Prior Council Action, Project Background, Schedules McAllister Wellfield and Transmission Main Projects

Prior Council Action:

City Council has taken numerous actions over many years related to the McAllister Wellfield and Transmission main project. Most recently, on July 10, 2012, Council awarded the construction contract for the McAllister Transmission Main. And, on March 13, 2012, Council awarded the Engineering Design consultant contract for the Wellfield. On January 3, 2012 Ted Sturdevant, Director of the Washington State Department of Ecology presented Council with the approved Water rights for the McAllister Wellfield.

Background:

<u>Historic Partnership</u> - Through a cooperative agreement signed in 2008, the City of Olympia and the Nisqually Indian Tribe are jointly pursuing development of the McAllister Wellfield, a more protected and productive supply of drinking water for both communities. The McAllister Wellfield will replace McAllister Springs as Olympia's main supply of drinking water. The Wellfield is located approximately a mile southeast of McAllister Springs and eight miles east of Olympia.

<u>Transfer of Water Rights</u> - In 1995, due to concerns over the vulnerability of McAllister Springs and costly water quality treatment requirements, the City formally requested a transfer of its water rights from McAllister Springs (and nearby Abbott Springs) to the McAllister Wellfield. In support of the water right application, the City subsequently conducted an extensive study on groundwater pumping, worked with regional partners on mitigation strategies across two watersheds, and reached two groundbreaking agreements with neighboring Tribes. Nearly 17 years later, in early January 2012, the Department of Ecology issued water rights for the McAllister Wellfield, marking a historic moment for the City and the Nisqually Tribe.

<u>Development in Three Phases</u> - Ecology approved developing the water rights in three phases, with full development by 2050.

- Phase 1 includes drilling two new wells and rehabilitating two existing wells drilled in the late 1990s. Phase 1 has a target production rate of 17 million gallons per day (MGD) and will replace the 16 MGD capacity of McAllister Springs. We will complete construction of Phase 1 in 2014. Phase 1 will provide sufficient water to meet summer water demands until approximately 2030 when Phase 2 well supplies will come on line.
- Phase 2 will increase production levels to 19.6 MGD for the City and 0.5 MGD for the Nisqually Tribe.

• Phase 3, scheduled for completion by 2050, will raise production to 23 MGD for Olympia and 3 MGD for the Tribe, thereby maximizing full use of the water rights.

Project Schedules:

Construction of the Wellfield Drilling and Testing Project will take place from August through December 2012.

Construction of the Transmission Main will take place from September 2012 to spring 2013.

Design of the Wellfield is currently in progress with construction scheduled to begin in spring 2013, for the well buildings, pipe connections, equipment, disinfection system, and well pump installation.

Also scheduled to begin in spring 2013, is construction of a Corrosion Control Facility at the Meridian Reservoirs that will use aeration (a non-chemical treatment approach using blown air) to raise the pH of the well water to reduce corrosion of household piping. Corrosion of household piping can cause lead and copper to leach into the water. The Federal Safe Drinking Water Act requires the City take action to raise the system pH to an optimum level to prevent pipe corrosion.

Construction of all parts of Phase 1 (Wellfield Drilling and Testing, Transmission Main, Wellfield buildings, and a Corrosion Control Facility) will be completed in 2014.