water system plan does not confer or guarantee any right to a specific quantity of water. The approved number of service connections is based on your representation of available water quantity. If the Washington Department of Ecology (Ecology), a local planning agency, or other authority responsible for determining water rights and water system adequacy determines that you have use of less water than you represented, the number of approved connections may be reduced commensurate with the actual amount of water and your legal right to use it.

WATERSHED PLANNING

The Service Area for Surfside Homeowners is located in Water Resource Inventory Area (WRIA) 17 (Quilcene-Snow). Please contact Ecology for more information regarding watershed planning.

SEPA

A State Environmental Policy Act (SEPA) Notice of Action will be published in the Port Townsend Leader for two consecutive weeks. That Notice of Action will have a twenty-one day appeal period commencing on the second date of publication. Example enclosed. This Notice of Action will also be posted on the Washington Department of Ecology's SEPA Register. Regulations establishing a schedule of fees for review of planning, engineering, and construction documents were adopted March 30, 2012 (WAC 246-290-990). Staff time to prepare and publish the SEPA Notice of Action will total 2.5 hours ($255). An invoice for $255 is enclosed.

We recognize the significant effort and resource commitment involved in the preparation of this WSP. Thank you for your cooperation.

If you have any questions, please contact Mark Mazeski at (360) 236-3038 or Teresa Walker (360) 236-3032.

Sincerely,

Mark J. Mazeski
Office of Drinking Water, Regional Planner

Teresa Walker, P.E.
Office of Drinking Water, Regional Engineer

Enclosures

cc: Larry Smith, President Olympic Water and Sewer, Inc.
Jeff Hanson, P.E. HDR Engineering, Inc.
Jefferson County Health Department
Jefferson County Planning Department
Tammy Hall, Department of Ecology
Jim Ward, Utilities and Transportation Commission

Table 13-1
Olympic Water and Sewer, Inc.
Capital Improvement Program

Water Supply Projects										
WS-1	Water Rights Application (Well No. 1 - 50 gpm)	S	$10,000					$11,255		
WS-2	Well 18 Design and Construction	S	$250,000		$257,500					
WS-3	Greensand Filter Backwash Controller	S	$10,000	$10,000						
WS-4	Wells 14/16 Manganese Removal (Water Quality Aesthetic Improvement)	S	TBD							TBD
Distribution System Projects										
WD-1	Portable Generator - Service Zone A (20 kW)	S	$35,000		$37,132					
WD-2	Transfer Switch - Service Zone A Well (2, 3, or 4N)	S	$5,000		$5,305					
WD-3	Improvements in high elevation area near Reservoir A (Design and Const)[4]	S	$200,000			$53,045			$173,891	
WD-4	OT2 Ph II Distribution Improvements (2,000 ft of pipe)	D	$180,000						$208,669	
WD-7	AC Pipe Replacement	S	TBD							TBD
WD-8	Well 3 Water Quality Aesthetic Improvements (inlet piping in Reservoir A)	S	TBD							TBD
Management Projects										
WM-1	Water System Plan Updates[5]	S	$60,000						$23,185	$46,371
	Total		$750,000	$10,000	$299,936	$53,045	$0	$11,255	$405,746	$46,371
	Total (funded by OWSI)		$570,000	$10,000	$299,936	$53,045	$0	$11,255	$197,077	$46,371

Notes:

TBD = Future project to be further defined in subsequent WSP updates in terms of scope, cost, and timing.

(1) Project locations shown on Exhibit 13-1.

(2) S = System Customers (i.e., OWSI funded); D = Developer Contribution

(3) Costs for projects implemented after 2014 are inflated at 3% per year to account for inflation.

(4) Costs include evaluation (~$50,000) and design/construction (~$150,000).

(5) Assumes an update occurs every six years, at a cost of $20,000 each.

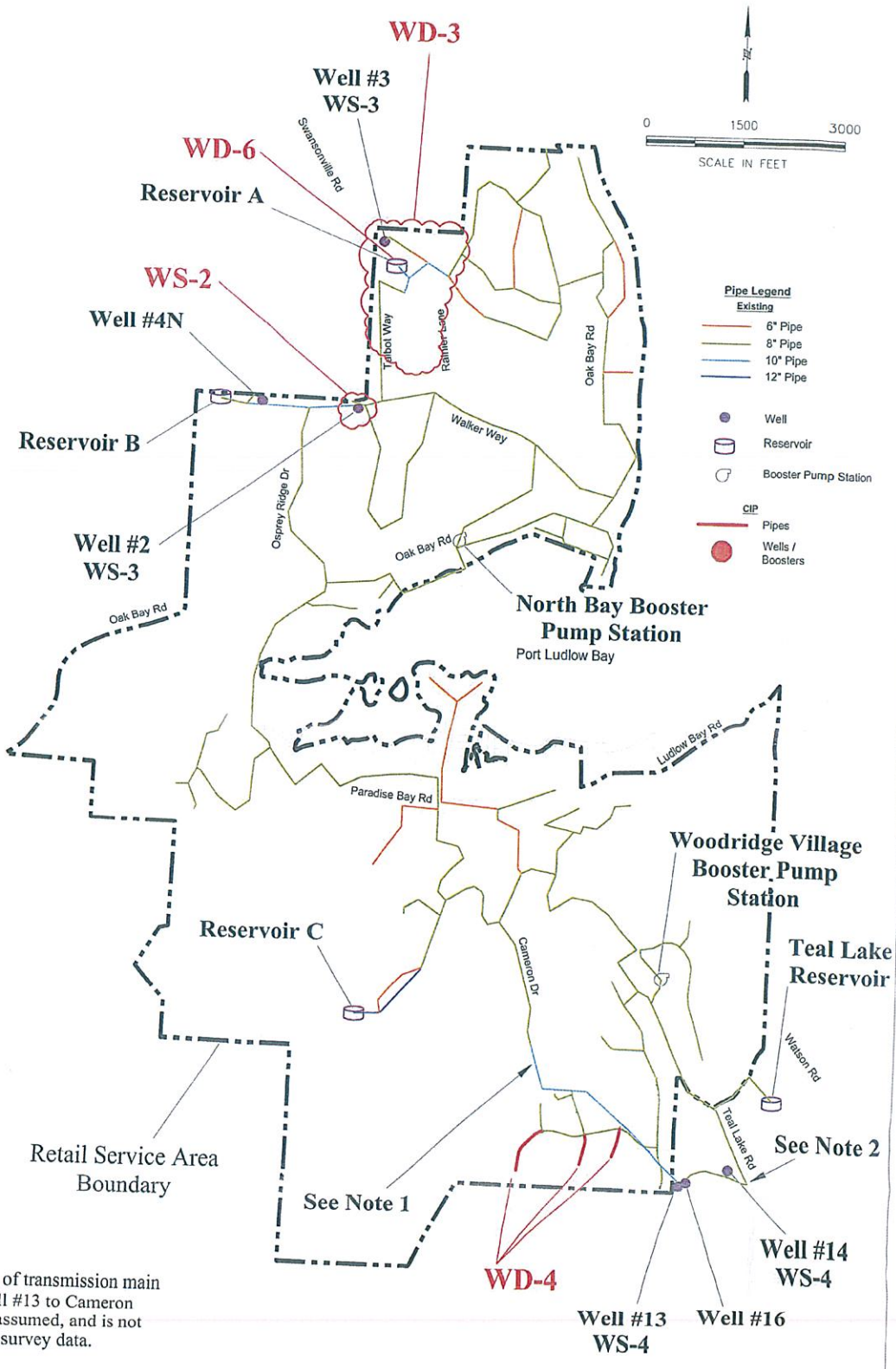
(6) Piping unit cost is $90/ft for 8-inch diameter pipe. This includes all project-related costs, including design and permitting.

13.1.1 Water Supply (WS) Improvements

- ***Water Rights Applications (WS-1):*** This refers to OWSI's existing water right application associated with Well 1, for 50 gpm. Development of Well 1 is anticipated to then occur beyond the six-year time horizon.
- ***Well No. 18 Design and Construction (WS-2):*** Well 18 is the planned replacement for Well 2, in Service Zone A. The schedule for development of this replacement well is contingent upon any further direction from Ecology regarding the cleanup of a contamination site near the location of Well 2, as described in Section 5.1.1.
- ***Greensand Filter Backwash Controller (WS-3):*** This refers to a replacement backwash controller at the existing greensand filters.
- ***Well 14/16 Manganese Removal (WS-4):*** This is an aesthetic water quality related improvement, and does not address a regulatory or health/safety need. Manganese levels in Wells 14 and 16 are slightly elevated and have led to some customer complaints. This project involves evaluating options (which may include sequestration and/or filtration) and implementing a solution to address this issue.

13.1.2 Water Distribution System (WD) Improvements

- ***Portable Generator – Service Zone A (WD-1):*** This refers to the purchase of a portable generator for use at Wells 2, 3, and 4N in the event of a power outage.
- ***Transfer Switch – Service Zone A Well (WD-2):*** Project WD-1 will also require at least one Service Zone A well to be equipped with a transfer switch in order to accommodate the portable generator.
- ***Improvements in high elevation area near Reservoir A (WD-3):*** This project involves further evaluation of the high elevation area surrounding Reservoir A. As described in Section 9.3, portions of this area experience static pressures less than 30 psi. Pressures are significantly reduced during modeled fire flow events. Presently, residences have individual, private booster pumps to maintain pressures during normal operating conditions. OWSI plans to study this situation and analyze potential remedies, such as the construction of a booster pump station to serve this discreet area, which is comprised of approximately 100 parcels. Table 13-1 includes an analysis, followed by construction of the identified remedy in subsequent years.
- ***Olympic Terrace II Development – Distribution Improvements (WD-4):*** This project involves the construction of distribution piping to provide service to the proposed Olympic Terrace II development. Proposed piping alignments have been designed by the developer and are shown on Exhibit 13-1. In addition to piping, this project will involve the installation of a pressure reducing valve to allow for the transfer of water from OWSI's transmission system to the development at appropriate pressures. This project will be funded by the developer.
- ***AC Pipe Replacement (WD-5)***: This project refers to the potential replacement of AC piping throughout the distribution system. There is not a critical need for this project at this time, since the AC piping appears to be in good condition as evidenced



Note 1
Location of transmission main from Well #13 to Cameron Drive is assumed, and is not based on survey data.

Note 2
No services are provided in the immediate vicinity of Wells 13, 14, 16 and Teal Lake Reservoir (i.e., outside the retail service area boundary).

HDR

OLYMPIC WATER AND SEWER, Inc.
Water System Plan
Capital Improvement Projects

DATE
April 2015

FIGURE
EXHIBIT 13-1