



General Manager's Report

Report on Water System Operations for:

August, 2016			
Metering Period:	6/1/17/2015	- THRU -	6/31/2017
Billing Period:	06/15/2017	- THRU -	07/15/2016
Activity Period:	07/01/2016	- THRU -	07/31/2016

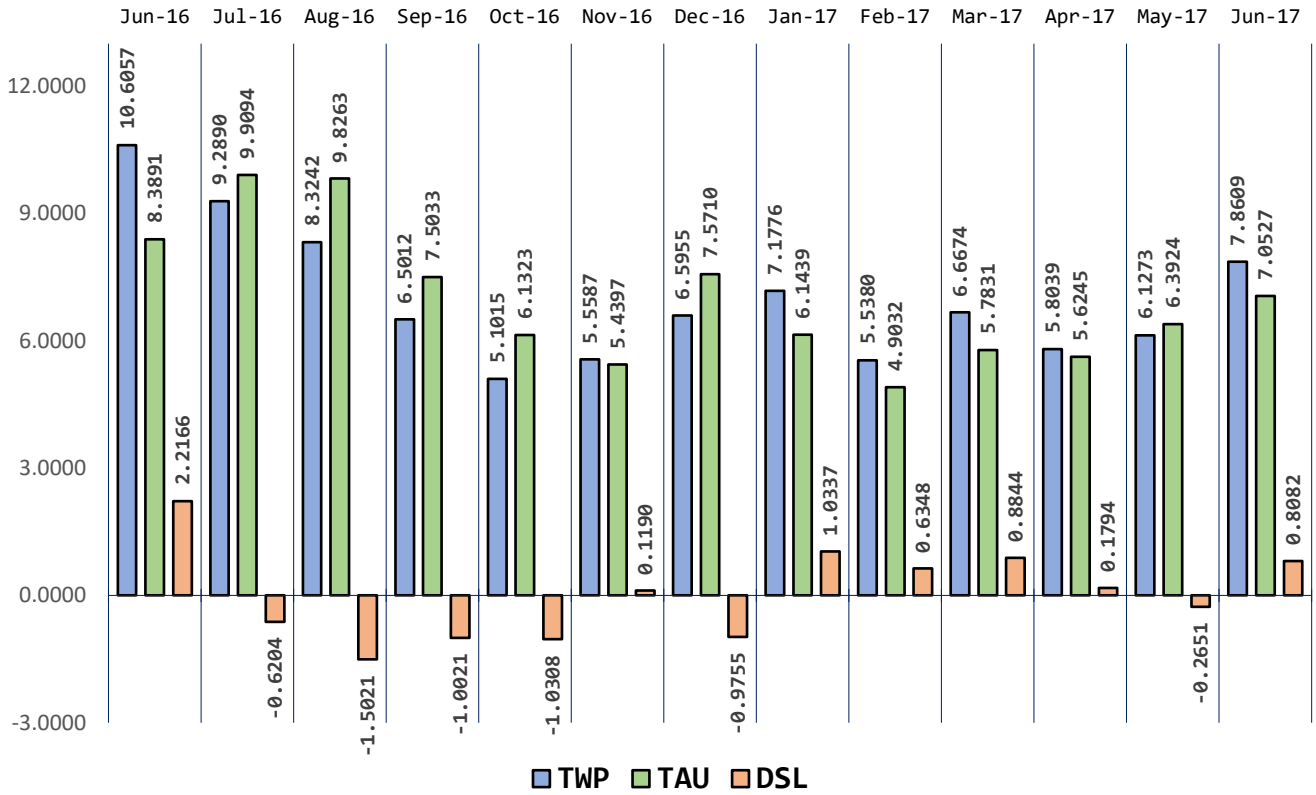
(MG= Million Gallons) (Mg/L= milligrams per liter) (Ug/L= micrograms per liter) (MCL= Maximum Contaminant Level) (c.f.= Cubic Feet)

Total Water Pump From All Wells in Metering Period (TWP) ----->	7.8609	MG
Total Water Sold in Metering Period ----->	6.8868	MG
Total Filter Plant Backwash Water in Metering Period ----->	0.1588	MG
Total Water Main Flushing Water in Metering Period ----->	0.0071	MG
Total Other Authorized Water Use in Metering Period ----->	0.0000	MG
Total Authorized Consumption in Metering Period (TAC) ----->	7.0527	MG
Total Distribution System Leakage in Metering Period (DSL) ----->	0.1028	MG
Percentage of DSL in Metering Period ----->	10.3%	%
12 Month Running Total of TWP ----->	80.5452	MG
12 Month Running Total of TAC ----->	82.2818	MG
12 Month Running Total of DSL ----->	-1.7367	MG
12 Month Average of Percentage of DSL ----->	-2.2%	%

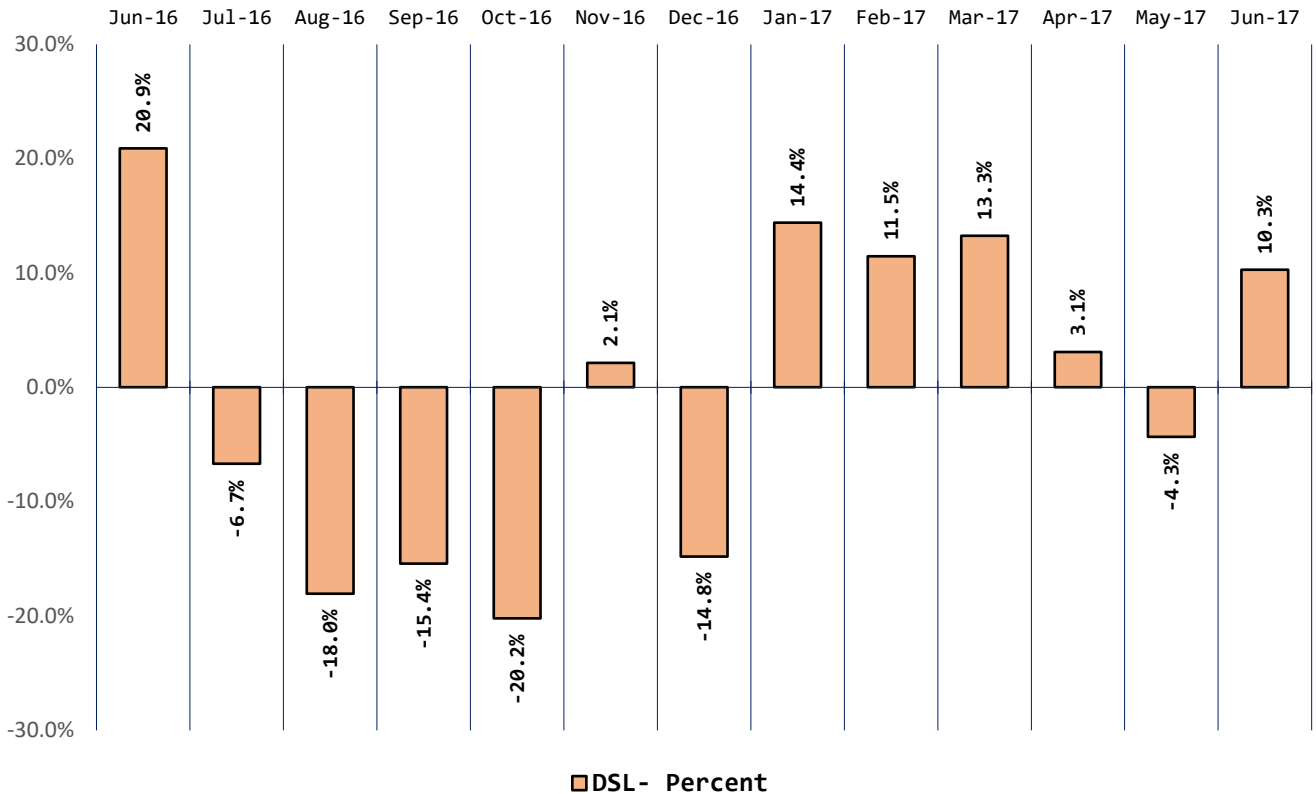
2,603	Residential Accounts	Paid Base Rates Totaling:	104,638.00
101	Commercial Accounts	Paid Base Rates Totaling:	7,653.00
7,363 ^{100 c.f.}	Residential Consumption	at \$0.0325 per c.f.	23,931.00
1,844 ^{100 c.f.}	Commercial Consumption	at \$0.0350 per c.f.	6,454.00
4	Fire-Flow Accounts	Paid Base Rates Totaling:	764.00
5,450.00	Surfside Contract + 0.00	Reimbursements =	5,450.00
Other Income: ----->			4,274.00
Total Amount Billed in Billing Period ----->			153,164.00

Total Accounts Past Due in Billing Period ----->	279
Total Accounts Past Due Longer than 60 days in Billing Period ----->	88
Total Accounts Locked Off for being past due in Billing Period ----->	7
Total Number of Properties with Liens ----->	31
Total Number of Water Main Locates Completed in Activity Period ----->	22
Total Number of Water Quality Complaints in Activity Period ----->	4
Total Number of Customer Service Calls in Activity Period ----->	55
Total Number of Customer Valves Installed in Activity Period ----->	0
Total Number of New Services Installed in Activity Period ----->	2

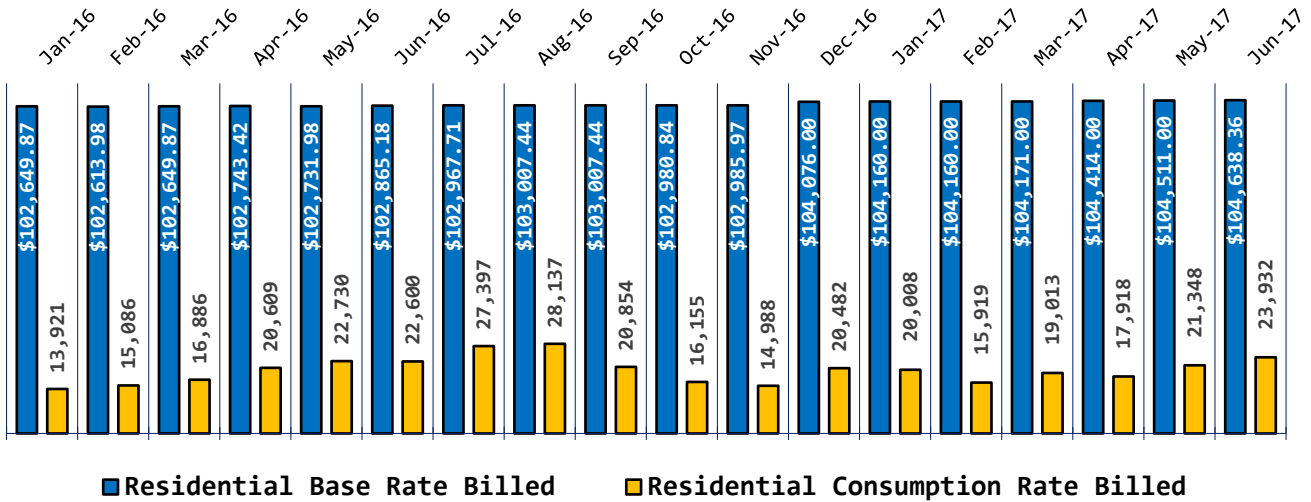
Water Use Efficiency Chart #1



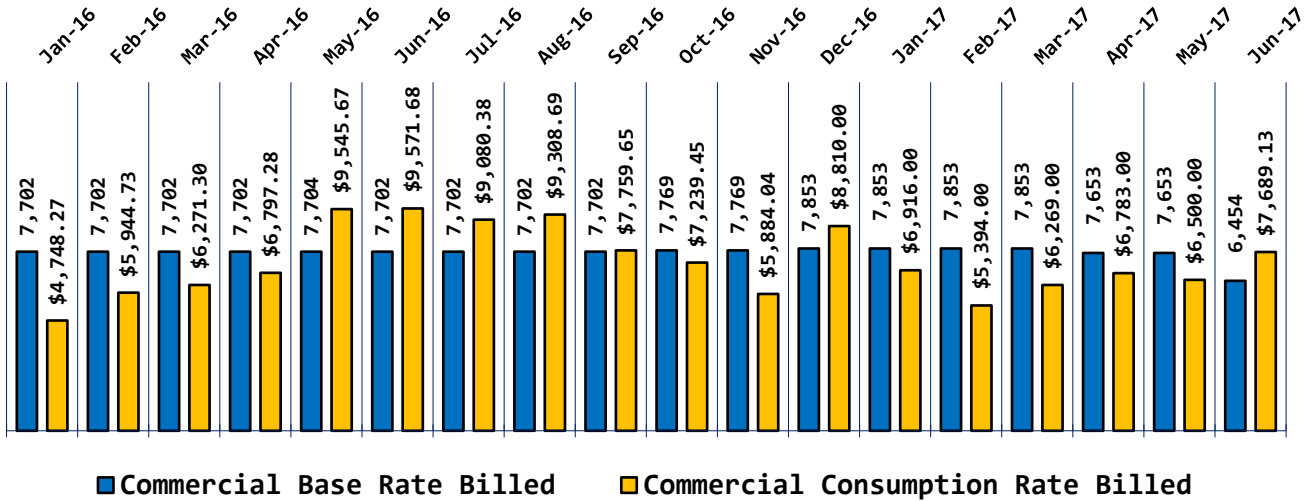
Water Use Efficiency Chart #2



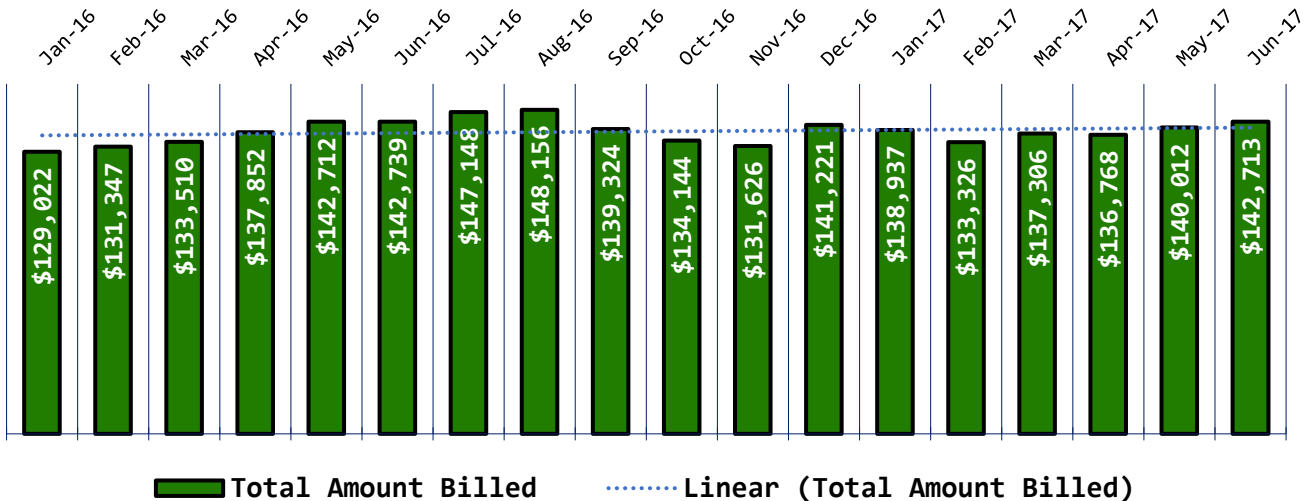
RESIDENTIAL REVENUE



COMMERCIAL REVENUE



Total Amount Billed by NBWD By Month



08.15.2017

General Manager Report July, 2017

To:
Board of
Commissioners

From:
William Neal,
General Manager

DWSRF Project Status:

The automated backwash telemetry was installed in July. The installation was not a complete success. The electrical contractor and the telemetry programmer will need to return and take care of problems that developed during the start-up. The contractor has not informed us of when that will happen yet.

We also discovered some problems with the District's south wellfield booster system related to pump actuation. PumpTech, Inc. will be here on Wednesday August 9, 2017 to evaluate the programming of the skid and develop a solution.

We are very close to completing the South Wellfield part of the project. We should be down to a punch list soon.

The Department of Commerce called on Monday August 8, 2017 to inform us that our funding for the DWSRF loan was suspended. The legislature did not pass a Capital Budget this year and our funding was tied to the Capital Budget. I contacted Brent Dille, our attorney, to discuss our contractual situation with Stettler Supply, our DWSRF contractor. Brent asked for copies of our contract with Stettler Supply and the Department of Commerce (we sent those to him). I also contacted Senator Dean Takko (19th District). Senator Takko said he thought the legislature set aside funds so that projects that were under contract and having active work being done could be finished. Senator Takko called me on Tuesday, August 8, 2017 and said that the DWSRF is funded through the Department of Commerce and that the funding the legislature set aside for projects under construction only included project such as schools, roads, and other similar public works projects and did not extend to DWSRF projects. Senator Takko is continuing to work on the issue to see if there is a way the Department of Commerce can continue to fund our project.

North Beach Water District

Tel 360.665.4144 Fax 360.665.4641	2212 272 nd Street. Ocean Park, WA 98640	www.northbeachwater.com
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In addition, The Association of Washington Cities, Washington State Association of Counties, Washington Association of Sewer and Water Districts, and Washington Public Utility Districts Association sent a letter dated August 11, 2017 to the Director of the Office of Financial Management, David Schumacher. The letter addresses the impact the failure of the legislature to adopt a 2017-2019 Capital Budget on the 65 utility projects under construction. I have attached the letter to this report for your review.

I talked to Senator Tim Sheldon (35th District) on Tuesday, August 8, 2017. Senator Sheldon was hopeful that a compromise would be achieved between Senate Republicans and House Democrats that would result in an approved 2017 - 2019 Capital Budget. Senator Sheldon said several compromise proposals have been considered since the last special session ended. One of the compromises supported by most Republicans and Democrats would have required homeowners to inform the Tribes of their intent to construct a well prior to construction. The compromise fell apart because the Tribes rejected prior notice of well construction and insisted on the authority to deny a homeowner the ability to construct the well. The Tribes are claiming "aboriginal water rights" give them the authority to control access to all water in Washington State. According to Senator Sheldon the Tribes are insisting on requirements that do not compromise but go beyond the limits of the Hirst Decision. The interesting part is that the Tribes have nothing to lose if a Capital Budget is not approved. All of their money comes from the federal government.

As it stands, Stettler Supply will be invoicing the District for the generator very soon (\$43,000). Funds for the generator were scheduled to be paid from the DWSRF loan. The Department of Commerce informed me that they will not be funding any future request on this loan until the legislature

passes a Capital Budget and that if the District pays the invoice from District funds there is the possibility the District will not be reimbursed from loan proceeds for that expense even if the Capital Budget is passed.

Wiegardt Wellfield Generator:

The Wiegardt Wellfield generator is installed and has been tested. Active Enterprise need to make modifications to the fuel tank and connect the fuel line.

North Wellfield Treatment Plant:

The pipe, valves, meters, and other materials have been ordered for the North Wellfield Treatment Plant Modifications. The crew will paint the pipe, fittings and valves prior to installation. We still need to order the pipe supports, a static mixer and one 2" water meter for well #7.

Loomis Lake Crossing Project:

No progress to report on the Loomis Lake Crossing Project.

Well #7 Replacement Project.

Bison Drilling has completed the drilling at 130 feet below grade. Robinson Noble, Inc. has finished the screen design and well development plan. Bison has ordered the screen and gravel pack materials and will start the screen set and well development later this week. Bison started redevelopment work on Well #6 on Monday August 8, 2017. Redevelopment work is having a positive impact on Well #6. Redevelopment work will continue until there is no improvement on yield.

End of Report



August 11, 2017

Director Schumacher,

As you know, sixty-five jurisdictions have received stop work orders for projects funded through the Drinking Water State Revolving Fund (DWSRF). Many of these projects were mid-construction. Some projects were not at a place where an immediate halt was possible and are incurring significant additional costs to continue forward. We appreciate and value the work that you and your colleagues are doing to find some positive resolution to this problem. We would like the opportunity to sit down with you and your team to discuss possible options moving forward.

While we recognize that the root of this problem stems from the Legislature's failure to adopt a 17-19 Capital Budget, we also believe the Legislature passed a re-appropriations budget with the intent that projects mid-construction would not be impacted. We hope you can meet with us as soon as possible to work on solutions to this unprecedented problem. If possible, we would like to explore whether there are any administrative options that could be taken to release funds ahead of a biennial capital budget being adopted. If that is not possible, we would like to quickly find a way to give our members affected by the funding freeze the assurance that, once lawmakers pass a new capital budget, Department of Health will be able to retroactively cover any construction costs incurred after July 1 for any of the 65 affected utility projects.

If the affected utilities know they ultimately will be reimbursed for what they spend now, from other sources, on their DWSRF projects, they might decide to go ahead with construction and avoid the costs and complications of a mid-construction shutdown.

We're willing to work with you to pursue any policy or legislative approach that will make this very unusual problem less severe for our members.

Sincerely,

Association of Washington Cities
Washington State Association of Counties
Washington Association of Sewer and Water Districts
Washington Public Utility Districts Association

DWSRF OPEN CONTRACTS - July 1, 2017

	A	B	C	D	E	F	G
1	Client Name	Loan Amount	Execution Date	Completion Date	Project Name	Legislative District	County
2	Alderwood Water and Wastewater District	\$ 6,531,000	9/24/2013	9/24/2018	660/520/340 Water Pressure Zones	21	Snohomish
3	Anacortes	\$ 4,974,755	8/26/2016	8/26/2020	Blue Herron Circle 3MG Reservoir Rehabilitation	40	Skagit
4	Auburn	\$ 1,353,400	11/18/2016	11/18/2020	Coal Creek Springs Transmission Main Replacement	30,31,47	King
5	Beacon Hill Water and Sewer District	\$ 1,112,333	7/1/2016	7/1/2020	Hillside Pump Station Reconstruction	19	Clark
6	Bellingham	\$ 11,998,800	5/27/2015	5/27/2019	Whatcom Falls Water Treatment Plant Pre-treatment Project	40	Whatcom
7	Bremerton	\$ 2,323,000	6/16/2015	6/16/2019	Reservoir 4 Cover	23,26,35	Kitsap
8	Brewster	\$ 1,255,000	6/21/2016	6/21/2020	Brewster Reservoir Replacement	3	Okanogan
9	Camas	\$ 3,434,000	10/24/2016	10/24/2020	Camas Surface Water Transmission Main	18	Clark
10	Chehalis	\$ 858,500	5/6/2014	5/6/2018	Replacement of High Level Reservoir	20	Lewis
11	Chehalis	\$ 1,212,000	5/6/2014	5/6/2018	Redundant Flocculation Basin - Water Filter Plant	20	Lewis
12	Clallam County PUD 1	\$ 3,073,935	10/22/2012	12/31/2017	Fairview Water Supply Project--Replacement Well Site No. 3 and Pipeline Upgrade	24	Clallam
13	Clark Public Utilities	\$ 4,545,000	6/10/2015	6/10/2019	Paradise Point Water Supply System	18	Clark
14	Colville	\$ 2,301,653	5/13/2016	5/13/2020	Colville Reservoir #3 Replacement	7	Stevens
15	Concrete	\$ 1,119,111	7/8/2016	7/8/2020	Town of Concrete Water System Improvements	39	Skagit
16	Covington Water District	\$ 1,111,000	5/6/2014	5/6/2018	Replace obsolete telemetry (SCADA) system	33	King
17	Ephrata	\$ 2,989,600	8/9/2016	8/9/2020	Basin Street Water Main Replacement	14	Grant
18	Fall City Water District	\$ 910,000	12/4/2013	12/4/2017	Spring Hill Arsenic Treatment, Watermain Installations, Watermain Repairs and Services	5	King
19	Hartstene Pointe Water Sewer District	\$ 1,304,479	4/22/2013	12/31/2017	Water Treatment Plant Improvements	32	Mason
20	Honeymoon Bay	\$ 222,000	10/20/2016	10/20/2020	HBVWA Main Line Replacement; Reservoir Fill Alteration	10	Island
21	Ilwaco	\$ 868,095	8/9/2016	8/9/2020	Sahalee Subdivision Distribution System Improvements	19	Pacific
22	Kelso	\$ 4,529,850	7/13/2016	7/13/2020	Minor Road Reservoir Replacement and Transmission Main	27	Clark

DWSRF OPEN CONTRACTS - July 1, 2017

	A	B	C	D	E	F	G
1	Client Name	Loan Amount	Execution Date	Completion Date	Project Name	Legislative District	County
23	Kettle Falls	\$ 592,870	6/21/2016	6/21/2020	BNSF/Highway 395 Water Main Replacement	7	Stevens
24	Kitsap PUD 1	\$ 879,730	5/5/2015	5/5/2019	Green Mountain Acres Rehabilitation and Restructur	23	Kitsap
25	Lake Whatcom Water and Sewer District	\$ 1,297,850	10/7/2013	12/7/2017	Division 22 Reservoir	42	Whatcom
26	Liberty Lake Sewer and Water District	\$ 905,465	6/16/2015	6/16/2019	ESLLIC - Source Upgrade Project	4	Spokane
27	Longview	\$ 6,580,000	10/28/2008	12/31/2017	CITY OF LONGVIEW WATER SUPPLY AND TREATMENT PROGRAM	19	Clark
28	Lynden	\$ 3,535,000	7/1/2014	7/1/2018	City of Lynden Water Treatment Plant Replacement	42	Whatcom
29	Mabton	\$ 1,800,000	4/23/2014	4/23/2018	Well (1000 GPM)	15	Yakima
30	Mabton	\$ 1,533,180	9/9/2015	9/9/2019	Mabton Reservoir Improvements	14	Yakima
31	Morton	\$ 1,313,000	7/15/2016	7/15/2020	Reservoir No. 1 Replacement	14	Lewis
32	North Beach Water District	\$ 891,123	11/26/2012	12/31/2017	Water Main Project	19	Pacific
33	North Beach Water District	\$ 2,190,631	11/26/2012	12/31/2017	Water Supply and Treatment Improvement Project	19	Pacific
34	North City Water District	\$ 3,498,640	10/16/2012	12/31/2017	North City Pump Station	32	King
35	Northwood Park Water Association	\$ 431,731	4/2/2014	4/2/2018	Alternate Source to Address Nitrate/Copper Contamination	42	Whatcom
36	Olympia	\$ 11,983,650	5/20/2014	5/20/2018	417 Zone Reservoir Construction Project	22	Thurston
37	Olympia	\$ 4,058,632	6/21/2016	6/21/2020	Fones Rd Booster Pump Station	22	Thurston
38	Olympia	\$ 1,931,982	6/21/2016	6/21/2020	Colville Reservoir #3 Replacement	22	Thurston
39	Omak	\$ 2,419,960	1/2/2012	12/31/2017	Omak Source Improvements	7	Okanogan
40	Pasco	\$ 6,810,430	9/9/2015	9/9/2019	Columbia Water Supply Project	9,16	Franklin
41	Port Orchard	\$ 6,060,000	4/23/2014	4/23/2018	City of Port Orchard Well 10 Water Treatment Proje	26	Kitsap
42	Port Townsend	\$ 6,827,730	6/10/2015	6/10/2019	Replacement for Primary 5 MG Reservoir with Booste	24	Jefferson
43	Port Townsend	\$ 5,053,250	7/14/2015	7/14/2019	City Mandated (LT2ESWTR) Drinking WaterTreatment Facility	24	Jefferson

DWSRF OPEN CONTRACTS - July 1, 2017

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1	Client Name	Loan Amount	Execution Date	Completion Date	Project Name	Legislative District	County
44	Ritzville	\$ 3,662,000	3/27/2012	12/31/2017	City Of Ritzville Water Supply And Storage Improvements Projects	9	Adams
45	Roosevelt Water Association Inc	\$ 3,564,961	6/19/2015	6/19/2019	Water Tank 2 and Pump Station3	44	Snohomish
46	Rumbolz Sunset Water Association	\$ 168,708	3/27/2014	3/27/2018	Booster Pump System and Storage Tank	5	Snoqualmie
47	Selah	\$ 1,222,100	10/3/2016	10/3/2020	Palm Park Booster Station and Well No. 7 Improvements	15	Yakima
48	Sequim	\$ 732,099	8/9/2016	8/9/2020	5th and McCurdy Booster Pump Station Improvements	24	Clallam
49	Sequim	\$ 641,249	8/9/2016	8/9/2020	Sunnyside Water Main Replacement - Maple St. to Fir St.	24	Clallam
50	Shelton	\$ 9,009,900	6/11/2014	6/11/2018	Shelton New Upper Mt. View Pressure Zone Construct	35	Mason
51	Skagit County PUD 1	\$ 10,004,050	9/9/2013	11/9/2017	Division Street Tank and Booster Station	10,39,40	Skagit
52	Spokane	\$ 5,690,606	9/30/2013	12/30/2017	Top System Transmission Main Replacement	3	Spokane
53	Spokane	\$ 1,221,090	9/30/2013	11/28/2017	Central Avenue Wells 1 and 2 Rehabilitation	3	Spokane
54	Thurston County PUD #1	\$ 165,400	9/5/2012	3/6/2018	Sward/Platt Consolidation	20	Thurston
55	Thurston County PUD #1	\$ 194,350	7/6/2015	7/6/2019	Skookumchuck Maintenance	20	Thurston
56	Tulalip Shores Beach Association	\$ 909,436	11/7/2016	11/7/2020	Tulalip Shores Distribution System Replacement	38	Snohomish
57	Walla Walla	\$ 12,120,000	5/6/2014	5/6/2018	City of Walla Walla - Slow sand filtration plant upgrades.	16	Walla Walla
58	Walla Walla	\$ 12,120,000	10/29/2015	10/29/2019	UV Disinfection System	16	Walla Walla
59	Warden	\$ 1,818,000	5/27/2015	5/27/2019	EDB Mitigation Project	13	Grant
60	West Richland	\$ 3,593,075	6/17/2014	6/17/2018	Brotherhood Reservoir Project	8	Benton
61	West Richland	\$ 2,312,900	6/17/2014	6/17/2018	Lewis and Clark Well (Well #11) Project	8	Benton
62	Whatcom County (Acme) Water District No. 18	\$ 316,250	6/23/2016	6/23/2020	Arsenic Removal Project	42	Whatcom
63	Windolph Association	\$ 364,600	10/6/2016	10/6/2020	Windolph Water System Replacement	22	Thurston
64	Winthrop	\$ 1,698,321	1/14/2014	1/14/2018	Winthrop Water Plan Improvement Project	12	Okanogan

DWSRF OPEN CONTRACTS - July 1, 2017

	A	B	C	D	E	F	G
1	Client Name	Loan Amount	Execution Date	Completion Date	Project Name	Legislative District	County
65	Yakima County	\$ 2,547,220	7/29/2014	7/29/2018	Terrace Heights Water System Phase 31improvements	15	Yakima
66	Zillah	\$ 2,208,000	8/26/2016	8/26/2020	Source Well Improvements	15	Yakima
67	Total	\$ 204,906,680					