



Kapowsin Water District Special Assessment

& Project Update



Overview

Pierce County was court-appointed as the receiver of the Kapowsin Water District (KWD) on November 29, 2017. A failed water transmission line required trucking water to the 40 residential customers of the water system while repairs were made. Pierce County has collected \$150 per month service rate set by KWD.

Maintenance and operation of KWD ran a \$27,322 deficit from November 2017 to November 2018. Pierce County plans to recover these outstanding costs by administering a special assessment of \$700 per connection beginning June 1, 2019. A 24-month payment plan option will be offered, which will raise total monthly payment amounts to \$180 (monthly rate of \$150 and \$30 surcharge).

The special assessment recoups maintenance and operations costs. It does not pay for improvements to provide a reliable long-term water source for KWD customers.

Pierce County must provide a reliable water supply for the 40-connection KWD. The current cost estimate to drill a new groundwater well to replace the surface water source is \$1.2 million to \$1.53 million. Grants and other funding may cover \$1.5 million (\$1 million in grants; \$500,000 from low-interest loan).



Is this the only assessment?

This is not a rate increase. We are administering a special assessment of \$700 per KWD connection – with an optional 24-month payment plan. The special assessment pays the \$27,322 deficit for maintenance and operations of KWD from November 2017 to November 2018.

A future special assessment could occur to fund the well drilling project and additional maintenance and operations costs. We are actively seeking grant and loan options to cover the costs of the new well project.

How do I pay the special assessment?

Your June 2019 bill will include a letter and separate invoice that outlines options for paying the special assessment.

Who is maintaining the water system?

Pierce County is the receiver of KWD and has contracted with Valley Water District for maintenance and operations. Pierce County will seek to transition KWD out of receivership to another water purveyor when the well drilling project is complete.

Why are we being charged to maintain and operate our water system?

KWD is in receivership. Pierce County is court-ordered to manage KWD, provide an interim water source, and locate and develop a long-term safe and reliable water source. RCW 57 requires the KWD to produce sufficient revenues to cover maintenance and operation costs. RCW 43.70.195 (5) authorizes Pierce County to impose reasonable assessments on KWD customers to recover expenditures associated with the cost of receivership.

What has happened?

Many actions have occurred since Pierce County took over receivership of Kapowsin Water District (KWD) on November 29, 2017.

- Transfer of KWD from Valley Water District to Pierce County and set up process for accounts payable and receivable
- Payment of outstanding B&O taxes and insurance policy
- Obtained maintenance and operations contract with Valley Water District
- Completed a variety of repairs including fixing the broken surface water transmission line
- Installed water sampling station and monitored daily per Department of Health (DOH) Notice of Violation letter
- Working with federal and state agencies to obtain grant/loan funding to pay for the new groundwater well
- Working on design and bid package for new groundwater well

The transmission line once again failed on December 16, 2018, which resulted in the need to haul water for one day until repairs could be made. This failure demonstrates that the surface water source is unreliable.

What will the well drilling project do for KWD?

The well drilling project will provide a long-term safe and reliable water source and enable transition of the KWD out of receivership to another water purveyor.

When will the well drilling project begin and what is the project timeline?

We will have a more exact timeline once grant funding is secured. Once funding is secured, we expect the project to take two years to complete.

24-Hour Water System Emergency: (253) 798-7000

Billing: (253) 798-4020

Mail payments to:

Pierce County Sewer
P.O. Box 11620, Tacoma, WA 98411-6620

Hours: Monday–Friday, 9:00 a.m.– 4:00 p.m. (Closed all major holidays)

Kapowsin Receivership website: www.piercecountywa.gov/kwd

You can also sign up to receive email notifications at this same site.