



Thurston PUD Newsletter

We are committed to providing safe, reliable, affordable, and sustainable water services to the customers we serve.

July 2018

Commissioner's Corner

Thurston PUD Sells 32 Mason County Water Systems to Mason PUD No. 1

By Russell E. Olsen, District 2



In my newsletter article from April 2018, I mentioned to you that Thurston PUD gained 4,000 new customers. The water systems were purchased from a private, for-profit water company. Most of the newly-acquired water systems and customers were in Thurston County. The acquisition of these water systems did not allow us to selectively decide which water systems we would like to acquire; instead it was packaged deal. In the sale, Thurston PUD acquired several water systems in Mason County.

Public Utility District No.1 of Mason County expressed an interest in purchasing those water systems Thurston PUD owned in Mason County. In total there were 32 water systems that serve 655 customers.

We sold all our Mason County water systems to Mason County PUD No. 1, and they assumed ownership on July 1, 2018. I'd like it noted that Public Utility Districts do not compete with other PUDs. The proceeds of the sale, \$1,186,743, have been used to pay off the debt that was used to acquire these water systems.

PUD customers can experience several advantages from sales like this one because it:

- Allows customers to be served by a PUD found in their own county,
- Results in a reduction in debt,
- Provides more efficiency and staff to serve existing customers, and
- Lessens wear and tear on PUD vehicles and equipment.

We believe it was a win-win situation for PUD customers and for both PUDs.

We are sure our former customers are in good hands with our partners at Mason PUD No. 1.

About Commissioner Russell E. Olsen

Russell "Russ" E. Olsen is the Director of Washington State Pollution Liability Insurance Agency. His past 13 years of public service have been focused on balancing the needs of economic development while protecting valuable natural resources. He holds a Bachelor of Arts degree from Saint Martin's University and a Master's Degree in Public Administration from Seattle University. A proud Thurston County local, Russ was raised in the Thompson Place neighborhood in Lacey, where he attended Olympic View Elementary. He is also a graduate of North Thurston High School. He has been married to his wife, Rebecca, for over 14 years and they have an eight-year-old son.

Russ has extensive knowledge and experience in strategic planning, policy and budget development, implementation and assessment.

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Stay Informed by Updating Your Contact Information

Has your contact information changed recently? Did you recently get a new email address? Did you go swimming with your cellphone in your pocket and have to get a new phone and number? We want to know! Having the most updated contact information in our system helps us to inform you about any outages or emergencies within your water system. At this time, our systems don't allow customers to update their contact information online, but we have many more ways you can share these crucial details:

Call Us: (866) 357-8783

Email Us: PUDCustomerService@ThurstonPUD.org

Fax Us: (360) 357-1172

Write Us: Thurston PUD
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Join the Utility Rate Advisory Committee

We are still looking for members of the Utility Rates Advisory Committee (URAC). The committee will consist of up to nine members who are PUD customers. The URAC will learn about the PUD and how rates, fees, and charges are set, and will advise the PUD Commissioners on rates, fees, and charges.

If you are interested in becoming a member of the URAC, download and fill out an application from www.ThurstonPUD.org. Call us if you would like us to mail you an application. You can email completed applications to rclemens@thurstonpud.org or mail them to:

Thurston PUD
1230 Ruddell Road SE
Lacey, WA 98503



If you have any questions, please call Senior Communications Specialist Ruth Clemens at (360) 357-8783 ext. 106.

Employee Spotlight: Kirk Gietz, Service Technician

Providing clean, safe water is Thurston PUD's top priority, and it is water industry experts like Kirk Gietz who help make sure we are safeguarding our most precious resource and the customers we serve. As a Field Technician, Kirk is tasked with the important duty of water sampling. The idea of water sampling may sound easy, but so much rides on accurate sampling.

A poorly collected sample can result in multiple lab tests, costly water treatments, putting customers on boiled or bottled water, the list goes on. "Making sure we use proper sampling techniques is of the utmost importance," Kirk affirms. We depend on pros like Kirk to get an accurate sample--each time. And we're pleased he's dedicated the last 11 years to the water industry. "I feel the main contributions to my work is to customer service and the PUD's relationship with customers."

He's also been a trainer and manager in the restaurant industry and a commercial truck driver. When he's not working, Kirk and his wife of 24 years are road tripping all over the country with their dog beside them. "I also enjoy tinkering with cars, trucks and motorcycles," he said. "Pretty much, if it's got a motor and wheels—I'm interested."



The Value of Water Series: An Introduction

Our lives revolve around the availability of water. Clean, safe water is essential in our homes, and our nation's economic vitality is dependent on it. Water infrastructure plays an important, yet invisible role in maintaining the health of citizens and our nation's economy.

Because of its invisibility, water infrastructure is an aging, unsung hero of our country's historic success. According to the American Water Works Association, in Los Angeles, about one-fifth of the city's water pipes were installed before 1931. Across the nation, large cities and small towns alike will eventually feel the impact of water infrastructure financial costs, replacement, or worse case, failure.

Over the last century, the federal government was instrumental in providing funding for water infrastructure. With shifting priorities, federal funding has dropped over the last 30 years from 64 percent of capital spending to 11 percent (Bluefield Research, 2018). This decline in federal funding means an increase in local government and water ratepayer contributions. Water main breaks, failing wells, reservoir maintenance, and well pump replacements are a few examples of costs that are falling more and more on the shoulders of ratepayers.

Because of the dedicated service of water industry workers, water infrastructure has remained virtually invisible and has become hardly an afterthought. Investment in and commitment to keeping water infrastructure in a good state of repair reduces the number of service disruptions; so, schools can remain in session, businesses can provide services, agricultural and livestock industries can produce food, and hospitals can serve patients.

Thurston PUD will feature a new series of articles each month in our newsletters that talks openly about the Value of Water. What does it take to get water from an aquifer to the tap in your kitchen? What types of treatment does water undergo? How many miles of pipe run beneath the surface to get water to your home? How are rates and surcharges set? How many gallons does it take to grow food? To us, water is incredibly valuable. We're hoping this series creates a growing awareness and ongoing conversation, so you determine how valuable water is to you.



Field Technician Rick Sanchez and his team replace a well pump at Mud Lake water system.



2012: Construction of a new reservoir for our largest water system, Tanglewilde-Thompson Place

Coordinating Conservation

Conservation can be a group effort, not just in your own home, but one that everyone in your neighborhood can take part in. If done incorrectly, lawn watering can be one of the most wasteful water activities. If done correctly, and in coordination with neighbors, you can lower your water usage and live on the greenest block in the neighborhood.

Utilities across the state are implementing an Alternate Day watering schedule in hopes of significantly reducing water use. Water is a finite resource making water shortages and droughts a very real possibility. The combination of hot weather, little-to-no rainfall, slower aquifer recharging times and growing irrigation needs by customers, can create the perfect storm for a water shortage emergency.

The City of Lacey has already implemented an Alternate Day watering schedule that began last year. They cite an increase in demand by nearly triple during warmer months as the motivating factor for the watering requirement.

The Alternate Watering Plan is simple: homes with addresses that end with an odd number can water their lawns on Saturdays, Monday and Wednesdays. Homes with addresses that end with an even number would water on Sundays, Tuesdays and Thursdays. On Fridays, there is no watering in order to let the aquifer or reservoir refill.

Another possible schedule to consider with your neighbors is home addresses that end with odd numbers would water on odd numbered days on the calendar, and even numbered addresses would water on even days.

Implementing an Alternate Watering Plan can be a good way to maintain your lush green grass, save a few dollars on your next water bill and introduce yourself to your neighbors.

Note: The PUD is not mandating an Alternate Watering Plan. We are offering suggestions to promote water conservation.

Neighborhood advice: Don't let your summer bill surprise you. Understand your water rates. Thurston PUD charges tiered water rates which means as your usage increases, the cost increases. Let water conservation be a community effort!



Ask a PUD Employee

Life can be confusing, your water service doesn't have to be.

What is a Capital Surcharge?

This month's answer comes from Accounting Assistant II Kurin Rosado.

Simply put, capital surcharges pay for system replacements. All PUD customers pay the capital surcharge of \$6.70 per equivalent residential unit. This surcharge goes toward funding the PUD's Asset Management Plan (AMP). The AMP is a detailed planning tool that helps us financially forecast projects, infrastructure replacement, etc. for all our water systems. The AMP proactively schedules out our infrastructural goals 10 and 20 years into the future.

All customers pay the capital surcharge. Capital surcharge funds are tracked separately from other monies and are **only** used toward capital replacement and rehabilitation projects.

Base rate and consumption charges cover expenses for day-to-day operations (e.g. chlorine, employee wages, vehicle fuel, etc.), while the capital surcharge covers those projects that replace or upgrade infrastructure (e.g. replacing well pumps, replacing treatment systems, etc.).

