



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

# Introduction to Thurston PUD

Public Utility District No. 1 of Thurston County

OCTOBER 7 & 8, 2020

BY GENERAL MANAGER JOHN WEIDENFELLER & PUD STAFF

# Presentation Topics

- ▶ Meet the PUD Leaders
- ▶ General Information About Us
- ▶ Vision, Mission & Goals
- ▶ Standard of Service
- ▶ Asset Management Plan

# Meet the PUD Leaders

ELECTED OFFICIALS & MANAGEMENT TEAM

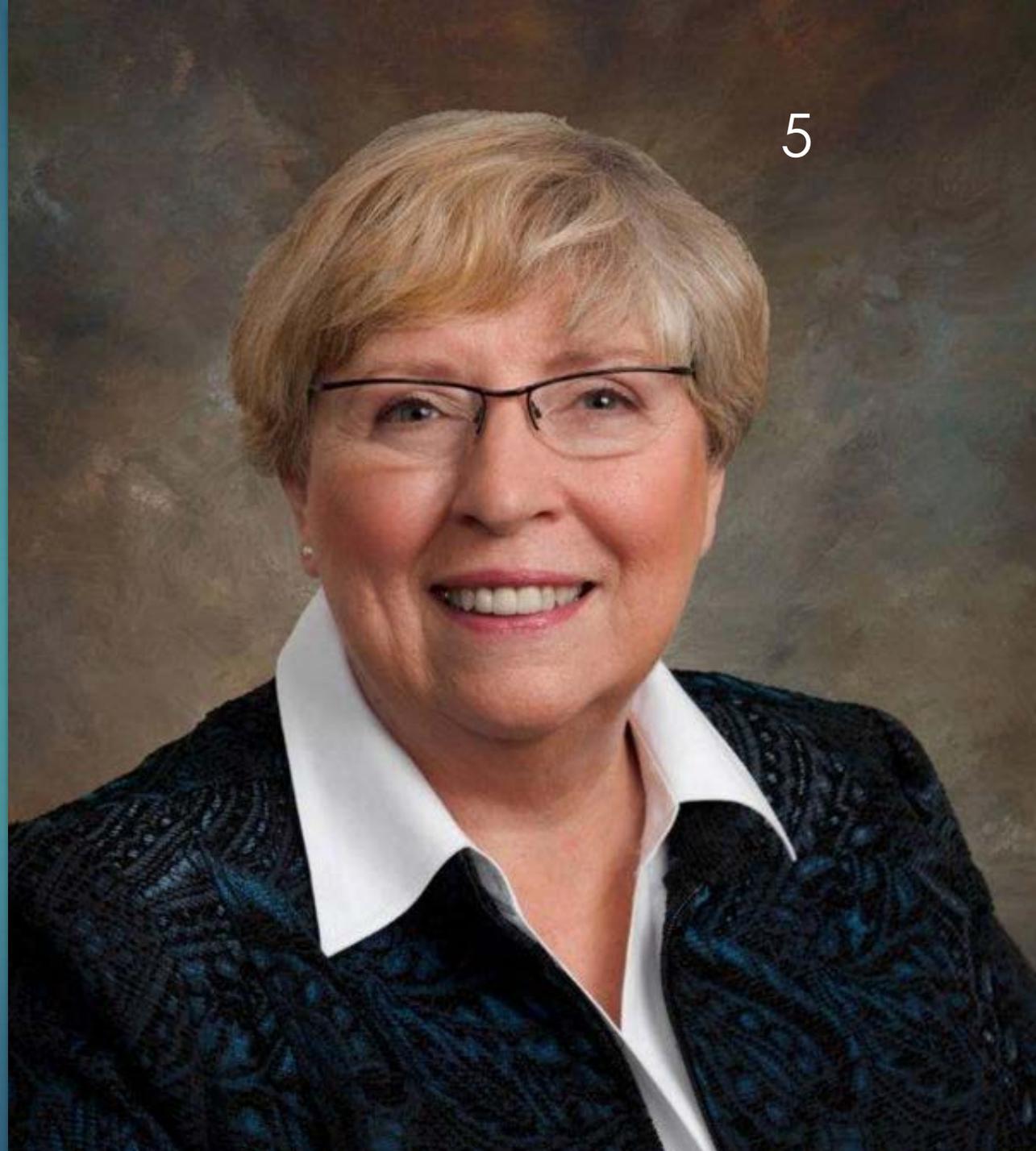
# Commissioner Russell E. Olsen

PRESIDENT, DISTRICT 2



Commissioner  
Linda  
Oosterman

VICE PRESIDENT, DISTRICT 1



# Commissioner Chris Stearns

SECRETARY, DISTRICT 3

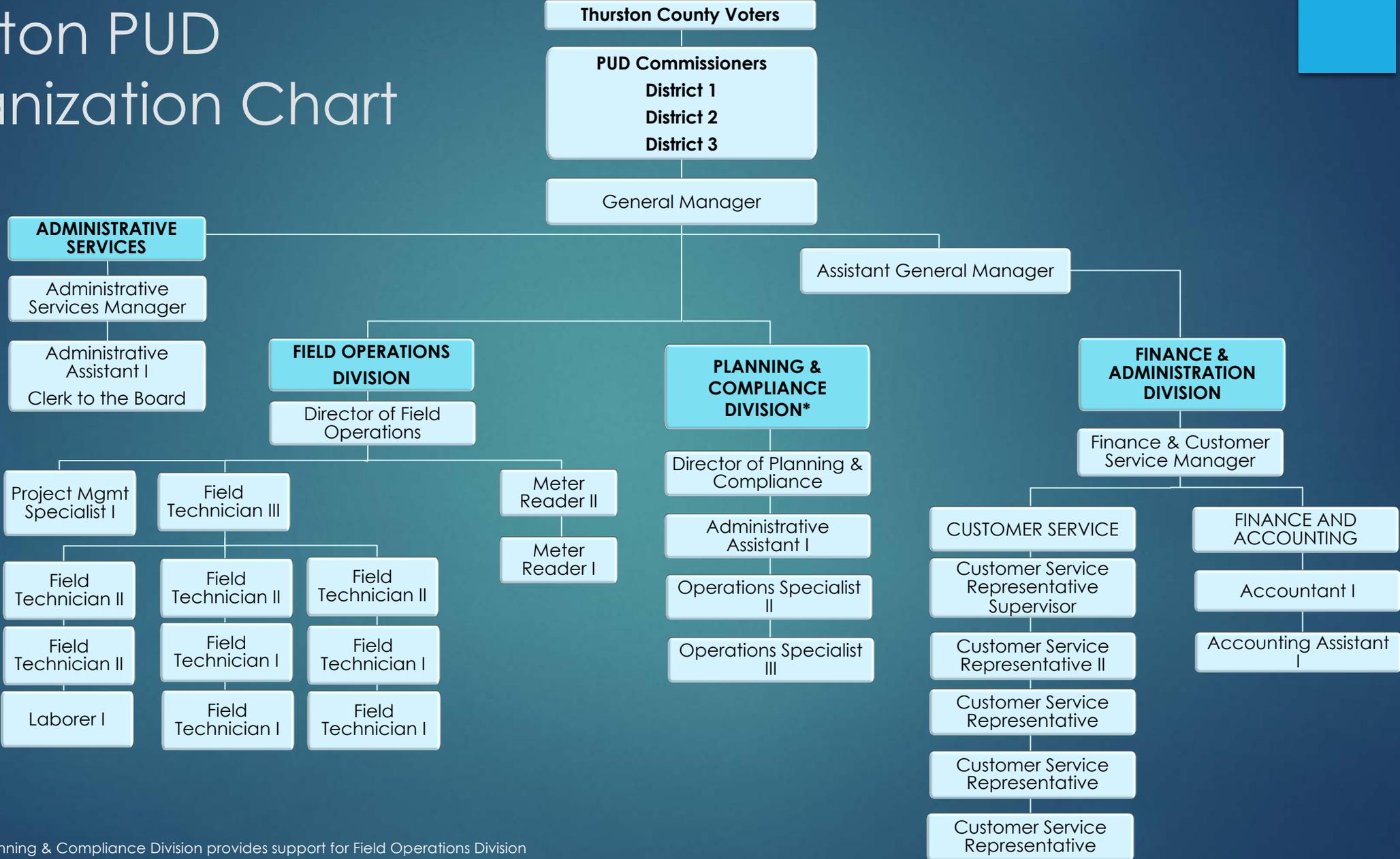
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# Thurston PUD Management Team



# Thurston PUD Organization Chart



\*Planning & Compliance Division provides support for Field Operations Division

# General Information About Us

WHO WE ARE  
AND  
HOW WE GOT HERE

# History of PUDs in Washington

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

# What is a Public Utility District (PUD)?

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

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

[RCW 54.04.020]

# Benefits of Being Public

- ▶ The PUD is owned by the citizens of Thurston County.
- ▶ Commissioners are voted into office.
- ▶ No profits!
  - ▶ Everything is put back into the water systems.

# PUD Water Systems

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## Provide water for

- ▶ Domestic use
- ▶ Fire prevention
- ▶ Industrial use
- ▶ Irrigation
- ▶ Recreation
- ▶ Schools

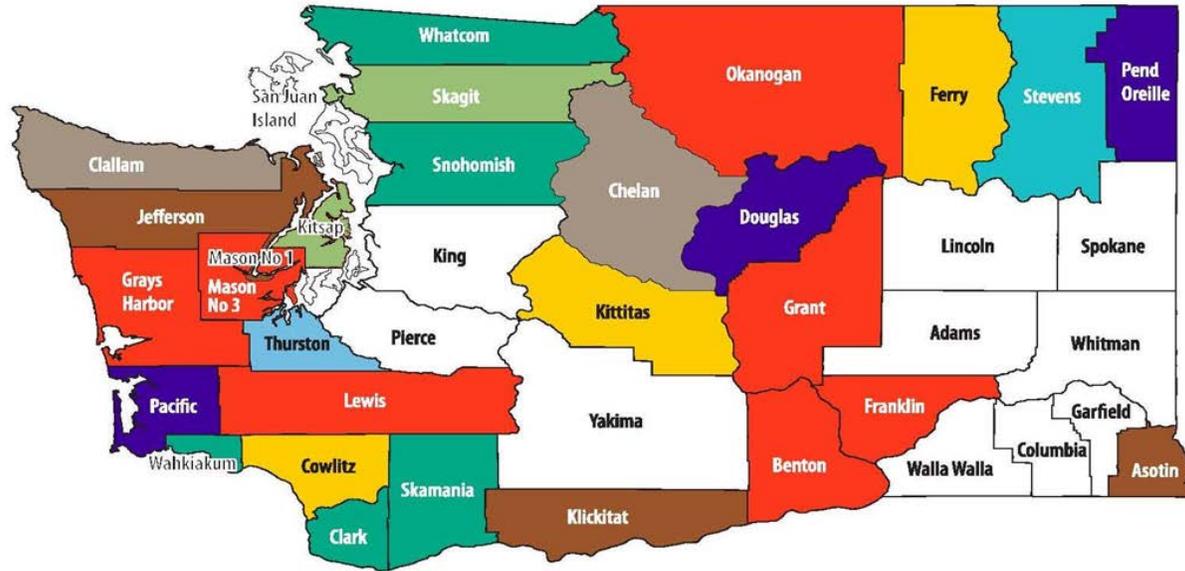
## Many variations of water systems

- ▶ May be very simple (gravity) or more complicated (pumped)
- ▶ May use a ground water source or a surface water source or a combination
- ▶ May be small or large, private or public
- ▶ May add nothing, chlorine, or have arsenic or iron and/or manganese treatment

# PUD Lines of Business

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

# Counties Served by Public Utility Districts



- Electricity PUDs
- Water PUDs
- Electricity and Water PUDs
- Electricity and Telecommunications PUDs
- Electricity, Water and Sewer PUDs
- Electricity, Water and Telecommunications PUDs
- Electricity, Water, Sewer and Telecommunications PUDs
- Water and Sewer PUDs
- Water and Telecommunications
- Water, Sewer and Telecommunications PUDs
- Not served by a PUD

# Thurston PUD Water Systems: 2020



# Thurston PUD Water Systems

## Water Systems in 6 Counties

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

County	Number of Systems	Number of Connections
Thurston	147	5,690
Pierce	64	1,412
Lewis	54	672
Kitsap	5	28
King	1	76
Grays Harbor	4	37

# Vision, Mission & Goals

THE PURPOSE OF OUR WORK

# PUD's Vision, Mission & Purpose

- ▶ **Vision:** Be leaders, educators, and champions of public utility service quality, safety and resource conservation.
- ▶ **Mission:** Provide safe, reliable, affordable, and sustainable utility services to the customers we serve.
- ▶ **Purpose:** The purpose of PUD No. 1 of Thurston County is to serve the public with quality utility services.



# PUD's Value Statements

- ▶ **Focus on the customer**
- ▶ Provide an ethical and quality work environment for our employees
- ▶ Proactively promote continuous quality and continuous improvement
- ▶ Protecting and enhancing the District's resources
- ▶ Assist, where possible, in Thurston County water resource management

# PUD's Strategic Goals

- ▶ **Effectiveness** – Strive to be an effective organization
- ▶ **Sustainability** – Provide sustained efficient utility services to our customers and serve the Citizens of Thurston County
- ▶ **Stewardship** – Be good stewards of the District's resources
- ▶ **Partnerships** – Continue to build good relationships and partnerships with Thurston County, other counties, neighboring cities, other PUDs, Port Districts, Tribes, other water purveyors, and state agencies.
- ▶ **Growth** – Work toward steady growth in customers through the acquisition of systems with good value and periodically evaluate new lines of business to determine if entry is feasible and makes good financial sense.

# Standard of Service

WHAT CUSTOMERS SHOULD EXPECT

# Standard of Service

- ▶ Standard of Service connects customers needs and wants to our allocation of resources
  - ▶ Allocation of resources refers to things like asset management, money, staff time, equipment investment
- ▶ Rates play a large role in the Standard of Service we provide
- ▶ Standard of Service is how customers view us
- ▶ Standard of Service is critical for
  - ▶ Budgeting
  - ▶ Planning
  - ▶ Management
  - ▶ Allocating resources

# Going Beyond Regulatory Requirements



# Examples of PUD's High Standard of Service

## Water Quality Testing

- We exceed DOH some DOH requirements
- Need to meet DOH requirements
- Customers expect their water to be safe

## Water Main Breaks

- 24/7 On-call response
- State-of-the-art leak detection equipment
- Triage and repair as soon as possible
- Customers expect running water

## Inactive Well

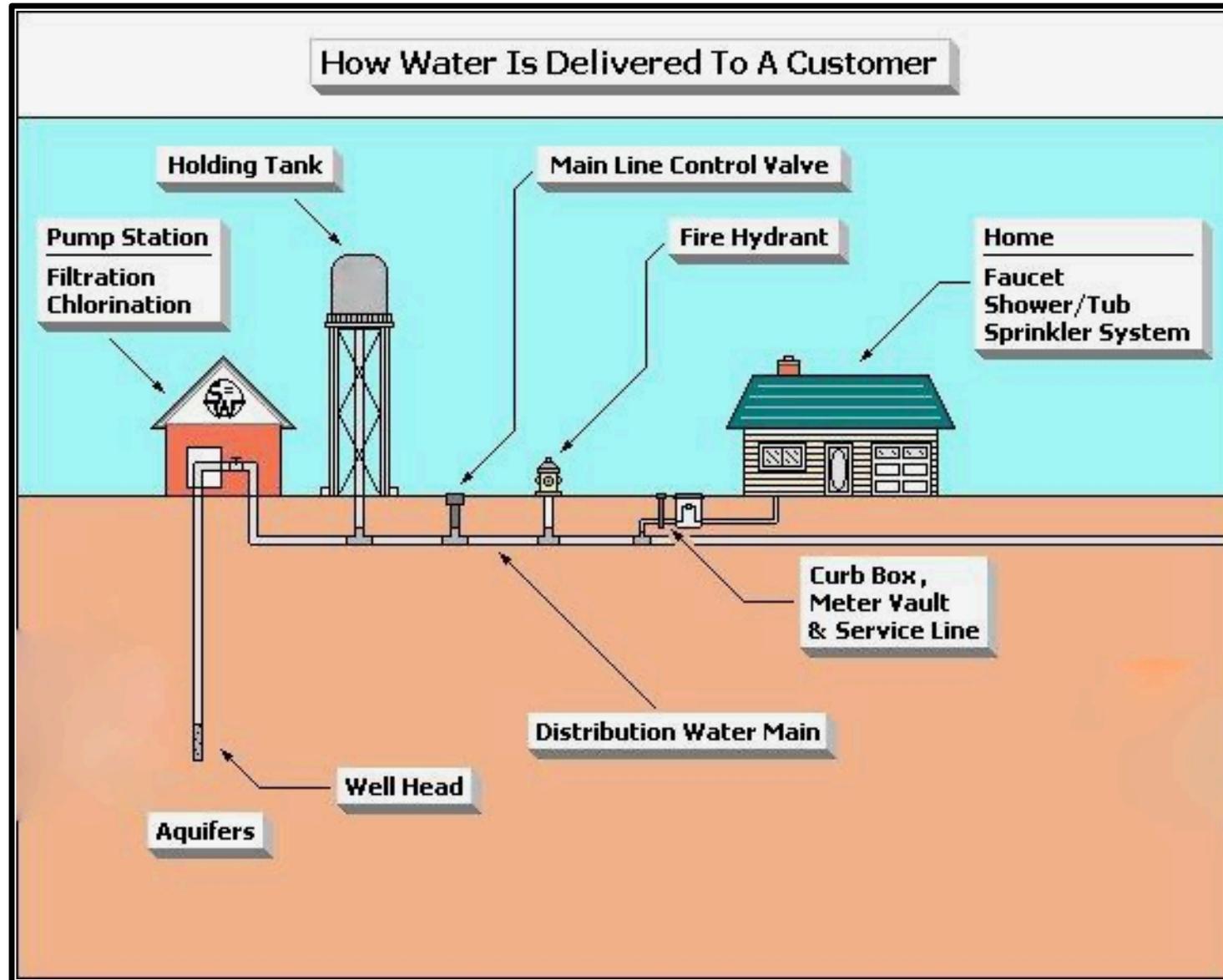
- Customers expect water
- Drill a new well
- Consolidate water systems

# Other Ways We Measure Standard of Service

- ▶ Vision, Mission and Goals
- ▶ Public Meetings process and transparency
- ▶ Staffing levels
- ▶ Expertise, education, licenses, and certifications
- ▶ PUD-owned heavy equipment and parts on hand
  - ▶ Excavator, Pump truck, Vactor truck
- ▶ Multiple ways to pay your water bill

# Asset Management Plan

PLANNING FOR TOMORROW AND BEYOND



# Asset Management

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- ▶ An Asset Management Plan (AMP)
  - ▶ Identifies when components are forecasted to reach the end of its useful life
  - ▶ AMP also estimates the cost to replace
  - ▶ Ensures that the PUD has cash available to replace failing infrastructure
- ▶ The PUD developed an AMP– continuously updated
  - ▶ Calculates the life cycle of all infrastructure in the PUD's 275 water systems
  - ▶ Establishes a timeline when each water system's infrastructure needs to be replaced
  - ▶ Develops a way to fund the infrastructure
  - ▶ Forecasts budget needs for 20 years water system lifecycle

# Asset Management

- ▶ Dedicated monthly capital surcharge funding
- ▶ Used to fund infrastructure replacement only
  - ▶ Wells and pumps and booster stations
  - ▶ Reservoirs, storage and treatment systems, and electrical systems
  - ▶ Water mains, service lines and water meters
  - ▶ Pump houses and other infrastructure

# Fulfilling Our Commitment to the Capital Surcharge

## Capital Projects



2021: \$2.8 million



2020: \$338,000



2019: \$1.1 million



2018: \$264,000

# Access to Unique Funding

- ▶ Access to low-interest funding
  - ▶ Public Works Trust Funds
  - ▶ Water System Acquisition and Rehabilitation Program Funding
  - ▶ Drinking Water State Revolving Fund Program
  - ▶ Water Infrastructure Finance and Innovation Act Program
  - ▶ State and Tribal Assistance Grant
  - ▶ Community Development Block Grant Program
  - ▶ Ability to bond and sell bonds
  - ▶ Ability to form local utility districts

# We Want to Hear from You

Call	(360) 357-8783
Email	PUDCustomerService@ThurstonPUD.org
Write	1230 Ruddell Road SE, Lacey, WA 98502
Learn	<a href="http://www.ThurstonPUD.org">www.ThurstonPUD.org</a>
Ask	Submit a question online: <a href="http://www.tinyurl.com/thurstonpud">www.tinyurl.com/thurstonpud</a>

# Questions?