

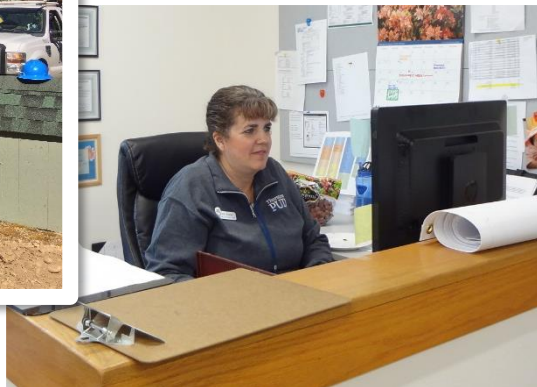


# Thurston PUD

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## Satellite Management Agency Plan

Final March 30, 2021



## THURSTON PUD SMA CHECKLIST

**WAC 246-295-050 SMA plan content for ownership.** The SMA plan shall address the following elements at a minimum in a manner acceptable to the department. A department guideline titled *Satellite Management Planning Handbook* is available to assist the potential SMA in adequately addressing these elements:

**YES NO (1) SMA ownership, including at a minimum:**

- ☒ ☐ a) A statement of intent to own public water systems;
- ☒ ☐ b) Current organizational structure of the SMA, legal authority, mailing address responsible party, and contact person; In Part A
- ☒ ☐ c) Identification of existing public water systems the applicant currently owns, and/or manages and operates. The identification shall include the number of connections in each system, the department identification number, and the system location.
- ☒ ☐ d) Documentation showing that at least one staff person has, at a minimum, three years of water utility ownership and/or management experience.
- ☒ ☐ e) Satellite Management Agency Contact Information Form

**(2) SMA Service area information, including at a minimum:**

- ☒ ☐ a) A map of the SMA Service area;
- ☒ ☐ b) A general written description of the SMA Service area; and
- ☒ ☐ c) Future service area agreement(s) of systems owned by SMA if applicable.

**(3) Service area policies/conditions of service where applicable, including at a minimum:**

- ☒ ☐ a) Annexation policies consistent with local comprehensive plans; In Part A
- ☒ ☐ b) Ownership versus management and operation decision criteria;
- ☒ ☐ c) Policies related to new and existing public water systems, including the method of determining financial feasibility of adding new or existing systems to the SMA;
- ☒ ☐ d) Ordinances, resolutions and agreements related to the provision of drinking water;
- ☒ ☐ e) Service request process overview flowchart, including time frames; and

- ☒ ☐ f) A list of available services.
- ☒ ☐ **(4) System design standards for new and existing systems; In Part A**
- ☐ **(5) Financial viability, including at a minimum:**
  - ☒ ☐ a) A written description of available revenue sources;
  - ☒ ☐ b) A budget; and
  - ☒ ☐ c) General financial policies.
- ☐ **(6) Operation and maintenance program, including at a minimum:**
  - ☒ ☐ a) Documentation that at least one staff person will, at a minimum, be certified at a water distribution manager 2 level or above and meet any additional department required certified operator requirements;
  - ☒ ☐ b) Overall SMA routine and preventive maintenance program including an emergency response plan;
  - ☒ ☐ c) A copy of model contract for operation and maintenance services, if applicable; and
- ☒ ☐ **(7) Documentation from affected counties that the SMA plan is consistent with their plans and policies; list counties Thurston, Grays Harbor, Lewis, King, Kitsap and Pierce.**
- ☐ **(8) Status**
  - ☒ ☐ a) Documentation that all Group A systems owned by the potential SMA on the date of request have obtained their operating permit and are not classified in the red operating permit category pursuant to Chapter 246-294 WAC.
  - ☒ ☐ b) If Group B systems are also owned by the potential SMA, provide documentation that such systems are in compliance with Chapter 246-291 WAC.
  - ☒ ☐ c) A special provision pursuant to WAC 246-295-110 may be utilized in the determination of compliance. Attach WST.
- ☒ ☐ **(9) Current water system plan(s) or department approved plan development schedule, if applicable.**

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# **Thurston PUD Satellite Management Agency (SMA) Plan for Water System Ownership and Management & Operation**

## **Executive Summary**

Public Utility District No. 1 of Thurston County (Thurston PUD or District) was formed by the citizens of Thurston County in 1938 and under Washington State law (Revised Code of Washington Title 54) has the authority to serve public water systems both within and outside of Thurston County. The District currently owns 275 water systems in six counties: Thurston, Pierce, Lewis, Grays Harbor, Kitsap, and King. Because the District owns and manages separate water systems with noncontiguous boundaries, it is known as a satellite management agency. To facilitate offering satellite management services, the District developed its first satellite management agency (SMA) plan in 2005 which was approved by the Washington State Department of Health (DOH) in March 2006. The document was updated and approved in 2014 and this document is the second update of the District's SMA Plan.

The majority of the changes made to the document are minor in nature as required to reflect current conditions.

# **Thurston PUD Satellite Management Agency (SMA) Plan for Water System Ownership and Management & Operation**

## **1.0 Introduction**

### **1.1 Satellite Management Agency Background**

A Satellite Management Agency (SMA) is an entity that is approved by the Department of Health (DOH) to own or operate more than one public water system on a regional or county-wide basis, without the necessity for a physical connection between such water systems.

The type and level of service varies based on the needs and desires of the water system and the ability and capacity of the SMA to provide such service. The service may be provided through task specific contracts, a management and operation agreement, or through ownership.

The philosophy behind satellite management is to provide a satisfactory or higher level of service to water systems at reasonable rates utilizing economies of scale. SMAs are able to provide multiple water systems a foundation of knowledge which might not otherwise be available or affordable to individual water systems operated independently, thus providing the customers a higher level of service. By consolidating staff, equipment, and administrative resources, an SMA can provide a diversity of services to numerous water systems at a reduced cost.

### **1.2 Satellite Management Agency Categories**

The major categories of satellite management services include ownership, management and operations, and contract services.

- SMA ownership exists when water systems are physically separated from one another, but owned by a single entity. Ownership assumes responsibility for all aspects of water system functioning and development. An SMA may own more than one water system and may also provide management and operations and/or contract services to other systems.
- SMA management and operations exist when water systems are physically separated from one another, but are comprehensively managed and operated by a single entity which does not own the water systems' physical components. In conducting SMA management and operations, an entity is responsible for all day-to-day responsibilities of a water system. Management responsibilities include financial planning, capital budgeting and policy decision making.

Operational responsibilities include normal day-to-day operations, preventative maintenance, water quality monitoring, troubleshooting, emergency response, response to complaints, public/press contact and record keeping. Management and operations does not include addressing legal issues.

- SMA contract services are provided by an entity to water systems through a written agreement (contract) for specific tasks. Types of contract services vary with the specific needs of the water system and the capabilities of the service provider. Types of contract services may include water quality monitoring, billing, emergency response, record keeping, and meter reading. Each of these services may be provided by separate entities under separate contracts with the water system. Normally, contract services do not include water system management responsibilities, such as planning or policy making.

### **1.3 Requirements for Satellite Management Agency**

- No new public water systems (a system with two or more connections) may be approved or created unless it is owned or operated by an SMA, if one is available.
- Each approved SMA is required to employ a Water Distribution Manager 2 (WDM2) at a minimum (Chapter 246-292 WAC). The District's list of certified operators with years of experience are included in the Water System Plan Part A in Chapter 5, Section 5.2.

## **2.0 SMA Ownership**

### **2.1 Statement of Intent to Own and Manage & Operate Public Water Systems**

It is the intent of the District to own and/or operate and maintain public water systems where this would serve public interest. As a special district formed to provide utility services to the public, Thurston PUD intends to expand its services to citizens throughout rural Thurston County, and as needed, in other counties. The Thurston PUD Board of Commissioners SMA resolution is included in **Appendix A**.

The District intends to continue operating as a SMA and to follow all applicable State and Local Department of Health (DOH) regulations, including:

- Chapter 246-290 WAC - Group A Water Systems
- Chapter 246-291 WAC - Group B Water Systems
- Lewis County Code Chapter 8.55 – Group B Public Water Systems
- Thurston County Code Article III – Sanitary Code for Water Supplies
- Chapter 70.116 RCW and Chapter 246-293 WAC - Public Water System Coordination Act



- Chapter 246-294 WAC - Drinking Water Operating Permits
- Chapter 246-295 WAC - Satellite Management Regulations

The District submitted its SMA intent letter to DOH in September 2003 and participated in a “pre-submittal conference” with Karen Klocke and Craig Downs of DOH Office of Drinking Water’s Southwest Regional Office in December 2003. The District submitted its draft SMA Plan to DOH in June 2005 and received approval in March 2006.

The SMA Plan was then updated in April 2014 with DOH approval in July 2014. This document represents the second update of the March 2006 approved SMA Plan.

The District’s ownership & operation of water systems will support achieving adopted land use plans. Water service will not affect designated densities and types of land uses identified through the comprehensive planning and zoning activities of counties that the District serves.

General benefits of the District’s service include:

- The District’s ownership and/or operation would serve to ensure reliable water service to residents, businesses and agencies in each county where service is provided.
- The District’s ownership and/or operation supports significant public interest objectives of protecting water resources and conforming to local plans and policies of governing bodies.
- The District may establish new water systems, including initial plans and funding via Utility Local Improvement District or other mechanisms. The District will also respond to emergency issues related to water service in systems owned by the District.
- The District will be responsible for all aspects of water system operation, including day-to-day operations, preventive maintenance, water quality monitoring, troubleshooting, and response to complaints.
- The District will be responsible for service billing, collections and record keeping and for preparation of budget reports.

## **2.2 Thurston PUD Organizational Structure, Legal Authority, and Contact Information**

### ***2.2.1 Organizational Structure***

Thurston PUD operates under RCW 54 and is governed by an elected Board of Commissioners. The day-to-day operations are overseen by a General Manager. A personnel organization chart can be found in the Water System Plan - Part A, Chapter 1, Figure 1.1. Responsibilities include:

**Board of Commissioners:** The Commissioners are elected to their positions by vote of the citizens of Thurston County. The Commissioners represent the same three districts as the County Commissioners. Thurston PUD Commissioners set the policy and direction of the District, approve rates, fees charges and surcharges, and pass an annual budget.

**General Manager:** The General Manager is the chief administrative officer and is responsible for the overall management and operation of the utility based on the policies and directives of the Board of Commissioners.

**Assistant General Manager (AGM):** The AGM is responsible for assisting the General Manager in overall operation of the utility, including responsibility for budgeting, finance, utility billing and customer service oversight.

**Administrative Services Manager (ASM):** The ASM is responsible for overseeing and administering the following programs: Human Resources, Emergency Management and Disaster Preparedness, Communications, the Web Site, Facilities, Records Management, Public Records Disclosure, and Management Analysis.

**Director of Field Operations (DFO):** The DFO oversees all daily field operations, including maintenance, water quality and meter reading. Field Technicians, Meter Readers, Project Management Specialists, and Laborers report to the DFO.

**Director of Planning and Compliance (DFC):** The DPC is responsible for the administrative, planning support for Field Operations and ensures that all technical and regulatory requirements are met for all the District's water systems. The DFC oversees all aspects of water system-related capital improvement projects and is the responsible for securing critical grants to fund or supplement infrastructure projects.

**Finance & Customer Service Manager (FCSM):** The FCSM is primarily responsible for the overall quality, efficiency, and effectiveness of the work performed by the Finance, Accounting and Customer Service Teams. The FCSM is responsible for the preparation and submission of the comprehensive annual financial statements. This position is responsible for ensuring staff operations are performed in accordance with District policies and procedures and financial work quality meets federal, state and local regulations.

**Accountant and Accounting Assistants:** The Accounting Team provides technical accounting and administrative support to the FCSM. Responsibilities include accounts payables, payroll, contract and asset tracking.

**Customer Service Representatives:** Customer Service Representatives interface with customers and address service questions, issues, and resolution. Responsibilities include monthly billings, cash receipts, customer support and customer account maintenance.

**Administrative Assistants:** Administrative Assistants provide administrative support to managers and other employees to ensure the efficient operations of their departments. Each administrative assistant supports each team differently, but essentially can answer phone calls, organize and schedule meetings, produce

correspondence memos, letters and forms, prepare reports, maintain filing systems, order supplies, generate reports and research.

**Operations Specialists:** The Operations Specialist positions provide administrative and technical oversight to ensure that the District's many various water programs meet federal, state and local regulations. Operation Specialists also provide administrative support to the Field Operations Team in areas like water quality testing, cross connection control, project management, maintaining records and reporting to state and local agencies. Operations Specialists also perform water system planning and water use efficiency technical functions.

**Senior Field Technicians and Project Management Specialists:** Senior Field Technicians (Field Technician II and III and Project Management Specialist I & II) assist the DFO with field services of the water utility. Duties include source, storage and distribution system maintenance and operation; repairs and replacements; inspection of District and contractor construction projects, and water quality monitoring and other utility duties as needed. Senior Field Technicians and Project Management Specialists work at all of District's water systems, as needed.

**Field Technicians, Meter Readers and Laborers:** Field Technicians, Meter Readers, and Laborers (Field Technicians I, Meter Readers I & II and Laborers I, II & III) perform journey-level work and assist the Senior Field Technicians and Project Management Specialists in the day-to-day maintenance of the water systems, meter reading, maintaining pump houses, landscaping, flushing, water sampling, minor repairs and customer service in the field.

**District Attorney:** The attorney is the legal advisor to Thurston PUD. The District employs the legal services of a contracted attorney.

**Other:** Thurston PUD contracts for other services as needed including engineering.

The District currently has 30 employees and believes staffing is adequate to manage all currently owned water systems with a two hour or less response time. The District would consider adding staff as the District grows by every 2,000 connections, if the budget allows. In **Appendix B** you will find a narrative of what "A Day in the Life of Thurston PUD."

### **2.2.2 Legal Authority to Serve Public Water Systems**

Thurston PUD has authority to serve public water systems as a public utility district established under RCW 54 in the State of Washington.

### **2.2.3 Contact Information**

SMA name:	PUD No. 1 of Thurston County #147
Address:	1230 Ruddell Rd SE Lacey, WA 98503
Telephone:	(360) 357-8783
FAX:	(360) 357-1172
Website:	<a href="http://www.ThurstonPUD.org">www.ThurstonPUD.org</a>
Responsible Party:	Board of Commissioners
Contact Name:	John Weidenfeller, General Manager
E-mail:	<a href="mailto:jweidenfeller@thurstonpud.org">jweidenfeller@thurstonpud.org</a>

## **2.3 Existing Water Systems Owned, Managed, and Operated by Thurston PUD**

Thurston PUD currently owns 275 water systems in six counties (Thurston, Pierce, Lewis, Grays Harbor, Kitsap, and King), consisting of 74 Group A systems and 201 Group B systems, serving approximately 7,884 active and 9,328 approved connections. A master list of currently owned water systems can be found in the Water System Plan - Part A, Chapter 1, Table 1-2.

## **2.4 Water Utility Ownership and Senior Management Team Experience**

John Weidenfeller serves as the General Manager. Mr. Weidenfeller has 24 years of experience managing in public organizations including cities, counties and public utility districts. He has served as a city chief of staff, finance director and treasurer and has a Master's degree in Business Administration. He began employment with Thurston PUD at the end of 2007.

Julie Parker serves as the Assistant General Manager. Ms. Parker has a Bachelor of Arts degree in Accounting and 29 years of experience in the water industry including six years with the State Utilities and Transportation Commission, where she oversaw regulation of utility systems. She also has ten years of experience as a consultant in financial and accounting with small privately held water companies. Ms. Parker has been employed with the District since 2007.

Jim Campbell serves as the Director of Field Operations of the District. Mr. Campbell has 17 years of experience managing water systems and over 30 years in supervising teams. He currently holds certifications for Water Distribution Manager II, Water Treatment Plant

Operator I, Cross Connection Control Specialist and L&I plumbing and electrical licenses. He began employment with the District in 2017 with the acquisition of H&R Waterworks.

Kim Gubbe serves as the Director of Planning and Compliance. Ms. Gubbe has 23 years of experience working with the water systems and compliance with DOH regulations. She currently holds certifications for Water Distribution Manager II, Water Treatment Plant Operator II and Cross Connection Control Specialist. She has an Environmental Technical Degree and began employment with the District in 2005 with the acquisition of American Water Resources.



## Satellite Management Agency Contact Information

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### Administrative/Office Contact Information

Satellite Management

Agency Name: **PUD No 1 of Thurston County - Thurston PUD**

SMA Number: **147**

Satellite Management

Agency Owner: **Thurston PUD**

*Name*

Primary Administrative

Contact: **John Weidenfeller/Kim Gubbe**

*Name*

Office

Address: **1230 Ruddell Rd SE**

*Street Address*

*Suite/Unit #*

**Lacey**

**WA**

**98503**

*City*

*State*

*ZIP Code*

Office Phone: **360-357-8783**

Field Phone: **360-357-8783**

Best Email

Address: **jweidenfeller@thurstonpud.org/kgubbe@thurstonpud.org**

### Certified Operator Information

Certified

Operator Name: **James Campbell**

Certification

Number: **10679, active status**

Certification

Level: **WDM2, CCS, WTP01, 17 years**

**experience**

Certified

Operator Name: **Kimberly S. Gubbe**

Certification

Number: **7314, active status**

Certification

Level: **WDM2, CCS, WTP02, 23 years**

**experience**

Certified

Operator Name: **Jason Choate**

Certification

Number: **11839/B5051, active**

**status**

Certification

Level: **WDM1, CCS, BAT, 12 years**

**experience**

## **3.0 SMA Service Area Information**

### **3.1 SMA Service Area Map**

The locations of the District's owned water systems are shown in the Water System Plan Part A in Chapter 1, Section 1.3.

### **3.2 SMA Service Area Description**

The District currently owns and manages water systems in Thurston, Pierce, Lewis, Grays Harbor, Kitsap, and King counties. The District may acquire additional water systems in these counties in order to achieve public interest objectives relating to water service, public health and environmental sustainability.

### **3.3 Future Service Area Agreements**

#### ***3.3.1 Thurston County***

The North Thurston County Coordinated Water System Plan (CWSP) has been enacted for the Olympia-Lacey-Tumwater Urban Growth Area in northern Thurston County (1996). In this area (referred to as the Urban Water Supply Service Area or UWSSA), water service responsibilities are delineated in the area-wide supplement and accompanying service area maps. The District's Tanglewilde-Thompson Place Water System is located within this area. The South Thurston County Urban Growth Areas Abbreviated Coordinated Water System Plan has also been enacted (June 2000). The District is not identified in the South County Abbreviated CWSP.

#### ***3.3.2 Other Counties***

In other counties, the District intends to be a long-term satellite system owner in areas where service is requested and/or needed and is not available from other purveyors. The District's service will be provided consistent with CWSPs and local comprehensive land use plans.

The Pierce County Coordinated Water System Plan (PCCWSP) has been enacted for Pierce County. For this area, water service responsibilities are agreed upon through the signing of a standard service area agreement. To establish the exclusive water service boundaries of the systems the District owns within Pierce County, the District has entered into standard service area agreements as required by the PCCWSP. Such service area agreements have been incorporated into each system's water system plan/small water system management program.

To coordinate water service boundaries with public utility districts established in Lewis and Grays Harbor counties, the District has Memoranda of Understanding (MOUs) with each respective PUD, as shown in **Appendix C**.

## **4.0 Thurston PUD Water Policies and Conditions of SMA Service**

### **4.1 Annexation Policies**

The District does not have authority for annexation.

### **4.2 Ownership vs. Management & Operation Decision Criteria**

The District's preference is to own Group A water systems. As a general rule of thumb, the District does not prefer to manage and operate water systems it does not own. The District may assume managerial or operational responsibility of a water system under an SMA contract when requested. The District will manage and operate a water system under contract on a temporary basis with the intent of achieving ownership. If the water system has not started steps for the District to acquire the water system, the District will notify the owner to find another party to provide SMA management and will cancel the SMA contract.

#### ***4.2.1 Rural Area Service Criteria***

The District may own and operate existing or new rural area water systems in any part of each county where the District can provide service. PUD Commissioners must approve ownership and operations based on the following criteria:

- A written request must be submitted to the District for water system ownership and operation. The request should describe construction and existing condition of the system, operational history, reason ownership is being offered to the District, and other details as required by the District or a feasibility study that may include an engineering analysis;
- The water system is not a liability to the District. Any improvements to a system joining the PUD must be paid for by grants, offset by assets, enabled by the LUD process or surcharges that the customers agree to pay as a condition of joining the District;
- The public interest would be served by the District's ownership and operation of the water system, including ensuring safe and reliable drinking water;
- The water system and water source meet all applicable standards. Existing water systems must meet minimum water source requirements. Customers must also financially commit towards upgrades that meet standards on a schedule approved by the local health jurisdiction and/or DOH. Funding sources could include rates, LID and loans repaid from rates.



#### **4.2.2 Acquisition of Systems with a Red Operating Permit Category**

Acquisition of water systems with a Red Operating Permit will require additional coordination and will require a special provision under WAC 246-295-110 for acquisition of the system. A Special Provision normally will be in the form of an agreed order between DOH and the District which outlines the necessary actions and time schedules to bring the system into compliance.

#### **4.2.3 Receivership**

The District is willing to review failing water systems and possibly act as a receiver for such systems. Receivership decisions will be made on a case-by-case basis.

### **4.3 Thurston PUD Water Policies**

The District's water policies are contained in the Policies and Procedure Manual found in Water System Plan Part A, **Appendix A**. The District's Emergency Response Plan is also in Part A, **Appendix P**.

### **4.4 Acquisition Request Process Overview**

The process for considering new requests for existing or new water system ownership and operation by the District is presented in the Policies and Procedure Manual.

The service request process overview flow chart is included as Satellite System Program Service Application and Review Procedures, Exhibit 4-1, in the Policies and Procedures Manual. The District's new service request process is summarized below.

All proposed acquisitions or interim operation agreements will be considered by the Board of Commissioners, with the District staff responsible for technical review and providing a recommendation to the elected officials.

- ***Pre-submittal meeting:*** While not required, it may be useful to schedule a meeting with staff prior to submitting a formal request for ownership/operation of a water system. The District requirements and review criteria can be discussed with potentially interested parties.
- ***Written request:*** Ideally, all requests for ownership and operation must be in writing and should include brief operational history, legal ownership, number of connections, and the reason the ownership is being offer to the District. It is also desired that the request include the information listed below:
  - *Brief operational history and reason for offering ownership/operation to the District;*
  - *Ownership of the system including the well site and water rights;*

- *Number of connections;*
  - *“As built plans” will be submitted showing pump houses, wells, storage reservoirs, pipelines, valve locations, easements, and all facilities for ownership;*
  - *Records of water quality analyses and coliform bacteria reports;*
  - *A copy of the well log for each well, including the well drillers report;*
  - *A copy of the water rights certificate or permit;*
  - *Copies of water production reports;*
  - *Copy of the State Water Facilities Inventory (WFI) form; and*
  - *Copies of current bylaws and CORP documents to include water rates.*
- ***Preliminary evaluation:*** Schedule a preliminary water system evaluation with the District utility operations review team, including a site inspection and review of maintenance and cross connection records.
  - ***Board of Commissioners’ preliminary determination:*** The request and preliminary staff recommendation is forwarded to the Board of Commissioners. If the Commissioners make the preliminary determination that the District ownership/operation of the system would be in the public interest, staff will perform a full review and prepare a report. If the determination is negative, the system owner/proponent will be informed of the decision.
  - ***Water system report and final action:*** A full water system review and report, including a financial plan for the system, are prepared by District staff.
  - ***Board of Commissioners action:*** The water system report and financial plan are provided by District staff to the Commissioners. If the Commissioners determine that the proposal is in the public interest, the Commissioners will authorize the General Manager to negotiate acquisition of the water system and prepare a water system operations and Asset Management Plan. If applicable, the Commissioners will also adopt a resolution establishing rates for the water system.

## **4.5 Available Services**

Available services provided by the District are presented in the Policies and Procedure Manual (Section 4.1.2 in Appendix A of the WSP) and are summarized below.

The District provides three primary options of operation and assistance services for water systems:

- Direct Service – ownership and operation by the District.
- Contract Services – routine operation and maintenance, water quality monitoring, utility billings, and other periodic tasks for systems not owned by

the District. Contract services are available to private and public systems at a rate commensurate with the service.

- Support Assistance – one-time or long-term support to systems requiring technical, professional, or special assistance on a more limited scale. Charges for support assistance are determined in advance, generally on a time and materials basis.

## **5.0 Design Standards**

The District's current design standards (subject to modification and update by the Thurston PUD as necessary) are presented in the Policies and Procedures Manual (Appendix A of Water System Plan Part A).

## **6.0 Financial Program**

### **6.1 Available Revenue Sources**

#### ***6.1.1 Rates, Charges and Assessments***

- Rates, Fees and Charges billed to customers are the sole source of funding for utility operation and maintenance costs. Capital reserves have also been established and are elements of existing rates.
- Capital projects may be funded by a variety of mechanisms and sources, including rates, capital surcharges, general facilities charges, miscellaneous revenues, and ULIDs. A Utility Local Improvement District allows property owners to spread their proportionate share of capital costs over an extended period of time.

#### ***6.1.2 Thurston PUD Funds***

- The District budgets for water system development. The District recognizes in particular that small existing water systems may come to the District for assistance.
- No budget allocation has been made by the District for remedial corrections to potable water supply/distribution systems which the District acquires resulting from a failure to meet health standards or receivership. The District will develop financing approaches as needed to perform remedial corrections on acquired water systems. Such approaches will involve the use of capital reserves, state and federal grants, and loan funds, or other funding sources.

#### ***6.1.3 State Funds***

Some State funds may be available for water system remedial capital projects. In particular, there are three current funding sources available. They include the Public Works Trust Fund (PWTF) offering low-interest, long-term loans for public works projects, the Drinking Water State Revolving Fund (DWSRF) providing funds for correcting problems that pose a public health risk to domestic water systems and available to public and private

entities, and the Water System Acquisition and Rehabilitation Program (WSARP) offering funding for acquisition of remedial domestic water systems to facilitate the correction of functional and/or operational problems. The PWTF monies are self-funded through the program. The DWSRF is funded through a combination of State and Federal Funds, and the WSARP relies solely on funds made available through the State budgeting process. Availability of this funding will depend on eligibility of a particular project, funding allocations to the programs, and competition from other entities for limited funds.

#### **6.1.4 Emergency Funds**

Reserves for emergencies are incorporated into the District's budget. However, in the event that such reserves are inadequate, loans may be initiated and would be paid back through rate increases, if appropriate.

### **6.2 Thurston PUD Budget**

A copy of the District's 2020 budget is shown in Appendix D.

### **6.3 General Financial Policies**

The District's financial policies are included in the Water System Plan Part A, Appendix V. The general financial policy calls for a feasible financing plan whereby water system customers will be responsible for funding operating and maintenance costs, and, unless funded by grants, will fund or repay funding for necessary remedial capital improvements to existing systems.

The District, as a public service municipal corporation, will engage in discussions with any existing water system owner/operator regarding the possibility of transferring ownership to the District. In certain situations, this may require that the District purchases the water system(s) from the existing owner. In such a situation, the District has adopted a procedure for valuing the water system(s) including a review of any necessary upgrades or replacements. The review includes a financial feasibility review which is premised on the ability of the rates of the proposed water system(s) to support the financing of any proposed purchase price. This comprehensive system valuation helps the District determine whether a proposed acquisition is a viable endeavor with little to no impact to the District's existing customer base.

## **7.0 Operation and Maintenance Program**

A complete operations and maintenance program can be found in the District's Water System Plan, Part A, Chapter 5. Chapter 5 includes:

- Water System Management
- Staff Certifications
- O&M Service Areas
- Routine and Preventative Maintenance Activities
- Routine Maintenance Schedules

- Operation and Maintenance Procedures
- Water Quality Sampling
- Emergency Response Plan
- Water Shortage Response Plan
- Cross Connection Control Program
- Record Keeping and Reporting
- Customer Complaint Response Procedures
- Design Standards and Construction Specifications
- Contract O&M Services

## **8.0 Documentation from Affected Counties that the SMA Plan is Consistent with their Plans & Policies**

Documentation of the District's coordination with the various counties where the District systems are located is included in **Appendix E**.

## **9.0 Operating Permit Status**

The District obtains the annual permits for all Group A water systems from the State Department of Health, Office of Drinking Water. As of May 2020, the District has no systems classified in the red operating permit category and three systems in the blue operating permit category which include: Timberline Village 628 ID #88388, Sward 278 ID #06046 and Biscay Acres 675 ID #07160.

The District obtains annual permits for Group B water systems in Thurston, Lewis, Pierce and Kitsap Counties. Grays Harbor County does not currently collect fees for annual permits.

The District is in compliance for all annual operating permits as of May 2020.

## **10.0 Water System Plan Status**

The District is required to develop a WSP according to Washington Department of Health (DOH) regulations under Chapter 246-290 WAC (Group A Public Water Supplies). The purpose of a WSP is to provide a uniform process for water purveyors to:

- Identify present and future needs,
- Set forth the means for addressing those needs, and
- Demonstrate that the system has the operational, technical, managerial, and financial capabilities to achieve and maintain compliance with all relevant local, state, and federal plans and regulations.

For utilities that own multiple water systems, a WSP is typically comprised of two elements: Part A and Part B. Part A of the WSP, also referred to as the "umbrella" section, provides general information pertaining to the utility, and programmatic elements that are

common to all water systems owned, operated, and/or managed by the utility. This includes a description of the utility, its organizational structure and operating policies, a utility-wide water conservation program, water quality regulatory compliance requirements, an overall improvement program and related financial program, an operations and maintenance program, a cross connection control program, design standards and construction specifications, and discussion of the utility's satellite system management program.

Part B contains detailed elements regarding each individual water system. This includes a system description, basic planning data, system analysis, monitoring requirements and compliance review, source protection, a detailed improvement program, coordination with local entities and agencies, consumer confidence reporting, and specific conservation activities.

The District's first Part A element was approved by DOH in July 2007. The first update was completed and approved in 2013. In the Spring of 2020, the District began a project to update the Part A Umbrella Plan in conjunction with the update of this SMA Plan.

# Appendix A

## SMA Resolution

Satellite Management Agency Plan

**CERTIFIED COPY OF RESOLUTION  
ADOPTED AT REGULAR MEETING OF THE COMMISSIONERS  
OF  
PUBLIC UTILITY DISTRICT NO. 1 OF THURSTON COUNTY**

We, the undersigned, being the President and Secretary of Public Utility District No. 1 of Thurston County, do hereby certify that the following Resolution was unanimously adopted by the Commissioners in attendance at the regular meeting of the Commissioners of Public Utility District No. 1 of Thurston County, held on June 14, 2005, at the offices of the District, Suite G, 210 Union Avenue, Olympia, Washington, 98501, which meeting was the first regular meeting of the month of June, 2005, and that said Resolution has not been revoked.

**RESOLUTION NO. 05-8**

WHEREAS, Thurston County Public Utility District No. 1 has acquired a number of water systems, and

WHEREAS, it is necessary that the Thurston County Public District No. 1 (PUD) become a satellite management agency (SMA), and manage its systems in accordance with the statutes and regulations of the State of Washington, and

WHEREAS, it is necessary that the PUD adopt a resolution declaring itself to be a satellite management agency,

NOW, THEREFORE, it is hereby

RESOLVED that Thurston County Public Utility District No. 1 be and it is hereby declared to be a satellite management agency (SMA) effective immediately.

BE IT FURTHER RESOLVED that the staff of Thurston County Public Utility District No. 1 be, and they are hereby directed to prepare and submit all applications, reports, and documents required to the Department of Health of the State of



Washington and any other agency having jurisdiction thereof to bring the PUD into full compliance with the statutes and regulations applicable thereto.

Said Resolution was adopted by the unanimous vote of the Commissioners.

We do further certify that said meeting was attended by all of the Commissioners of Public Utility District No. 1 and that the Resolution was adopted by the unanimous vote of the Commissioners of Public Utility District No. 1 of Thurston County.



Paul Pickett  
Commissioner and President of PUD

Attest:



Alan Corwin  
Commissioner and Secretary of PUD

# Appendix B

## A Day in the Life of Thurston PUD

Satellite Management Agency Plan

## **A Day in the Life of Thurston PUD**

The District is headquartered in Lacey and has a satellite location in Tumwater. The District's business hours are Monday – Friday, 8:00 a.m. to 4:30 p.m. with a rotating Field Technician Team on-call to address system issues 24-hours a day, seven days a week.

### **The Field Operations Team**

The Field Operations Team operates from the satellite office and start their day in a meeting with the Director of Field Operations to go over their daily assignments, current, completed and upcoming projects, emergencies and safety. Below are the typical monthly duties and the number of people assigned:

- Two technicians perform water quality testing
- Three technicians perform the North, South and Central weekly treatment routes
- Two Meter Readers complete the meter reading
- Remaining employees perform other critical tasks like completing service requests, asset repair and/or replacement, leak detection and repairs, locates, project management, flushing, building maintenance, and landscaping

Each technician is assigned a vehicle and works independently to complete assigned tasks.

The Field Operations Team communicates regularly using phone calls, texting, email, Microsoft Teams, and Facetime. Each technician is equipped with a radio in each truck. Radios have been installed at each District location, some manager vehicles, customer service team location and some managers' offices.

The Field Team are trained and skilled at operating large equipment such as an excavator, pump truck and/or vactor truck to perform tasks.

### **The Planning and Compliance Team**

Co-located at the satellite office with the Field Operations Team, the Planning and Compliance (P&C) Team performs many tasks related to water system planning, county, state and federal regulations, capital improvement projects and various administration tasks that support the Field Operations Team throughout the day. The Team focuses on the administrative functions of water system operations by supporting:

- |   |   |
|---|---|
| • Water quality testing - scheduling and results  | • Water System Plan updates                         |
| • Water availability letters  | • Customer service                                  |
| • Consumption reports   | • Loan applications                                 |
| • Managing system file  | • Emergency management                              |
| • Updating asset management plan  | • Hazard mitigation                                 |
| • Project management  | • Cross-connection control plan                     |
| • Small works roster and contracts  | • Chlorine testers and state reporting and database |
| • SEPA reports  | • Capital improvement planning and budgeting        |
| • Budgeting for the both the Planning and Compliance and the Field Operations departments |   |

The P&C team also supports the Field Operations Team in communications with customers, purchasing supplies and paperwork needed to perform their jobs.

Typical communications with customers are written correspondence, automated phone calls, website content, newsletters, door hangers, and road signs. It is the District's goal to give customers 72-hours' notice before any work is conducted on their system.

### **Customer Service Team**

The Customer Service Team is located at the Headquarters building and performs many tasks throughout their day to include: customer phone calls and complaints, creating, managing and closing service requests, managing customer payments and billing, uploading and downloading meter reading, maintain customer accounts, adding new accounts, mailings to customers, managing incoming mail, purchasing for the main office building, and supporting the General Manager and Assistant General Manager.

The District uses Springbrook software as its billing system and Beacon for the meter reading software.

### **Finance and Accounting Team**

The Finance and Accounting (FA) Team provides accounting services and manages the finances of the District.

Accounting is responsible for making sure that all financial transactions are entered into the financial system accurately. Their realm of responsibility includes processing accounts payables and accounts receivables, running payroll, reconciling cash accounts, making any necessary expense accruals, tracking assets and liabilities, and managing banking relationships. These tasks are performed throughout the month. All of these actions are performed according to the Generally Accepted Accounting Principles (GAAP), to ensure the consistency and accuracy of internal and external reporting.

Finance seeks to understand financial data through the lenses of growth and strategy. This means reporting on and forecasting trends, noting areas of potential financial concern, and working with others in the District to identify areas for opportunity. Reporting and forecasting are largely centered around financial data. Finance leads the annual budgeting process and will help the District's management team make decisions on strategic initiatives, capital investments, and financing.

The FA Team is managed by the Finance, Accounting and Customer Service Manager (FCSM). The FCSM reports to the Assistant General Manager and is responsible for overseeing and managing the overall operations of both the Finance and Accounting and the Customer Service Teams.

### **Administrative Services Team**

The Administrative Services Team manages six programs for the District. Programs include Human Resources, Emergency Management, Communications, Facilities, Public Records, Records Management, and Management Analysis.

The focus of the Administrative Services Team is to provide services pertaining to personnel, property management, benefits, human resource management, facilities management, customer experience, and event planning. The team is led by the Administrative Services Manager (ASM) who manages, plans, directs and coordinates activities that help the District run smoothly. The ASM reports directly to the

General Manager and serves as the District's Public Information Officer and Public Records Officer. The ASM also oversees the emergency management and disaster preparedness programs.

### **Management Team**

The District's Management Team is the group of individuals that operate at the higher levels of the organization and have day-to-day responsibility for managing teams and maintaining responsibility for key District functions. The Management Team is led by the General Manager who is held accountable by the District's Board of Commissioners. The Management Team is comprised of the General Manager, Assistant General Manager, Director of Planning and Compliance, Director of Field Operations, Finance, Accounting and Customer Service Manager, and the Administrative Services Manager.

# Appendix C

## Memorandums of Understanding

Satellite Management Agency Plan

**MEMORANDUM OF UNDERSTANDING**  
between  
**Thurston County**  
and  
**Public Utility District No. 1 of Thurston County**  
**Addendum No. 1**

This Memorandum of Understanding (MOU), between Thurston County and the Thurston Public Utility District No. 1, municipal corporations of the State of Washington.

This section of the MOU:

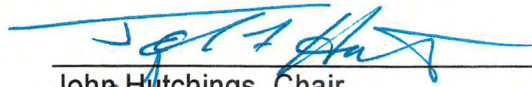
This Memorandum of Understanding may be amended by the agreement of the two parties and shall remain in full force and in effect until January 1, 2020, or until terminated by either party after giving 180 days written notice to the other party.

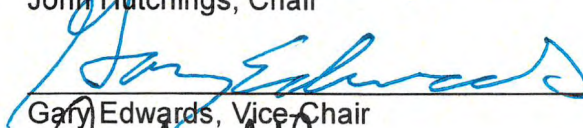
Is amended as follows:

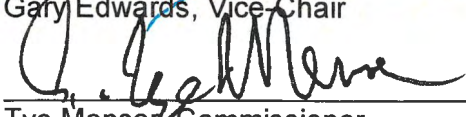
This Memorandum of Understanding may be amended by the agreement of the two parties and shall remain in full force and in effect until *December 31, 2020*, or until terminated by either party after giving 180 days written notice to the other party.

DATE ADOPTED: December 3, 2019

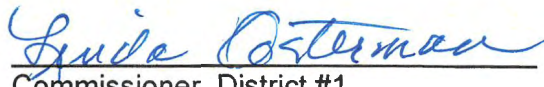
BOARD OF COUNTY COMMISSIONERS  
Thurston County, Washington

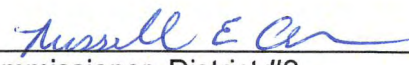
  
\_\_\_\_\_  
John Hutchings, Chair

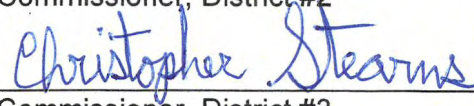
  
\_\_\_\_\_  
Gary Edwards, Vice-Chair

  
\_\_\_\_\_  
Tye Menser, Commissioner

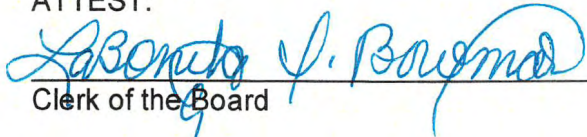
PUBLIC UTILITY DISTRICT  
COMMISSIONERS  
Thurston County, Washington

  
\_\_\_\_\_  
Linda Osterman, Commissioner, District #1

  
\_\_\_\_\_  
Russell E. Carr, Commissioner, District #2

  
\_\_\_\_\_  
Christopher Stearns, Commissioner, District #3

ATTEST:

  
\_\_\_\_\_  
Sabrina J. Boydman  
Clerk of the Board

Approved as to form:

JON TUNHEIM  
PROSECUTING ATTORNEY

  
\_\_\_\_\_  
Deputy Prosecuting Attorney

**CERTIFIED COPY OF RESOLUTION  
ADOPTED AT THE REGULAR MEETING OF THE COMMISSIONERS  
OF  
PUBLIC UTILITY DISTRICT NO. 1 OF THURSTON COUNTY**

The President and Secretary of Public Utility District No. 1 of Thurston County (District) certify that a majority of the Commissioners of Public Utility District No. 1 of Thurston County in attendance at the meeting held at the office of the District, Suite 301, 921 Lakeridge Way S.W., Olympia, Washington, 98502 on Tuesday, June 9, 2015 adopted this resolution. This resolution has not been revoked.

**RESOLUTION NO. 15-17**

**RECITALS**

The Commissioners of Thurston Public Utility District No. 1 (TPUD) met with the Thurston County Board of County Commissioners (BOCC) on May 30, 2015 and discussed a draft memorandum of understanding (MOU), and

The TPUD met with the BOCC agreed to everything in the MOU and the BOCC adopted the MOU at their meeting on May 12, 2015, and

The TPUD Commissioners agree with the MOU which has been coordinated with BOCC and wishes to approve the MOU.


NOW, THEREFORE, THE COMMISSIONERS OF THE DISTRICT DO HEREBY RESOLVE AS FOLLOWS:

Section 1. The MOU which is attached as Attachment A was approved by the BOCC.

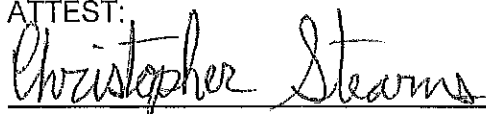
Section 2. The MOU which is attached as Attachment A and that was approved by the BOCC is approved by the TPUD.

This Resolution was approved and adopted by a majority vote of the Commissioners present.

As the President and Secretary of the District, we additionally certify that this meeting of June 9, 2015 was attended by at least two of the three Commissioners of the District and that this resolution was adopted by a majority vote of the Commissioners of the District in attendance at the meeting.

  
\_\_\_\_\_  
Russell E. Olsen  
Commissioner and President of  
Public Utility District No. 1 of Thurston County

ATTEST:

  
\_\_\_\_\_  
Chris Stearns  
Commissioner and Secretary



**MEMORANDUM OF UNDERSTANDING**  
**between**  
**Thurston County**  
**and**  
**Public Utility District No. 1 of Thurston County**

This Memorandum of Understanding (MOU), made as of this 12 day of May, 2015, between Thurston County, a municipal corporation of the State of Washington, hereinafter referred to as the "County" and the Thurston Public Utility District No. 1, a municipal corporation of the State of Washington, hereinafter referred to as the "PUD."

WHEREAS, the Board of County Commissioners and the PUD Commissioners would like to cooperate and support efficiency and effectiveness in intergovernmental operations; and

WHEREAS, the County has entered into a cooperative relationship with the PUD to contract for information technology services from the County; and

WHEREAS, the PUD would like to be supportive of the County's lead role in water systems planning; and

WHEREAS, planning within the County is needed to assure that adequate supplies of water services are available for projected population increases; and

WHEREAS, minimum level of service criteria for water systems are needed to protect public health, safety, and the environment in the County; and

WHEREAS, economic development opportunities in Thurston County will benefit from well-planned water utility infrastructure and the ability to provide fire protection for residential, commercial and industrial uses.

WHEREAS, Thurston PUD is an approved Satellite Management Agency by the State Department of Health and may be in a position to assist the County.

NOW THEREFORE, BE IT AGREED AS FOLLOWS:

The Board of County Commissioners and the PUD Commissioners agree to cooperate to support efficiency and effectiveness in intergovernmental operations; and

The PUD will collaborate with the County to continue in cooperative and collaborative relationships where it is in the best interests of the PUD and the County; and

The PUD is committed to working with the Board of Health and County staff to solve problems with small water systems, when possible, and

The PUD will support the County's continuing lead role in planning for better management of water resources and the County will consider sponsoring a countywide forum of water utilities to support and address current water issues; and

---

The PUD will continue to take the lead in organizing a workgroup of water utility professionals and administrators to work together on technical issues of common concern, and

The PUD and the County mutually agree to identify operational and policy issues or concerns as they emerge and work together to resolve them expeditiously using government-to-government protocols between staff and among their respective elected commissioners, and

The County will inform the PUD concerning land use and GMA issues in unincorporated areas of the County and support the PUD's constructive involvement in issues and GMA issues that affect the PUD, and;


This Memorandum of Understanding may be amended by the agreement of the two parties and shall remain in full force and in effect until January 1, 2020 or until terminated by either party after giving 180 days written notice to the other party.

DATE ADOPTED: May 12, 2015

BOARD OF COUNTY COMMISSIONERS  
Thurston County, Washington

  
Cathy Wolfe, Chair

  
Bud Blake, Vice-Chair

  
Sandra Romero, Commissioner

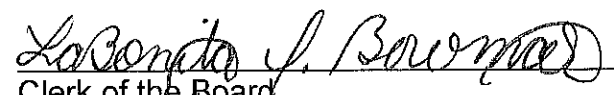
PUBLIC UTILITY DISTRICT  
COMMISSIONERS  
Thurston County, Washington

  
Commissioner, District #1

  
Commissioner, District #2

  
Commissioner, District #3

ATTEST:

  
Clerk of the Board

Approved as to form:

JON TUNHEIM  
PROSECUTING ATTORNEY

  
Deputy Prosecuting Attorney

**Memorandum of Understanding  
By and Between  
Public Utility District No. 1 of Thurston County  
And  
Public Utility District No. 1 of Grays Harbor County**

Public Utility District No. 1 of Thurston County (Thurston PUD) is a public utility district authorized by the State of Washington under Title 54 RCW, for the purpose of providing vital public utilities to customers within their service area.

Public Utility District No. 1 of Grays Harbor County (Grays Harbor PUD) is a public utility district authorized by the State of Washington under Title 54 RCW, for the purpose of providing vital public utilities to customers within their service area.

Thurston PUD's primary focus is to provide quality utility service within Thurston County, Washington.

Thurston PUD is currently providing water utility service to customers within its service area. Grays Harbor PUD is currently providing electric utility service to customers within its service area. Thurston PUD is involved in negotiations to purchase three (3) investor-owned water companies (water companies) providing water service in the following counties:

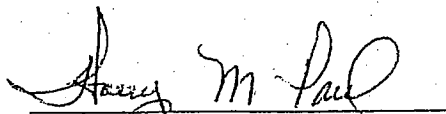
Thurston County, Washington  
Lewis County, Washington  
Grays Harbor County, Washington  
Pierce County, Washington  
Mason County, Washington

Services provided in counties other than Thurston County are proposed to be provided by Thurston PUD as a result of the execution of any final purchase and sale agreement between the current owners of the water companies and Thurston PUD.

This Memorandum of Understanding is intended to set forth the intent of Thurston PUD in operating systems outside of Thurston PUD's primary focus area of Thurston County, Washington. Thurston PUD does not intend to actively pursue the provision of utility service into counties other than Thurston County, Washington, and any provision of utility service by Thurston PUD in counties outside of Thurston County, Washington will only be provided after having discussed the type of service and received the consent of any affected public utilities providing the same utility service.

It is hereby agreed by and between Thurston PUD and Grays Harbor PUD that Grays Harbor PUD has no interest in providing water utility service at this point in time to the services within Grays Harbor County, Washington, included in the acquisition of the water companies. If at such time in the future Grays Harbor PUD develops an interest in providing water utility service to the services within Grays Harbor County, Washington, included in the acquisition of the water companies, Thurston PUD agrees to facilitate transfer of these services to Grays Harbor PUD.

This Memorandum of Understanding is hereby agreed to and executed on this, the 27<sup>th</sup> day of April, 2005.



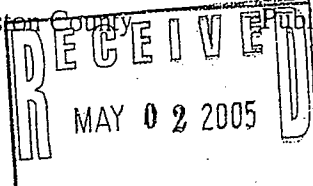
Harry M. Paul  
General Manager

Public Utility District No. 1 of Thurston County



Richard D. Lovely  
General Manager

Public Utility District No. 1 of Grays Harbor County



**Memorandum of Understanding  
By and Between  
Public Utility District No. 1 of Thurston County  
And  
Public Utility District No. 1 of Lewis County**

Public Utility District No. 1 of Thurston County (Thurston PUD) is a public utility district authorized by the State of Washington under Title 54 RCW, for the purpose of providing vital public utilities to customers within its service area.

Public Utility District No. 1 of Lewis County (Lewis PUD) is a public utility district authorized by the State of Washington under Title 54 RCW, for the purpose of providing vital public utilities to customers within its service area.

Thurston PUD's primary focus is to provide quality utility service within Thurston County, Washington.

Thurston PUD is currently providing water utility service to customers within its service area. Lewis PUD is currently providing electric utility service to customers within its service area. Thurston PUD is involved in negotiations to purchase three (3) investor-owned water companies (water companies) providing water service in the following counties:

Thurston County, Washington  
Lewis County, Washington  
Grays Harbor County, Washington  
Pierce County, Washington  
Mason County, Washington

Water services provided in counties other than Thurston County are proposed to be provided by Thurston PUD as a result of the execution of any final purchase and sale agreement between the current owners of the water companies and Thurston PUD.

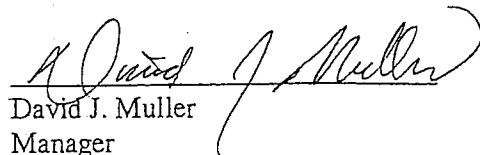
This Memorandum of Understanding is intended to set forth the intent of Thurston PUD in operating systems outside of Thurston PUD's primary focus area of Thurston County, Washington. Thurston PUD does not intend to actively pursue the provision of utility service into counties other than Thurston County, Washington, and any provision of utility service by Thurston PUD in counties outside of Thurston County, Washington will only be provided after having discussed the type of service and received the consent of any affected public utilities providing the same utility service.

It is hereby agreed by and between Thurston PUD and Lewis PUD that Lewis PUD has no interest in providing water utility service at this point in time to the customers within Lewis County, Washington, included in the acquisition of the above referenced water companies. If at such time in the future Lewis PUD develops an interest in providing water utility service to the customers within Lewis County, Washington, included in the acquisition of the above referenced water companies and any additional customers that may be subsequent to such acquisition, Thurston PUD agrees to facilitate transfer of the services and customers to Lewis PUD upon execution of a transfer agreement negotiated in good faith between Thurston PUD and Lewis PUD, provided the terms of said transfer agreement do not discriminate against the other customers of Thurston PUD.

This Memorandum of Understanding is hereby agreed to and executed on this, the 14<sup>th</sup> day of March, 2005.



Harry M. Paul  
General Manager  
Public Utility District No. 1 of Thurston County



David J. Muller  
Manager  
Public Utility District No. 1 of Lewis County

# Appendix D Approved Budget

Satellite Management Agency Plan

**CERTIFIED COPY OF RESOLUTION  
ADOPTED AT THE REGULAR MEETING OF THE COMMISSIONERS  
OF  
PUBLIC UTILITY DISTRICT NO. 1 OF THURSTON COUNTY**

The President and Secretary of Public Utility District No. 1 of Thurston County (District) certify that a majority of the Commissioners of Public Utility District No. 1 of Thurston County were in attendance at the meeting held at the office of the District, 1230 Ruddell Road S.E., Lacey, Washington, 98503 on Tuesday, November 12, 2019 adopted this resolution. This resolution has not been revoked.

**RESOLUTION NO. 19-37**

The First Revised 2020 Operating Budget of Public Utility District No. 1 has been filed in the records of the District, and

The Commissioners have discussed the First Revised 2020 Operating Budget at the public meeting of October 22, 2019.

NOW, THEREFORE, THE COMMISSIONERS OF THE DISTRICT DO HEREBY  
RESOLVE AS FOLLOWS:

Section 1. The First Revised 2020 Operating Budget, a copy of which is attached is adopted as the Operating Budget of Public Utility District No. 1 of Thurston County.

Section 2. Resolution 19-34 is amended to conform to this resolution.

This Resolution was approved and adopted by a majority vote of the Commissioners present.

As the President and Secretary of the District, we additionally certify that this meeting was attended by at least two of the three Commissioners of the District and that this resolution was adopted by a majority vote of the Commissioners of the District in attendance at the meeting.



Russell E. Olsen  
Commissioner and President of  
Public Utility District No. 1 of Thurston County

ATTEST:



Christopher Stearns  
Commissioner and Secretary

Attachment: First Revised 2020 Operating Budget

# Thurston PUD

	General Fund Budget				Water Fund Budget			
	Actual	Adopted	Changes	Proposed	Actual	Adopted	Changes	Proposed
	Jun-19	2020	2020	2020	Jun-19	2020	2020	2020
<b>Estimated Beginning Fund Balance</b>		376,513	376,513	376,513		1,282,332	1,282,332	1,282,332
<b>Income</b>								
419 · Interest Income	3,069	6,200	0	6,200	43,688	88,000	0	88,000
421 · Non-utility Income								
421.1 · Tax Levy Income	294,823	262,441	30,000	292,441	0	0	0	0
421.10 · Building Rental Income	0	0	0	0	3,308	42,000	0	42,000
Total 421 · Non-utility Income	294,823	262,441	30,000	292,441	3,308	42,000	0	42,000
460 · Unmetered Water Revenue								
460.1 · Residential	0	0	0	0	97,479	184,694	0	184,694
Total 460 · Unmetered Water Revenue	0	0	0	0	97,479	184,694	0	184,694
461 · Metered Water Revenue								
461.11 · Residential Base	0	0	0	0	1,266,706	2,561,630	0	2,561,630
461.12 · Residential Consumption	0	0	0	0	795,011	2,341,408	0	2,341,408
461.21 · Commercial Base	0	0	0	0	32,910	63,898	0	63,898
461.22 · Commercial Consumption	0	0	0	0	36,530	80,157	0	80,157
461.23 · Rec Center Contract Base	0	0	0	0	285	569	0	569
461.24 · Rec Center Contract Consumption	0	0	0	0	291	1,098	0	1,098
461.51 · Multifamily Base	0	0	0	0	47,289	91,803	0	91,803
461.52 · Multifamily Consumption	0	0	0	0	80,002	149,102	0	149,102
Total 461 · Metered Water Revenue	0	0	0	0	2,259,023	5,289,665	0	5,289,665
465 · Sales to Irrigation								
465.2 · Irrigation Base	0	0	0	0	5,704	11,408	0	11,408
465.3 · Irrigation Consumption	0	0	0	0	36,692	58,798	0	58,798
Total 465 · Sales to Irrigation	0	0	0	0	42,396	70,206	0	70,206
471 · Miscellaneous Svc Revenue								
471.1 · Reimb of Damage Costs	0	0	0	0	3,307	0	0	0
471 · Misc Service Revenue	0	0	0	0	57,295	138,000	0	138,000
Total 471 · Miscellaneous Service Revenue	0	0	0	0	60,602	138,000	0	138,000
474 · Other Water Revenue								
414 · Sales of Equipment	0	0	0	0	15,247	0	0	0
469 · Service credits	0	0	0	0	164	(5,000)	0	(5,000)
474.1 · Surcharge Collection	0	0	0	0	26,019	52,030	0	52,030
474.1 · Capital Surcharge	0	0	0	0	306,270	612,541	0	612,541
474.2 · Other Reimbursable Income	0	0	0	0	0	0	0	0
436 · Grant Revenue	0	0	0	0	0	0	0	0
430 · Developer Fees/Contributed Capital	0	0	0	0	2,173	0	0	0
415 · Revenue from SMA Contracts	0	0	0	0	2,961	0	0	0
Total 474 · Other Water Revenue	0	0	0	0	352,835	659,571	0	659,571
Total Income before rate adjustment	297,892	268,641	30,000	298,641	2,859,331	6,472,136	0	6,472,136
Additional Income from proposed 2020 rate increase	0	0	0	0	0	270,000	0	270,000
Total Budgeted Income after rate adjustment	297,892	268,641	30,000	298,641	2,859,331	6,742,136	0	6,742,136
<b>Expense</b>								
403 · Depreciation Expense/Debt Service	2,253	4,500	0	4,500	239,813	498,100	0	498,100
408 · Taxes other than Income								
408.12 · Payroll Taxes	5,442	12,508	0	12,508	67,750	232,889	0	232,889
408.13 · Other Tax & License	2	0	0	0	11,554	31,560	0	31,560
408.2 · State Public Utility Tax	0	0	0	0	136,547	329,245	0	329,245
Total 408 · Taxes	5,444	12,508	0	12,508	215,851	593,694	0	593,694
427 · Interest Expense								
427.32 · Interest on Bonds	0	0	0	0	0	480,081	0	480,081
427 · Interest Expense - Loans	0	0	0	0	0	16,000	0	16,000
Total 427 · Interest Expense	0	0	0	0	0	431,282	0	431,282
601 · Salaries/Wages Employees	29,575	53,483	0	53,483	808,367	1,964,335	0	1,964,335



# Thurston PUD

	General Fund Budget				Water Fund Budget			
	Actual	Adopted	Changes	Proposed	Actual	Adopted	Changes	Proposed
	Jun-19	2020	2020	2020	Jun-19	2020	2020	2020
603 · Salaries - Comissioners	33,372	66,744	0	66,744	0	0	0	0
603.1 · Comissioner Mtg Compensation	10,016	23,552	0	23,552	0	0	0	0
603.2 · Watershed Planning	0	2,412	0	2,412	0	0	0	0
604 · Emp Pension & Benefits	20,268	33,160	0	33,160	283,934	821,110	0	821,110
610 · Purchased Water	0	0	0	0	3,895	14,000	0	14,000
615 · Purchased Power	0	0	0	0	124,286	309,358	0	309,358
618 · Chemicals	0	0	0	0	24,021	65,000	0	65,000
620 · Materials & Supplies	0	0	0	0	70,720	230,000	0	230,000
625 · Energy Efficiency Enhancements	0	1,600	0	1,600	0	5,000	0	5,000
632 · Contr. Svcs. - Accounting	619	2,000	0	2,000	1,631	6,000	0	6,000
631 · Contr. Svcs. - Engineer	0	0	0	0	0	25,000	0	25,000
631 · Contr. Svcs. - PS/Board Retreat	0	1,600	0	1,600	0	0	0	0
633 · Contr. Svcs. - Legal	4,820	15,930	0	15,930	15,403	43,070	0	43,070
635 · Contr. Svcs. - Other	40	0	15,000	15,000	21,369	50,200	0	50,200
636 · Contr. Svcs. - Testing	0	0	0	0	25,158	55,110	0	55,110
637 · Contr. Svcs. - Janitorial	1,899	5,000	0	5,000	5,429	16,500	0	16,500
638 · Contr. Svcs. - State Auditor	1,489	11,000	0	11,000	1,489	11,000	0	11,000
641 · Rental of Bldg/Real Prop.	1,723	3,600	0	3,600	32,729	68,400	0	68,400
642 · Rental Equipment	0	0	0	0	5,762	2,000	0	2,000
643 · Building Operations	4,098	9,000	0	9,000	15,768	39,000	0	39,000
6xx · Facilities Acquisition Fund	0	0	0	0	0	0	0	0
650 · Transportation Expense	131	1,400	0	1,400	65,177	300,408	0	300,408
657 · Insurance - General Liability	4,500	5,200	0	5,200	72,551	84,000	0	84,000
660 · LegalAdv/Public Info Expense	0	0	0	0	4,837	15,600	0	15,600
670 · Bad Debt Expense	0	0	0	0	0	3,000	0	3,000
675 · Miscellaneous Expenses	16,703	28,750	0	28,750	157,941	430,650	0	430,650
Total Expense	160,306	334,431	15,000	349,431	2,196,132	6,081,817	0	6,081,817
To(From) Reserves	137,587	(334,431)	15,000	(50,790)	663,199	660,319	0	660,319
Capital Projects - From Reserve	0	0	0	0	(306,270)	(654,541)	0	(654,541)
To(From) Reserves	137,587	(334,431)	15,000	(50,790)	969,469	5,778	0	5,778
Estimated Ending Fund Balance	137,587	(334,431)		(50,790)		1,288,110		1,288,110
Minimum Reserve Per Financial Policy (60 days)	26,352	54,975		57,441		999,751		999,751



**CERTIFIED COPY OF RESOLUTION  
ADOPTED AT THE REGULAR MEETING OF THE COMMISSIONERS  
OF  
PUBLIC UTILITY DISTRICT NO. 1 OF THURSTON COUNTY**

We, the undersigned, being the President and Secretary of Public Utility District No. 1 of Thurston County (the District), do hereby certify that the following Resolution was adopted by a majority of the Commissioners of Public Utility District No. 1 of Thurston County, in attendance at the meeting held at the office of the District, 1230 Ruddell Road SE, Lacey, Washington, 98503 on Tuesday, November 12, 2019, and that said Resolution has not been revoked.

**RESOLUTION NO. 19-38**

The First Amended Capital Budget of the District for the year 2020 has been filed in the records of the District, and

The Commissioners have discussed the First Amended 2020 Capital Budget at the public meeting of October 22, 2019.

NOW, THEREFORE, THE COMMISSIONERS OF THE DISTRICT DO HEREBY RESOLVE AS FOLLOWS:

Section 1. The First Amended 2020 Capital Budget, a copy of which is attached, is adopted as the Capital Budget of Public Utility District No. 1 of Thurston County for the year 2020.

Section 2. Resolution 19-36 is amended to conform to this resolution.

This Resolution was approved and adopted by a majority vote of the Commissioners present.

As the President and Secretary of the District, we additionally certify that this meeting was attended by at least two of the three Commissioners of the District and that this resolution was adopted by a majority vote of the Commissioners of the District in attendance at the meeting.



Russell E. Olsen  
Commissioner and President of  
Public Utility District No. 1 of Thurston County

ATTEST:



Christopher Stearns  
Commissioner and Secretary

Attachment: First Amended 2020 Capital Budget

Thurston PUD  
2020 Capital Budget 1st Amendment (Summary)

Project Code	System Id. No.	Project Description	2020 Capital Budget	Revision	1st Revised 2020 Capital Budget
<b>Capital Improvements</b>					
CI-41	multiple	Isolation valve maintenance	100,000		100,000
CI-44	multiple	Rebuild Pumphouses (PW)	75,000		75,000
CI-62	multiple	Treatment Systems Upgrade/Media	120,000		120,000
CI-65	multiple	Replace Plumbing/Pressure Tanks	30,000		30,000
CI-66	multiple	Multiple System Upgrade	150,000		150,000
CI-71	multiple	Electrical Controls/Upgrades	50,000		50,000
CI-75	multiple	Source and Service Meter Replacement	100,000		100,000
CI-76	multiple	Well and Booster Pump Replacement	250,000		250,000
CI-96	multiple	Sampling Stations	32,000		32,000
CI-98	multiple	New Meter Installation	50,000		50,000
CI-99	626	ROM Upgrades (DWSRF)	219,170		219,170
CI-100	multiple	Combine 4 Grp A water systems in Thurston Co (DWSRF)	953,945		953,945
CI-101	628	Timberline Village Upgrades (DWSRF)	405,111		405,111
CI-102	239	Tolmie Upgrades	120,000		120,000
CI-103	662	Boots and Saddles New Treatment	60,000		60,000
CI-104	610	Webster Hill New Treatment	40,000		40,000
		Administrative cost of all projects	150,000		150,000
		15% contingency on asset management plan estimates	205,000		205,000
<b>Subtotal - Capital Improvements</b>			<b>3,110,226</b>	<b>\$ -</b>	<b>\$ 3,110,226</b>
<b>Water System Management</b>					
WM-1	NA	Acquisitions of New Water Systems	25,000		25,000
WM-2	NA	Water System Plan - Part A & SMA	60,000		60,000
WM-4	NA	Water System Plan - Part B	60,000		60,000
WM-14	NA	Fleet	91,000		91,000
WM-29	999	Building Upgrades	42,000		42,000
WM-34	NA	GIS Program Implementation	105,904	(105,904)	-
<b>Subtotal - Water System Management</b>			<b>383,904</b>	<b>(105,904)</b>	<b>278,000</b>
<b>Total - Capital Improvement Program</b>			<b>3,494,130</b>	<b>\$ (105,904)</b>	<b>\$ 3,388,226</b>
<b>Funding</b>					
		Transfer from Vehicle/Equipment Replacement Fund	133,000		133,000
		Water Revenue Bond 2018	300,000		300,000
		PWTF Loans 2018	75,000		75,000
		DWSRF Loan - ROM Upgrades	219,170		219,170
		DWSRF Loan/Grant - 4 Group A's Thurston County	953,945		953,945
		DWSRF Loan/Grant - Timberline Village	405,111		405,111
		Additional Funding needed	1,382,904	(105,904)	1,277,000
		Proposed Additional Loan/Grant Funding	25,000		
<b>Total Other Funding</b>			<b>3,494,130</b>	<b>\$ (105,904)</b>	<b>\$ 3,388,226</b>
<b>TOTAL CIP FUNDING FROM RATES (TO RESERVES)</b>			<b>-</b>	<b>\$ -</b>	<b>\$ -</b>

Thurston PUD  
2020 Capital Budget 1st Amendment (Detailed)

Project Code	System Id. No.	Project Description	Purpose	Estimated Cost	2020 Capital Budget	Revision	1st Revised 2020 Capital Budget
<b>Capital Improvements</b>							
<b>CI-41</b>	<b>multiple</b>	<b>Isolation valve maintenance</b>	OP		100,000		100,000
		Tanglewilde Husky and Ranger		25,000			
		Crescent Park		25,000			
		Quail Run		50,000			
<b>CI-44</b>	<b>multiple</b>	<b>Rebuild Pumphouses (PW)</b>	OP		75,000		75,000
		Garden Acres 1		30,000			
		Marshall		25,000			
		Misc. upgrades		20,000			
<b>CI-62</b>	<b>multiple</b>	<b>Treatment Systems Upgrade/Media</b>	OP		120,000		120,000
		Hunter 2		5,000			
		Hunter 3		5,000			
		Hunter 4		5,000			
		Reserve 1		10,000			
		Reserve 2		10,000			
		Reserve 3		10,000			
		Reserve 4		10,000			
		Reserve 5		10,000			
		Misc. Systems as needed		40,000			
		Misc. Chlorine pumps and parts		15,000			
<b>CI-65</b>	<b>multiple</b>	<b>Replace Plumbing/Pressure Tanks</b>	OP		30,000		30,000
		Approximately 50 pressure tanks replaced to include new plumbing		26,400			
		Approximately 3 air compressors replaced		3,600			
<b>CI-66</b>	<b>multiple</b>	<b>Multiple System Upgrade</b>	OP		150,000		150,000
		Misc. Projects not in AMP but are either enhancing the life of the asset or required by DOH. Thing not planned for.		150,000			
<b>CI-71</b>	<b>multiple</b>	<b>Electrical Controls/Upgrades</b>	OP		50,000		50,000
		Travis Jack Upgrades		20,000			
		Ivan St		5,000			
		Misc. as needed		25,000			
<b>CI-75</b>	<b>multiple</b>	<b>Source and Service Meter Replacement</b>	OP		100,000		100,000
		Replacement of approximately 200 radio read meters		42,000			
		Replacement of approximately 280 manual read meters		18,000			
		Replacement of approximately 50 source meters		40,000			
<b>CI-76</b>	<b>multiple</b>	<b>Well and Booster Pump Replacement</b>	OP		250,000		250,000
		Replacement of approximately 20 well pumps		231,750			
		Replacement or rebuild of approximately 10 booster pumps		17,000			
		Replacement of approximately 5 control boxes		1,250			
<b>CI-96</b>	<b>multiple</b>	<b>Sampling Stations</b>	OP		32,000		32,000
		Installation of approximately 50 Group A sample stations		16,000			
		Installation of approximately 50 Group B sample stations		16,000			
<b>CI-98</b>	<b>multiple</b>	<b>New Meter Installation</b>			50,000		50,000
		52 Group B connections		50,000			
<b>CI-99</b>	<b>626</b>	<b>ROM Upgrades (DWSRF)</b>			219,170		219,170
		Source and Service Meter and Upgrades to Reservoir		219,170			
<b>CI-100</b>	<b>multiple</b>	<b>Combine 4 Grp A water systems in Thurston Co (DWSRF)</b>			953,945		953,945
		To include new reservoir, booster station and mainline		953,945			
<b>CI-101</b>	<b>628</b>	<b>Timberline Village Upgrades (DWSRF)</b>			405,111		405,111
		To include service meters, WSP update and leak response		405,111			

Thurston PUD  
2020 Capital Budget 1st Amendment (Detailed)

Project Code	System Id. No.	Project Description	Purpose	Estimated Cost	2020 Capital Budget	Revision	1st Revised 2020 Capital Budget
CI-102	239	<b>Tolmie Upgrades</b>			120,000		120,000
		To include new building, electrical and reservoir		120,000			
CI-103	662	<b>Boots and Saddles New Treatment</b>			60,000		60,000
		Installation of new treatment for iron and manganese		60,000			
CI-104	610	<b>Webster Hill New Treatment</b>			40,000		40,000
		Installation of new treatment for manganese		40,000			
		Administrative cost of all projects			150,000		150,000
		15% contingency on asset management plan estimates			205,000		205,000
<b>Subtotal - Capital Improvements</b>				2,755,226	<b>3,110,226</b>	\$ -	\$ 3,110,226
<b>Water System Management</b>							
WM-1	NA	Acquisitions of New Water Systems	G		25,000		25,000
WM-2	NA	Water System Plan - Part A & SMA	OP, G		60,000		60,000
WM-4	NA	Water System Plan - Part B	OP, G		60,000		60,000
WM-14	NA	Fleet	G		91,000		91,000
WM-29	999	Building Upgrades	OP		42,000		42,000
WM-34	NA	<b>GIS Program Implementation</b>	OP		105,904	<b>(105,904)</b>	-
<b>Subtotal - Water System Management</b>					383,904	(105,904)	278,000
<b>Total - Capital Improvement Program</b>					<b>3,494,130</b>	\$ (105,904)	\$ 3,388,226
<b>Funding</b>							
		Transfer from Vehicle/Equipment Replacement Fund			133,000		133,000
		Water Revenue Bond 2018			300,000		300,000
		PWTF Loans 2018			75,000		75,000
		DWSRF Loan - ROM Upgrades			219,170		219,170
		DWSRF Loan/Grant - 4 Group A's Thurston County			953,945		953,945
		DWSRF Loan/Grant - Timberline Village			405,111		405,111
		<b>Additional Funding needed</b>			1,382,904	<b>(105,904)</b>	1,277,000
		Proposed Additional Loan/Grant Funding			25,000		
<b>Total Other Funding</b>					<b>3,494,130</b>	\$ (105,904)	\$ 3,388,226
<b>TOTAL CIP FUNDING FROM RATES (TO RESERVES)</b>					(0)	\$ (0)	\$ 0



## Capital Budget Project Code Explanations

**CI-41 Isolation Valve Maintenance** Project to ensure all isolation valves are in working order so that when needed the main can be shut down in sections to do repairs. This reduces the number of customers affected by any planned or emergency repair on the mainline or service connections. Asset Management Plan.

**CI-44 Rebuild Pump Houses** Project to rebuild pump houses that are at the end of their useful lives. Asset Management Plan. Public Works Trust Fund Loan obtained, line item increased to include 5 pump house projects (Brown South Prairie, Garden Acres #1, Marshall, Nisqually Vista and Olin for 3 years (2018 – 2020)).

**CI-62 Treatment Systems Upgrade** Annual program to upgrade treatment systems or replace critical equipment needed for treatment on existing water systems. Asset Management Plan.

**CI-65 Replace Plumbing/Pressure Tanks** Annual program to replace pressure tanks and plumbing in the pump houses. Asset Management Plan.

**CI-66 Multiple Systems Upgrade** Annual program to upgrade water systems to solve issues as they come up. We can't always project where the failures will be. We analyze historical costs to determine the average cost and use this for miscellaneous projects. Asset Management Plan.

**CI-71 Electrical Controls Upgrades** Annual program to resolve issues with pumping controls and electrical wiring in pump houses. Asset Management Plan.

**CI-75 Service Meter Replacement** Annual program to replace service and source meters as needed. Asset Management Plan.

**CI-76 Well and Booster Pump Replacement** Annual program to replace well and booster pumps. Asset Management Plan.

**CI-96 Sampling Stations** Project to install sampling stations on water systems to make it more efficient and accurate to take required water samples.

**CI-98 New Meter Installation** Project to install meters at customer services where there was not previously a meter and where the customer has been paying the higher unmetered rate.

**CI-99 ROM Upgrades (DWSRF)** This project includes installing source and service meters. Upgrades to reservoir to improve flow of water from well to distribution. Drinking Water State Revolving Fund Loan and Grant funding obtained to complete this project.

**CI-100 Combine 4 Group A water systems in Thurston Co (DWSRF)** This project includes the combining of 4 Group A water systems to include a new reservoir, booster pumps and mainline. Drinking Water State Revolving Fund Loan and Grant funding obtained to complete this project.

**CI-101 Timberline Village Upgrades (DWSRF)** This project includes updating the Water System Plan, installing service meters and fixing leaks. Drinking Water State Revolving Fund Loan and Grant funding obtained to complete this project.

**CI-102 Tolmie Upgrades** This project includes new storage, new pump house and electrical upgrades.

**CI-103 Boots and Saddles New Treatment** This project includes the installation of treatment to remove iron and manganese.

**CI-104 Webster Hill New Treatment** This project includes the installation of treatment to remove manganese.

**Administrative Cost of All Projects** This line item is reserved for the capitalized salaries of District staff to oversee the projects in the Capital Budget.

**Contingency** This line item is reserved for contingency.

**WM-1 Acquisitions of New water Systems** Evaluating the Glen Alder, Butler Cove, and Bethel Green Acres systems for acquisition.

**WM-2 Water System Plan – Part A & SMA** Line item to track the cost of updates to the water system umbrella plan for the District, and the Satellite Management Plan.

**WM-4 Water System Plan – Part B** Line item to track the cost of updates to the water system plans for individual water systems.

**WM-14 Fleet** Purchase field vehicles in accordance with the District's vehicle replacement plan.

**WM-29 Building Upgrades** Line item to track the cost of planned replacements in the administrative offices of the District.

## Capital Budget Funding Sources

**Transfer from Water Fund Reserve** Amounts held in reserve from water revenues.

**2018 Water Revenue Bond** Amounts obtained from financing December 2017 and finalized in January 2018 to use for acquisitions and capital funding.

**DWSRF Loan – Sward/Platt DM12-952-103** District has obtained dedicated funding from the Drinking Water State Revolving Fund to support CI-53.

**PWTF Loans 2018** District was awarded and has accepted 3 loans from the Public Works Trust Fund to drill new wells, rebuild pump houses and decommission old unused wells.

**General Facilities Charge (GFC)** Currently \$3,000 paid by customers for new services.

**Additional Funding Needed** The District will pursue outside sources of funding to complete this portion of the capital budget.

**Proposed Additional Loan/Grant Funding** This District will pursue grant funding for the feasibility studies to evaluate the acquisition of new water systems.

Appendix E  
Local Government Consistency Determination Forms

Satellite Management Agency Plan



## Local Government Consistency Determination Form

Water System Name: Thurston PUD PWS ID: SMA #147

Planning/Engineering Document Title: SMA Plan Updated Plan Date: 5/2020

Local Government with Jurisdiction Conducting Review: Lewis County

Before the Department of Health (DOH) approves a planning or engineering submittal under Section 100 or Section 110, the local government must review the documentation the municipal water supplier provides to prove the submittal is consistent with **local comprehensive plans, land use plans and development regulations** (WAC 246-290-108). Submittals under Section 105 require a local consistency determination if the municipal water supplier requests a water right place-of-use expansion. The review must address the elements identified below as they relate to water service.

By signing this form, the local government reviewer confirms the document under review is consistent with applicable local plans and regulations. If the local government reviewer identifies an inconsistency, he or she should include the citation from the applicable comprehensive plan or development regulation and explain how to resolve the inconsistency, or confirm that the inconsistency is not applicable by marking N/A. See more instructions on reverse.

Local Government Consistency Statement	For use by water system	For use by local government
	Identify the page(s) in submittal	Yes or Not Applicable
a) The water system service area is consistent with the adopted <u>land use and zoning</u> within the service area.	Page 3-8, 3-9	Yes
b) The <u>growth projection</u> used to forecast water demand is consistent with the adopted city or county's population growth projections. If a different growth projection is used, provide an explanation of the alternative growth projection and methodology.	Page 3-8, 3-9	Yes
c) For <u>cities and towns that provide water service</u> : All water service area policies of the city or town described in the plan conform to all relevant <u>utility service extension ordinances</u> .	Page 3-8, 3-9	Yes
d) <u>Service area policies</u> for new service connections conform to the adopted local plans and adopted development regulations of all cities and counties with jurisdiction over the service area.	Page 3-8, 3-9	Yes
e) <u>Other relevant elements</u> related to water supply are addressed in the water system plan, if applicable. This may include Coordinated Water System Plans, Regional Wastewater Plans, Reclaimed Water Plans, Groundwater Management Area Plans, and the Capital Facilities Element of local comprehensive plans.	Page 2-3, 3-8, 3-9	Yes

I certify that the above statements are true to the best of my knowledge and that these specific elements are consistent with adopted local plans and development regulations.

*Lee Napier*

Signature

Lee Napier, Director Lewis County

3-9-2021

Date

Printed Name, Title, & Jurisdiction

## Consistency Review Guidance

### ***For Use by Local Governments and Municipal Water Suppliers***

This checklist may be used to meet the requirements of WAC 246-290-108. When using an alternative format, it must describe all of the elements; 1a), b), c), d), and e), when they apply.

For **water system plans (WSP)**, a consistency review is required for the service area and any additional areas where a municipal water supplier wants to expand its water right's place of use.

For **small water system management programs**, a consistency review is only required for areas where a municipal water supplier wants to expand its water right's place-of-use. If no water right place-of-use expansion is requested, a consistency review is not required.

For **engineering documents**, a consistency review is required for areas where a municipal water supplier wants to expand its water right's place-of-use (water system plan amendment is required). For noncommunity water systems, a consistency review is required when requesting a place-of-use expansion. All engineering documents must be submitted with a service area map (WAC 246-290-110(4)(b)(ii)).

**A) Documenting Consistency:** The planning or engineering document must include the following when applicable.

- a) A copy of the adopted **land use/zoning** map corresponding to the service area. The uses provided in the WSP should be consistent with the adopted land use/zoning map. Include any other portions of comprehensive plans or development regulations that relate to water supply planning.
- b) A copy of the **growth projections** that correspond to the service area. If the local population growth projections are not used, explain in detail why the chosen projections more accurately describe the expected growth rate. Explain how it is consistent with the adopted land use.
- c) Include water service area policies and show that they are consistent with the **utility service extension ordinances** within the city or town boundaries. *This applies to cities and towns only.*
- d) All **service area policies** for how new water service will be provided to new customers.
- e) **Other relevant elements** the Department of Health determines are related to water supply planning. See Local Government Consistency – Other Relevant Elements, Policy B.07, September 2009.

**B) Documenting an Inconsistency:** Please document the inconsistency, include the citation from the comprehensive plan or development regulation, and explain how to resolve the inconsistency.

**C) Documenting a Lack of Local Review for Consistency:** Where the local government with jurisdiction did not provide a consistency review, document efforts made and the amount of time provided to the local government for review. Please include: name of contact, date, and efforts made (letters, phone calls, and emails). To self-certify, please contact the DOH Planner.

The Department of Health is an equal opportunity agency. For persons with disabilities, this document is available on request in other formats. To submit a request, please call 1-800-525-0127 (TTY 1-800-833-6388).

## Local Government Consistency Determination Form

Water System Name: Thurston PUD PWS ID: SMA #147

Planning/Engineering Document Title: SMA Plan Updated Plan Date: 5/2020

Local Government with Jurisdiction Conducting Review: King County

Before the Department of Health (DOH) approves a planning or engineering submittal under Section 100 or Section 110, the local government must review the documentation the municipal water supplier provides to prove the submittal is consistent with **local comprehensive plans, land use plans and development regulations** (WAC 246-290-108). Submittals under Section 105 require a local consistency determination if the municipal water supplier requests a water right place-of-use expansion. The review must address the elements identified below as they relate to water service.

By signing this form, the local government reviewer confirms the document under review is consistent with applicable local plans and regulations. If the local government reviewer identifies an inconsistency, he or she should include the citation from the applicable comprehensive plan or development regulation and explain how to resolve the inconsistency, or confirm that the inconsistency is not applicable by marking N/A. See more instructions on reverse.

Local Government Consistency Statement	For use by water system	For use by local government
	Identify the page(s) in submittal	Yes or Not Applicable
a) The water system service area is consistent with the adopted <u>land use and zoning</u> within the service area.	Page 9	YES
b) The <u>growth projection</u> used to forecast water demand is consistent with the adopted city or county's population growth projections. If a different growth projection is used, provide an explanation of the alternative growth projection and methodology.	Not Applicable Non-expanding	N/A
c) For <u>cities and towns that provide water service</u> : All water service area policies of the city or town described in the plan conform to all relevant <u>utility service extension ordinances</u> .	Not Applicable	N/A
d) <u>Service area policies</u> for new service connections conform to the adopted local plans and adopted development regulations of all cities and counties with jurisdiction over the service area.	Appendix A of WSP	YES
e) <u>Other relevant elements</u> related to water supply are addressed in the water system plan, if applicable. This may include Coordinated Water System Plans, Regional Wastewater Plans, Reclaimed Water Plans, Groundwater Management Area Plans, and the Capital Facilities Element of local comprehensive plans.	Not Applicable	N/A

I certify that the above statements are true to the best of my knowledge and that these specific elements are consistent with adopted local plans and development regulations.

Jae Hill  
Signature  
Jae Hill, Chair, King County Utilities Technical Review Committee

9/11/2020  
Date

Printed Name, Title, & Jurisdiction

## Consistency Review Guidance

### ***For Use by Local Governments and Municipal Water Suppliers***

This checklist may be used to meet the requirements of WAC 246-290-108. When using an alternative format, it must describe all of the elements; 1a), b), c), d), and e), when they apply.

For **water system plans (WSP)**, a consistency review is required for the service area and any additional areas where a municipal water supplier wants to expand its water right's place of use.

For **small water system management programs**, a consistency review is only required for areas where a municipal water supplier wants to expand its water right's place-of-use. If no water right place-of-use expansion is requested, a consistency review is not required.

For **engineering documents**, a consistency review is required for areas where a municipal water supplier wants to expand its water right's place-of-use (water system plan amendment is required). For noncommunity water systems, a consistency review is required when requesting a place-of-use expansion. All engineering documents must be submitted with a service area map (WAC 246-290-110(4)(b)(ii)).

**A) Documenting Consistency:** The planning or engineering document must include the following when applicable.

- a) A copy of the adopted **land use/zoning** map corresponding to the service area. The uses provided in the WSP should be consistent with the adopted land use/zoning map. Include any other portions of comprehensive plans or development regulations that relate to water supply planning.
- b) A copy of the **growth projections** that correspond to the service area. If the local population growth projections are not used, explain in detail why the chosen projections more accurately describe the expected growth rate. Explain how it is consistent with the adopted land use.
- c) Include water service area policies and show that they are consistent with the **utility service extension ordinances** within the city or town boundaries. *This applies to cities and towns only.*
- d) All **service area policies** for how new water service will be provided to new customers.
- e) **Other relevant elements** the Department of Health determines are related to water supply planning. See Local Government Consistency – Other Relevant Elements, Policy B.07, September 2009.

**B) Documenting an Inconsistency:** Please document the inconsistency, include the citation from the comprehensive plan or development regulation, and explain how to resolve the inconsistency.

**C) Documenting a Lack of Local Review for Consistency:** Where the local government with jurisdiction did not provide a consistency review, document efforts made and the amount of time provided to the local government for review. Please include: name of contact, date, and efforts made (letters, phone calls, and emails). To self-certify, please contact the DOH Planner.

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## Kitsap County Department of Community Development

August 28, 2020

Thurston Public Utility District  
Attn: Kim Gubbe  
1230 Ruddell Rd SE  
Lacey, WA 98503

**RE: Thurston PUD Water System Plan Part A – Umbrella (June 2020)**

Dear Ms. Gubbe,

The Kitsap County Department of Community Development (DCD) appreciates the opportunity to review and comment on the Thurston PUD Water System Plan, received on July 16, 2020. Overall the plan is consistent with the Kitsap County Comprehensive Plan and adopted development regulations.

We look forward to working with Thurston Public Utility District to review Water System Plan Part B submittals for individual water systems.

Please contact me with any questions at (360) 337-4844, or by email at [dgurnee@co.kitsap.wa.us](mailto:dgurnee@co.kitsap.wa.us).

---

Darren Gurnee, Planner  
Planning and Environmental Programs Division  
Kitsap County Department of Community Development  
619 Division St, MS-36  
Port Orchard, WA 98366

Cc: Teal Reopelle, Thurston Public Utility District Administrative Assistant  
Fern Schultz, Department of Health Regional Planner  
Liz Williams, Kitsap County Planning Supervisor  
Dave Ward, Kitsap County Department of Community Development Manager  
Lisa Nickel, Kitsap County Deputy Prosecuting Attorney

Water System Name: Thurston Public Utility District PWS ID: 147

Planning/Engineering Document Title: Thurston PUD Water System Plan Part A – Umbrella

Plan Date: June 2020

Local Government with Jurisdiction Conducting Review: Kitsap County

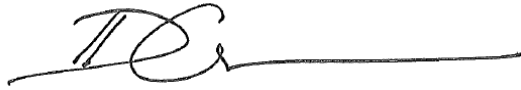
Before the Department of Health (DOH) approves a planning or engineering submittal under Section 100 or Section 110, the local government must review the documentation the municipal water supplier provides to prove the submittal is consistent with **local comprehensive plans, land use plans and development regulations** (WAC 246-290-108). Submittals under Section 105 require a local consistency determination if the municipal water supplier requests a water right place-of-use expansion. The review must address the elements identified below as they relate to water service.

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Local Government Consistency Statement	For use by water system	For use by local government
	Identify the page(s) in submittal	Yes or Not Applicable
a) The water system service area is consistent with the adopted <u>land use and zoning</u> within the service area.	Page 3-8, 3-9	NA - Part B submittals
b) The <u>growth projection</u> used to forecast water demand is consistent with the adopted city or county's population growth projections. If a different growth projection is used, provide an explanation of the alternative growth projection and methodology.	Page 3-8, 3-9	NA - Part B submittals
c) For <u>cities and towns that provide water service</u> : All water service area policies of the city or town described in the plan conform to all relevant <u>utility service extension ordinances</u> .	Page 3-8, 3-9	NA - Part B submittals
d) <u>Service area policies</u> for new service connections conform to the adopted local plans and adopted development regulations of all cities and counties with jurisdiction over the service area.	Page 3-8, 3-9	NA - Part B submittals
e) <u>Other relevant elements</u> related to water supply are addressed in the water system plan, if applicable. This may include Coordinated Water System Plans, Regional Wastewater Plans, Reclaimed Water Plans, Groundwater Management Area Plans, and the Capital Facilities Element of local comprehensive plans.	Page 2-3, 3-8, 3-9	Yes and NA - Part B submittals

I certify that the above statements are true to the best of my knowledge and that these specific elements are consistent with adopted local plans and development regulations.

Signature



Date 8/28/2020

Darren Gurnee, Senior Planner, Kitsap County Department of Community Development  
Printed Name, Title, & Jurisdiction

### **Consistency Review Guidance**

#### ***For Use by Local Governments and Municipal Water Suppliers***

This checklist may be used to meet the requirements of WAC 246-290-108. When using an alternative format, it must describe all of the elements; 1a), b), c), d), and e), when they apply.

For **water system plans (WSP)**, a consistency review is required for the service area and any additional areas where a municipal water supplier wants to expand its water right's place of use.

For **small water system management programs**, a consistency review is only required for areas where a municipal water supplier wants to expand its water right's place-of-use. If no water right place-of-use expansion is requested, a consistency review is not required.

For **engineering documents**, a consistency review is required for areas where a municipal water supplier wants to expand its water right's place-of-use (water system plan amendment is required). For noncommunity water systems, a consistency review is required when requesting a place-of-use expansion. All engineering documents must be submitted with a service area map (WAC 246-290-110(4)(b)(ii)).

**A) Documenting Consistency:** The planning or engineering document must include the following when applicable.

- a) A copy of the adopted **land use/zoning** map corresponding to the service area. The uses provided in the WSP should be consistent with the adopted land use/zoning map. Include any other portions of comprehensive plans or development regulations that relate to water supply planning.
- b) A copy of the **growth projections** that correspond to the service area. If the local population growth projections are not used, explain in detail why the chosen projections more accurately describe the expected growth rate. Explain how it is consistent with the adopted land use.
- c) Include water service area policies and show that they are consistent with the **utility service extension ordinances** within the city or town boundaries. *This applies to cities and towns only.*
- d) All **service area policies** for how new water service will be provided to new customers.
- e) **Other relevant elements** the Department of Health determines are related to water supply planning. See Local Government Consistency – Other Relevant Elements, Policy B.07, September 2009.

- B) Documenting an Inconsistency:** Please document the inconsistency, include the citation from the comprehensive plan or development regulation, and explain how to resolve the inconsistency.
- C) Documenting a Lack of Local Review for Consistency:** Where the local government with jurisdiction did not provide a consistency review, document efforts made and the amount of time provided to the local government for review. Please include: name of contact, date, and efforts made (letters, phone calls, and emails). To self-certify, please contact the DOH Planner.

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## Local Government Consistency Determination Form

Water System Name: Thurston PUD PWS ID: SMA #147

Planning/Engineering Document Title: SMA Plan Updated Plan Date: 5/2020

Local Government with Jurisdiction Conducting Review: Grays Harbor County

Before the Department of Health (DOH) approves a planning or engineering submittal under Section 100 or Section 110, the local government must review the documentation the municipal water supplier provides to prove the submittal is consistent with **local comprehensive plans, land use plans and development regulations** (WAC 246-290-108). Submittals under Section 105 require a local consistency determination if the municipal water supplier requests a water right place-of-use expansion. The review must address the elements identified below as they relate to water service.

By signing this form, the local government reviewer confirms the document under review is consistent with applicable local plans and regulations. If the local government reviewer identifies an inconsistency, he or she should include the citation from the applicable comprehensive plan or development regulation and explain how to resolve the inconsistency, or confirm that the inconsistency is not applicable by marking N/A. See more instructions on reverse.

Local Government Consistency Statement	For use by water system	For use by local government
	Identify the page(s) in submittal	Yes or Not Applicable
a) The water system service area is consistent with the adopted <u>land use and zoning</u> within the service area.	Page 3-8, 3-9	<i>yes</i>
b) The <u>growth projection</u> used to forecast water demand is consistent with the adopted city or county's population growth projections. If a different growth projection is used, provide an explanation of the alternative growth projection and methodology.	Page 3-8, 3-9	<i>yes</i>
c) For <u>cities and towns that provide water service</u> : All water service area policies of the city or town described in the plan conform to all relevant <u>utility service extension ordinances</u> .	Page 3-8, 3-9	<i>N/A for unincorporated Grays Harbor Co.</i>
d) <u>Service area policies</u> for new service connections conform to the adopted local plans and adopted development regulations of all cities and counties with jurisdiction over the service area.	Page 3-8, 3-9	<i>yes.</i>
e) <u>Other relevant elements</u> related to water supply are addressed in the water system plan, if applicable. This may include Coordinated Water System Plans, Regional Wastewater Plans, Reclaimed Water Plans, Groundwater Management Area Plans, and the Capital Facilities Element of local comprehensive plans.	Page 2-3, 3-8, 3-9	<i>yes.</i>

I certify that the above statements are true to the best of my knowledge and that these specific elements are consistent with adopted local plans and development regulations.

Signature

*Mark Cox*  
MARK COX, Director of Utilities & Community

Printed Name, Title, & Jurisdiction

*Development, Grays Harbor County.*

Date

*12/14/20*



## *Lewis County Department of Public Works*

---

Josh S. Metcalf, PE, Director

Tim D. Fife, PE, County Engineer

TO: Kim Gubbe, Thurston PUD

RE: MSC20-0032, Thurston PUD/Water System Plan  
Initial Review 9/4/2020, Due Date: 10-5-2020

Access Review:

None

Reviewed by: Matt Hinderlie Date 9/4/20

Road/Utilities Review:

Whenever Thurston PUD operates within Lewis County's right of way, they are required to submit plans & apply for a Work in the Right of Way permit.

Reviewed by: Garry Scott Date 9/08/20

---

**Road Maintenance &  
Fleet Services**

476 West Main St.  
Chehalis, WA 98532  
O 360.740.3380  
F 360.740.2741

**Administration, Engineering, Utilities,  
Real Estate Services & Traffic**

2025 NE Kresky Ave.  
Chehalis, WA 98532  
O 360.740.1123  
F 360.740.1479

**Solid Waste Services**

Post Office Box 180  
Centralia, WA 98531  
O 360.740.1451  
F 360.330.7805

Traffic Review:

No comments at this time

Reviewed by: Jack Niehuser Date 9/11/20

Stormwater Review

None

Reviewed by: \_\_\_\_\_ Date \_\_\_\_\_

Survey Review:

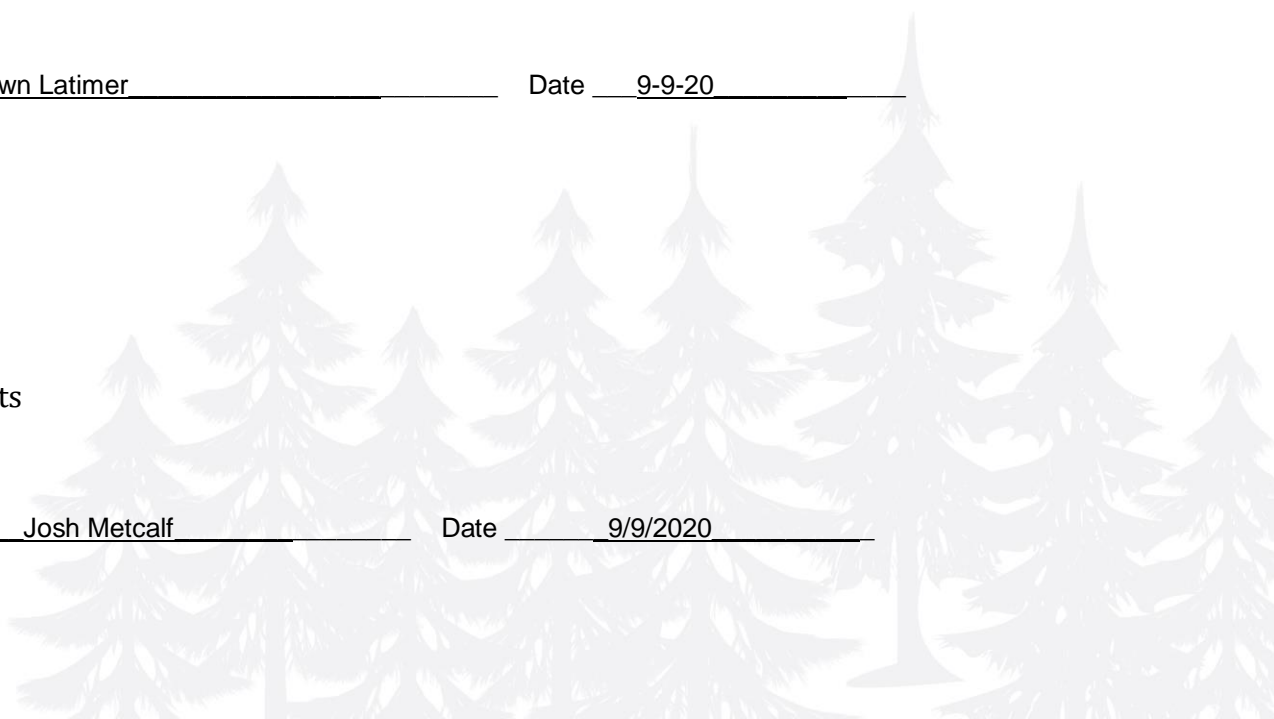
No comment

Reviewed by: Shawn Latimer Date 9-9-20

Director Review:

No comments

Reviewed by: Josh Metcalf Date 9/9/2020

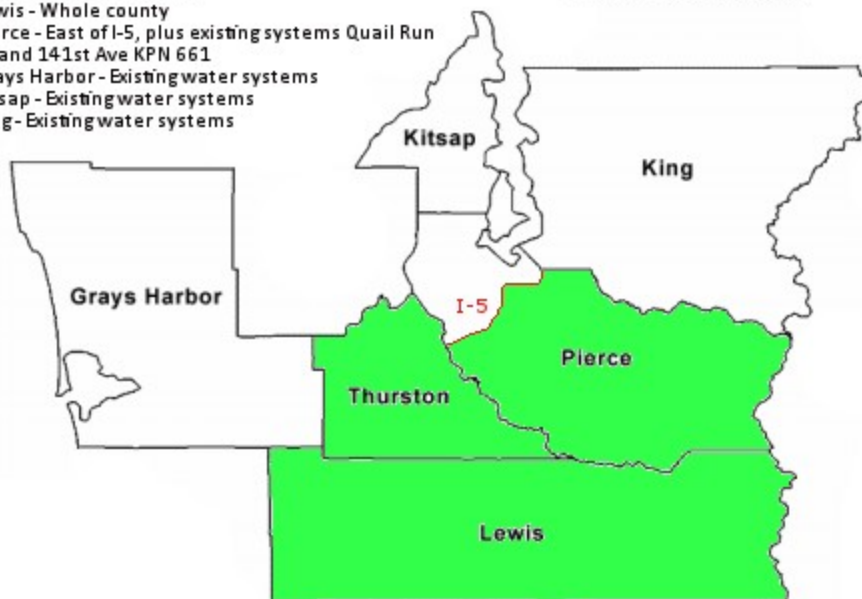


# Appendix F Service Area Map

Satellite Management Agency Plan

## Service Area Map

- \*Thurston - Whole county
- \*Lewis - Whole county
- \*Pierce - East of I-5, plus existing systems Quail Run 667 and 141st Ave KPN 661
- \*Grays Harbor - Existing water systems
- \*Kitsap - Existing water systems
- \*King - Existing water systems



# Appendix G

## WSP and SMA Plan Approval

Satellite Management Agency Plan

**CERTIFIED COPY OF RESOLUTION  
ADOPTED AT THE REGULAR MEETING OF THE COMMISSIONERS  
OF  
PUBLIC UTILITY DISTRICT NO. 1 OF THURSTON COUNTY**

We, the undersigned, being the President and Secretary of Public Utility District No. 1 of Thurston County (the District), do hereby certify that the following Resolution was adopted by a majority of the Commissioners of Public Utility District No. 1 of Thurston County, in attendance at the meeting held on Tuesday, November 10, 2020, and that said Resolution has not been revoked.

**RESOLUTION NO. 20-35**

Washington State drinking water regulations governing water use efficiency, WAC 246-290-800, came into effect in 2007 and require the District to adopt a demand-side water conservation goal for all Group A community water systems, and

The District is required to approve a new Water Use Efficiency Goal per planning period to comply with WAC 246-290-800, and

The District has proposed a new goal and advertised and held a customer informational meeting for comment per WAC-246-290-830, and

NOW, THEREFORE, it is hereby

**RESOLVED** that the Commissioners approve a new demand-side water conservation goal for all Group A water systems:

**Reduce and/or maintain the annual average demand per connection, for all Group A systems, to no more than 250 gallons per day.**

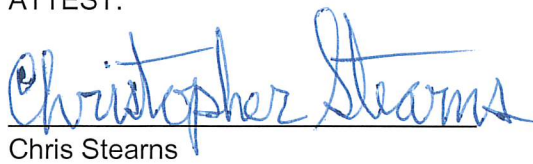
Said Resolution was approved and adopted by a majority vote of the Commissioners present.

We do further certify that said meeting was attended by at least two of the three Commissioners of Public Utility District No. 1 of Thurston County and that the Resolution was adopted by a majority vote of the Commissioners in attendance.



Russell E. Olsen  
Commissioner and President of  
Public Utility District No. 1 of Thurston County

ATTEST:



Chris Stearns  
Commissioner and Secretary  
Public Utility District No. 1 of Thurston County

**MINUTES OF THE REGULAR MEETING OF NOVEMBER 24, 2020  
OF  
PUBLIC UTILITY DISTRICT NO. 1  
OF  
THURSTON COUNTY, WASHINGTON**

The second regular meeting for November 2020 of the Commissioners of Public Utility District No. 1 of Thurston County was called to order on Tuesday, November 24, 2020, commencing at 5:00 p.m. Commissioners Russell E. Olsen, Linda Oosterman and Chris Stearns were present for the teleconference meeting hosted via Zoom. The following District employees were also present for the meeting:

- John Weidenfeller, General Manager (GM)
- Julie Parker, Assistant General Manager (AGM)
- Kim Gubbe, Director of Planning and Compliance (DPC)
- Jim Campbell, Director of Field Operations (DFO)
- Ruth Clemens, Administrative Services Manager (ASM)
- TaSeana Tartt, Finance and Customer Service Manager (FCSM)
- Kurin Miller, Clerk to the Board

**Call to Order:**

Commissioner Olsen called the regular meeting to order at 5:00 p.m. The Pledge of Allegiance was recited.

**Approval of Agenda:**

**Commissioner Oosterman made a motion to approve the agenda: Commissioner Stearns seconded the motion; the motion passed with all in favor.**

**Consent Calendar:**

Approval of Minutes: November 10, 2020

Prequalification of Contractors: None

SMA Contracts: None

Correspondence: None

Voucher Approval:

- 1) Accounts Payables: November 11, 2020, November 18, 2020
- 2) Payroll: November 20, 2020

Other: None

**Approval of Consent Calendar:**

**Commissioner Stearns made a motion to approve the Consent Calendar as presented: Commissioner Oosterman seconded the motion; the motion passed with all in favor.**

**Public Comment:** None

**Information or Discussion of Operations/Policy Issues:**

**1<sup>st</sup> Reading – Resolution 20-47, 2021 Water System Revenue and Refunding Bonds**

AGM Parker introduced Resolution 20-47, the first reading for the 2021 water system revenue refunding bond. Stacie Amasaki with Foster Garvey was present to answer any questions regarding the resolution; Ms. Amasaki was present for this portion of the meeting only. Commissioner Stearns inquired about the timing of the bond funding; Ms. Amasaki addressed the Commissioner's question.



**1<sup>st</sup> Reading – Resolution 20-48, General Facility Charges**

GM Weidenfeller presented the first reading of Resolution 20-48 which would authorize an increase to the District's General Facility Charge (GFC).

**Action/Approval Item(s):**

**Resolution 20-34, Water System Plan – Umbrella Part A**

DPC Gubbe gave a brief overview of Resolution 20-34. **Commissioner Stearns made a motion to approve Resolution 20-34: Commissioner Oosterman seconded the motion; the motion passed with all in favor.**

**Resolution 20-45, Capital Budget – 2<sup>nd</sup> Amendment**

AGM Parker gave a brief overview of Resolution 20-45. Commissioner Stearns asked about the delay of work due to the COVID-19 pandemic; DPC Gubbe addressed the Commissioner's question.

**Commissioner Stearns made a motion to approve Resolution 20-45: Commissioner Oosterman seconded the motion; the motion passed with all in favor.**

**Commissioner Signatures/Break:**

There were no physical documents to sign.

**Presentations:**

GM Weidenfeller reported that DPC Gubbe is submitting three Drinking Water State Revolving Fund (DWSRF) loan applications for the Glen Alder, Vista by the Sea, and Country Club Estates water systems. He also reported on the Pierce County Coordinated Water System Plan. A Utility Rate Advisory Committee (URAC) meeting will be scheduled in December for Emergency Management purposes. The GM will take a vacation day this week.

DPC Gubbe spoke about an additional DWSRF loan application for the Pattison water system. ASM Clemens reported on state-wide restrictions due to the COVID-19 pandemic – there are no changes to current District operations. The ASM also spoke about cancelling janitorial service.

Commissioner Stearns asked about Field Operations and cold season preparation. DFO Campbell addressed this question. GM Weidenfeller reported on a meeting with the Meadows water system regarding chlorination of that system; ASM Clemens also reported on this topic. The Commissioners and staff discussed this topic at length.

**Commissioner Topics, Discussions and Reports:**

Commissioner Stearns will attend the WPUDA Annual Conference in December; he spoke about the Water Committee meeting scheduled on December 2, 2020. Commissioner Stearns also spoke about Washington State's capital budget. This prompted a discussion among the Board regarding the State budget and the upcoming Legislative Session. Commissioner Stearns also met with a PUD group regarding a Department of Transportation (DOT) culvert replacement project. GM Weidenfeller gave an update on a road project that effects the Pattison water system.

Commissioner Oosterman will attend an upcoming Thurston County Emergency Management meeting in December. The Commissioner also spoke about plans for COVID-19 vaccination. ASM Clemens, GM Weidenfeller, and the Board discussed this topic at length.

Commissioner Olsen had no additional information to report.

**Public Comment:** None

**An Executive Session was listed on the agenda, however, Commissioner Olsen declined to hold the Executive Session, and the Board voted to adjourn.**

**Adjournment: Commissioner Stearns made a motion to adjourn the meeting; Commissioner Oosterman seconded the motion; the motion passed with all in favor. The meeting adjourned at 5:58 p.m.**

**Assignments:**

- 1) Schedule a meeting with the URAC group in December. Coordinate with Commissioner Oosterman regarding this meeting for Emergency Management.
- 2) Schedule a recurring discussion item for Commission Meetings and Commissioner Workshops regarding COVID-19 updates.

  
\_\_\_\_\_  
Russell E. Olsen, Commissioner and President

Attest:

  
\_\_\_\_\_  
Chris Stearns, Commissioner and Secretary