



# Public Utility District No. 1 of Thurston County

# MAY 2012 NEWSLETTER



## Commissioner's Corner By Alan M. Corwin, District 2

PUD Commissioner Paul Pickett is stepping down effective June 1 after nearly twelve years of service to the PUD and to the people of Thurston County. Paul is an environmental engineer whose background has been an invaluable resource to the PUD and to the Thurston Regional Planning Council where he represents the PUD. He's a visionary. I haven't always agreed with Paul, but I've never had any reason to question his good faith or integrity. I will miss Paul as a fellow PUD Commissioner.

Commissioner Chris Stearns and I will appoint an interim PUD Commissioner at our June 5 meeting. The appointee will serve until the fall election is certified at which time the newly elected Commissioner will take office. Six residents of Thurston County District 1 applied for the interim position. We interviewed five candidates on May 22 at a meeting open to the public. The interim Commissioner will face a daunting task because he or she will participate in the budget process which will begin in July.

Copies of the applications submitted by the six individuals seeking the interim appointment are available at the PUD office.

## Change of PUD Commission Meeting Dates in June

The Board of Commissioners of Public Utility District No. 1 of Thurston County has changed the dates of their regular June 2012 meetings. The dates at which the Commission meetings will be held is changed from June 12<sup>th</sup> to June 5<sup>th</sup> and from June 26<sup>th</sup> to June 19<sup>th</sup> 2012. The July meetings will resume the regular schedule. The meetings will be held at the office of the District, Suite 301, 921 Lakeridge Way SW, Olympia, Washington 98502.



## Featured Employee: Sherri Bair

Sherri Bair is a Field Technician 1 who performs meter reader, maintenance and water quality assurance duties at the PUD. Sherri joined us in April of 2005. She is a very hardworking and dedicated employee. She loves to troubleshoot and solve problems. Sherri loves camping, boating, playing poker, attending local performing arts shows, and spending time with family and friends. Sherri has a special place in her heart for the elderly and animals.

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## Low Interest Loans and Grants

In keeping with the PUD's strategic goal to provide safe, reliable drinking water at the lowest cost possible, several applications were made to the 2012 Drinking Water State Revolving Fund loan program. Thurston PUD has received preliminary approval from the State Department of Health for low cost funding of the following projects:

- 1) Consolidation of two small Group B water systems (Platt and Sward) into one Group A water system, to provide customers with a safe reliable source of water - \$165,400
- 2) Consolidation of three small Group B water systems (Garden Acres 1, 2 and 3) into one Group A water system, to provide customers with a safe, reliable source of water that does not require treatment - \$87,193
- 3) Upgrade the Terry Lane water system booster pump station to improve operation of the system and increase the efficiency of the pumps - \$137,236
- 4) Consolidation of two small Group B water systems (Jenni and Woods Estates) into an existing Group A water system (Lew's 81<sup>st</sup>) and completion of a water system plan to expand the system. This will provide a safe, reliable source of water to the customers on the smaller system while more efficiently using the combined infrastructure to serve additional future connections – \$374,432. This loan was approved for **loan forgiveness of 50%** at the completion of the project.
- 5) Install arsenic treatment system on the Covington water system to comply with federal drinking water regulations - \$213,876. This project was also approved for **loan forgiveness of 50%** at the completion of the project.

## 2011 Annual Revenue Shortfall – A Frugal Year

In the early summer last year, we found that our budgeted revenues were lower than projected as we monitored them. It was a cold summer and that means revenues are lower because people use less water; good for water conservation, but hard on cash flow. We carefully watched our revenues and cut back on spending to help keep costs low. One of our most important priorities is always to look for ways to cut spending and for smarter ways to do things and to constantly search for efficiencies. We were able to utilize the refurbished and restored wells at the Tanglewilde and Thompson Place communities to almost eliminate our need to purchase City of Olympia water. We changed insurance providers and cut our expenses in half. We were able to issue a bond and refinance monies at a significantly lower interest rate saving significant funds that can be put into infrastructure improvements. We renegotiated our lease for rental space saving a considerable amount in rent. We, of course, did all those things which frugal and efficient businesses and households do such as shopping for the best bargains, buying in bulk, minimizing waste, and getting bids on key items to ensure we are as efficient and fiscally conservative as possible. We take the need to be frugal, efficient and effective seriously and were able to live on a significantly lower revenue base than was budgeted. This allowed us to implement less than a 2% rate increase for 2012 while working on over 30 projects to improve many of our water systems. We try to be good stewards of the resources we are entrusted to manage for your Public Utility District.

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