



TACOMA PUBLIC UTILITIES  
3628 South 35th Street  
Tacoma, Washington 98409-3192

November 10, 2014

To the Honorable Mayor and Members of the City Council  
and  
To the Chairman and the Members of the Public Utility Board

Tacoma Water is requesting that the Public Utility Board and the City Council execute an Interagency Agreement with the Washington State Department of Health (DOH) in the amount of \$30,000, accepting and depositing said sum for a Consolidation Grant. The Interagency Agreement would establish the terms and conditions of a \$30,000 Consolidation Grant to be awarded to Tacoma Water for the purpose of determining the feasibility of acquiring the service area of the Andrain Road Water Association.

The Andrain Road Water Association (Andrain) provides services to 59 residences, in the vicinity of 128<sup>th</sup> Street East and 70<sup>th</sup> Avenue East in Pierce County. Due to the condition and limited capacity of their distribution system, Andrain has not been allowing new service connections within its service area. As a result the Washington State Department of Health is requiring Andrain to develop a water system plan that would provide service for up to 150 connections. In-lieu of developing a water system plan and making system improvements, Andrain has requested that Tacoma Water acquire the Andrain service area and provide direct retail service to its members.

The Consolidation Grant from the DOH will pay for the topographic survey and engineering necessary to determine the feasibility of Tacoma Water acquiring the Andrain service area.

The DOH has cited Chapter 39.34 RCW in the agreement, which requires the approval of the Public Utility Board and the City Council.

Sincerely,

William A. Gaines  
Director of Utilities/CEO

