

**Public Utility District No. 1
of Thurston County**



September 27, 2017

Dear H&R Waterworks Customers,

The owner of H&R Waterworks has made a decision to sell their water systems to Public Utility District No. 1 of Thurston County (Thurston PUD or PUD). The PUD is a public, not for profit, municipal corporation that currently owns 164 water systems. We are looking forward to serving you and will do our best to make this transition as easy as possible. **The PUD will become your water purveyor effective October 1, 2017.** The H&R Waterworks field and office staff will join the PUD staff and will continue to provide you the best service we can, to keep your drinking water safe and reliable.

Looking forward, the PUD will be conducting a series of customer meetings throughout our service areas. I would like to invite you to attend one of the meetings and public hearings to meet us and learn more about the PUD. A separate letter will be sent which includes the meeting dates, time and locations. If you have questions, don't hesitate to call us at (360) 357-8783. The PUD will continue to have someone on-call 24 hours a day, seven days a week (24/7) if you have water system issues.

In an effort to reduce disruptions to existing H&R Waterworks customers, account billing and customer service will continue to be delivered in the same way it has in the past by H&R through the end of 2017. If and when changes occur, you will be notified in writing and it will be posted on the web site home page, www.thurstonpud.org.

Important Payment Updates

The District's field services and maintenance shop will be located at 8421 Old Highway 99 SE, Tumwater (current H&R office). In person payments (cash, money orders or checks) will still be accepted at this location through December 31, 2017. ***However, customers will no longer be able to make online or phone credit card or e-check payments, and recurring credit card or e-check payments will no longer be processed.*** We apologize for any inconvenience this may cause and we appreciate your patience during this transition. There will be more information sent on how to set up online and recurring bill payments when these systems are available.

Information About Your PUD

Thurston PUD is governed by a board of three elected Thurston County PUD Commissioners. On October 1, 2017, the PUD will have a highly qualified staff of 25 full-time employees to support the day-to-day operations of the utility. Office hours are from 8:00 a.m. to 4:30 p.m., Monday through Friday. After normal office hours, calls are transferred to an answering service that dispatches all calls to a PUD on-call water service technician. A PUD water service technician is always on-call to address emergencies 24-hours a day, seven days a week.

Public Meetings

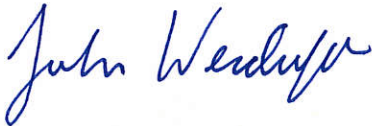
PUD Board of Commissioner meetings are open public meetings that are regularly scheduled on the 2nd and 4th Tuesdays of each month at 5:00 p.m. Changes to these meeting dates and times are posted on the front page of our web site, www.thurstonpud.org. The meetings are held at the PUD's Office, 921 Lakeridge Way SW, Suite 301, in Olympia and you are always welcome at the meetings. In December 2017, the District's main office will be moving to 1230 Ruddell Road SE in Lacey. Office information about the Commission and the PUD are listed on our web site, www.thurstonpud.org.

Communication from the PUD

The PUD uses an automated voice messaging phone system to keep our customers updated on what's going on with your water system, particularly regarding repairs and emergencies. In the future, we will be asking you to verify your customer contact information: current phone numbers, cell numbers and email addresses so that we can contact you to provide additional information in the event of a water emergency.

Please contact us at (360) 357-8783, or toll free at (866) 357-8783, or stop by the office or visit our website, www.thurstonpud.org if you have any questions. Again, we are delighted to be your water service provider and look forward to meeting and serving you.

Sincerely,



John Weidenfeller
General Manager
PUD No. 1 of Thurston County



Stephen L. Harrington
Founder, President
H&R Waterworks, Inc.