



Public Utility District No. 1  
of Thurston County

**AUGUST 2016  
NEWSLETTER**



## Commissioner's Corner

**By Chris Stearns, District 3**

Thurston PUD Commissioners will hold Public Hearings on the proposed 2017 budget, utility rates and capital surcharges. Hearings are scheduled on September 12th and September 27th, and if needed on October 3rd. The Commissioners are planning to adopt the 2017 budget and utility rates and consider capital surcharge revisions on

September 27th following a Public Hearing. Members of the public are welcome to attend these meetings. Information regarding the Proposed Budget and rate increases will be posted on our web site, [www.thurstonpud.org](http://www.thurstonpud.org), by Thursday, September 1st. Copies can also be obtained by contacting our office at (360) 357-8783; toll free at (866) 357-8783.

### **How Can I Ask Questions or Provide My Comments?**

You are invited to attend the public hearings or submit written comments:

You may submit comments in writing to the address below:

PUD Commissioners

921 Lakeridge Way SW, Suite 301, Olympia, WA 98502

Or by email: [PUDCustomerService@thurstonpud.org](mailto:PUDCustomerService@thurstonpud.org)

Written comments received by close of business September 23rd will become part of the public record. The Board will hear, read and discuss your comments. The Board is required to adopt or modify the budget no later than October 3, 2016, but plans to adopt rates, the budget and capital surcharges for 2017 rates on September 27, 2016.

### Public Hearing Dates

Monday, September 12, 2016 at 5:00 p.m.

Tuesday, September 27, 2016 at 5:00 p.m.

Monday, October 3, 2015 at 5:00 p.m., if needed

### Public Hearing Location

Public Utility District No. 1 of Thurston County

921 Lakeridge Way SW, 3rd Floor

**921 Lakeridge Way SW, Suite 301, Olympia, Washington 98502-6081**

**Toll Free (866) 357-8783 • Fax (360) 357-1172 • [www.thurstonpud.org](http://www.thurstonpud.org)**

# Update on PUD's Capital Improvement Plan, 2017-2021

In 2014, the PUD had community meetings in Thurston, Lewis and Pierce counties to engage our customers in a discussion on how to best prepare for and fund capital improvements necessary in the coming years. After receiving public input, the Board of Commissioners made a decision to pay for ongoing operations and maintenance costs from rates and to pay for capital improvements and replacements from capital surcharges. The infrastructure of each system is unique to each water system of the PUD's 160 water systems, but generally, infrastructure refers to the wells, pumps, water mains, pump houses, booster pumps, service lines, water meters, reservoirs, treatment systems, electrical systems, and other associated equipment.

Capital surcharges are used to fund system replacement at the end of an asset's life cycle. We developed and use an integrated asset management system to estimate when things need to be replaced. A capital surcharge of \$1.00 per month per home, or per equivalent residential unit for other facilities, was implemented beginning January 1, 2015. In 2016, this surcharge increased to \$2.90, and it is projected to increase to \$4.80 on January 1, 2017. The PUD made a commitment to you that we will be good shepherds of these monies you pay as surcharges and only use them for infrastructure replacement. The projected capital surcharges per month, for the next few years, are listed below:

## **Year   Capital Surcharge**

2017	\$4.80
2018	\$6.70
2019	\$8.60
2020	\$10.50

Based on the replacement schedule in the asset management plan (AMP), our capital improvement plan (CIP) spending funded by surcharges for the next five years is outlined below:

## **Year   CIP Projected Expenditures**

2017	\$647,670
2018	\$460,477
2019	\$443,271
2020	\$430,320
2021	\$406,423

A summary of these projected CIP expenditures, for the years 2017 – 2021, by category, follows the article in this newsletter. A detailed breakout, outlining system improvements/replacements for each water system, for 2017-2021, based on infrastructure replacement schedules from the AMP can be found on the District's web site at <http://www.thurstonpud.org/projects.htm>. Our CIP work and other achievements for the past few years are also listed on the web site at the link above. If you would like a copy of any of these documents mailed to you, please contact Carrie Bowen, [cbowen@thurstonpud.org](mailto:cbowen@thurstonpud.org), (360) 357-8783, or toll free at (866) 357-8783.

We have not used any of the capital surcharge funds to replace infrastructure so far. We have been using other PUD capital funding for replacements and allowing surcharge monies to accumulate. The capital surcharge account has **\$111,713.96** in it as of August 8, 2016, and we expect to begin using these monies at the beginning of 2017.

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We appreciate the opportunity to serve you. The PUD will continue to seek grants and low interest loans to pay for infrastructure replacements in the future. Don't hesitate to contact us if you have questions.

## Projected Capital Improvement Plan Costs – Estimated Using the Asset Management Plan

Item No.	Total Estimated Costs				
	2017	2018	2019	2020	2021
<b>CI-41 Valves Total Estimated Costs Per Year</b>	\$20,000.00	\$20,000.00	\$0.00	\$0.00	\$0.00
<b>CI-44 Pump Houses Total Estimated Costs Per Year</b>	\$30,000.00	\$40,000.00	\$0.00	\$58,000.00	\$26,000.00
<b>CI-53 Construction to be completed</b>	\$90,000.00	\$0.00	\$0.00	\$0.00	\$0.00
<b>CI - 62 Treatment Total Estimated Costs Per Year</b>	\$36,300.00	\$35,400.00	\$87,950.00	\$16,560.00	\$20,850.00
<b>CI-65 Pressure Tanks Total Estimated Costs Per Year</b>	\$41,200.00	\$34,240.00	\$42,900.00	\$52,440.00	\$60,180.00
<b>CI-66 Miscellaneous Total Estimated Costs Per Year</b>	\$50,000.00	\$50,000.00	\$50,000.00	\$50,000.00	\$50,000.00
<b>CI-68 Well Drilling Total Estimated Costs Per Year</b>	\$20,000.00	\$22,000.00	\$0.00	\$0.00	\$0.00
<b>CI-71 Electrical Total Estimated Costs Per Year</b>	\$32,300.00	\$33,600.00	\$17,700.00	\$11,100.00	\$15,200.00
<b>CI-75 Meters Total Estimated Costs Per Year</b>	\$69,300.00	\$37,458.00	\$32,300.00	\$23,200.00	\$25,550.00
<b>CI-76 Pumps Total Estimated Costs Per Year</b>	\$144,300.00	\$118,752.00	\$122,400.00	\$129,400.00	\$120,800.00
<b>Total Estimated CIP Costs Per Asset Management Plan</b>	<b>\$535,417.00</b>	<b>\$369,450.00</b>	<b>\$353,250.00</b>	<b>\$340,700.00</b>	<b>\$318,580.00</b>
<b>15% Contingency</b>	<b>\$80,312.55</b>	<b>\$55,417.50</b>	<b>\$52,987.50</b>	<b>\$51,105.00</b>	<b>\$47,787.00</b>
<b>Administrative Cost of All Projects</b>	<b>\$34,240.00</b>	<b>\$35,609.60</b>	<b>\$37,033.98</b>	<b>\$38,515.34</b>	<b>\$40,055.96</b>
<b>Total Cost Estimates</b>	<b>\$649,969.55</b>	<b>\$460,477.10</b>	<b>\$443,271.48</b>	<b>\$430,320.34</b>	<b>\$406,422.96</b>

## Water Leaks

As we try to be proactive on water leaks, one of Thurston PUD's procedures is to review high consumption meter reads on a monthly basis to determine if a customer has a leak. It can be challenging to determine if there is a leak from reviewing meter read numbers during the summer months. You may receive a phone call or letter from our office to notify you of increased consumption. A high meter read may indicate that a hose or spigot may have been left running, that you've been doing extra watering, or there's a water leak.

**If you think you might have a leak, the way to check is outlined below:**

1. Shut off all the water inside
2. Find your water meter (usually on the front part of one of your property lines).
3. Look at the face of the meter, there will be a triangle or circle that turns if water is running through the meter. If the dial is turning, you have a leak. If you don't see anything moving, take a meter read and wait 10 or 15 minutes and take another meter read.

If you determine that there's a leak at your property, you can try to find and fix the leak yourself, or you can call a plumber. If the leak is fixed and our office is notified by phone call within 10 days of the date we notify you about the possible leak/high consumption, you may be eligible for a leak adjustment.

*Are you having trouble logging into your account? Our payment processing website has been updated to include better security protocols. This is effecting the ability of some customers to log into our payment system. Please visit our website at :*

*[www.thurstonpud.org](http://www.thurstonpud.org)*

*for more information. A troubleshooting article is located under Latest News on the front page of our website.*



### Employee Spotlight: Carrie Bowen

Carrie Bowen joined Thurston PUD in October of 2015 as the District's Administrative Assistant. Before working at the PUD, she worked at Group Health. She is married with two young children. In her time-off from work, she enjoys reading, camping, spending time with her family, and playing silly games with her kids.