

**NORTH BEACH WATER DISTRICT
PACIFIC COUNTY, WASHINGTON**

RESOLUTION NO. 14-2011

**A RESOLUTION OF THE BOARD OF COMMISSIONERS OF NORTH
BEACH WATER DISTRICT, PACIFIC COUNTY, WASHINGTON,
AUTHORIZING GENERAL MANAGER TO ENTER INTO AGREEMENT
WITH OYSTERVILLE WATER NP CORP TO PROVIDE ASSISTENCE IN
DEPARTMENT OF HEALTH COMPLIANCE ISSUES**

WHEREAS, the North Beach Water District, pursuant to Title 57 RCW, owns and operates a water system in Pacific County, Washington, and

WHEREAS, Title 57.08.044 RCW authorizes the District to enter into contracts with public and private for operation or services within or without of the District boundaries, and

WHEREAS, the Board of Commissioners now wishes to enter into an agreement with Oysterville Water NP CORP, therefore;

BE IT RESOLVED by the Board of Commissioners (Board) of the North Beach Water District, Pacific County, Washington as follows:

Authorizes the General Manager to enter into the attached WATER SYSTEMS SERVICES AGREEMENT with Oysterville Water NP CORP and to faithfully execute and fulfill the promises therein.

ADOPTED by the Board of Commissioners of North Beach Water District, Pacific County, Washington at its regular meeting held on September 15, 2011.



Brian Sheldon, Commissioner Position #1



Gwen Brake, Commissioner Position #2

R.D. Williams, Commissioner Position #3

WATER SYSTEM SERVICES AGREEMENT

THIS AGREEMENT, made and entered into this ____ day of _____, 2011, is by and between North Beach Water District, a Washington municipal corporation ("District"), and _____, a Washington _____ ("Company").

RECITALS

A. Pursuant to Title 57 RCW, the District owns and operates a water system in Pacific County, Washington.

B. The Company owns and operates a Group A Community water system (identification no. 29240X) in Pacific County, Washington, near the District's water system. The Company is approved for 99 connections, and currently has 68 metered connections and 11 un-metered connections (stand-by).

C. In July 2011, the Office of Drinking Water of the Washington Department of Health conducted a Special Purpose Investigation of the Company's water system. Following the Investigation, the Office of Drinking Water sent a letter to the Company, summarizing recent contamination in the water system and the Company's response to the contamination, identifying outstanding water system issues, and recommending actions to resolve such issues. A copy of the letter is attached to this Agreement as **Exhibit A** ("DOH Letter"). The DOH Letter acknowledges that the District assisted the Company in addressing water system issues prior to issuance of the DOH Letter.

D. The Company desires to hire the District to assist the Company in addressing and resolving the remaining water system issues as identified in the DOH Letter. The District is willing to assist the Company in these endeavors in accordance with the terms and conditions of this Agreement.

E. During the District's assistance, the Parties intend to discuss operation and maintenance of the Company's water system by the District.

AGREEMENT

The parties agree as follows:

1. Work on Water System. At the request of the Company, and consistent with the DOH Letter, the District agrees to review, inspect, analyze and repair the Company water system. The initial scope of the District's services is stated in **Exhibit B** attached to this Agreement. The District Manager and the authorized representative of the Company shall approve in advance in writing any District services not described in **Exhibit B** and any District repair to the Company water system.
2. Files and Records. The Company shall make available to the District all records relating to the Company water system. If requested records are not in the possession of the

Company, but are located elsewhere, the Company shall use its best efforts to obtain such records.

3. Payment; Invoices. The Company shall pay for the District's services under this Agreement at the hourly rates for District employees and officers set forth on **Exhibit C** attached to this Agreement, and at actual costs to the District for consultants and contractors. The Company also shall reimburse the District for direct costs and expenses related to the services as described in **Exhibit C**. The Company shall submit a deposit in the amount of \$1,500 within seven (7) days of the effective date of this Agreement as stated above. The District shall return the deposit to the Company after the Company has paid for all services and direct costs and expenses under this Agreement. The District shall send monthly an invoice for the services. The invoice shall be due within twenty (20) days of the date of the invoice. Delinquent invoices shall accrue interest at the rate of twelve (12) percent per year.
4. Term. This Agreement shall be effective on the date stated above, and shall terminate on June 30, 2012, unless sooner terminated under this Agreement. If the District has not completed the services on **Exhibit B** or any additional services or repairs by June 30, 2012, this Agreement shall be extended automatically until September 30, 2012.
5. Insurance. The District shall maintain insurance during the term of this Agreement in the same coverage as the District had in effect at the execution of this Agreement.
6. Indemnification. Each party will defend, indemnify and hold harmless the other party, its officers, agents and employees, from and against any and all claims, including third party claims, costs, judgments or damages, including attorneys' fees, arising out of the negligent acts or omissions of the party, its officers, agents and employees, in connection with this Agreement. The parties hereby waive, but only as to each other, their immunity from suit under Industrial Insurance, Title 51 RCW. This waiver of immunity was mutually negotiated by the parties. This paragraph shall survive any termination or expiration of this Agreement.
7. Independence of Parties. In executing this Agreement, the parties are independent and acting solely for their own accounts, and nothing in this Agreement will cause them to be construed as partners, joint ventures, or having any other relationship under which either party could be deemed to be the agent of the other or as creating any rights in any third parties.
8. Termination. This Agreement may be terminated by either party upon twenty (20) days written notice to the other party.
9. License. For the duration of this Agreement, the Company grants to the District a license to enter onto all premises, easements and properties of the Company to perform the services and repairs.
10. Time of Essence. Time is of the essence to this Agreement in each and all of its provisions in which performance is required.

11. No Third Party Beneficiaries. There are no third party beneficiaries to this Agreement. No person or entity other than a party to this Agreement shall have any rights hereunder or any authority to enforce its provisions, and any such rights or enforcement must be consistent with and subject to the terms of this Agreement.
12. Litigation. In any litigation brought by either party to enforce this Agreement or to redress any breach thereof, the prevailing party shall be entitled to recover its costs and reasonable attorneys' fees. The venue for any action related to this Agreement shall be the Superior Court in and for Pacific County, Washington.
13. Entire Agreement; Amendments. This Agreement represents the entire understanding and agreement between the parties concerning its subject matter and supersedes all prior discussions and understandings. This Agreement may be modified only by written instrument signed by both parties.

NORTH BEACH WATER DISTRICT

By: _____
Its: _____

By: _____
Its: _____



Exhibit A

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

August 31, 2011

Carol Nordquist
Oysterville Water NP CORP
Post Office Box 81
Oysterville, Washington 98641

Mark Clemmens
Post Office Box 7
Oysterville, Washington 98641

Subject: Oysterville Water System, ID #29240X, Pacific County; Special Purpose Investigation Following an Acute Coliform Violation

Dear Carol Nordquist and Mark Clemmens:

Thank you for meeting me on July 25, 2011, for a Special Purpose Investigation (SPI) of the above system. This letter is written to document the acute coliform violation on July 21, 2011, and this system's ongoing efforts to resolve the problem.

A routine coliform sample collected on July 19, 2011, from a tap at 33302 Territory Road, showed the presence of *E. coli* bacteria. Three of the five repeat samples taken on July 21, 2011, were positive for *E. coli* and one was positive for total coliform. All residents were notified of the acute coliform violation by July 22, 2011, by hand delivery, e-mail, or door postings.

Repeat coliform samples collected on August 9, 2011, showed continued *E. coli* contamination at two of the five sample locations. Samples from the source and two distribution locations were satisfactory. Samples from the two extreme ends of this system were *E. coli* positive. However, it is important to note that two water bottles were dropped and the lab slips may have been replaced incorrectly. One of the two bottles dropped was the positive *E. coli* sample from the pumphouse, which makes this result unreliable.

I inspected this system on July 25, 2011. I did not see any clear source of contamination. However:

1. A review of the historical water use records indicates a leak exists on the homeowner's side of a service meter on the corner of Espy and Douglas Drive.
2. Customers at the lower end of the distribution system indicated that pressures drop to a trickle during the late afternoon/early evening hours each day.



3. You indicated that the two small, lead/lag booster pumps are not adequate to supply peak use, and the third, larger fire-flow booster pump was shut-off due to a leak.
4. At least one pressure tank had failed and was shut-off and all tanks are over ten years old and showing signs of external wear.
5. I observed the caulk at the base of the reservoir vent had failed at one corner.
6. This system has a calculated water loss at 35 percent, suggesting significant leakage.
7. You indicated that several properties have existing private wells and lack any form of backflow protection.
8. Review of the water use records indicates that water use at the commercial kitchen with residence and shellfish retail outfit is approximately 290 gallons per day on average. The level of use for these three connections appears low.
9. Water samples are routinely taken from one residence on the system and the downstream connections are rarely, if ever, tested.

This system's response to the July 19, 2011, and July 21, 2011, *E. coli* positive water samples involved:

1. Shock chlorination, flushing, and re-sampling on several occasions. Three repeat sample sets have been taken to attempt to locate the source of the contamination.
2. Enlisting the assistance of Evergreen Rural Water of Washington circuit rider, Derek Zock, to assist in line flushing, chlorination, and leak detection.
3. Enlisting the help of nearby North Beach Water District General Manager, Bill Neal, to help address system issues.
4. Hiring a leak detection company who analyzed this system and were unable to locate a leak in distribution.
5. Repairing the caulk on the reservoir vent.
6. Repairing the third booster pump and returning it to service.

The following requirements must be addressed by the date indicated:

- Have all pressure tanks inspected by a qualified professional and submit a copy of their findings by September 16, 2011. Replace any failed tanks by October 7, 2011.
- Complete a written coliform monitoring plan that includes the downstream section of this system, has at least three routine locations, and ensure that the sampler follows the plan. Submit a copy of the plan to the Office of Drinking Water (ODW) by September 16, 2011.
- Have a Cross-Connection Control Specialist (CCS) complete a cross-connection control hazard assessment, identify where backflow assemblies are needed, and submit an implementation schedule to ODW by October 7, 2011. Ensure that all properties with private wells are either protected by reduced pressure backflow assemblies (RPBA) or that the wells are not physically connected to the water supply.

- Based on a review of the coliform sampling data, all reliable results with *E. coli* present are located downstream of the property with a known leak at the corner of Espy and Douglas Drive. Either have the owner repair the leak or install a backflow assembly appropriate to the risk by September 16, 2011. This system should include this requirement for future leaks in the cross-connection control program.
- A leak detection company has been out since my inspection. Please submit a copy of their report.
- Begin routinely monitoring pressures during peak use periods to confirm that the downstream end of this system is maintained at a minimum of 30 psi.

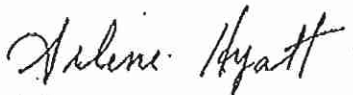
RECOMMENDATIONS

- Have a licensed engineer perform a hydraulic analysis on this system. Make any changes necessary to provide adequate pressures (30 psi minimum) during peak use throughout the distribution system. Pressure fluctuations below this level can allow contamination into the distribution system.
- Continue to investigate the cause of the 35 percent water losses.
- This system should consider an additional contract operator to assist with operations and maintenance. A list of providers can be obtained on the ODW web site: <http://www.doh.wa.gov/ehp/dw/operatorcertification/Contract-Op.pdf> or a copy can be mailed upon request.

Five water samples were collected throughout the distribution system on August 15, 2011, and August 16, 2011, and all ten were found satisfactory. As a result, the Boil Water Advisory was rescinded by ODW on August 18, 2011.

ODW appreciates the diligent efforts in resolving these issues. The timelines assigned are intended to help locate the source of the *E. coli* and address it to avoid any future water quality or health issues. Your attention to these matters is appreciated. We encourage you to contact us with questions or to adjust timelines as needed.

Sincerely,



Arlene Hyatt
Office of Drinking Water, Regional Sanitarian

cc: Megan McNelly, Pacific County DCD
Sandy Brentlinger, ODW
Denise Miles, ODW
Teresa Walker, ODW

Exhibit B

SCOPE OF WORK

OYSTERVILLE WATER SYSTEM

I. Task List

Work with System engineer to perform a hydraulic analysis of the system;
Complete a Collform Monitoring Plan;
Complete a Cross Connection Hazard Assessment and Develop a Cross Connection Program;
Address all leaks or backflows that may be contributing to system contamination;

II. Problem Statement

Oysterville Water System recently suffered an E. Coli contamination. As a response to the contamination the Washington State Department of Health has issued a letter requiring Oysterville Water System to take actions and recommending other actions. These actions are designed to increase the reliability of the water system and safety of the customers of the water system.

III. Goal of the Agreement

The goal of this agreement is to complete the Department of Health required actions and to identify other actions that will make the Oysterville Water System more reliable and safe for its customers.

IV. Objectives of the Agreement

The objectives of this project are to:

- a. Complete a hydraulic analysis by an engineer to identify deviances in the operation of the system.
- b. Complete a coliform monitoring plan
- c. Complete a Cross Connection analysis of the system and develop a Cross Connection program.
- d. Ensure the water distribution system is free of leaks.
- e. Develop a plan of action based on the results of the hydraulic analysis.

V. Task Administration

William Neal will be the administrator of the project. Communication between Oysterville Water System, Washington State Department of Health, System engineer, contractors, vendors, or other consultants will be through William Neal for the duration of the project.

VI. Task Specific

Engineer – Hydraulic Analysis;
William Neal – Collform Monitoring Plan – Cross Connection Analysis – Cross Connection Program
Third Party Contractors – Repairs and improvements.

VII. Deliverables/Estimated Hours/Timing

Hydraulic Analysis – by engineer – 12 hours – by January 31, 2012;
Coliform Monitoring Plan – by William Neal – 12 hours – by November 1, 2011;
Cross Connection Hazard Assessment – by William Neal – 24 hours – by December 12, 2011;
Cross Connection Program – by William Neal – 24 hours – by January 31, 2012;
Distribution system leaks repaired – by third party contractor (at William Neal's direction) – 30 hours – by January 31, 2012;
Recommended repairs and improvements (from hydraulic analysis) – by engineer & William Neal – 12 hours – by February 29, 2012.

Exhibit C

Hourly Rates and Reimbursables

William Neal _____ \$70.00 per hour

Mileage _____ \$.055.5 per mile

Reimbursable expenses _____ Actual Cost

Reimbursables include but are not limited to:

Printing, shipping and postage, long distance phone charges, professional fees i.e. legal, engineering, surveying, printing, and all other direct expenses related to this agreement and required to complete the scope of work.