### Agenda Item 1: Opening Comments, Introductions

- Overview of agenda.
- Regional introductions.

### Agenda Item 2: ODW Updates (budget, rules, personnel, new initiatives, etc.)

**Garin Schrieve, Director, Office of Drinking Water**

- Legislation in session. Sine die Thursday (3/8).
- **Good news:** Capital budget passed. 2016-17 funding cycles can be addressed. $5 million for water system acquisition and rehabilitation. Operating budget not passed; some funding for incentivizing Group B programs at the local level is a possibility.
- **Bad news:** ODW thinking more about how to meet priorities while keeping revenue in balance. Will report back.
- **Q:** When will the funding pick up again for the rehabilitation program, especially for the projects put on hold? **A:** We’ll have to look into that.
- **Rule changes:** Updating lab reporting rules. Final piece for consolidation of lab accreditation and certification programs. Ecology updated their rules. Provides basic clarity for public health reporting.
- **PFAS update:** SBH discussing rulemaking. Ecology/DOH working on Chemical Action Plan to address PFAS because it’s persistent, bio cumulative, and toxic. Final recommendations in 2019. “Low hanging fruit,” how to reduce exposure, proper disposal, gathering info, etc. ODW sent a letter to nearly 400 public water systems believed to be at higher risk for these chemicals offering free PFAS sampling.
- **Lead and Copper Rules Long-term Revisions:** Complex implementation of shared understanding of the rule. Plans to get the rule out by 2019. New administration reached out to states for input.
- **Personnel changes:**
  - Tumwater: Kim Moore: stepped into Greg McKnight’s old position as our security coordinator. Deborah Johnson is a new addition to our wellhead protection program. Mike Dexel moving to the Assistant Secretary’s Office.
  - SWRO: No new staff, two open positions. Not filling yet.
  - NWRO: Laura McLaughlin replaced Virpi Salo-Zieman (regional engineer).
- **Q:** Is there a list for the communities that were sent the PFAS sampling letters? **A:** Yes, we can provide it if people are interested.
- **Q:** The lab reporting issue: Utilities concerned about what they would need to put in consumer confidence reports. Has it been settled? What will utilities need to put in their CCRs? **A:** That issue is resolved. Minimal reporting levels, consistent with federal rules.
- **Q:** Does the agency have any plans/strategy for dealing with PFAS sampling data? **A:** Lab results will be reported to the department, reviewed for accuracy, and then reported to the utility. Eventually PFAS data will be in SENTRY, publically available. We’ll assist people with communications, identifying chemicals at their sources.

### Agenda Item 3: Legislative Updates

- Four bills passed. Fracking, Integration of Reclaimed Water, Landscaping Practices, etc.
| Brian Walsh, Section Manager, Policy and Planning | • ESB6091 (Hirst Bill): Addresses rural water supply. Complex legislation. In-stream flow rules vary from parts of state—context changes consideration. Planning will occur in the watersheds that have not addressed the permanent exempt well issue.  
• ESHD1673: Deals with prevailing wage. Provides training possibilities.  
• ESHP1622: deals with building code revisions cycles.  
• UTC2523: Reporting bill. Very broad.  
• SSB6203: [Did not pass] carbon emission. Stalled in legislature.  
• Q: In light of the Hirst fix, Skagit County left out of $300 million. Does Health have anything in place about their involvement with these allocations? How will this impact staffing? A: We have some ideas about possible solutions. We would like to communicate with others.

• Construction Loan Cycle eligible systems: Group A community systems; Group A nonprofit non-community systems; Group B systems converting to Group A systems; tribal systems.  
• About $20 million available for 2017 Construction Loans. $12 million for new projects; $8 million for current loan holders to cover increased construction costs.  
• EPA requires us to score and rank based on severity of health risk. Standards water main replacement projects usually do not score high enough for funding.  
• 2017 Construction Loan guidelines still available online.  
• Standard loan term: 20-year repayment; extended to 30 years for disadvantaged communities. Still developing 2018 guidelines. Current calculation for affordability index: ratio of water rate with proposed project divided by median household income. Considering revising interest rate. Will have approximately $20 million available for the 2018 construction loan cycle. Max award amount: $3 million. Those consolidating two or more systems qualify for $6 million.  
• Applications for 2018 construction loan cycle will be accepted October 1 to November 30.  
• WSARP funding will be available through construction loan program.  
• Interested in revising guidelines to better serve stakeholders. Inheriting program from Commerce. ODW staff will oversee contracts after transition.  
• Q: Throughout the state, public utilities are doing cost analysis. They’re left wondering what will happen from the state. Is there any idea of what that will look like? A: We’ll always be less than the bond market rate. We’ll probably go as high as 2.5% for 2018, but will make this information available in the 2018 construction loan guidelines. No requirement for how we set it.  
• Q: In regard to Group B systems converting to Group A, does that mean consolidate with? A: It could be two or three Group B’s coming together, or a group B combining with an established Group A. It must meet our definition.  
• Q: Can you give us an idea of what the trends have been for SRF funding? Is it because of the federal government running on continuing resolutions over the last few years without any increase available from the EPA? What has to happen for the consolidation and preconstruction money to be available for 2019? A: One of the challenges is we have erosion of purchasing power with reduction in DWSRF
grants. We’re in the middle of working with a financial firm to help us think about our options in moving forward with the DWSRF program. There may be a way to use our fund sources differently for different things—like a loan application fee.

- **Q:** What do you see changing with advice from a financial firm regarding resuming preconstruction and consolidation grants? **A:** We’ll return to this group to talk about recommendations and how we can use those.

- **Q:** For interest rate changes and 2018 loan changes, when will this occur and how can people provide feedback? **A:** People can contact Janet Cherry or go to our webpage. 2018 construction loan guidelines should be published in September.

- **Q:** On the Group B systems converting to Group A, what about systems showing up out of nowhere that have morphed into Group A? Would that system be able to use the funds? **A:** If that’s a Group A flying under the guise of a Group B, then they need to be listed as a Group A in SENTRY database to be eligible for DWSRF money.

### 5. Water System Acquisition and Rehabilitation Program

**Janet Cherry, Unit Supervisor, DWSRF Program**

- Janet: We do have funding available: $5 million in budget for consolidations for publicly owned water utilities. It must be a voluntary consolidation. Grant will be administered by DOH to cover construction costs.

- Applicants must show the project will be done within three years. Max grant amount is $1.25 million (25%), for construction.

- This funding will be made available through the Emergency Loan program for receiverships and through the upcoming 2018 construction loan cycle. Applications for the 2018 construction loan cycle will be accepted October 1 to November 30.

- **Comment:** There is a lot of need going around. The municipal water law was first set up in 2003. We noticed that there is a reluctance by legislators to have money go to acquisition of systems. The language was changed. There’s a strong interest to see the money going to small systems. We’ll try another appropriation for the program. We need to get the state more involved to enhance these projects.

- Janet: The appropriation was $5 million. It was not enough to do a separate cycle. So the funds will be distributed through existing emergency loan program for receiverships and through upcoming construction loan cycle.

- **Comment:** We will continue looking into this. If there’s anything that you can think of, let us know. We will be thinking five to ten years down the road.

- **Comment:** Member has spent a year doing financial analysis through the state. Asked all PUDs about funding sources. Went to each state—chartered banks within those counties, to see if they were interested in getting involved—but only if they could stay inside their banking footprints. Interest is there, both public and private projects.

- **Comment:** What is the interest rate at local banks? Our last transaction in Skagit County was $10 million, 20 year, 2.8%. The fees would have been $1.4 million, but because it was private-funded, the fees were $400,000. Look at public and private financing capacities.

- **Q:** Have you decided on a connection limit for WSARP? You mentioned $500,000 per project cap? **A:** The $500,000 limit is specific to receiverships our emergency loan program. We don’t expect to impose a per connection funding limit. We’re open to how we allocate WSARP funding through the construction loan program.
6. Wildfire Planning and Response

Dorothy Tibbetts, Manager, Eastern Regional Office

- California made the news for wildfires last year. It’s time to prepare for summer.
- **Carlton Complex Wildfire**: 168,000 acres burned in four days. Pateros Reservoirs were particularly struck. 400 square miles burned and more than 300 homes lost.
- **Public water system has certain responsibilities**: Have an emergency response plan; address abnormal operating conditions. Notify consumers if the water is not safe to drink. Provide alternative water supplies.
- **ODW priorities**: Assess conditions. Ensure health-related information provided to customers during emergency. Provide assistance and oversight.
- Okanogan County Public Health: Sends staff into the field. Attends county EOC meetings. Keeps us posted on progress.
- Many water systems affected: 16 boil water advisories. 590 notices printed. 982 residents affected.
- Be prepared: Keep WFI up-to-date. Understand requirements (notify ODW, boil water advisories, sampling requirements, back-up power, plan for communication challenges).
- **Discussion Questions**: Have you had to respond to a wild fire? What steps did you take? What advice would you give? How can DOH help systems plan?
- **Tumwater Comment**: Green River Watershed was affected. HQ planned ahead of time, met before fire season. Meetings every morning and every night—if not, left out of the loop. Up-front about fire retardants. Their communication ahead of time avoided use of fire retardants.
- **Comment**: Discussions with other systems are helpful. Restrictive policies exist around well-heads and reservoirs. Four to five systems in Carlton fires could have been saved if they had had non-restrictive fire breaks.
- **Comment**: Andy Anderson: It’s important to keep purveyors included in the loop. Improvements have been made over the last five years. In the past, situations have occurred about making decisions regarding chemical use (fire suppressants, etc.). Sometimes access is an issue—making sure that there is water available for fire suppression.
- **Comment**: All operators should make contact with their EOC. That relationship will help facilitate emergency support. If access is not available then 5-gallon water jugs will be dropped on the fires.
- **Kent Comment**: Crystal Mountain ski area evacuated during wild fires. Sparks flew into Tacoma watershed. Wildfires are part of resiliency planning. Consider how it affects watersheds. They’re currently in phase 2.
- **Q**: Was the Okanagan person on a ham radio? How did you communicate? **A**: In the office, they had phone service. Communication with systems was done in person in the field, then reported back to DOH in the evening.
- **Comment**: His team suited up to fight a fire approaching watershed. Recommends keeping the watershed clear of weeds and debris so the fire moves right past.
- **Comment**: Wonders about the funding for both agencies. His supervisor was hesitant when approaching him about supporting other water systems. DOH paid his overtime. He worked long days. DOH’s support made it possible for him to do his job. If DOH wants this response, then there has to be support for it. **A**: We
didn’t know in advance that FEMA funds were available to pass on. Part of funding is understanding emergency planning.

- **Comment:** I visited over 30 systems and provided water bottles. Looked into what happened (did they lose pressure, etc.). There was a substantial difference in backup generation. Reservoirs were depleted by dump trucks and firetrucks. It would help to have access to other sources of water. They need to be able to keep pressure and water in their tanks. Asset management would help locate valves (GPS).

- **Comment:** If DOH could reach out to Emergency Planning people then they could reach out to vulnerable counties. Emergency Response people would know the smaller counties without resources.

### 7. Role of Third-Parties: Brainstorm How to Leverage Resources to Systems

**Chris McCord,**
**Deputy Director for Central Services**

- Partnerships involve discussing role of third party technical system providers to help leverage resources to systems in the field. We need to find new examples of ways to do business in that realm. Existing examples:
  - Small System Technical Assistance contracts—contracts with RCAC and small community’s initiatives to help repair utilities.
  - Whatcom PUD technical assistance pilot—technical assistance to 170 small systems.
  - Interagency agreements. Not free, but helpful.
  - Local Health Jurisdictions: surveys, SPIs, technical assistance.
  - Fluoride Training: pay for the training we participate in.

- National Organization Funding: Rural Water, RCAC, and EFC. Now funds go through EPA, $12.7 million/year. Participating with ASWA will be helpful to understand funding needs for each training entity.

- Future Thinking: SMA advisor group is effective. We want to pilot how SMA reports to their customers and back to us. We have a publication for SMAs and LHJs. Will help them establish best practices for owning and/or managing and operating Group B Water Systems.

- **Discussion**
  - **Tumwater Comment:** Skagit County commissioners decided they were going to get out the water business. Local Health had an issue with Group B’s. Group B systems go in despite PUDs—with pumps and pipes in the area. 99% of Group B’s set up to fail. Unless they go to an SMA, they’re going to a private citizen. It would help to establish best practices. As a public utility, when Group B system fail, then the public utility is blamed. **A:** There was a budget add-on to support LHJ oversight of Group B water systems. The intent is that the support be ongoing.

  - **Comment:** Fire Flow creates stagnant water. Large pipes never get flushed. We put 50,000 gallons of storage just for Fire Flow. It will never be used for potable water.

  - **Kent Comment:** The finding for Whatcom’s PUD pilot project is that having local technical assistance experts within the community helps get small systems to engage in conversation about capacity building—in a way that DOH hasn’t been able to sustainably manage (not regulatory, but technical assistance).

- **Q:** Is there any possibility of doing anything like that with other utilities? **A:** The hope is that we can replicate it.
**ERO Comment:** Health doing a good job with outreach. When working for local health he observed small system water management plans and general paperwork is terrible. There should be in-field technical review to improve paperwork management. Visit from ERWOW could help.

**Comment:** We do review. ERWOW starts from scratch using good templates. They have done small water system plans.

**Q:** Do they ask for help with plans because they have a planning requirement when applying for funding? Do they help with plans proactively? **A:** No, not proactively. Usually because of funding.

**Comment:** Some small systems have turned the corner. Success stories should be shared even if by one person. A newsletter is a good way.

**ODW:** If any of you know of any success stories, then let us know. We are interested in replicating those successes.

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**Tumwater, Thoughts for today’s meeting:** They have their own SMA-type organization in Skagit. He would like to see about dedicating 10-20 hours/month of staff time to smaller Group B’s for technical advisory support, or to PUD engineers for their suggestions—encourage community support. Smaller systems don’t want anyone telling them what to do; but they get in trouble and don’t know where to go.

**Thoughts for topics for future meetings:** Got a copy of a letter ODW sent to a water system about how cotton shirts are required for taking PFAS samples. What is that about? **A:** PFAS sampling requires a specific sampling protocol due to the contaminant and the low level of measurement. Water systems expressing an interest in free PFAS sampling will receive the full guidelines on how to properly collect a PFAS sample from a drinking water supply.

**Comment:** Heather Kibbey: They are trying to reopen discussion on use of deep injection wells for storm well impact on drinking water aquifers. They are having a discussion with the Governor’s office who will assist them in a larger discussion with Health and Ecology.

**Kent Comment:** In regards to the idea about underground injection wells, it would be helpful to have some guidelines about injection wells and work between Health and Ecology. How to better coordinate between water utilities and reclaimed water utilities? What is DOH’s perspective on how injection wells affect water quality? How much are they proliferating around the state?

**ERO Comment:** Wants to have a discussion about Listserv and outreach publications. But Listserv has been recalled. Health has good stuff, but it’s not getting out there. And he would like to learn more about the Whatcom project.

**ODW:** We should have an update in June about PFAS sampling project. And follow-up to Governor’s Lead Initiative, 2016 survey, and decisions funding lead removal from systems.