SunLand Water District

Special Meeting of the Board of Directors

February 23, 2015

The meeting was called to order by Pepper Putnam, President, at 9:45 a.m. The purpose of the meeting was to meet with officials from the City of Sequim and discus the per gallon charge for treating SunLand's biosolids.

In attendance from SunLand were Pepper Putnam, Jim Larison, Mike Langley, and Celeste Lilley. Those in attendance from the City of Sequim were Manager Steve Burkett, Engineer David Garlington and Utility Manager Pete Tjemsland.

SunLand has been paying a yearly participation fee of \$12,987 plus \$0.06 per gallon for biosolids treatment, which will increase by \$0.01 every five years according to the current agreement.

The agreement the City is negotiating with Carlsborg states that they will be paying \$0.0097 per gallon for raw sewage.

President Putnam asked that the City consider reducing SWD's rate to that of Carlsbog's.

Mr. Burkett stated that SWD needs to look at the facts at what it costs Sequim to treat biosolids, which is the most expensive part of the process. Costs are marked up 50% for SunLand and only 25% for Carlsborg. Carlsborg will be paying an additional amount for use of the pipes. The City presented a cost statement suggesting that the real cost to handle our biosolids was just under \$0.10 per gallon. Mr. Burkett suggested that if SunLand wanted to reopen the contract the cost per gallon would go up.

Carlsborg's raw sewage will be piped to Sequim and will be 98% water. The water then can be used at their re-use facility. It is estimated that Carlsborg will produce 100,000 gallons per day at about 1-2% solids, compared to SWD's average of 50,000 gallons per month at the same 1-2% solids.

Mr. Larison raised the idea of a contract extension.

There was discussion about negotiations with the Jamestown Tribe for hooking up to the City's sewer system, which could save them the \$2,000,000 cost of building another treatment plant. Mr. Tjemsland stated that it would be difficult for them to find an operator.

Mr. Langley was asked to contact and meeting with Mr. Garlington on this matter.

The meeting adjourned at 10:30 a.m.