



LIBERTY LAKE SEWER & WATER DISTRICT 1

"Serving People and the Environment."

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NOTICE OF ASSUMPTION OF LEAD AGENCY STATUS

Description of Proposal: The Closed Loop Ground Source Heat Pump Boring Amendment/Addition to the Lakemore/ Liberty Village Development.

Proponent: Liberty Lake Investments, LLC, One Liberty, LLC, Whitewater Creek, Inc., AHBL, Inc.

Location of Proposal: NE ¼ of Section 11, Township 25 North, Range 45 East Willamette Meridian; South of Appleway Avenue and East of Country Vista Blvd. in the City of Liberty Lake, Washington.

Initial Lead Agency: City of Liberty Lake, Washington

New Lead Agency: Liberty Lake Sewer and Water District, No. 1, 22510 E. Mission Ave., Liberty Lake, Washington (hereinafter District)

The initial lead agency concluded that this proposal was not likely to have significant adverse effect on the environment if mitigated according to its Mitigated Determination of Nonsignificance dated August 28, 2014. The new lead agency has reviewed the environmental checklist, the Mitigated Determination of Nonsignificance, together with all of the comments and materials submitted to the initial lead agency on the Proposal. The new lead agency has determined that an environmental impact statement (EIS) is required for this Proposal for the following reasons:

1. The proposal is to drill 700 boreholes six inches in diameter, 450 feet deep extending into the Spokane Valley-Rathdrum Prairie Aquifer and place therein ¾ inch diameter plastic tubes containing a thermally conductive mixture of glycol and water to be connected to heat pumps on the surface. This proposal is located within the capture zones of groundwater for three of the District's primary production wells. Contamination of groundwater in these capture zones could compromise or eliminate the ability of the District to serve water to its 9,000 residents and businesses as the sole source of drinking water in the area served by the District.
2. There is substantial uncertainty and lack of information regarding the subsurface geological and hydrogeological environment. See Comments of GeoEngineers dated August 19, 2014 (hereinafter GeoEngineers Report) incorporated herein by this reference.

3. The proposal has failed to characterize the subsurface geological and hydrological environment by sufficient subsurface investigation and by failing to sufficiently investigate and model groundwater flows and temperatures. See GeoEngineers Report; and District Comment letter dated August 21, 2014 (hereinafter District Letter) incorporated herein by this reference.
4. The methods and materials used in drilling bore holes and installing well pipes are not sufficiently disclosed and discussed. See District Letter.
5. The proposal contains inadequate provisions for ensuring the security of 700 bore holes from terrorist or other malefactor attempts to contaminate groundwater. See District Letter.
6. The proposal contains inadequate provisions for ensuring the proper use and maintenance of these 700 bore holes and the pipes and mechanical systems connected thereto to prevent the intentional and unintentional introduction of contaminants into the ground water. See District Letter.
7. Because the proposal has failed to properly characterize the subsurface geological and hydrogeological environment of the proposal, the proposal has been unable to accurately analyze and predict impacts of the proposal on the subsurface geological and hydrogeological environment. The proposal's attempt to discuss thermal impacts, chemical contamination impacts, and impacts upon groundwater flow are effectively compromised by the lack of sufficient information on the subsurface environment for the reasons stated in the GeoEngineers Report.
8. The proposal has the potential to contaminate or lead to the contamination of groundwater used by the District to provide safe drinking water to 9000 residents and businesses. If groundwater contamination were to occur in the District's drinking water wells the District would experience millions of dollars in damages to the water infrastructure and the potential loss of a sole source of drinking water. Even a slight chance of contamination could lead to severe environmental and public health impacts and therefore must be regarded as significant. As stated in WAC 197-11-794 "An impact may be significant if its chance of occurrence is not great, but the resulting environmental impact would be severe if it occurred".

You are being notified that the District assumes the responsibility of lead agency under SEPA, including the duty to prepare an EIS on the proposal.

Responsible Official: BiJay Adams

Position: District Manager

Address: 22510 East Mission Ave, Liberty Lake, WA 99019

Phone: (509) 922-5443

Date: 9/10/14

Signature:  _____