



Discovery Clean Water Alliance

Discovery Clean Water Alliance (DCWA) – Frequently Asked Questions

Updated June 13, 2012

This document is designed to provide answers to commonly-asked questions about the proposed Discovery Clean Water Alliance (DCWA). Additional background is provided in the May, 2012 Project Fact Sheet available at discoverycwa.org. To access underlined reference documents or request further information, please visit the website or contact one of the partner representatives listed at the end of this FAQ.

→ **What is the Discovery Clean Water Alliance (DCWA), and who are the partners?**

The proposed DCWA is a regional wastewater collection and treatment partnership between Clark County, the Clark Regional Wastewater District (District) and the Cities of Battle Ground and Ridgefield. The goal is to maintain stable customer rates by sharing wastewater treatment costs. The framework is based on a set of [core public values](#) defined by ratepayers through a statistically-valid [survey](#).

→ **How will the Discovery Clean Water Alliance be structured, and under what authority?**

The DCWA will be formed under the Joint Municipal Services Act (JMUSA) adopted by the Washington State Legislature in 2011. As described in [RCW 39.106.010](#), the intent of JMUSA is to “*improve the ability of local government utilities to plan, finance, construct, acquire, maintain, operate, and provide facilities and utility services to the public, and to reduce costs and improve the benefits, efficiency, and quality of utility services.*” DCWA will form under an asset-based financial model, where each partner is only responsible for paying its proportionate share of regional assets used, as measured by flow.

→ **Why does a regional sewer partnership matter?**

In addition to creating stable rates for customers over the long-term, the regional partnership will make it possible to complete major infrastructure projects sooner with less cost and more efficient service delivery. As a larger regional entity, DCWA will be able to qualify for more favorable finance rates in the bond market, and pool resources to fund mutually-beneficial capital projects. Expanded service areas and capacity will greatly expand potential to locate employment centers in Clark County.

→ **How will expanded sewer capacity increase economic development, and why should I care?**

Reliable and easily expandable wastewater infrastructure is essential for regional economic growth. Extending transmission lines to new properties along major transportation routes will make it possible to grow employment centers in multiple locations. Expanding treatment capacity will make the region an attractive investment for new businesses and ensure existing operations can grow in-place. Resolving these capacity challenges is identified as a crucial step to local economic recovery in the recently-completed Clark County [Economic Development Strategic Plan](#).

Ultimately, increased economic activity will help stabilize existing customer rates by adding users, provide new employment opportunities and generate spending and taxable revenue to support essential services. In addition, the regional approach will allow for economic opportunity and the resulting economic impacts to occur wherever the market dictates within the service area.

→ **Will the Alliance structure improve or provide any additional environmental benefits?**

Environmental issues are seldom constrained to a single jurisdiction. A regional entity will enable the partners to jointly collaborate on these issues and consider solutions that can more directly and broadly address environmental issues in our area. Under the current framework, most issues are solved in a piecemeal fashion and regulators must coordinate the efforts of individual jurisdictions. The regional framework also makes it easier to fund environmental enhancements. Some examples of initiatives that could be pursued under the Alliance structure include the ability to provide reclaimed water, reducing discharges of treated wastewater to Lake River near Ridgefield, and encouraging the production of Class A biosolids for local reuse.

→ **Where does the Alliance stand now, and when will it become operational?**

On April 20, 2012, representatives from the four partner agencies signed a [Memorandum of Understanding](#) (MOU) agreeing to form the regional entity *in principle*. Under the MOU, the partners will form a Transition Board comprised of one elected official and an alternate from each agency. The Transition Board will be supported by staff from each partner agency. The MOU calls for Transition Board to execute the Interlocal Formation Agreement (IFA), and associated financial and legal policies, on or before August 31, 2012.

→ **Who will be my service provider?**

Local retail service (collection, customer service) will primarily remain with current providers. Battle Ground customers will continue to receive service from and pay bills to the City of Battle Ground. This is also true for District customers. Pending the outcome of ongoing discussions between the City of Ridgefield and the District, Ridgefield may choose to transfer its local collection system to the District, with the goal of maintaining stable user rates over time. If that happens, Ridgefield citizens would receive from and pay bills to the District.

→ **How will this impact me as a customer?**

Over the long-term, customers should benefit from fewer and less dramatic rate increases. While final rates will be determined by individual partner agencies for their respective service areas, early studies suggest that minimal rate increases in early years will be needed to cover ongoing operational costs and repair and replacement of current infrastructure. These increases should remain within a normal inflationary range, reducing the likelihood of larger adjustments in the future. If the economy continues to recover and new businesses connect to the system, it is estimated that rates will be lower over the long term under the Alliance framework. Levels of service will remain the same or improve.

→ **How will the Alliance affect connection (SDC) charges?**

Connection charges will be determined independently by the partner agency providing local service in your area. The Alliance will determine the cost of providing regional conveyance and treatment for each partner agency and send them a monthly bill accordingly. Each partner agency will determine how their community wants to generate the revenues to pay that bill to best align with their community interests. Currently, each partner agency plans to keep connection charges stable or reduce them for the near term.

→ **How does the Alliance affect the individual partners?**

Battle Ground will maintain its current treatment capacity allocation at the Salmon Creek Treatment Plant and will secure the right to purchase additional capacity. Clark County will transfer ownership of the Salmon Creek Treatment Plant to the new regional entity, but continue to operate the treatment system under contract. Clark County will maintain a voting position in the Alliance.

As noted above, the City of Ridgefield is considering transfer of its local collection system to the District. Discussions are underway to ensure the transfer has little revenue impact to the City's General Fund. If Ridgefield transfers collection service to the District, the District's service area would grow slightly (adding approximately 2,000 users to a 34,000-user system). In the long term, all customers could benefit as new commercial and industrial users connect to the system in the Ridgefield I-5 employment center area.

→ **Who is going to administer the new Alliance?**

The partners have agreed to have the Clark Regional Wastewater District (District) serve as the regional administrator for a period of at least five years, with an option to renew. As a single-purpose utility district focused on providing efficient and effective wastewater services, the District is well-positioned to provide day to day administration support.

→ **Will the new Alliance structure impact operations at treatment plants?**

The Salmon Creek and Ridgefield Waste Water Treatment Plants will continue to be operated by existing staff for a period of at least five years per the MOU. Those contracts may be renewed at the end of that period, subject to approval of the elected officials representing the partner agencies at that time. No significant change is expected for treatment plant operations.

→ **How will decisions or votes be made?**

For most decisions, DCWA will require a majority vote based on a one-agency-one-vote approach. A two-tiered, "house-senate" voting structure will be used for "significant decisions" as outlined in the Formation Agreement. The "senate" test vote requires more than 50% of the partners to approve a motion, while the "house" test requires partners representing at least 50% of the allocated "flow" to approve the decision. This ensures votes reflect regional consensus (senate) while also protecting partners with the greatest financial responsibility (house).

For the most important *significant decisions*, such as amending or terminating the Formation Agreement, adoption of a Capital Plan or reallocating capacity, approval will require a super-majority (greater than 60 percent) of both the house and senate.

→ **What happens if a partner doesn't agree on a decision or vote?**

In the event that any partner is dissatisfied with the outcome of certain significant decisions, they may require the Board decision to be referred to an independent mediator. If the partner is not satisfied with the mediator's recommendation, it may then refer the matter to binding arbitration where, after a hearing, the arbitrator would have the authority to reverse the Board's decision if it is found to be "arbitrary or capricious."

→ **Who will serve as on the Transition Board from each partner jurisdiction?**

Clark County: Commissioner Marc Boldt (Alternate, Commissioner Tom Mielke)
District: Commissioner Neil Kimsey (Alternate, Commissioner Norm Harker)
Battle Ground: Mayor Lisa Walters, Chair (Alternate, Deputy Mayor Shane Bowman)
Ridgefield: Mayor Ron Onslow, Vice-Chair (Alternate, Councilman Lee Wells)

→ **Will the Alliance cost money to start?**

The regional entity formation process will require staff support and a small financial investment from each partner agency, payable in proportion with each partner's use of the system. Funds will be used to cover legal fees, public communication and other costs associated with establishing a new utility. It is estimated that utilizing the District as the initial administrator of the partnership can provide the needed services at approximately half the cost of a new stand-alone agency.

→ **Can other agencies or partners join the Alliance?**

New partners can be admitted with an affirmative dual majority vote of the Board and upon payment for its share of access to regional assets, either through cash or contribution of new assets. Provisions are also provided for allowing new partners that assume or otherwise annex significant portions of the DCWA regional service area, as outlined in the Interlocal Formation Agreement.

→ **Can an agency withdraw from the Alliance?**

Partners may withdraw from the Alliance, but would be responsible for compensating the remaining partners for its allocable share of capital costs and debt.

→ **What kinds of regional projects can I expect to see in the near future?**

Future projects will be identified by partner agency staff and authorized by the Transition Board or future Board of Directors. The MOU authorizes partners to continue planning and implementation of the Discovery Corridor Wastewater Transmission System (DCWTS) with the expectation that it would be operational no later than January, 2016.

The [DCWTS project](#) is significant because it will extend wastewater service infrastructure to employment lands along the I-5 Corridor from the CRWWD service area into Ridgefield's service area. A recent feasibility study indicated this strategic investment could make it possible to site multiple employment centers in north Clark County, potentially creating thousands of jobs.

→ **Why did partners choose the name, “Discovery Clean Water Alliance”?**

The term “Discovery” is a tie-in to the original Lewis and Clark’s “Corps of Discovery” Expedition that explored and eventually settled the area we live and work in today. It also alludes to the future opportunity made possible by taking this path forward and opening up new employment lands. “Clean Water” is a promise and the overall goal. The “Alliance” was formed with the goal of producing clean water, whether the highly-treated effluent we manage, or the rivers, streams and groundwater we’re responsible for protecting.

→ **When and where will the Alliance meet, and can I attend?**

The Transition Board will establish meeting dates and times later this summer. Please check the website for updates. The public is encouraged to attend DCWA meetings.

→ **How can the public follow or provide input on decisions?**

The Transition Board will establish public involvement and communication protocols later this summer. Financial transparency and proactive public engagement are among the core values adopted by the partners.

→ **Who do I call for more information?**

For more information, please contact the appropriate partner representative listed below:

City of Battle Ground

Scott Sawyer, Public Works Director

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Clark County

Pete Capell, Public Works Director

(360) 397-6118 x4071 / <http://www.co.clark.wa.us/publicworks> / peter.capell@clark.wa.gov

Clark Regional Wastewater District

John Peterson, General Manager

(360) 993-8819 / www.crwwd.com / jpeterson@crwwd.com

City of Ridgefield

Steven Wall, Public Works Director

(360) 887-8251 / www.ci.ridgefield.wa.us / steve.wall@ci.ridgefield.wa.us

Additional questions and answers will be added to this document as they are posed by interested parties. Please check back for updates.