



*Providing safe, reliable,
affordable, and sustainable utility
services to our customers.*

Introduction to Thurston PUD

Public Utility District No. 1 of Thurston County

OCTOBER 22, 2026

BY GENERAL MANAGER JOHN WEIDENFELLER & PUD STAFF

Presentation Topics

- ▶ Meet the PUD Leaders
- ▶ How to Participate in Tonight's Meeting
- ▶ General Information About the PUD
- ▶ Asset Management Plan
- ▶ Questions & Answers

Meet the PUD Leaders

ELECTED OFFICIALS & MANAGEMENT TEAM

PUD Board of Commissioners

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Jim Campbell
District 1



Russell E. Olsen
District 2



Chris Stearns
District 3

Senior Leadership Team

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John Weidenfeller
General Manager



Julie Parker
Assistant General
Manager



Kim Gubbe
Director of Planning
and Compliance

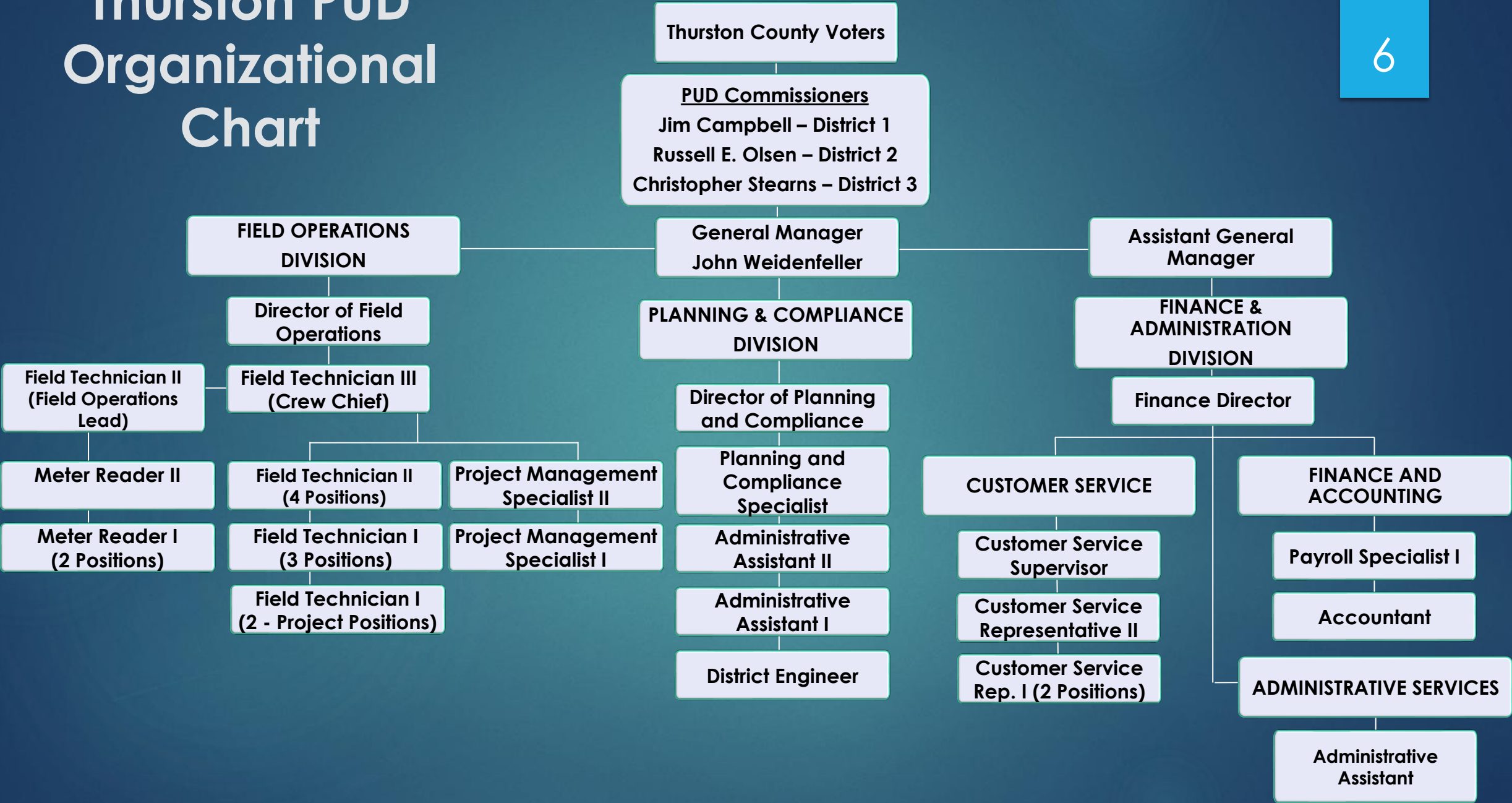


TaSeana Tartt
Finance Director



David Gruver
Director of
Field Operations

Thurston PUD Organizational Chart



Participation Information

How to Participate: **Video Participants**

- ▶ At the bottom of your screen, under “React” ,click “Raise Hand” to indicate you want to speak.
- ▶ Mute all other audio before speaking.
- ▶ Please state your full name.

How to Participate: **Telephone Participants**

- ▶ Press *9 to “Raise Hand”.
- ▶ Last four digits of your number will be used to call on you.
 - ▶ Example: If your phone number is (360) 555-1234, your meeting name will be **“Attendee 1234”**.
- ▶ Press *6 to unmute once we call on you.
- ▶ Please state your full name.

Things to Keep in Mind

- ▶ If you look at the bottom of your screen, you can also direct questions to our team using the Chat portion of Zoom.
- ▶ If you would like a follow-up we will provide ways for you to contact us at the end of this presentation. We want to hear from you.

General Information About Thurston Public Utility District (PUD)

What is a Public Utility District (PUD)?

A Public Utility District is a nonprofit municipal corporation with the following mission:

“...to conserve the water and power resources of the State of Washington for the benefit of the people thereof, and to supply public utility service, including water and electricity for all uses.”

[RCW 54.04.020]

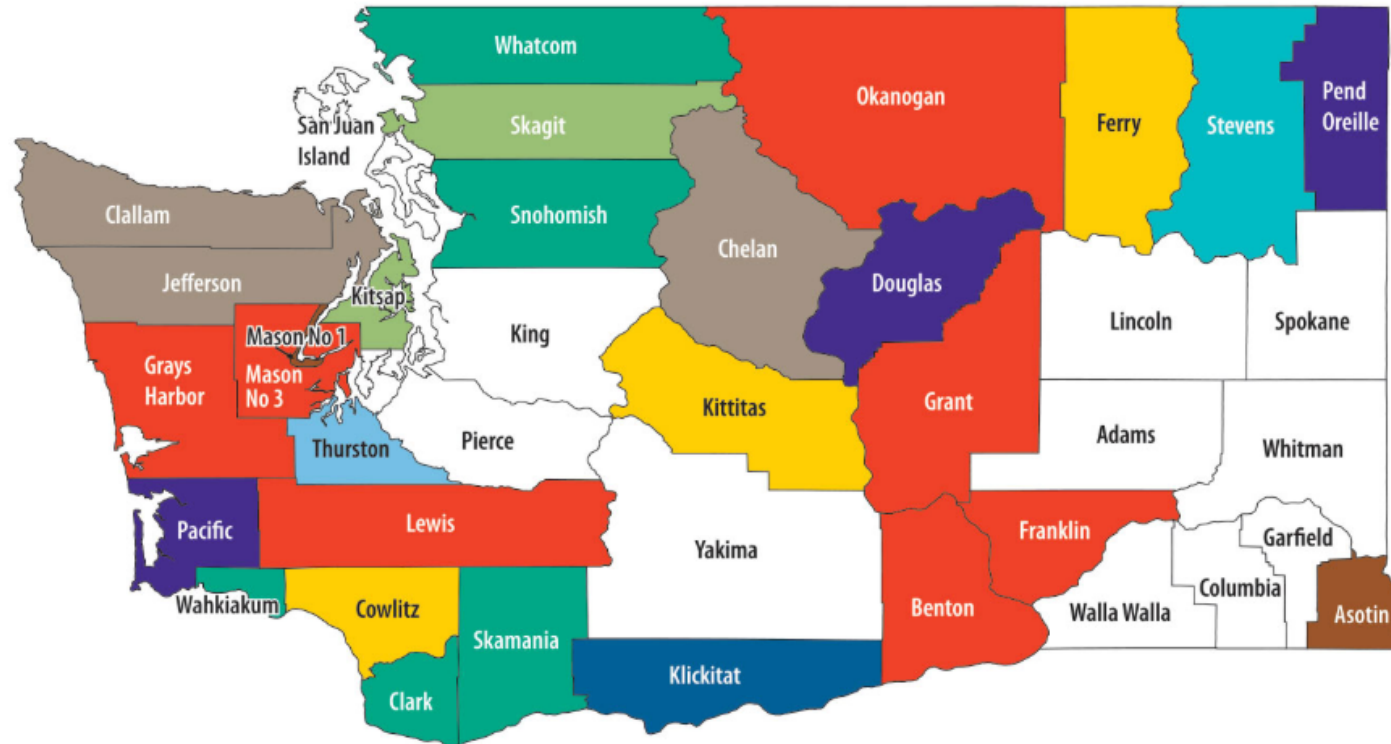
History of PUDs in Washington

- ▶ Designed to provide utility services in rural areas
- ▶ PUDs were established as Initiative No. 1 by Washington State Voters in 1930
- ▶ **Thurston PUD was formed in 1938** by a vote of the Thurston County voters
- ▶ PUDs combine the strongest elements of a private corporation, a municipal utility system and a cooperative into one organization

PUD Lines of Business

- ▶ PUDs are Special Purpose Districts and have many of the authorities granted to Counties and Cities
- ▶ PUD Lines of Business:
 - ▶ Water
 - ▶ Sewer (with a vote of the People)
 - ▶ Electricity (with a vote of the People)
 - ▶ Wholesale Telecommunications
 - ▶ Hydrogen Energy – Creation and Sale
- ▶ Thurston PUD provides **only water services** at this time

Counties Served by Public Utility Districts



- | | | |
|---|---|---|
| Electricity PUDs | Electricity, Water and Telecommunications PUDs | Electricity, Water, Sewer and Renewable Natural Gas PUD |
| Water PUDs | Electricity, Water, Sewer and Telecommunications PUDs | Not served by a PUD |
| Electricity and Water PUDs | Water and Sewer PUDs | |
| Electricity and Telecommunications PUDs | Water and Telecommunications | |
| Electricity, Water and Sewer PUDs | Water, Sewer and Telecommunications PUDs | |

Thurston PUD Water Systems: 2026

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Thurston PUD Water Systems

Water Systems in **5** Counties

Note: PUD hopes to get out of other counties over the next ten years. Currently, they do provide an economy of scale that **help keep rates and fees down for Thurston County Customers.**

County	Number of Systems	Number of Connections
Thurston	149	8,146
Pierce	64	1,434
Lewis	54	734
King	1	76
Grays Harbor	4	37

Drinking Water State Revolving Fund (DWSRF) Loan

- ▶ We estimate the rebuild of your water system will cost **\$600,697.50 with 35% loan forgiveness**; a monthly surcharge for each of the 37 active connections of **\$84.75 per customer per month for 20 years would be required.**
- ▶ Once all of the construction costs for the improvements have been received, after a public hearing, the initial capital surcharge referenced above will be adjusted to a final surcharge to pay for the improvements funded by the State Drinking Water State Revolving Fund (DWSRF) loan.

Water System Rates – Base Rate and Usage Charges

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- ▶ Base Rates and Usage Charges are uniform for all water systems
- ▶ Shared costs and risks over 272 water systems
 - ▶ Safety in numbers
- ▶ Covers general operations and maintenance of PUD water systems

Water System Rates – Capital Surcharge

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- ▶ \$16.00 in 2026 (\$17.00 in 2027)
- ▶ All customers pay the monthly surcharge
- ▶ Utility capital surcharge pays for approximately 45 percent of replacement costs
 - ▶ Grants, surplus funds and low interest loans cover the rest
- ▶ Reserved for only infrastructure replacements from the Asset Management Plan

Water System Rates – EPA/WA State Emerging Contaminants Remediation Surcharge

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- ▶ \$1.78 in 2026 & 2027
- ▶ All Group A Water System customers pay this surcharge
- ▶ The surcharges collected will be used to pay for PFAS expenses now and in the future
- ▶ This surcharge will be reassessed once the treatment plants are installed, and the replacement costs are known

Transition Rates

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Given Manzanita Beach's current water rates, the PUD proposes transitional rates for 3 years (2027 – 2029).

The Board of Commissioners vote for and approve all rates, fees and surcharges.

			Transition Rates		
Manzanita Beach			2027	2028	2029
Base Charge - monthly			24.56	34.45	44.34
0-500cf	per 100 cf		2.88	3.23	3.58
501-2100cf	per 100 cf		3.42	4.31	5.20
2101-3600cf	per 100 cf		4.41	5.36	6.31
3601-7000cf	per 100 cf		5.68	6.63	7.58
>7000cf	per 100 cf		5.93	7.13	8.33
Capital Surcharge			17.00	18.00	19.00
WSCIP Surcharge			84.75	84.75	84.75
EPA/WA State Emerging Contaminants Remediation Surcharge			1.78	1.78	1.78

Benefits of Belonging to the PUD

WHAT'S IN IT FOR YOU?

Benefits of Joining Thurston PUD

- ▶ Ownership and management by PUD will provide
 - ▶ Streamlined approval process through PUD Commission
 - ▶ Shared overhead and pooling of resources
 - ▶ Continuity & public ownership
 - ▶ Adequate staffing for emergency response
 - ▶ Enhanced economies of scale
 - ▶ Standardized rates & infrastructure replacement schedules
 - ▶ Stable financing and comprehensive utility planning

Benefits of Belonging to the PUD:

Customer Inclusion

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- ▶ The PUD is a Thurston County not-for-profit, citizen-owned, consumer-owned utility
 - ▶ All excess revenue is put back into the water systems
- ▶ Governed by Thurston County locally-elected Commissioners
- ▶ Cost of repairs spread over 10,000 PUD customers in 272 water systems

Benefits of Belonging to the PUD:

Customer Inclusion (continued)

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- ▶ Transparency; customers are included in the public process
 - ▶ Open Public Meetings
 - ▶ Open Budget Process
 - ▶ Utility Rate Advisory Committee
 - ▶ Consolidation Project Advisory Committee
- ▶ PUD ownership is forever

Benefits of Belonging to the PUD:

Services

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- ▶ 32 Employees
 - ▶ Departments led by experts in their field
 - ▶ 13 water technicians, a vactor, a pump puller and excavator
 - ▶ Versatile skillsets and vast expertise
 - ▶ Saves the District \$\$
 - ▶ Limited need for contractors
- ▶ 24/7 on call service with two operators and a manager on call
- ▶ Customer Assistance Program
- ▶ Outage and Maintenance Communication

Benefits of Belonging to the PUD:

Payment Options

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- ▶ **Multiple ways to make a payment**
 - ▶ Online (www.ThurstonPUD.org)
 - ▶ Auto Pay (Online or with Customer Service)
 - ▶ Using Interactive Voice Response (IVR) System
 - ▶ With a live Customer Service Representative
 - ▶ Drop box
 - ▶ Mail
 - ▶ In person

Benefits of Belonging to the PUD:

Grants and Low Interest Loan Sources

- ▶ Thurston PUD is a non-profit organization that has access to low-interest tax-free funding from the following sources that can not be accessed by for-profit companies:
 - ▶ **Access to Drinking Water State Revolving Fund (DWSRF) loans – low interest – sometimes with loan forgiveness.**

Asset Management Plan

PLANNING FOR TOMORROW AND BEYOND

Asset Management

- ▶ An Asset Management Plan (AMP)
 - ▶ Identifies when components of our 272 water systems are projected to reach the end of their useful life
 - ▶ **Forecasts budget needs for 80 years water system lifecycle**
 - ▶ AMP also projects the cost to replace infrastructure
 - ▶ It is standard PUD practice to run most components to the end of their useful life before replacing.

What is the Capital Surcharge?

- ▶ **Dedicated monthly capital surcharge funding**
- ▶ Each home contributes a capital surcharge of **\$16.00 a month (\$17.00 a month in 2027)**; reserved for infrastructure replacement costs
 - ▶ Allows PUD to have cash available to obtain loan/grant financing
- ▶ Used to fund infrastructure replacement **only**
 - ▶ Wells and pumps and booster stations
 - ▶ Reservoirs, storage and treatment systems, and electrical systems
 - ▶ Water mains, service lines and water meters
 - ▶ Pump houses and other infrastructure

Manzanita Beach

Asset Management

Infrastructure Asset Replacement

Total Mainline Replacement
Service Meters
Source Meter
Sample Stations

Total Estimated Rebuild Costs	\$ 924,150
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The \$924,150 includes engineering, contingency for the water main replacement, review fees, permits, audit costs, inspection costs, etc.

We Want to Hear from You

Call

(360) 357-8783

Email

PUDCustomerService@ThurstonPUD.org

Write

1230 Ruddell Road SE, Lacey, WA 98502

Learn

www.ThurstonPUD.org

Questions?

BY COMPUTER: CLICK THE “RAISE HAND” BUTTON

BY PHONE: PRESS *9 TO RAISE YOUR HAND & PRESS *6 TO UNMUTE

Thurston PUID

The logo for Thurston PUID features the text "Thurston" in a black serif font above "PUID" in a larger, bold black serif font. Below the letters "U" and "I" of "PUID", there are several horizontal, wavy lines in shades of blue and green, suggesting water or a natural environment.

*Providing safe, reliable,
affordable and
sustainable utility
services to our
customers.*