

Public Hearing Presentation (GM)

- 2024 Proposed Budgets
- 2024 Proposed Rates, Fees, Charges, and Surcharges
- 2024 Proposed Ad Valorem Tax

September 19, 2023



Agenda

- Introduction of PUD Commissioners and Staff
- Participation Information
- Presentation on the 2024 Proposed Budget, Rates, Fees, Charges and Surcharges and Ad Valorem Tax
- Public Testimony Rules
- Public Testimony

PUD Board of Commissioners



Linda Oosterman
District 1



Russell E. Olsen
District 2



Chris Stearns
District 3

Senior Leadership Team

- John Weidenfeller, General Manager
- Julie Parker, Assistant General Manager
- TaSeana Tartt, Finance and Customer Service Manager
- Kim Gubbe, Director of Planning and Compliance
- Jim Campbell, Director of Field Operations

Support Staff

- Kalelia Gipson, Associate Clerk to the Board
- Mariah Montague, Customer Service Supervisor
- Raven Thomas, Customer Service Representative
- Cathy Wise, Customer Service Representative
- Sandy Furth, Administrative Assistant
- Aimee Morgan, Payroll Specialist

Participation Information (Mariah)

- Follow along with us! This presentation is posted under “The Latest” on the front page of our website at www.thurstonpud.org
- Regular Commission meetings and Public Hearings are recorded (audio only)
- Your name and phone number may be displayed during the meeting
- We reserve the right to change your name in Zoom if we deem your selected name inappropriate, profane, or offensive

2024 Proposed Budgets

Julie Parker, Assistant General Manager
TaSeana Tarrt, Finance and Customer Service Manager



2024 Proposed Budgets Highlights

The Proposed Budgets are funded by two funding sources:

1. Water Revenue Rates
2. General Fund - Property Tax Revenue

2024 Proposed Budgets Recommendations

Ongoing Operations & Maintenance/ Staffing

- 2.50 percent overall Rate Revenue increase

Water System Asset Management Projects

- Capital Surcharge increase to \$13.50 (from \$11.00)

Replacement Funds

- Funded at \$405,080
 - Facilities and Fleet & Equipment

2024 Budgets Goals

- Meet the financial necessities to operate and maintain 279 water systems
- Fund replacements for water system projects, fleet & equipment, and facilities projects identified in the Asset Management Plan (AMP)
- Meet our bond debt payment obligations and debt service coverage ratio

Additional 2024 Budgets Highlights

- Additional funding for inflationary expenses:
 - Fuel prices
 - Fleet repairs and maintenance
 - Water system property values
 - Water system materials and supplies for general operations and maintenance

2024 Proposed Budgets

- **Operating Budget** – Total \$9,784,526
 - General - \$453,111
 - Water - \$9,331,415
- **Capital Budget** – Total \$28,319,800
- **Fleet & Equipment** – Total \$169,861
- **Facilities** – Total \$259,281
- **Debt Service** – Total \$1,843,590



Proposed Rate Schedules and Bill Impact Scenarios

- An **overall rate revenue** increase of 2.50 percent (%) - all customers are on the same standard rate schedule and will see the same impacts
- An increase for the monthly customer capital surcharge to \$13.50 per customer per month per ERU (up from \$11.00 in 2023)
 - The proposed increase ensures funding is available for Capital Improvement Projects identified in the water system Asset Management Plans (AMPs) over the next 10 years

Proposed Rate Schedules and Bill Impact Scenarios

- The Proposed General Facility Charge (GFC) is recommended to increase from \$5,000 to \$6,000
 - **Applies only to new water connections**
 - **Ensures growth pays for growth**
- All other Fees and Charges are recommended to remain the same compared to 2023
- Budget materials are posted to our website at www.thurstonpud.org

Capital Budget Projects



Asset Management Plan

- Isolation Valve Maintenance
- Replace Plumbing
- Pressure Tanks
- Meter Replacements
- Water System Upgrades
- Sampling Stations
- New Treatment
- Treatment Replacement

Capital Budget: Funding Sources

- 1) Capital Surcharge monies are used only for existing infrastructure replacements
- 2) General Facility Charges (GFC) on new development
 - **Growth pays their fair share for infrastructure**
- 3) Drinking Water State Revolving Fund (DWSRF)
Grants and Loans
- 4) Public Works Trust Fund (PWTF) Grants and Loans
- 5) Proceeds from the Water Revenue Bond

Capital Improvement Project Tracking

- Tracking expenses for 279 water systems can be daunting
- In 2018, PUD staff predicted the Capital Improvement Projects needed between 2019 and 2024
 - Display boards show predicted replacements and planned projects
 - Updated display boards are shown around the Public Hearing Room for customers to view
- If you have questions on your specific water system, please get the attention of one of our staff members after the Public Hearing so we can review your **water system's Asset Management Plan**

2024 Proposed Ad Valorem Tax

- Staff proposes a one percent (1%) Ad Valorem property assessment
- Ad Valorem funding supports Thurston County county-wide activities and election expenses
- Ad Valorem funding is approximately \$4.00 once a year on a \$500,000 home

Open the Public Hearing

PUD Commission Chair Stearns

Would you like to open the Public Hearing?

Customer Service Supervisor Mariah Montague will provide instructions for public testimony

Public Testimony Rules

- **PUD Commissioners listen to public testimony but do not normally comment or respond during a Public Hearing**
 - **PUD staff is happy to answer any questions or concerns you may have, following the meeting**
- You may not promote or oppose any candidate for public office or any ballot proposition
- You may not use this time to advertise

Public Testimony Rules (Continued)

- Speakers who disturb the orderly conduct of the meeting may forfeit their right to address the panelists and be removed from or muted throughout the meeting
- The District and its moderators reserve the right to mute you, if your conduct is considered disorderly or abusive
- Based on the number of people requesting to speak, your time to speak may be limited to three minutes

Order for Public Testimony

Members of the public will be called to testify or provide comment in the following order:

- 1) In-person attendees
- 2) Virtual attendees (by computer) and phone attendees (calling in, audio only)
- 3) Chat or Q&A

Testimony may be limited to three minutes per speaker - a timer will be shown for in-person and virtual attendees

How to Deliver Testimony (In-Person)

- The Board will call on you from the sign-in sheets - if you need to sign in, please let us know
- Please come up to the podium to address the PUD Commissioners or let us know if you need assistance
- You must state your full name, address, and water system (if known) for the record
- Note: Members of the public testifying in-person will be shown on video

How to Deliver Testimony (Virtually)

- When the Moderator calls for public testimony, **click on "Raise Hand"** if you wish to participate
 - The "Raise Hand" option is located on the bottom of your screen
- Mute all other audio before speaking - using multiple devices can cause audio feedback
- You must state your full name, address, and water system (if known) for the record
- **Please contact the moderators using the "Chat" option if you have any issues - the "Chat" option is located at the bottom of your screen**
- Note: Members of the public will not be shown on video.

How to Deliver Testimony (By Phone)

- When the Moderator calls for public testimony, press *9 to raise your hand in Zoom - this indicates that you want to deliver public comment
- We will call on you using the last four digits of the number from which you are calling
 - Example: If your phone number is (360) 555-1234, your meeting name will be "Attendee 1234"
- Press *6 to unmute and speak
- You must state your full name, address, and water system (if known) for the record

Calling for Public Testimony

- You will be called in the order that you raise your hand to testify to the Commissioners after in-person testimony is received
- Note: Commissioners and staff will not answer questions during Public Testimony
- If you have questions, please use the “Chat” or “Q&A” feature in Zoom or contact the PUD by phone or email so that staff can follow up with you
- We ask that you now use the “Raise Hand” feature (by phone or by personal device) to indicate if you wish to provide comment or testimony

Public Testimony on: Proposed 2024 Budgets, Rates, Fees, Charges, Surcharges, and Ad Valorem Tax Levy

- **You must state your full name, address, and water system (if known) for the record**
- For those attending on a personal device (like a computer, cell phone, or tablet), select the “Raise Hand” feature to indicate if you’d like to testify - you will need to unmute yourself once you’re called on
- For those attending by phone audio only, press *9 to raise your hand to speak - you will need to unmute yourself by pressing *6 once you’re called on
- Mute all other audio before speaking - using multiple devices can cause audio feedback

Thank you for your testimony! Do you have additional comments about the budget and rates?

We Want to Hear From You!

Submit written testimony to our office by Friday, September 22nd

Main: (360) 357-8783

Toll-Free: (866) 357-8783

Fax: (360) 357-1172

Website: www.thurstonpud.org

Email: PUDCustomerService@thurstonpud.org

Close the Public Hearing

PUD Commission Chair Stearns

Would you like to close the Public Hearing?